LITTLE ADO ABOUT VOLATILITY

Spikes in volatility levels can impact returns on a fund’s portfolio. The low leverage point for Portfolio\textsuperscript{+} ETFs provide for relatively minimal impact of negative compounding over time for long-term investors.

HOW VOLATILITY AFFECTS PORTFOLIO\textsuperscript{+} ETFs

Portfolio\textsuperscript{+} Exchange Traded Funds (ETFs) provide 25% additional daily exposure to a suite of indexes and the ability for investors to enhance returns in a cost-effective, transparent, liquid structure.

The Portfolio\textsuperscript{+} ETFs seek investment results that are 125% of the return of a benchmark index for a single day. These ETFs should not be expected to provide 1.25 times the return of the benchmark’s cumulative return for periods greater than a day. In order to achieve their investment objectives, the Portfolio\textsuperscript{+} ETFs must rebalance exposure ratio on a daily basis, which means that the returns of these ETFs are the product of a series of daily returns over time.

This product of a series of daily returns over time is known as compounding. Compounding will cause an ETF’s performance to vary or “drift” from that of the performance of its benchmark index.

WHY DOES IT MATTER?

Although compounding can help performance over time, it has a negative affect during periods of high volatility. The following example illustrates that increased volatility has a negative effect over periods of elevated volatility.

The S&P 500® Index experienced a spike in volatility over the period from 1/14/2016 to 2/12/2016. The benchmark index declined 2.77% over the holding period. The Portfolio\textsuperscript{+} S&P 500® ETF (PPLC) declined 3.55%. That’s 0.06 percentage points less than the 125% of the benchmark’s return. It’s important to understand why this effect occurs, but also important to recognize that, even in this period of high volatility, the variance is not very substantial.
THE LONG RUN. WHEN LESS MAY BE MORE.

Compounding works both ways. Sustained market trends and periods of low volatility can result in positive effects on returns.

Over a longer timeframe, the same S&P 500® Index experienced much less overall volatility than in the previous shorter time period.

PPLC’s benchmark index gained 48.53% over the holding period. PPLC gained 61.88%. That’s 13.35 percentage points MORE than 125% of the benchmark’s return.

BOTTOM LINE: ENHANCED RETURNS. MINIMAL NEGATIVE COMPOUNDING

Unlike highly leveraged ETFs employed by short-term traders, Portfolio+ ETFs are built for long-term investors. Portfolio+ ETFs help you seek enhanced daily returns with minimal negative compounding, allowing investors to manage them easily within long-term asset allocation strategies. Although built for long-term investors, the Portfolio+ ETFs should not be utilized as a buy and hold strategy and should only be used by investors who intend to monitor their portfolios.

During periods of low volatility in rising markets the ETFs provide added strength that can overcome the short-term impact of negative compounding.

**Past performance does not guarantee future results.**
DISCLOSURES

An investor should carefully consider a Fund’s investment objective, risks, charges, and expenses before investing. A Fund’s prospectus and summary prospectus contain this and other information about the Portfolio ETFs. To obtain a Fund’s prospectus and summary prospectus call 833-547-4417 or visit our website at www.portfolioplusetfs.com. A Fund’s prospectus and summary prospectus should be read carefully before investing.

Shares of the Portfolio ETFs are bought and sold at market price (not NAV) and are not individually redeemed from a Fund. Brokerage commissions will reduce returns. Market Price returns are based upon the midpoint of the bid/ask spread at 4:00 pm EST (when NAV is normally calculated) and do not represent the returns you would receive if you traded shares at other times. Fund returns assume that dividends and capital gains distributions have been reinvested in the Fund at NAV. Some performance results reflect expense reimbursements or recoupments and fee waivers in effect during certain periods shown. Absent these reimbursements or recoupments and fee waivers, results would have been less favorable.

Investing in a Portfolio ETF may be more volatile than investing in broadly diversified funds. The volatility of an index may affect a Portfolio ETF's return as much as, or more than, the return of the index. As a result, the Portfolio ETFs may not behave as expected. The Portfolio ETFs are intended to be used by investors who intend to monitor their portfolios.

Risks – An investment in the Fund involves risk, including the possible loss of principal. The Fund is non-diversified and includes risks associated with the Fund concentrating its investments in a particular industry, sector, or geographic region which can result in increased volatility. The use of derivatives such as futures contracts and swaps are subject to market risks that may cause their price to fluctuate over time. Risks of the Fund include Effects of Compounding and Market Volatility Risk, Leverage Risk, Counterparty Risk, Daily Index Correlation/Tracking Risk, Intra-Day Investment Risk, Other Investment Companies (including ETFs) Risk, risks specific to investment in the securities of the Consumer Discretionary and Industrials Sectors, and in small and/or mid-capitalization securities. Please see the summary and full prospectuses for a more complete description of these and other risks of the Fund.

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Distributor for Portfolio ETFs: Foreside Fund Services, LLC.

PERFORMANCE (As of December 31, 2017)

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<th>PPLC Portfolio S&amp;P 500® ETF</th>
<th>1M</th>
<th>3M</th>
<th>YTD</th>
<th>1Y</th>
<th>S/I OF THE FUND</th>
<th>INCEPTION DATE</th>
<th>EXPENSE RATIO GROSS/NET*</th>
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<td>NAV</td>
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<td>01/07/2015</td>
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<td>Market Close</td>
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