

## ClearShares Ultra-Short Maturity ETF 2023 Q4

### Performance (%)

Fund	QTD	YTD	1 Yr	3 Yr	5 Yr	Since Incep
Market Price	1.31	5.09	5.09	2.38	1.99	1.98
Fund NAV	1.35	5.11	5.11	2.39	1.99	1.98
ICE BofA ML 3 Month Treasury Bill	1.38	5.05	5.05	2.17	1.89	1.91

### Data as of 12/31/2023

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent month end can be obtained by calling 212.292.0959 or visiting [www.clear-shares.com](http://www.clear-shares.com).

Returns are average annualized except for periods less than one year.

Annualized return is the average return gained or lost by an investment each year over a given time period. ClearShares Funds' NAVs are calculated using prices as of 4:00 PM Eastern Time.

The market price is the Mid-Point between the Bid and Ask price as of the close of exchange. Since the Fund's Shares typically do not trade in the secondary market until several days after the Fund's inception, for the period from inception to the first day of secondary market trading in Shares, the NAV of the Fund is used to calculate market returns.

### Investment Objective

The ClearShares OPER ETF (the Fund) seeks current income with capital preservation

### Investment Strategy

The ClearShares Ultra-Short Maturity ETF (the "Fund", OPER) is an actively managed portfolio seeking current income by investing in repurchase agreements, collateralized by U.S. Treasuries and U.S. Government backed Securities.

### FUND FACTS

<b>Fund Inception Date:</b>	7/10/2018
<b>Ticker:</b>	OPER
<b>Net Assets as of 9/30/2023:</b>	\$180.03M
<b>Primary Exchange:</b>	NYSE ARCA
<b>CUSIP:</b>	26922A453
<b>Fund Type:</b>	Ultra-Short Maturity
<b>Investment Objective:</b>	Current Income Consistent with Capital Preservation
<b>Gross Expense Ratio:</b>	0.20%
<b>Net Expense Ratio:</b>	0.20%
<b>Number of Holdings:</b>	6
<b>Benchmark:</b>	ICE BofA ML <sup>®</sup> 3 Month Treasury Bill Index
<b>Distribution:</b>	Monthly
<b>SEC 30 Day Yield As of 12/31/2023:</b>	5.35%

### Why Clearshares OPER ETF

As the Fed maintains a general holding pattern on monetary tightening, investors continue to read the economic tea leaves for signs of future direction. More discrepancies have seemingly appeared between "official" economic statistics and economic reality. Employment numbers continue to be revised downward, often substantially, and inflation certainly appears to exceed the reported monthly numbers when checking out at the grocery store. At the same time, volatility continues in the fixed income markets while some financial publications and outlets urge an aggressive commitment to long-bias bond portfolios as we wait for the monetary easing they predict.

During the last year, the Fed has reduced its balance sheet by almost \$600 billion<sup>1</sup> and has conveyed it expects to continue to reduce securities positions over time. As the balance sheet reduction proceeds, the securities must be digested by the markets and those investors will therefore require financing, typically driven by the security types involved, the quantity liquidated, and the timing of the operations in question. This action has the potential to exert pressure on the availability and cost of the required funding and may have an unexpected impact on the fixed income markets. While there remains much uncertainty around the direction and timing of short-term rate moves and funding availability, OPER will be vigilant during periods of fixed income volatility and opportunistic during any disruptions to the funding markets.

OPER should continue to be a beneficiary of a rising or maintained rate environment, and may be an attractive option for investors seeking current income and portfolio stability in fixed income holdings:

- OPER could replace cash holdings and short-term bond funds in fixed income portfolio holdings.
- While OPER is permitted to hold securities, it typically does not when employing its core investment strategy which may reduce sensitivity to market volatility and yield curve risks
- OPER primarily accepts collateral issued by the US Treasury and government agencies
- OPER receives a minimum of 2% excess collateral pledged against each lending agreement
- OPER has historically paid a monthly distribution based on interest earned from these "repos"
- The Fund is daily priced, daily liquid, and trades on the New York Stock Exchange Arca

#### Sources

1. Federal Reserve Bank of St. Louis

### Contact Information

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212.292-0959

### What is a Tri-Party Repo

Tri-party repos are the most common type of repo and are popular because of their operational efficiency and safety. In this type of arrangement, the buyer and seller agree to the terms of the transaction and report the details to a third-party custodian (BNY Mellon). BNY Mellon, one of the largest financial institutions in the world, serves as the fiduciary/custodian for participants in the tri-party repo market. Specifically, BNY Mellon handles all settlement and operational issues associated with the tri-party repo transactions, and ensures the buyer's account has the agreed class of securities and is over-collateralized per the trade terms.

When the buyer (lender of cash) and the counterparty (borrower of cash) execute a transaction, the collateral and cash flow through one custodial bank. OPER ETF utilizes BNY Mellon for its tri-party transactions to provide clearing and trade settlement services, collateral pricing, and to help facilitate collateral substitution.

# Clearshares OPER ETF

## About the Portfolio

### Top Holdings

Name	Identifier	Market Value (\$)	Percentage Of Net Assets
OPER REPO 1/4/24 5.67% 01/04/2024	OPER010424-1	60,000,000.00	33.31%
OPER REPO 1/5/24 5.67% 01/05/2024	OPER010524	50,000,000.00	27.76%
OPER REPO 1/2/24 5.50% 01/02/2024	OPER010224	29,770,000.00	16.53%
OPER REPO 1/4/24 5.56% 01/04/2024	OPER010424	20,000,000.00	11.10%
OPER REPO 1/4/24 5.56% 01/04/2024	OPER010424-2	20,000,000.00	11.10%
FIRST AMERN FDS INC 12/01/2031	FGXXX	274,762.00	0.15%
Cash & Other	Cash&Other	64,949.29	0.04%

Data as of 12/31/2023

Holdings are subject to change and are not recommendations to buy or sell any security.

### An Experienced Investment Team

The ClearShares' investment team has multi-market cycle, multi-asset class experience.



James Fortescue  
Portfolio Manager  
30+ years experience



Frank Codey  
Portfolio Manager  
30+ years experience

Past performance is not indicative of future results. References to efforts to mitigate or “control” risk reflect an effort to address risk but do not mean that the portfolio risk can be completely controlled. All investment has risk, including the risk of loss of principal.

**Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by going to (<http://clear-shares.com/prospectus>). Please read the prospectus carefully before you invest.**

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV) and may trade at a discount or premium to NAV. Shares are not individually redeemable from the Fund and may be only be acquired or redeemed from the fund in creation units. Brokerage commissions will reduce returns. Additional risks include, but are not limited to investments in debt securities including high yield and mortgage and asset backed securities, foreign and emerging markets securities, REITs, MLPs, small-and mid-cap securities, and investment in other ETFs. The fund invests in other investment companies and bears its proportionate share of fees and expenses and underlying risks of other investment companies. Please refer to the prospectus for additional risks of investing in the fund.

**Investment Company Risk** The risks of investing in investment companies, such as the Underlying Funds, typically reflect the risks of the types of instruments in which the investment companies invest. By investing in another investment company, the Fund becomes a shareholder of that investment company and bears its proportionate share of the fees and expenses of the other investment company. The Fund may be subject to statutory limits with respect to the amount it can invest in other ETFs, which may adversely affect the Fund's ability to achieve its investment objective. Investments in ETFs are also subject to the following risks: (i) the market price of an ETF's shares may trade above or below their net asset value (“NAV”); (ii) an active trading market for an ETF's shares may not develop or be maintained; and (iii) trading of an ETF's shares may be halted for a number of reasons.

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

ICE BofAML 3-Month Treasury Bill Index: The ICE BofAML 3-Month Treasury Bill index is an unmanaged index that measures returns of three-month Treasury Bills..

ClearShares LLC. is the investment advisor to ClearShares OCIO ETF which is distributed by Quasar Distributors, LLC.