



TradersAI Large Cap Equity & Cash ETF (HFSP)

*listed on The Nasdaq Stock Market, LLC.*

January 8, 2025

**Supplement to the  
Prospectus and Statement of Additional Information (“SAI”),  
each dated August 5, 2024**

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Effective immediately, all references to the Fund’s fiscal year end throughout the SAI are hereby deleted and replaced with August 31, with the first fiscal year ending August 31, 2025. In addition, effective immediately, all references in the prospectus to the Fund’s first fiscal semi-annual period ended January 31, 2025, are hereby deleted and replaced with February 28, 2025.

**Please retain this Supplement for future reference.**

AS FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION ON AUGUST 5, 2024



(HFSP) | TradersAI Large Cap Equity & Cash ETF

*listed on The Nasdaq Stock Market, LLC.*

**PROSPECTUS**

August 5, 2024

**The U.S. Securities and Exchange Commission (“SEC”) has not approved or disapproved of these securities or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.**

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## TradersAI Large Cap Equity & Cash ETF – Fund Summary

### Investment Objective

TradersAI Large Cap Equity & Cash ETF (the “Fund”) seeks maximum total return.

### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy, hold, and sell shares of the Fund (“Shares”). You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the table and Example below.

<b>Annual Fund Operating Expenses<sup>(1)</sup></b> (expenses that you pay each year as a percentage of the value of your investment)	
Management Fees	1.25%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses <sup>2</sup>	0.00%
<b>Total Annual Fund Operating Expenses</b>	<b>1.25%</b>

<sup>1</sup> The Fund’s adviser will pay, or require a sub-adviser to pay, all of the Fund’s expenses, except for the following: advisory and sub-advisory fees, interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended (the “1940 Act”), litigation expenses, and other non-routine or extraordinary expenses.

<sup>2</sup> Estimated for the current fiscal year.

### Expense Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem or hold all of your Shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. The Example does not take into account brokerage commissions that you may pay on your purchases and sales of Shares. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<b>1 Year</b>	<b>3 Years</b>
\$127	\$397

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Shares are held in a taxable account. These costs, which are not reflected in total annual fund operating expenses or in the expense example above, affect the Fund’s performance. Because the Fund is newly organized, portfolio turnover information is not yet available.

### Principal Investment Strategies

The Fund is an actively managed exchange-traded fund (ETF) that seeks to achieve its investment objective by investing in securities and financial instruments linked to the S&P 500 Index (the “Index”). The Index measures the stock performance of 500 large US companies. The Fund takes both long and short positions by investing in e-mini futures contracts. In addition, the Fund may invest in broad-based, passively managed ETFs that track the Index (“Underlying ETFs”) and options on both futures based on the Index and options on Underlying ETFs.

The Fund’s portfolio managers use proprietary algorithms to measure intraday stock market movements. The Fund seeks gains from market volatility and intraday directional trends (short-term price movements).

## *Proprietary Algorithms*

The Fund's sub-adviser, Traders A.I., Inc. (the "Sub-Adviser") employs proprietary trading algorithms to assist it in managing the Fund. The algorithms use publicly available data (i.e., open, high, low, and close prices of broad-based stock indexes at various frequencies of data ranging from minutely data to daily data), including data from financial news outlets. The algorithms are designed to seek to actively exploit intraday market price movements. They respond to market price changes and aim to forecast future price movements over short periods, generating actionable "buy" or "sell" signals based on these predictions. Their short-term (intraday) focus results in a higher number of trades compared to more conservative approaches. Although the Fund's algorithms play a crucial role in its management, the Fund does not rely on an automated or systematic trading system. Instead, as described below, the Fund's portfolio managers have full discretion over trading decisions.

## *Investment Decision Process*

### *Intra-Day Trading Approach*

The Sub-Adviser employs an active intraday trading approach, which includes specific practices for closing positions at the end of trading sessions (described below). The Sub-Adviser's portfolio managers make all trading decisions for the Fund, using their knowledge, experience, expertise, and judgment to determine the appropriateness of trades based on current market conditions. While the proprietary algorithms generate trading signals, each signal is reviewed by a human trader on the Sub-Adviser's team. This combination of technology and human judgment is designed to provide a balanced approach to selecting trades.

The Sub-Adviser's intraday trading approach involves executing trades within a short time frame ranging from minutes to a few hours. This strategy focuses on intraday momentum, targeting short-term price movements. By targeting these movements, the Fund aims to profit from market volatility and directional trends, even within a single trading session. Consequently, the Fund's investment strategy leads to a high portfolio turnover rate.

### *Portfolio Attributes*

A key aspect of the Fund's strategy is trading e-mini futures on the Index. The Sub-Adviser uses e-mini futures contracts to achieve precise investment positioning.

The Sub-Adviser will take long positions when it expects the investments to increase in value, and short positions when it expects the investments to decrease in value. The Fund will primarily use e-mini futures contracts for both strategies, purchasing them for long positions and selling them for short positions. Additionally, the Fund may use options on futures or acquire (or short) shares of Underlying ETFs to take long or short positions.

- *E-mini futures contracts*: These are agreements to buy or sell an asset at a future date at an agreed-upon price but are smaller than standard futures contracts. For instance, an e-mini S&P 500 futures contract is one-fifth the size of a standard S&P 500 futures contract. See "Additional Information About the Fund" below, for more information about the economics of trading e-mini futures.
- *Options*: A call option gives the buyer the right, but not the obligation, to buy the futures contract at a specified price before expiration, while a put option gives the buyer the right, but not the obligation, to sell the futures contract at a specified price before expiration.

Although the Fund's investments and strategies, such as futures and shorting, are often associated with leveraging a portfolio, the Fund employs these techniques in a way that does not result in significant leverage. This is achieved by maintaining sufficient collateral and using risk management practices to ensure the overall exposure remains controlled.

As noted above, in addition to futures contracts, the Fund may trade options on futures based on the Index and options on Underlying ETFs. Options on futures based on the Index allow the Fund to hedge or gain a desired exposure, such as by buying call options to seek to protect against losses in short futures positions if the Index rises. Options on Underlying ETFs provide another way to gain exposure to the Index, facilitating more precise investment strategies. These options may help the Fund manage risk and/or gain desired exposure; for example, buying put options can hedge against declines in Underlying ETF holdings, while buying call options can lead to gains if the Underlying ETFs appreciate, thus effectively establishing a long exposure.

### *End-of Day Close-Out Decisions*

The Fund's strategy typically involves closing all of its positions by the end of the regular U.S. market session.

- “Closing positions” means selling or neutralizing a trading position before the market closes. When this part of the strategy is deployed, the Fund’s portfolio may consist solely of cash and money market instruments during periods when regular U.S. equity sessions are not open (e.g., between 4:00 pm ET and 9:30 am ET, weekends, and stock exchange holidays).

However, from time to time, the Sub-Adviser may choose to keep open some or all of the Fund’s positions. The Fund’s portfolio managers decide whether to close out positions on a particular day based on their assessment of the potential profitability of holding or not holding a particular position into the next trading session. Their decision does not focus on the type of security or contract held.

For example, if the Fund holds 10 long e-mini futures contracts at 3:00 pm ET and the portfolio managers’ trading plan specifies a price level below which the long position should be liquidated, the Fund will sell the long position if the market price drops below that level prior to market close. Therefore, the Sub-Adviser’s assessment of market price action, not the type of position, determines whether the Fund closes out a position on a given day.

Depending on the portfolio managers’ trading plans, a long position may be closed on one day but carried over to the next session on another day. Similarly, a short position might be closed out on some days while being carried over to the following day on others.

If the Fund keeps a position open, it will seek to hedge them using options on futures. To do so, the Fund will use call options (rights to buy at a set price) and/or put options (rights to sell at a set price) on the futures contracts to hedge its open positions. When the Fund holds these options positions, if the market price of the futures contract rises, the value of the call option increases; if the price falls, the value of the put option increases. This strategy is designed to offset losses from the open positions and help mitigate risk.

Under normal circumstances, the Fund will invest at least 80% of its net assets, plus borrowings for investment purposes, in large cap equities or investments with similar characteristics, or cash and cash equivalents.

## Principal Investment Risks

The principal risks of investing in the Fund are summarized below. As with any investment, there is a risk that you could lose all or a portion of your principal investment in the Fund. Some or all of these risks may adversely affect the Fund’s net asset value per share (“NAV”), trading price, yield, total return and/or ability to meet its objective. For more information about the risks of investing in the Fund, see the section in the Fund’s Prospectus titled “Additional Information About the Fund — Principal Risks of Investing in The Fund.”

**Intraday Trading Strategy Risks:** The Fund’s intra-day trading strategy subjects the Fund to various risks. Due to the rapid execution of trades, there is a risk that orders may not be filled at the desired price, especially in fast-moving or illiquid markets, leading to slippage where the actual execution price deviates from the intended price, adversely affecting the Fund’s performance. The Fund’s trading signals, generated by proprietary algorithms and reviewed by human traders, may not perform as expected due to flaws in the algorithms, incorrect data inputs, or unforeseen market conditions, and human judgment in reviewing signals may introduce errors or biases. Additionally, the Fund’s ability to execute trades at favorable prices may be affected by the liquidity of the underlying securities or derivatives; during periods of low liquidity, it may be difficult to enter or exit positions without significantly impacting the price, which could lead to larger losses or reduced gains. Furthermore, the strategy involves closing positions at the end of the trading day based on market price action and predefined levels, and unexpected market movements near the close of trading could force the Fund to exit positions at unfavorable prices, potentially leading to losses.

**Derivatives Risk.** Derivatives are financial instruments that derive value from the underlying reference asset or assets, such as stocks, bonds, commodities, currencies, funds (including ETFs), interest rates or indexes. The Fund’s investments in derivatives may pose risks in addition to, and greater than, those associated with directly investing in securities or other ordinary investments, including risk related to the market, imperfect correlation with underlying investments or the Fund’s other portfolio holdings, higher price volatility, lack of availability, counterparty risk, liquidity, valuation and legal restrictions. The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The use of derivatives may result in larger losses or smaller gains than directly investing in the underlying reference asset(s). Because derivatives often require only a limited initial investment, the use of derivatives may expose the Fund to losses in excess of those amounts initially invested. In addition, the Fund’s investments in derivatives are subject to the following risks:

*Futures Contracts.* Risks of futures contracts include: (i) an imperfect correlation between the value of the futures contract and the underlying asset; (ii) possible lack of a liquid secondary market; (iii) the inability to close a futures contract when desired; (iv) losses caused by unanticipated market movements, which may be unlimited; (v) an obligation for the Fund to make daily

cash payments to maintain its required margin, particularly at times when the Fund may have insufficient cash; and (vi) unfavorable execution prices from rapid selling.

*Options.* Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance.

**Counterparty Risk.** Counterparty risk is the likelihood or probability that a party involved in a transaction might default on its contractual obligation. Where the Fund enters into derivative contracts that are exchange-traded, the Fund is subject to the counterparty risk associated with the Fund's clearing broker or clearinghouse. Relying on a counterparty exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. If a counterparty defaults on its payment obligations to the Fund, this default will cause the value of an investment in the Fund to decrease. In addition, to the extent the Fund deals with a limited number of counterparties, it will be more susceptible to the credit risks associated with those counterparties.

**Equity Market Risk.** By virtue of the Fund's investments in e-futures mine contracts and Underlying ETFs, the Fund is indirectly subject to equity market risk. These include risks associated with various types of equity securities, such as common stocks, preferred stocks and other equity instruments. Common stocks are generally exposed to greater risk than other types of securities, such as debt obligations, because common stockholders typically have inferior rights to receive payment from specific issuers. Equity securities may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur due to factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors.

**Short Selling Risk.** Short sales may involve substantial risk. Short sales expose the Fund to the risk that it will be required to buy ("cover") the security sold short when the security has appreciated in value or is unavailable, thus resulting in a loss to the Fund. Short sales also involve the risk that losses may exceed the amount invested and may be unlimited.

**General Market Risk.** Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in the Fund's portfolio may underperform in comparison to securities in the general financial markets, a particular financial market, or other asset classes, due to a number of factors, including inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters or events, pandemic diseases, terrorism, regulatory events, and government controls.

**Large-Capitalization Investing Risk.** The securities of large-capitalization companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion. Large-capitalization companies may also be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes.

**Cash and Cash Equivalents Risk.** Holding cash or cash equivalents rather than securities or other instruments in which the Fund primarily invests, even strategically, may cause the Fund to risk losing opportunities to participate in market appreciation, and may cause the Fund to experience potentially lower returns than the Fund's benchmark or other funds that remain fully invested. In rising markets, holding cash or cash equivalents will negatively affect the Fund's performance relative to its benchmark.

**New Fund Risk.** The Fund is a recently organized investment management company with no operating history. As a result, prospective investors do not have a track record or history on which to base their investment decisions.

#### **ETF Risks.**

- *Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.* The Fund has a limited number of financial institutions that are authorized to purchase and redeem Shares directly from the Fund (known as "Authorized Participants" or "APs"). In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occurs, Shares may trade at a material discount to NAV and possibly face delisting: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to perform these services; or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions. Any such decisions by market makers or authorized participants to reduce their role or step away from these activities in times of

market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying value of the Fund's portfolio securities and the Fund's market price. This reduced effectiveness could result in Fund shares trading at a premium or discount to its NAV with possible greater than normal intraday bid-ask spreads.

- *Cash Redemption Risk.* The Fund's investment strategy will require it to redeem its shares for cash. Therefore, the Fund will not typically redeem in-kind securities held by it. In such a case, the Fund will be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in-kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used. By paying out higher annual capital gain distributions, investors may be subjected to increased capital gains taxes. This risk applies to the Fund, but it does not apply to all ETFs.
- *Costs of Buying or Selling Shares.* Due to the costs of buying or selling Shares, including brokerage commissions imposed by brokers and bid-ask spreads, frequent trading of Shares may reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.
- *Shares May Trade at Prices Other Than NAV.* As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund's NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility and when there may be widening bid-ask spreads. This risk is heightened in times of market volatility, periods of steep market declines, and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant which would result in a further widening of the bid-ask spreads.
- *Trading.* Although Shares are listed for trading on a national securities exchange, such as The Nasdaq Stock Market, LLC (the "Exchange"), and may be traded on U.S. exchanges other than the Exchange, there can be no assurance that Shares will trade with any measurable volume on any stock exchange. That is, an active trading market for shares of the Fund may not develop or be maintained. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund's portfolio holdings, which could be less liquid than Shares.

**High Portfolio Turnover Risk.** The Fund will actively and frequently trade all or a significant portion of the Fund's holdings. A high portfolio turnover rate increases transaction costs, which may increase the Fund's expenses. Frequent trading may also cause adverse tax consequences for investors in the Fund due to an increase in short-term capital gains.

**Management Risk.** The Fund is actively-managed and may not meet its investment objective based on the Sub-Adviser's success or failure to implement investment strategies for the Fund.

**Models and Data Risk.** The Sub-Adviser's evaluation of potential Fund portfolio holdings is heavily dependent on proprietary quantitative models as well as information and data supplied by third parties (Models and Data). When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities from the Fund's portfolio that would have been excluded or included had the Models and Data been correct and complete. Additionally, technology risk arises from the use of computer models and algorithms; any technical failures, coding errors, or cybersecurity breaches could disrupt the Fund's trading activities, potentially leading to significant financial losses and compromised data integrity.

**Money Market Instrument Risk.** The Fund may use a variety of money market instruments for cash management purposes, including money market funds, depositary accounts and repurchase agreements. Repurchase agreements are contracts in which a seller of securities agrees to buy the securities back at a specified time and price. Repurchase agreements may be subject to market and credit risk related to the collateral securing the repurchase agreement. Money market instruments, including money market funds, may lose money through fees or other means.

**New Sub-Adviser Risk.** The Sub-Adviser is a newly formed entity and has no experience with managing an exchange-traded fund, which may limit the Sub-Adviser's effectiveness.

**Operational Risk.** The Fund is subject to risks arising from various operational factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third-parties, failed or inadequate processes and technology or systems failures. The Fund relies on third-parties for a range of services, including custody. Any delay or failure relating to engaging or maintaining such service providers may affect the Fund's ability to meet its investment objective.



Although the Fund, Adviser, and Sub-Adviser seek to reduce these operational risks through controls and procedures, there is no way to completely protect against such risks.

**Recent Market Events Risk.** U.S. and international markets have experienced significant periods of volatility in recent years and months due to a number of economic, political and global macro factors including the impact of COVID-19 as a global pandemic, which has resulted in a public health crisis, disruptions to business operations and supply chains, stress on the global healthcare system, growth concerns in the U.S. and overseas, staffing shortages and the inability to meet consumer demand, and widespread concern and uncertainty. The global recovery from COVID-19 is proceeding at slower than expected rates due to the emergence of variant strains and may last for an extended period of time. Continuing uncertainties regarding interest rates, rising inflation, political events, rising government debt in the U.S. and trade tensions also contribute to market volatility. Conflict, loss of life and disaster connected to ongoing armed conflict between Ukraine and Russia in Europe and Israel and Hamas in the Middle East could have severe adverse effects on the region, including significant adverse effects on the regional or global economies and the markets for certain securities. The U.S. and the European Union have imposed sanctions on certain Russian individuals and companies, including certain financial institutions, and have limited certain exports and imports to and from Russia. The war has contributed to recent market volatility and may continue to do so.

## **Performance**

Performance information for the Fund is not included because the Fund has not completed a full calendar year of operations as of the date of this Prospectus. When such information is included, this section will provide some indication of the risks of investing in the Fund by showing changes in the Fund's performance history from year to year and showing how the Fund's average annual total returns compare with those of a broad measure of market performance. Although past performance of the Fund is no guarantee of how it will perform in the future, historical performance may give you some indication of the risks of investing in the Fund. Updated performance information will be available on the Fund's website at [www.tradersaietfs.com](http://www.tradersaietfs.com).

## **Management**

### *Investment Adviser*

Tidal Investments LLC (the "Adviser") serves as investment adviser to the Fund.

### *Investment Sub-Adviser*

Traders A.I., Inc. (the "Sub-Adviser") serves as the investment sub-adviser to the Fund.

### *Portfolio Managers*

The following individuals are jointly and primarily responsible for the day-to-day management of the Fund.

Dr. Ashok Margam, Portfolio Manager for the Sub-Adviser, has been a portfolio manager of the Fund since its inception in 2024.

Geetika Iyer, Assistant Portfolio Manager for the Sub-Adviser, has been a portfolio manager of the Fund since its inception in 2024.

Christopher P. Mullen, Portfolio Manager for the Adviser, has been a portfolio manager of the Fund since its inception in 2024.

## **Purchase and Sale of Shares**

The Fund issues and redeems Shares at NAV only in large blocks known as "Creation Units," which only APs (typically, broker-dealers) may purchase or redeem. The Fund generally issues and redeems Creation Units in exchange for a designated amount of U.S. cash.

Shares are listed on a national securities exchange, such as the Exchange, and individual Shares may only be bought and sold in the secondary market through brokers at market prices, rather than NAV. Because Shares trade at market prices rather than NAV, Shares may trade at a price greater than NAV (premium) or less than NAV (discount).

An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase Shares (the "bid" price) and the lowest price a seller is willing to accept for Shares (the "ask" price) when buying or selling Shares in the secondary market. This difference in bid and ask prices is often referred to as the "bid-ask spread."

When available, information regarding the Fund's NAV, market price, how often Shares traded on the Exchange at a premium or discount, and bid-ask spreads can be found on the Fund's website at [www.tradersaietfs.com](http://www.tradersaietfs.com).

## **Tax Information**

Fund distributions are generally taxable to shareholders as ordinary income, qualified dividend income, or capital gains (or a combination), unless your investment is in an individual retirement account (“IRA”) or other tax-advantaged account. Distributions on investments made through tax-deferred arrangements may be taxed later upon withdrawal of assets from those accounts.

## **Financial Intermediary Compensation**

If you purchase Shares through a broker-dealer or other financial intermediary (such as a bank) (an “Intermediary”), the Adviser, the Sub-Adviser, or their affiliates may pay Intermediaries for certain activities related to the Fund, including participation in activities that are designed to make Intermediaries more knowledgeable about exchange-traded products, including the Fund, or for other activities, such as marketing, educational training, or other initiatives related to the sale or promotion of Shares. These payments may create a conflict of interest by influencing the Intermediary and your salesperson to recommend the Fund over another investment. Any such arrangements do not result in increased Fund expenses. Ask your salesperson or visit the Intermediary’s website for more information.

## **ADDITIONAL INFORMATION ABOUT THE FUND**

### **Investment Objective**

TradersAI Large Cap Equity & Cash ETF (the “Fund”) seeks maximum total return.

An investment objective is fundamental if it cannot be changed without the consent of the holders of a majority of the outstanding Shares. The Fund’s investment objective has not been adopted as a fundamental investment policy and therefore may be changed without the consent of the Fund’s shareholders upon approval by the Board of Trustees (the “Board”) of Tidal ETF Trust III (the “Trust”) and at least 60 days’ written notice to shareholders.

### **Additional Information About the Fund’s Principal Investment Strategies**

The following information is in addition to, and should be read along with, the descriptions of the Fund’s principal investment strategies in the section titled “Fund Summary — Principal Investment Strategies” above.

The Fund’s 80% Policy is non-fundamental and can be changed without shareholder approval upon Board approval and 60 days’ written notice to shareholders prior to any such change.

The Fund’s strategy is built on the active management of investments linked to the S&P 500 Index, primarily through e-mini futures contracts and broad-based ETFs that track the Index. The use of proprietary trading algorithms by the Sub-Adviser, Traders A.I., Inc., is central to this approach. These algorithms analyze publicly available data, including stock index prices and financial news, to identify and exploit short-term price movements. The algorithms are designed to seek to forecast market changes over short periods, generating a high number of trade signals each day.

However, the ultimate trading decisions are made by the Sub-Adviser’s portfolio managers, who use their expertise and judgment to assess the appropriateness of trades. This blend of advanced technology and human oversight aims to balance the precision of algorithmic trading with the insights of experienced professionals.

A critical component of the Fund’s strategy is its intraday trading approach, which involves executing trades within short time frames, from minutes to a few hours, to capitalize on intraday momentum and market volatility. This approach results in a high portfolio turnover rate. At the end of each trading session, the portfolio managers evaluate whether to close out positions based on the potential profitability of holding them into the next session. This decision is influenced by market price action rather than the type of security or contract held. If market conditions meet predefined criteria, positions may be closed, leading to the Fund’s portfolio potentially holding only cash and money market instruments during non-trading hours.

Additionally, the Fund maintains flexibility to trade other instruments related to the S&P 500 Index, such as options on futures and ETFs. Under normal circumstances, the Fund will invest at least 80% of its net assets, plus borrowings for investment purposes, in large-cap equities or investments with similar characteristics, as well as cash and cash equivalents. This comprehensive strategy is designed to benefit from both algorithmic and human expertise to navigate and profit from market fluctuations effectively.

As noted above, the Fund invests in e-mini futures, which track the S&P 500 Index. Essentially, they are derivatives designed to mirror the Index's performance. Their prices typically reflect the anticipated future value of the Index. Traders often use E-mini futures to speculate on or hedge against future changes in the Index.

The Fund does not intend to use leverage as part of its principal investment strategies when opening a futures position. However, due to the rounding effects of the Fund's derivatives transactions, the Fund's portfolio might experience small amounts of leverage from time to time. For instance, the Fund usually invests in a maximum of one e-mini S&P 500 Index Futures contract for every dollar amount that matches the "contract unit" in the e-mini futures contract specifications, which is typically \$50 times the S&P 500 Index. When the dollar amount leads to a fractional contract size (e.g., 100.35 contracts), the Fund may round up to 101 contracts or round down to 100 or fewer contracts. Rounding up can create minor leverage, which can slightly magnify both potential gains and losses.

The Fund uses exchange-traded standardized futures contracts (e-mini futures with the root symbol ES) on the S&P 500 Index. These futures have a multiplier of 50, meaning the contract value is 50 times the price at which it is bought or sold.

Example if the S&P 500 Index Goes Up:

- If an ES contract is bought at 5110, the dollar value of the contract is  $50 * 5110 = \$255,500$ .
- If the price of the contract rises to 5120 later in the day, the contract's value becomes  $50 * 5120 = \$256,000$ .
- This results in a gain of \$500 if the Fund bought the contract at 5110 and closed the position at 5120.

Example if the S&P 500 Index Goes Down:

- If an ES contract is bought at 5110, the dollar value of the contract is  $50 * 5110 = \$255,500$ .
- If the price of the contract falls to 5100 later in the day, the contract's value becomes  $50 * 5100 = \$255,000$ .
- This results in a loss of \$500 if the Fund bought the contract at 5110 and closed the position at 5100.

Additionally, the Fund may take short positions by shorting e-mini futures contracts. If the Fund's value is \$25,000,000 and the S&P 500 Index value is at 5000, the Fund may short sell a maximum of 100 ES contracts (i.e.,  $\$25,000,000 / (50 * 5000 * 100)$ ). If the Index were to go up by 10%, the Fund would incur losses of 10%, reducing the Fund's value to \$22,500,000, while the notional value of the 100 contracts would increase to \$27,500,000. However, the Fund is managed to avoid substantial leverage, ensuring that such positions are closely monitored and adjusted to prevent excessive exposure beyond the initial leverage used when establishing the position.

In summary, the Fund aims to profit from changes in the S&P 500 Index by using e-mini futures contracts, taking both long and short positions based on market conditions. If the S&P 500 Index goes up, the Fund will experience gains if it holds long positions and losses if it holds short positions. Conversely, if the Index goes down, the Fund will experience gains if it holds short positions and losses if it holds long positions. The use of these contracts allows the Fund to actively manage its exposure to the S&P 500 Index, with gains or losses reflecting the Fund's holdings (long or short) and Index's movements (up or down).

### *Temporary Defensive Strategies*

For temporary defensive purposes during adverse market, economic, political, or other conditions as deemed appropriate by the Sub-Adviser, the Fund may invest in cash or cash equivalents or short-term instruments such as commercial paper, money market mutual funds, or short-term U.S. government securities. Taking a temporary defensive position may result in the Fund not achieving its investment objective.

### **Principal Risks of Investing in the Fund**

The principal risks are presented in alphabetical order to facilitate finding particular risks and comparing them with those of other funds. Each risk summarized below is considered a "principal risk" of investing in the Fund, regardless of the order in which it appears. As with any investment, there is a risk that you could lose all or a portion of your investment in the Fund. Some or all of these risks may adversely affect the Fund's NAV per share, trading price, yield, total return and/or ability to meet its investment objectives. The following risks could affect the value of your performance in the Fund:

**Cash and Cash Equivalents Risk.** Holding cash or cash equivalents rather than securities or other instruments in which the Fund primarily invests, even strategically, may cause the Fund to risk losing opportunities to participate in market appreciation, and may cause the Fund to experience potentially lower returns than the Fund's benchmark or other funds that remain fully invested. In rising markets, holding cash or cash equivalents will negatively affect the Fund's performance relative to its benchmark.

**Counterparty Risk.** Counterparty risk is the likelihood or probability that a party involved in a transaction might default on its contractual obligation. Where the Fund enters into derivative contracts that are exchange-traded, the Fund is subject to the counterparty risk associated with the Fund's clearing broker or clearinghouse. Relying on a counterparty exposes the Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. If a counterparty defaults on its payment obligations to the Fund, this default will cause the value of an investment in the Fund to decrease. In addition, to the extent the Fund deals with a limited number of counterparties, it will be more susceptible to the credit risks associated with those counterparties.

**Derivatives Risk.** Derivatives are financial instruments that derive value from the underlying reference asset or assets, such as stocks, bonds, commodities, currencies, funds (including ETFs), interest rates or indexes. The Fund's investments in derivatives may pose risks in addition to, and greater than, those associated with directly investing in securities or other ordinary investments, including risk related to the market, imperfect correlation with underlying investments or the Fund's other portfolio holdings, higher price volatility, lack of availability, counterparty risk, liquidity, valuation and legal restrictions. The use of derivatives is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. The use of derivatives may result in larger losses or smaller gains than directly investing in the underlying reference asset(s). Because derivatives often require only a limited initial investment, the use of derivatives may expose the Fund to losses in excess of those amounts initially invested. In addition, the Fund's investments in derivatives are subject to the following risks:

*Futures Contracts.* Risks of futures contracts include: (i) an imperfect correlation between the value of the futures contract and the underlying asset; (ii) possible lack of a liquid secondary market; (iii) the inability to close a futures contract when desired; (iv) losses caused by unanticipated market movements, which may be unlimited; (v) an obligation for the Fund to make daily cash payments to maintain its required margin, particularly at times when the Fund may have insufficient cash; and (vi) unfavorable execution prices from rapid selling.

*Options.* Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance.

#### **ETF Risks.**

- *Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.* The Fund has a limited number of financial institutions that are authorized to purchase and redeem Shares directly from the Fund (known as "Authorized Participants" or "APs"). In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. To the extent either of the following events occurs, Shares may trade at a material discount to NAV and possibly face delisting: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to perform these services; or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions. Any such decisions by market makers or authorized participants to reduce their role or step away from these activities in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying value of the Fund's portfolio securities and the Fund's market price. This reduced effectiveness could result in Fund shares trading at a premium or discount to its NAV with possible greater than normal intraday bid-ask spreads.
- *Cash Redemption Risk.* The Fund's investment strategy will require it to redeem its shares for cash. Therefore, the Fund may not redeem in-kind securities held by it. In such a case, the Fund may be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in-kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used. By paying out higher annual capital gain distributions, investors may be subjected to increased capital gains taxes. This risk applies to the Fund, but it does not apply to all ETFs.
- *Costs of Buying or Selling Shares.* Due to the costs of buying or selling Shares, including brokerage commissions imposed by brokers and bid-ask spreads, frequent trading of Shares may reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.

- *Shares May Trade at Prices Other Than NAV.* As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund's NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility and when there may be widening bid-ask spreads. This risk is heightened in times of market volatility, periods of steep market declines, and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant which would result in a further widening of the bid-ask spreads.
- *Trading.* Although Shares are listed for trading on a national securities exchange, such as The Nasdaq Stock Market, LLC (the "Exchange"), and may be traded on U.S. exchanges other than the Exchange, there can be no assurance that Shares will trade with any measurable volume on any stock exchange. That is, an active trading market for shares of the Fund may not develop or be maintained. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund's portfolio holdings, which could be less liquid than Shares.

**Equity Market Risk.** By virtue of the Fund's investments in e-futures mine contracts and Underlying ETFs, the Fund is indirectly subject to equity market risk. These include risks associated with various types of equity securities, such as common stocks, preferred stocks, and other equity instruments. Common stocks are generally exposed to greater risk than other types of securities, such as debt obligations, because common stockholders typically have inferior rights to receive payment from specific issuers. Equity securities may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur due to factors that affect securities markets generally or factors affecting specific issuers, industries, or sectors.

**General Market Risk.** Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in the Fund's portfolio may underperform in comparison to securities in the general financial markets, a particular financial market, or other asset classes, due to a number of factors, including inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters or events, pandemic diseases, terrorism, regulatory events, and government controls.

**High Portfolio Turnover Risk.** The Fund will actively and frequently trade all or a significant portion of the Fund's holdings. A high portfolio turnover rate increases transaction costs, which may increase the Fund's expenses. Frequent trading may also cause adverse tax consequences for investors in the Fund due to an increase in short-term capital gains.

**Intraday Trading Strategy Risks:** The Fund's intra-day trading strategy can significantly impact the market prices of securities it trades, potentially leading to increased market volatility and affecting the Fund's performance, particularly during periods of market stress or sudden price fluctuations. These trading strategies are associated with systemic risks within the interconnected financial markets, which may result in broader market disruptions. The Fund's reliance on technology is paramount, as its trading strategy hinges on the seamless operation of technology and algorithmic models; any technological failures or disruptions could substantially hinder trading activities and result in significant losses to the Fund. Furthermore, the rapid pace and complexity of the Fund's trading strategy amplifies operational risks. Issues such as data feed interruptions, software malfunctions, or errors in trade execution may also lead to substantial financial losses for the Fund.

**Large-Capitalization Investing Risk.** The securities of large-capitalization companies may be relatively mature compared to smaller companies and therefore subject to slower growth during times of economic expansion. Large-capitalization companies may also be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes.

**Management Risk.** The Fund is actively-managed and may not meet its investment objective based on the Sub-Adviser's success or failure to implement investment strategies for the Fund.

**Models and Data Risk.** The composition of the Fund's portfolio is heavily dependent on investment models developed by the Sub-Adviser as well as information and data supplied by third parties ("Models and Data"). When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities from the Fund's portfolio that would have been excluded or included had the Models and Data been correct and complete. Errors in programming, data entry, system compatibility, or database integrity can result in the unintended inclusion or exclusion of securities in the Fund's portfolio. Such errors, whether due to human or technological factors, could induce the Sub-Adviser to make investment choices that would not have been made with accurate and complete information, potentially leading to losses or missed gains for the Fund. Additionally, technology risk arises from the use of computer models and algorithms; any technical failures, coding errors, or cybersecurity breaches could disrupt the Fund's trading activities, potentially leading to significant financial losses and compromised data integrity.

The Sub-Adviser's models have been constructed based on the assumption that certain trends and relationships will persist over a specific time period (which may be a very short time period). However, if these assumptions are found to be flawed or lacking, decisions made based on them may result in the inclusion or exclusion of securities from the Fund's portfolio that would have been handled differently with the benefit of hindsight. The Sub-Adviser's investment models have not been used to manage accounts in actual market conditions across diverse market cycle. As a result, there is not a relevant track record or performance history on accounts managed in accordance with the Sub-Adviser's models on which to base investment decisions.

**Money Market Instrument Risk.** The Fund may use a variety of money market instruments for cash management purposes, including money market funds, depository accounts and repurchase agreements. Repurchase agreements are contracts in which a seller of securities agrees to buy the securities back at a specified time and price. Repurchase agreements may be subject to market and credit risk related to the collateral securing the repurchase agreement. Money market instruments, including money market funds, may lose money through fees or other means.

**New Fund Risk.** The Fund is a recently organized investment management company with no operating history. As a result, prospective investors do not have a track record or history on which to base their investment decisions.

**New Sub-Adviser Risk.** The Sub-Adviser is a newly formed entity and has no experience with managing an exchange-traded fund, which may limit the Sub-Adviser's effectiveness.

**Operational Risk.** The Fund is subject to risks arising from various operational factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third-parties, failed or inadequate processes and technology or systems failures. The Fund relies on third-parties for a range of services, including custody. Any delay or failure relating to engaging or maintaining such service providers may affect the Fund's ability to meet its investment objective. Although the Fund, Adviser, and Sub-Adviser seek to reduce these operational risks through controls and procedures, there is no way to completely protect against such risks.

**Recent Market Events Risk.** U.S. and international markets have experienced significant periods of volatility in recent years and months due to a number of economic, political and global macro factors including the impact of COVID-19 as a global pandemic, which has resulted in a public health crisis, disruptions to business operations and supply chains, stress on the global healthcare system, growth concerns in the U.S. and overseas, staffing shortages and the inability to meet consumer demand, and widespread concern and uncertainty. The global recovery from COVID-19 is proceeding at slower than expected rates due to the emergence of variant strains and may last for an extended period of time. Continuing uncertainties regarding interest rates, rising inflation, political events, rising government debt in the U.S. and trade tensions also contribute to market volatility. Conflict, loss of life and disaster connected to ongoing armed conflict between Ukraine and Russia in Europe and Israel and Hamas in the Middle East could have severe adverse effects on the region, including significant adverse effects on the regional or global economies and the markets for certain securities. The U.S. and the European Union have imposed sanctions on certain Russian individuals and companies, including certain financial institutions, and have limited certain exports and imports to and from Russia. The war has contributed to recent market volatility and may continue to do so.

**Short Selling Risk.** Short sales may involve substantial risk. Short sales expose the Fund to the risk that it will be required to buy ("cover") the security sold short when the security has appreciated in value or is unavailable, thus resulting in a loss to the Fund. Short sales also involve the risk that losses may exceed the amount invested and may be unlimited.

## **PORTFOLIO HOLDINGS INFORMATION**

Information about the Fund's daily portfolio holdings will be available on the Fund's website at [www.tradersaietfs.com](http://www.tradersaietfs.com). A complete description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio holdings is available in the Fund's Statement of Additional Information ("SAI").

## MANAGEMENT

### Investment Adviser

Tidal Investments LLC (the “Adviser” or “Tidal”), located at 234 West Florida Street, Suite 203, Milwaukee, Wisconsin 53204, is an SEC-registered investment adviser and a Delaware limited liability company. Tidal was founded in March 2012. Tidal is dedicated to understanding, researching and managing assets within the expanding ETF universe. As of June 30, 2024, Tidal had assets under management of approximately \$17.16 billion and served as the investment adviser or sub-adviser for 194 registered funds.

Tidal serves as investment adviser to the Fund, and has overall responsibility for the general management and administration of the Fund pursuant to an investment advisory agreement with the Trust, on behalf of the Fund (the “Advisory Agreement”). The Adviser provides oversight of the Sub-Adviser and review of the Sub-Adviser’s performance. The Adviser also arranges for sub-advisory, transfer agency, custody, fund administration, and all other related services necessary for the Fund to operate. For the services it provides to the Fund, the Fund pays the Adviser a unitary management fee, which is calculated daily and paid monthly, at an annual rate of 1.25% of the Fund’s average daily net assets.

Under the Advisory Agreement, in exchange for a single unitary management fee from the Fund, the Adviser has agreed to pay all expenses incurred by the Fund except for interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, distribution fees and expenses paid by the Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act, and the unitary management fee payable to the Adviser (collectively, the “Excluded Expenses”).

### Sub-Adviser

Traders A.I., Inc. (the “Sub-Adviser”), located at 10300 Eaton Pl, Suite 440/448, Fairfax, VA 22030 serves as investment sub-adviser to the Fund pursuant to a sub-advisory agreement between the Sub-Adviser and the Adviser (the “Sub-Advisory Agreement”). The Sub-Adviser is an SEC-registered investment adviser and a Delaware limited liability company. The Sub-Adviser was formed in March, 2023 and was registered with the SEC in July, 2024. As of the date of this prospectus, the Sub-Adviser does not yet have experience managing ETFs and investments with the Fund’s strategy.

The Sub-Adviser is also responsible for trading portfolio securities and financial instruments for the Fund, including selecting broker-dealers to execute purchase and sale transactions. For its services, the Sub-Adviser is paid a fee by the Adviser, which fee is calculated daily and paid monthly, at an annual rate of 0.04% of the Fund’s average daily net assets. However, as Fund Sponsor, the Sub-Adviser may automatically waive all or a portion of its sub-advisory fee. See “Fund Sponsor” below for more information.

### Advisory and Sub-Advisory Agreements

A discussion regarding the basis for the Board’s approval of the Fund’s Advisory Agreement and the Sub-Advisory Agreement will be available in the Fund’s semi-annual report to shareholders for the period ending January 31, 2025.

### Portfolio Managers

The following individuals (each, a “Portfolio Manager”) have served as portfolio managers of the Fund since its inception in 2024. Dr. Margam, Ms. Iyer and Mr. Mullen are primarily responsible for the day-to-day management of the Fund.

*Dr. Ashok Margam, DBA, MBA, MS; Portfolio Manager for the Sub-Adviser*

Dr. Margam is the founder and CEO of the Sub-Adviser and the developer of the Sub-Adviser’s proprietary models and trading strategies. He also serves as an Assistant Professor of Finance at Costello College of Business at George Mason University in Fairfax, VA. Prior to completing his doctoral degree from University of Florida, Gainesville, FL, he founded and ran Institutional Risk Management Associates, Inc., and Time Series FX, LLC. Prior to that, he worked as Regional Director and Head of the Automated Trading Business Unit at Forex.com/Gain Capital. He holds an MBA in Finance and Entrepreneurship from Columbia Business School, New York, NY, and an MS in Computer Science from Jawaharlal Nehru Tech University, India. In addition to his 15+ years of experience in Quantitative Analysis, artificial intelligence and machine learning (AI and ML) Modeling, Algorithmic Trading, and Risk Management, he also brings deep and broad work experience of 10+ years as a Software Engineer.

*Geetika Iyer, CFA\*, MS; Assistant Portfolio Manager for the Sub-Adviser*

As a co-founder of the Sub-Adviser, Geetika has worked with Dr. Margam in connection with Dr. Margam's website (TradersAI.com) since its launch in May 2018. As an Assistant Portfolio Manager, she brings a balanced experience, powered by strong foundational analysis coupled with experience in intraday futures trading using the Sub-Adviser's proprietary models. She holds the CFA designation and an MS degree in Finance from ICFAI University, India. She also completed an Executive Certificate Program in Advanced Valuation from NYU Stern School of Business. Prior to co-founding the Sub-Adviser, she worked as a Senior Equity Research Analyst at multiple firms gaining strong experience in financial modelling and equity research.

\*CFA designation (and MS degree) from ICFAI University, India.

*Christopher P. Mullen, Portfolio Manager for the Adviser*

Christopher Mullen serves as Portfolio Manager at the Adviser, having joined the firm in January 2024. From September 2019 to December 2023, he was a Portfolio Manager at Vest Financial LLC, where he managed exchange-traded funds, mutual funds and retirement fund portfolios. Mr. Mullen previously served as a Senior Portfolio Analyst at ProShares Advisors LLC from September 2016 until September 2019. Prior to that, Mr. Mullen served as associate portfolio manager at USCF Investments LLC from February 2013 to September 2016. Mr. Mullen received a Master of Business Administration from the University of Maryland. He also holds a dual bachelor's degree in global politics and history from Marquette University.

The Fund's SAI provides additional information about each Portfolio Manager's compensation structure, other accounts that each Portfolio Manager manages, and each Portfolio Manager's ownership of Shares.

## **FUND SPONSOR**

The Adviser has entered into a fund sponsorship agreement with Traders A.I., Inc. (Sponsor) pursuant to which Sponsor is a sponsor to the Fund. Under this arrangement, Sponsor has agreed to provide financial support (as described below) to the Fund. In turn, the Adviser has agreed to share with Sponsor a portion of profits, if any, generated by the Fund's Advisory Fee. Every month, the Advisory Fees, which are unitary management fees, for the Fund are calculated and paid to the Adviser.

If the amount of the unitary management fee for the Fund exceeds the Fund's operating expenses (including the sub-advisory fees) and the Adviser-retained amount, the Adviser pays the net total to the Sponsor. The amounts paid to the Sponsor represent any remaining profits from the Advisory Fee.

During months when the funds generated by the unitary management fee are insufficient to cover all of the sub-advisory fee, such fee is automatically waived, and such waiver is not subject to recoupment.

Further, if the amount of the unitary management fee for the Fund is less than the Fund's operating expenses and the Adviser-retained amount, Sponsor is obligated to reimburse the Adviser for their respective portion of the shortfall.

## **HOW TO BUY AND SELL SHARES**

The Fund issues and redeems Shares only in Creation Units at the NAV per share next determined after receipt of an order from an AP. Only APs may acquire Shares directly from the Fund, and only APs may tender their Shares for redemption directly to the Fund, at NAV. APs must be a member or participant of a clearing agency registered with the SEC and must execute a Participant Agreement that has been agreed to by the Distributor (defined below), and that has been accepted by the Fund's transfer agent, with respect to purchases and redemptions of Creation Units. Once created, Shares trade in the secondary market in quantities less than a Creation Unit.

Most investors buy and sell Shares in secondary market transactions through brokers. Individual Shares are listed for trading on the secondary market on the Exchange and can be bought and sold throughout the trading day like other publicly traded securities.

When buying or selling Shares through a broker, you will incur customary brokerage commissions and charges, and you may pay some or all of the spread between the bid and the offer price in the secondary market on each leg of a round trip (purchase and sale) transaction. In addition, because secondary market transactions occur at market prices, you may pay more than NAV when you buy Shares, and receive less than NAV when you sell those Shares.



## **Book Entry**

Shares are held in book-entry form, which means that no stock certificates are issued. Depository Trust Company (“DTC”) or its nominee is the record owner of all outstanding Shares.

Investors owning Shares are beneficial owners as shown on the records of DTC or its participants. DTC serves as the securities depository for all Shares. DTC’s participants include securities brokers and dealers, banks, trust companies, clearing corporations and other institutions that directly or indirectly maintain a custodial relationship with DTC. As a beneficial owner of Shares, you are not entitled to receive physical delivery of stock certificates or to have Shares registered in your name, and you are not considered a registered owner of Shares. Therefore, to exercise any right as an owner of Shares, you must rely upon the procedures of DTC and its participants. These procedures are the same as those that apply to any other securities that you hold in book-entry or “street name” through your brokerage account.

## **Frequent Purchases and Redemptions of Shares**

The Fund imposes no restrictions on the frequency of purchases and redemptions of Shares. In determining not to approve a written, established policy, the Board evaluated the risks of market timing activities by Fund shareholders. Purchases and redemptions by APs, who are the only parties that may purchase or redeem Shares directly with the Fund, are an essential part of the ETF process and help keep Share trading prices in line with the NAV. As such, the Fund accommodates frequent purchases and redemptions by APs. However, the Board has also determined that frequent purchases and redemptions for cash may increase tracking error and portfolio transaction costs and may lead to the realization of capital gains. To minimize these potential consequences of frequent purchases and redemptions, the Fund employs fair value pricing and may impose transaction fees on purchases and redemptions of Creation Units to cover the custodial and other costs incurred by the Fund in effecting trades. In addition, the Fund and the Adviser reserve the right to reject any purchase order at any time.

## **Determination of Net Asset Value**

The Fund’s NAV is calculated as of the scheduled close of regular trading on the New York Stock Exchange (“NYSE”), generally 4:00 p.m. Eastern Time, each day the NYSE is open for business. The NAV for the Fund is calculated by dividing the Fund’s net assets by its Shares outstanding.

In calculating its NAV, the Fund generally values its assets on the basis of market quotations, last sale prices, or estimates of value furnished by a pricing service or brokers who make markets in such instruments. If such information is not available for a security or other asset held by the Fund or is determined to be unreliable, the security or other asset will be valued at fair value estimates under guidelines established by the Adviser (as described below).

## **Fair Value Pricing**

The Board has designated the Adviser as the “valuation designee” for the Fund under Rule 2a-5 of the 1940 Act, subject to its oversight. The Adviser has adopted procedures and methodologies, which have been approved by the Board, to fair value Fund investments whose market prices are not “readily available” or are deemed to be unreliable. For example, such circumstances may arise when: (i) an investment has been delisted or has had its trading halted or suspended; (ii) an investment’s primary pricing source is unable or unwilling to provide a price; (iii) an investment’s primary trading market is closed during regular market hours; or (iv) an investment’s value is materially affected by events occurring after the close of the investment’s primary trading market. Generally, when fair valuing an investment, the Adviser will take into account all reasonably available information that may be relevant to a particular valuation including, but not limited to, fundamental analytical data regarding the issuer, information relating to the issuer’s business, recent trades or offers of the investment, general and/or specific market conditions, and the specific facts giving rise to the need to fair value the investment. Fair value determinations are made in good faith and in accordance with the fair value methodologies included in the Adviser adopted valuation procedures. The Adviser will fair value Fund investments whose market prices are not “readily available” or are deemed to be unreliable. Due to the subjective and variable nature of fair value pricing, there can be no assurance that the Adviser will be able to obtain the fair value assigned to the investment upon the sale of such investment.

## **Investments by Other Registered Investment Companies in the Fund**

Section 12(d)(1) of the 1940 Act restricts investments by registered investment companies in the securities of other investment companies, including Shares. Registered investment companies are permitted to invest in the Fund beyond the limits set forth in Section 12(d)(1), subject to SEC rules and exemptive orders.

## **Delivery of Shareholder Documents – Householding**

Householding is an option available to certain investors of the Fund. Householding is a method of delivery, based on the preference of the individual investor, in which a single copy of certain shareholder documents can be delivered to investors who share the same address, even if their accounts are registered under different names. Householding for the Fund is available through certain broker-dealers. If you are interested in enrolling in householding and receiving a single copy of prospectuses and other shareholder documents, please contact your broker-dealer. If you are currently enrolled in householding and wish to change your householding status, please contact your broker-dealer.

## **DIVIDENDS, DISTRIBUTIONS, AND TAXES**

### **Dividends and Distributions**

The Fund intends to pay out dividends and interest income, if any, annually and distribute any net realized capital gains to its shareholders at least annually.

The Fund will declare and pay income and capital gain distributions, if any, in cash. Distributions in cash may be reinvested automatically in additional whole Shares only if the broker through whom you purchased Shares makes such option available. Your broker is responsible for distributing the income and capital gain distributions to you.

### **Taxes**

The following discussion is a summary of some important U.S. federal income tax considerations generally applicable to investments in the Fund. Your investment in the Fund may have other tax implications. Please consult your tax advisor about the tax consequences of an investment in Shares, including the possible application of foreign, state, and local tax laws.

The Fund intends to qualify each year for treatment as a regulated investment company (a “RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”). If it meets certain minimum distribution requirements, a RIC is not subject to tax at the fund level on income and gains from investments that are timely distributed to shareholders. However, the Fund’s failure to qualify as a RIC or to meet minimum distribution requirements would result (if certain relief provisions were not available) in fund-level taxation and, consequently, a reduction in income available for distribution to shareholders.

Unless your investment in Shares is made through a tax-exempt entity or tax-advantaged account, such as an IRA plan, you need to be aware of the possible tax consequences when the Fund makes distributions, when you sell your Shares listed on the Exchange, and when you purchase or redeem Creation Units (institutional investors only).

The following general discussion of certain U.S. federal income tax consequences is based on provisions of the Code and the regulations issued thereunder as in effect on the date of this Prospectus. New legislation, as well as administrative changes or court decisions, may significantly change the conclusions expressed herein, and may have a retroactive effect with respect to the transactions contemplated herein.

### **Taxes on Distributions**

For federal income tax purposes, distributions of net investment income are generally taxable to shareholders as ordinary income or qualified dividend income. Taxes on distributions of net capital gains (if any) are determined by how long the Fund owned the investments that generated them, rather than how long a shareholder has owned their Shares. Sales of assets held by the Fund for more than one year generally result in long-term capital gains and losses, and sales of assets held by the Fund for one year or less generally result in short-term capital gains and losses. Distributions of the Fund’s net capital gain (the excess of net long-term capital gains over net short-term capital losses) that are reported by the Fund as capital gain dividends (“Capital Gain Dividends”) will be taxable to shareholders as long-term capital gains. Distributions of short-term capital gain will generally be taxable to shareholders as ordinary income. Dividends and distributions are generally taxable to you whether you receive them in cash or reinvest them in additional Shares.

Distributions reported by the Fund as “qualified dividend income” are generally taxed to non-corporate shareholders at rates applicable to long-term capital gains, provided certain holding period and other requirements are met. “Qualified dividend income” generally is income derived from dividends paid by U.S. corporations or certain foreign corporations that are either incorporated in a U.S. possession or eligible for tax benefits under certain U.S. income tax treaties. In addition, dividends that the Fund receives in respect of stock of certain foreign corporations may be qualified dividend income if that stock is readily tradable on an established U.S. securities market. Corporate shareholders may be entitled to a dividends-received deduction for the portion of dividends they receive from the Fund that are attributable to dividends received by the Fund from U.S. corporations, subject to certain limitations.

Shortly after the close of each calendar year, you will be informed of the character of any distributions received from the Fund.

In addition to the federal income tax, certain individuals, trusts, and estates may be subject to a Net Investment Income (“NII”) tax of 3.8%. The NII tax is imposed on the lesser of: (i) a taxpayer’s investment income, net of deductions properly allocable to such income; or (ii) the amount by which such taxpayer’s modified adjusted gross income exceeds certain thresholds (\$250,000 for married individuals filing jointly, \$200,000 for unmarried individuals and \$125,000 for married individuals filing separately). The Fund’s distributions are includable in a shareholder’s investment income for purposes of this NII tax. In addition, any capital gain realized by a shareholder upon a sale or redemption of Fund shares is includable in such shareholder’s investment income for purposes of this NII tax.

In general, your distributions are subject to federal income tax for the year in which they are paid. Certain distributions paid in January, however, may be treated as paid on December 31 of the prior year. Distributions are generally taxable to you even if they are paid from income or gains earned by the Fund before your investment (and thus were included in the Shares’ NAV when you purchased your Shares).

You may wish to avoid investing in the Fund shortly before a dividend or other distribution, because such a distribution will generally be taxable to you even though it may economically represent a return of a portion of your investment.

If you are neither a resident nor a citizen of the United States or if you are a foreign entity, distributions (other than Capital Gain Dividends) paid to you by the Fund will generally be subject to a U.S. withholding tax at the rate of 30%, unless a lower treaty rate applies. The Fund may, under certain circumstances, report all or a portion of a dividend as an “interest-related dividend” or a “short-term capital gain dividend,” which would generally be exempt from this 30% U.S. withholding tax, provided certain other requirements are met.

Under the Foreign Account Tax Compliance Act (“FATCA”), the Fund may be required to withhold a generally nonrefundable 30% tax on distributions of net investment income paid to (A) certain foreign financial institutions unless such foreign financial institution agrees to verify, monitor, and report to the Internal Revenue Service (IRS) the identity of certain of its account-holders, among other items (or unless such entity is otherwise deemed compliant under the terms of an intergovernmental agreement between the United States and the foreign financial institution’s country of residence), and (B) certain non-financial foreign entities unless such entity certifies to the Fund that it does not have any substantial U.S. owners or provides the name, address, and taxpayer identification number of each substantial U.S. owner, among other items. This FATCA withholding tax could also affect the Fund’s return on its investments in foreign securities or affect a shareholder’s return if the shareholder holds its Fund shares through a foreign intermediary. You are urged to consult your tax adviser regarding the application of this FATCA withholding tax to your investment in the Fund and the potential certification, compliance, due diligence, reporting, and withholding obligations to which you may become subject in order to avoid this withholding tax.

The Fund (or a financial intermediary, such as a broker, through which a shareholder owns Shares) generally is required to withhold and remit to the U.S. Treasury a percentage of the taxable distributions and sale or redemption proceeds paid to any shareholder who fails to properly furnish a correct taxpayer identification number, who has underreported dividend or interest income, or who fails to certify that they are not subject to such withholding.

### **Taxes When Shares are Sold on the Exchange**

Any capital gain or loss realized upon a sale of Shares generally is treated as a long-term capital gain or loss if Shares have been held for more than one year and as a short-term capital gain or loss if Shares have been held for one year or less. However, any capital loss on a sale of Shares held for six months or less is treated as long-term capital loss to the extent of Capital Gain Dividends paid with respect to such Shares. Any loss realized on a sale will be disallowed to the extent Shares are acquired, including through reinvestment of dividends, within a 61-day period beginning 30 days before and ending 30 days after the sale of substantially identical Shares.

### **Taxes on Purchases and Redemptions of Creation Units**

An AP having the U.S. dollar as its functional currency for U.S. federal income tax purposes who exchanges securities for Creation Units generally recognizes a gain or a loss. The gain or loss will be equal to the difference between the value of the Creation Units at the time of the exchange and the exchanging AP’s aggregate basis in the securities delivered plus the amount of any cash paid for the Creation Units. An AP who exchanges Creation Units for securities will generally recognize a gain or loss equal to the difference between the exchanging AP’s basis in the Creation Units and the aggregate U.S. dollar market value of the securities received, plus any cash received for such Creation Units. The IRS may assert, however, that a loss that is realized upon an exchange of securities for Creation Units may not be currently deducted under the rules governing “wash sales” (for an AP who does not mark-to-market their

holdings) or on the basis that there has been no significant change in economic position. Persons exchanging securities should consult their own tax advisor with respect to whether wash sale rules apply and when a loss might be deductible.

Any capital gain or loss realized upon redemption of Creation Units is generally treated as long-term capital gain or loss if Shares comprising the Creation Units have been held for more than one year and as a short-term capital gain or loss if such Shares have been held for one year or less.

The Fund pays cash upon the redemption of Creation Units. The Fund may sell portfolio securities to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize investment income and/or capital gains or losses that it might not have recognized if it had completely satisfied the redemption in-kind. As a result, the Fund may be less tax efficient if it includes such a cash payment in the proceeds paid upon the redemption of Creation Units. Due to the nature of the tax treatment of the gains/losses involved in trading futures contracts, the gains/losses resulting from such trading may result in a more favorable tax treatment than short term trading in equities.

### **Certain Investments in Complex Securities**

Certain options, futures and foreign currency contracts are considered “Section 1256 contracts” for federal income tax purposes. Section 1256 contracts held by the Fund at the end of each taxable year are “marked to market” and treated for those purposes as though they were sold for their fair market value on the last business day of the year. Net gains or losses recognized on those deemed sales, and net gains or losses realized by the Fund on actual sales of Section 1256 contracts are treated as 60% long-term and 40% short-term capital gains or losses. The Fund can elect to exempt their Section 1256 contracts that are part of a “mixed straddle” (as described below) from the application of Section 1256 of the Code.

Any forward contract or other position entered into or held by the Fund in conjunction with any other position it holds may constitute a “straddle” for federal income tax purposes. A straddle of which at least one, but not all, the positions are Section 1256 contracts may constitute a “mixed straddle.” In general, straddles are subject to certain rules that may affect the amount, character and timing of recognition of the Fund’s gains and losses with respect to straddle positions by requiring, among other things, that: (1) any loss realized on disposition of one position of a straddle not be recognized to the extent that the Fund has unrealized gains with respect to the other position in the straddle; (2) the Fund’s holding period for certain straddle positions be suspended while the straddle exists (possibly resulting in a gain being treated as short-term capital gain rather than long-term capital gain); (3) the losses recognized with respect to certain straddle positions that are part of a mixed straddle and that are non-Section 1256 contracts be treated as 60% long-term and 40% short-term capital loss; (4) losses recognized with respect to certain straddle positions that would otherwise constitute short-term capital losses be treated as long-term capital losses; and (5) the deduction of interest and carrying charges attributable to certain straddle positions be deferred. Various elections are available to the Fund, which may mitigate the effects of the straddle rules, particularly with respect to mixed straddles. In general, the straddle rules described above do not apply to any straddles held by the Fund if all of the offsetting positions consist of Section 1256 contracts.

### **Foreign Investments by the Fund**

Interest and other income received by the Fund with respect to foreign securities may give rise to withholding and other taxes imposed by foreign countries. Tax treaties or conventions between certain countries and the United States may reduce or eliminate such taxes. If, as of the close of a taxable year, more than 50% of the value of the Fund’s assets consists of certain foreign stock or securities, the Fund will be eligible to elect to “pass through” to investors the amount of certain qualifying foreign income and similar taxes paid by the Fund during that taxable year. This means that investors would be considered to have received as additional income their respective shares of such foreign taxes, but may be entitled to either a corresponding tax deduction in calculating taxable income, or, subject to certain limitations, a credit in calculating federal income tax. If the Fund does not so elect, the Fund will be entitled to claim a deduction for certain foreign taxes incurred by the Fund. The Fund (or its administrative agent) will notify you if it makes such an election and provide you with the information necessary to reflect foreign taxes paid on your income tax return.

*The foregoing discussion summarizes some of the possible consequences under current federal tax law of an investment in the Fund. It is not a substitute for personal tax advice. You also may be subject to foreign, state and local tax on Fund distributions and sales of Shares. Consult your personal tax advisor about the potential tax consequences of an investment in Shares under all applicable tax laws. For more information, please see the section entitled “Federal Income Taxes” in the SAI.*

### **DISTRIBUTION**

Forside Fund Services, LLC (the “Distributor”), the Fund’s distributor, is a broker-dealer registered with the U.S. Securities and Exchange Commission. The Distributor distributes Creation Units for the Fund on an agency basis and does not maintain a secondary

market in Shares. The Distributor has no role in determining the policies of the Fund or the securities that are purchased or sold by the Fund. The Distributor’s principal address is Three Canal Plaza, Suite 100, Portland, ME 04101.

The Board has adopted a Distribution (Rule 12b-1) Plan (the “Plan”) pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year to pay distribution fees for the sale and distribution of its Shares.

No Rule 12b-1 fees are currently paid by the Fund, and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, because the fees are paid out of Fund assets on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

**PREMIUM/DISCOUNT INFORMATION**

When available, information regarding how often Shares traded on the Exchange at a price above (i.e., at a premium) or below (i.e., at a discount) the NAV of the Fund can be found on the Fund’s website at [www.tradersaietfs.com](http://www.tradersaietfs.com).

**ADDITIONAL NOTICES**

Shares are not sponsored, endorsed, or promoted by the Exchange. The Exchange is not responsible for, nor has it participated in the determination of, the timing, prices, or quantities of Shares to be issued, nor in the determination or calculation of the equation by which Shares are redeemable. The Exchange has no obligation or liability to the owners of Shares in connection with the administration, marketing, or trading of Shares.

Without limiting any of the foregoing, in no event shall the Exchange have any liability for any lost profits or indirect, punitive, special, or consequential damages even if notified of the possibility thereof.

The Adviser, the Sub-Adviser, and the Fund make no representation or warranty, express or implied, to the owners of Shares or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly.

**FINANCIAL HIGHLIGHTS**

This section would ordinarily include Financial Highlights. The Financial Highlights table is intended to help you understand the Fund’s performance for the Fund’s periods of operations. Because the Fund has not yet commenced operations as of the date of this Prospectus, no Financial Highlights are shown.

**TradersAI Large Cap Equity & Cash ETF**

<b>Adviser</b>	<b>Tidal Investments LLC</b> 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204	<b>Administrator</b>	<b>Tidal ETF Services LLC</b> 234 West Florida Street, Suite 203 Milwaukee, Wisconsin 53204
<b>Sub-Adviser</b>	<b>Traders A.I., Inc.</b> 10300 Eaton Pl Suite 440/448 Fairfax, VA 22030	<b>Sub-Administrator, Fund Accountant, and Transfer Agent</b>	<b>U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services</b> 615 East Michigan Street Milwaukee, Wisconsin 53202
<b>Distributor</b>	<b>Foreside Fund Services, LLC</b> Three Canal Plaza, Suite 100 Portland, ME 04101	<b>Custodian</b>	<b>U.S. Bank National Association</b> 1555 N. Rivercenter Dr. Milwaukee, Wisconsin 53212
<b>Legal Counsel</b>	<b>Sullivan &amp; Worcester LLP</b> 1251 Avenue of the Americas, 19 <sup>th</sup> Floor New York, NY 10020	<b>Independent Registered Public Accounting Firm</b>	<b>Tait, Weller &amp; Baker LLP</b> Two Liberty Place 50 South 16th Street Philadelphia, Pennsylvania 19102

Investors may find more information about the Fund in the following documents:

**Statement of Additional Information:** The Fund's SAI provides additional details about the investments of the Fund and certain other additional information. A current SAI dated August 5, 2024, as supplemented from time to time, is on file with the SEC and is herein incorporated by reference into this Prospectus. It is legally considered a part of this Prospectus.

**Annual/Semi-Annual Reports:** Additional information about the Fund's investments will be available in the Fund's annual and semi-annual reports to shareholders. In the annual report you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance after the first fiscal year the Fund is in operation.

When available, you can obtain free copies of these documents, request other information or make general inquiries about the Fund by contacting the Fund at TradersAI Large Cap Equity & Cash ETF, c/o U.S. Bank Global Fund Services, P.O. Box 701, Milwaukee, Wisconsin 53201-0701 or calling (844) 679-9559.

Shareholder reports, the Fund's current Prospectus and SAI and other information about the Fund are also available:

- Free of charge from the SEC's EDGAR database on the SEC's website at <http://www.sec.gov>; or
- Free of charge from the Fund's Internet website at [www.tradersaietfs.com](http://www.tradersaietfs.com); or
- For a duplicating fee, by e-mail request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov).