

CLEARSHARES

ClearShares OCIO ETF



An innovative investment solution  
integrating the expertise of the  
Outsourced Chief Investment Officer  
(OCIO) with the cost advantages of  
an Exchange Traded Fund (ETF)

## Investment objective

The ClearShares OCIO ETF (the “Fund”) seeks to outperform a traditional 60/40 mix of global equity and fixed-income investments.

## The Challenge of a New Investment Environment

Investors face a challenging investment environment, characterized by economic and political uncertainty, volatility, and accelerating disruption from new technologies and ever-more complex investment vehicles. We believe the performance bar has never been higher, nor the challenges greater.

This perfect storm of change and uncertainty places a premium on access to expertise, strong research, advanced analytics, and the latest financial technology – access that many investors find difficult to achieve with their limited resources.

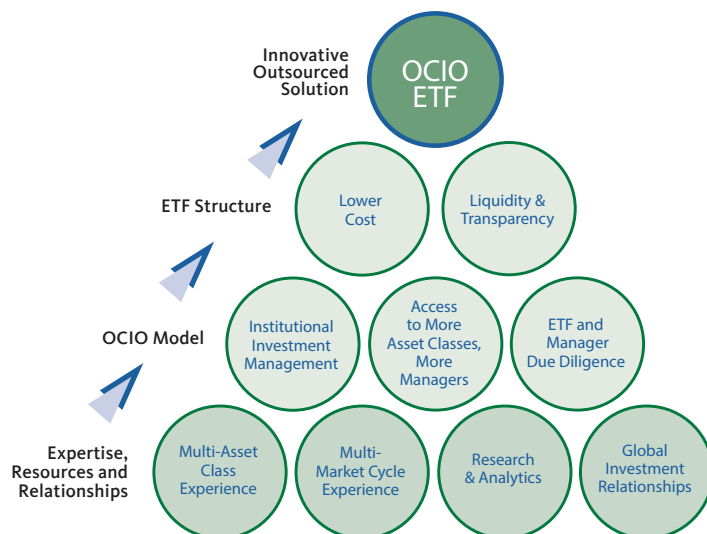
The turn to outsourcing. A growing number of investors are turning to the Outsourced Chief Investment Officer (OCIO) model to fulfill their fiduciary responsibilities. For many others, however, the high fees and minimums of traditional Outsourced OCIO offerings remain a major obstacle.

## An Innovative Investment Solution: ClearShares OCIO ETF

ClearShares OCIO ETF (the Fund) integrates the cost advantages and transparency of the ETF structure with the experienced professional management, research and analytics of the traditional OCIO model. The Fund is an actively managed ETF of ETFs, holding a diverse portfolio of primarily passive index-based ETFs utilizing actively managed strategies when opportunities present themselves. It offers a potential core- or total-portfolio solution, with fees and minimums that may be less than other outsourced arrangements.

The ETF-of-ETF structure can also be much less costly and cumbersome than building a portfolio of individual securities or ETFs in-house.

## The OCIO Advantage



## Why OCIO ETF?

**Active management where we believe it's likely to deliver the most value.** ClearShares' investment team focuses their experience, research and analytics where they have the greatest potential to add alpha and enhance long-term performance:

- tactical asset allocation, including market, region, sector and style exposures, and
- fund selection within targeted allocations

## The OCIO ETF Investment Process

### A collaborative, disciplined investment process:

#### 1 Top-down, forward-looking capital market research:

The OCIO ETF process utilizes forward-looking, top-down macroeconomic research and analysis to isolate forward-skewed opportunities. Our analysis also evaluates global economic scenarios by probability of occurrence, and seeks to identify the markets, asset classes, sectors, styles and geographic regions we believe are best positioned to deliver positive absolute and relative returns.

**2 Risk analysis:** We also seek to identify markets, asset classes, sectors, styles and geographic regions at risk – those that may encounter negative headwinds over the next 3-12 months. Among the factors included in our analysis are credit spread levels, market volatility, yield curve shape, energy prices, market correlations and currency risks.

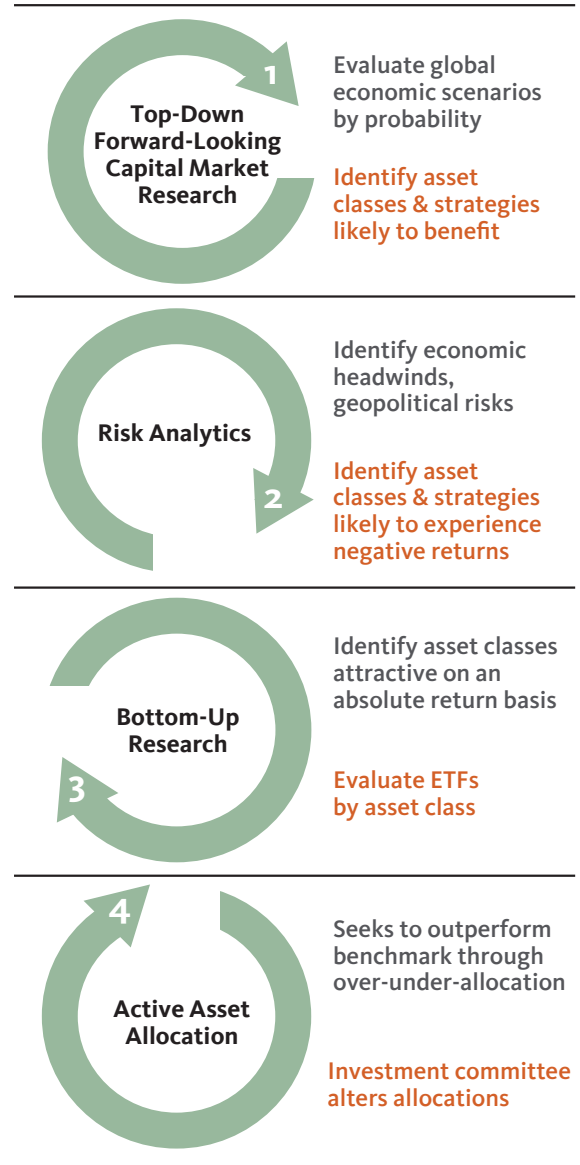
**3 Bottom-up research:** Our bottom-up research seeks to identify asset classes that are attractive on both an absolute and relative basis, and to select optimal ETFs using equities-, fixed income- and alternative investments-specific criteria.

**4 Active asset allocation:** OCIO ETF seeks to generate active alpha through over- and under-allocation weights for asset classes, geographic regions, sectors and investment styles. The Fund's Investment Committee sets ongoing allocations based on its assessment of opportunities and risks at the global macroeconomic level.

## Disciplined Risk Management

We know that limiting downside risk can be just as important for long-term performance as capturing upside movement. In addition to the disciplined risk analysis embedded in our investment process, the Fund does not invest in ETFs that employ high levels of leverage, derivatives, or highly illiquid securities. OCIO ETF typically limits investment in any single ETF to a maximum of 5% of total assets. We do not use leverage at the fund level.

**Transparent, ETF-neutral.** ClearShares OCIO ETF is manager-agnostic in selecting ETFs for inclusion in its portfolio.



## For Intermediaries

RIAs, Independent Broker/Dealers, Financial Advisors and other Intermediaries can utilize OCIO (NYSE) to offer their clients a diversified, transparent total or core portfolio solution. OCIO ETF can enable intermediaries to extend the range of their offerings and deepen client relationships, without the need to add internal capabilities.

## About ClearShares

ClearShares LLC is an independently-owned and operated investment advisory firm.

## Target Ranges and Characteristics

- Number of Holdings: 20-50
- Equity Target Range: 40%-70%
- Fixed Income Target Range: 20%-50%
- Alternative Investments  
Target Range: 0%-20%
- Cash: ≤ 5%

## Fees

Gross expense ratio: 0.67%

## An Experienced Investment Team

The ClearShares' OCIO ETF investment team has multi-market cycle and multi-asset class experience.



### Brian Lockwood, CFA - Portfolio Manager

- 20+ years experience
- Senior Fixed Income Portfolio Manager
- Prior positions include investment management positions at Piton Investment Management, HSBC, Ramius Capital Group, Credit Suisse and DLJ.



### Daniel Hughey, CFA - Portfolio Manager

- 10+ years experience
- Prior positions included investment management roles at Piton Investment Management and HSBC.

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.

*The ETFs investment objectives, risks, charges and expenses must be considered carefully before investing. The ClearShare's prospectus and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 1.212.359.0266, or visiting [www.clear-shares.com](http://www.clear-shares.com). Please read the prospectus carefully before you invest or send money.*

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.

**Asset Allocation Risk** The Fund may favor an asset category or investment strategy that performs poorly relative to other asset categories and investment strategies for short or long periods of time.

**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.

**Alpha**, often considered the active return on an investment, gauges the performance of an investment against a market index used as a benchmark, since they are often considered to represent the market's movement as a whole. The excess returns of a fund relative to the return of a benchmark index is the fund's alpha.

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

## For More Information

To learn more about ClearShares OCIO ETF and its innovative approach to cost-effective institutional investment solutions, contact us at: **212.359.0266** or visit: **[www.clear-shares.com](http://www.clear-shares.com)**

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