

# LHA Tactical Beta™ Variable Series Fund



The LHA Tactical Beta Variable Series Fund (the “Fund”) seeks long-term out-performance (net of fees) relative to the large-capitalization U.S. equity market. The Fund is based on a strategy (“Tactical Beta”) that has been managing investment capital since November 2016.\* The Fund seeks to achieve its objective principally by investing long or short in instruments linked directly or indirectly to the performance and/or volatility of the S&P 500® Index.

## FUND DESCRIPTION

LHA Tactical Beta Variable Series Fund generally offers 80%-120% exposure to the S&P 500® Index with a dynamic risk-management overlay. The strategy uses a “signal off” and a “signal on” approach for the overlay which is determined by the characteristics and behavior of volatility as expressed by the Cboe Volatility Index (VIX). The Volatility Dashboard™, a proprietary quantitative model, provides real-time information to the portfolio managers, who trade “signal off” – increasing S&P 500 exposure – or trade “signal on” – decreasing S&P 500 exposure and using VIX-linked instruments to hedge exposure on a tactical basis. The strategy seeks high correlation index returns in rising equity markets and low or negative correlation returns in equity market drawdowns.

## FEATURES AND BENEFITS

- Tactical Beta™ is rules-based, as positions are derived from signals from the Volatility Dashboard™
- Tactical Beta™ is constructed to mitigate the left tail risk of US equities
- Tactical Beta™ seeks high upside capture and low downside capture of the S&P 500® Index

## VOLATILITY DASHBOARD™ – RISK-RESPONSIVE EQUITY INVESTING

The Volatility Dashboard™ gives the portfolio managers a real-time, unbiased quantitative assessment of current market conditions. Rather than a fragile “black box” trading algorithm, the Volatility Dashboard™ is a simple, robust, and cost-conscious system for the tactical management of market exposure in US equity markets.

## FUND INFORMATION

Inception Date	December 17, 2021
CUSIP	90470L535
Currency	USD
Annual Operating Expense (Series II)	1.61%
Investment Advisor	Little Harbor Advisor, LLC

## PORTFOLIO MANAGERS

### Mike Thompson, CFA

BS in Economics, University of Illinois, Urbana/Champaign. Serves as Co-Portfolio Manager on the Tactical Beta™ strategy. Over 23 years of experience constructing and managing portfolios with a focus on volatility and risk management strategies.

### Matt Thompson, CFA

BS in Economics, University of Illinois, Urbana/Champaign. Serves as Co-Portfolio Manager of the Tactical Beta™ strategy and oversees the management of the Volatility Dashboard. Over 20 years of capital markets and investing experience, focusing on futures trading with an emphasis on VIX-related exchange-traded products.

## ABOUT THE INVESTMENT ADVISOR

*\*On or about August 4, 2021, the name of the strategy was changed from U.S. Equity Smart Index to Tactical Beta. The change in strategy name was not accompanied by any change to the components of the investment strategy or a change in portfolio managers. Little Harbor Advisors (LHA) has an exclusive license from Thompson Capital Management (TCM) to employ and market the Tactical Beta strategy.* Little Harbor Advisors, LLC, 30 Doaks Lane, Marblehead, Massachusetts 01945, serves as investment adviser (“Adviser”) to the Fund and has overall responsibility for the general management and administration of the Fund. The Adviser also arranges for transfer agency, custody, fund administration, and all other related services necessary for the Fund to operate. The Adviser was founded in 2012 and provides discretionary investment services to the Fund and exchange traded fund. For the services it provides to the Fund, the Fund pays the Adviser a unified management fee, which is calculated daily and paid monthly, at an annual rate of 1.30% of the Fund’s average daily net assets. The Management Fee is a unitary fee that includes most “other expenses” of the Fund. The Adviser pays all of the operating expenses of the Fund except portfolio transaction and other investment related costs (including brokerage fees and commissions, and fees and expenses associated with investments in derivative instruments, such as option and swap fees and expenses), taxes, borrowing costs (such as interest and dividend expense on securities sold short), extraordinary expenses, and any indirect expenses (such as fees and expenses associated with investment in acquired funds and other collective investment vehicles). Michael Thompson, CFA, and D. Matthew Thompson, CFA, are the Co-Portfolio Managers for the Fund and are responsible for the day-to-day management of the Fund’s portfolio, including the trading of portfolio securities for the Fund and selecting broker-dealers to execute purchase and sale transactions, subject to the supervision of the Adviser and the Fund’s Board of Trustees.

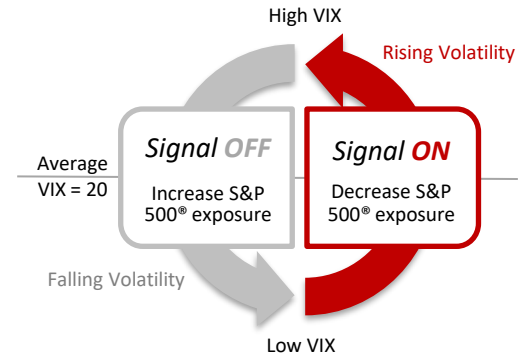


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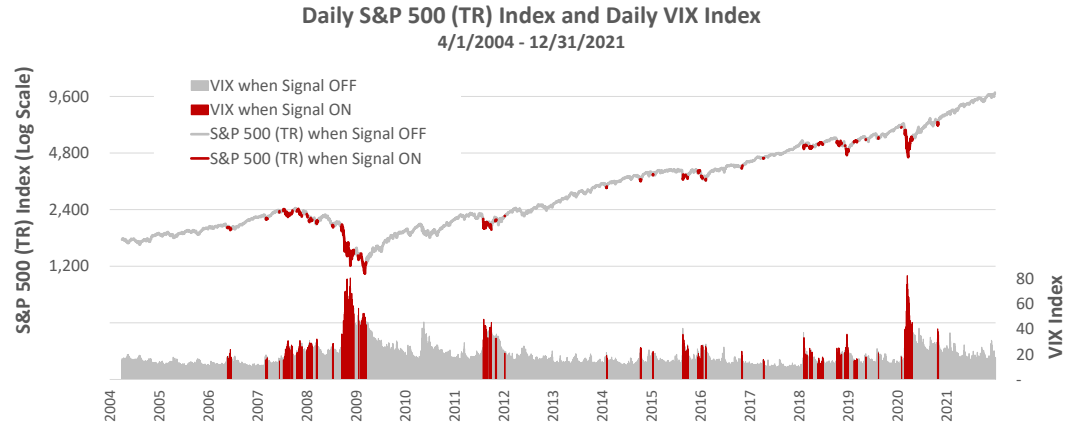
## TACTICAL BETA™ HEDGES THE S&P 500® BY USING VOL LOOPS™

The Fund determines “signal on” or “signal off” by evaluating the behavior of volatility as expressed in the VIX® Index. Since the VIX® tracks expectations of 30-day volatility in the S&P 500®, it presents as a closed loop as shown on the right – simply oscillating over and under its long-term average level of about 20. The Volatility Dashboard™ is a quantitative, rules-based model which interprets the upward and downward dynamics of Vol Loops™. By mapping each Vol Loop™ to identify rising volatility conditions, the Fund may implement the “signal on” overlay hedge by reducing S&P 500® exposure and using financial instruments such as VIX® exchange-traded products (ETPs) and options. The size and extent of the “signal on” hedge is dependent on such considerations as the expectations of volatility moves in the future and other quantitative and qualitative measures.



## DYNAMIC RISK OVERLAY

As illustrated in the diagram at right, the Volatility Dashboard™ may signal “on” exposure during rising volatility conditions (as depicted by the red columns showing the VIX Index levels). “Signal on” conditions are generally associated with bouts of turbulent and/or deteriorating S&P 500® market conditions (as depicted by the corresponding red parts of the S&P 500® (TR) Index line). “Signal off” exposure (as depicted by the corresponding grey columns and line) is generally associated with rising equity markets.



The indices shown are for informational purposes only and are not reflective of any investment.

## PRINCIPLE RISKS OF INVESTING IN THE FUND

Cash and Cash Equivalents Risk | Derivatives Risk | Equity Market Risk | ETF Risks | ETN Risk | Futures Contract Risks | High Portfolio Turnover Risk | Investment Company Risk | Leverage, Inverse and Inverse-Leverage ETF Risk | Leverage Risk | Management Risk | Models and Data Risk | New Fund Risk | Non-diversification Risk | Options Risk | Tax Risk | Volatility Risk

**An investor should consider a fund’s investment objectives, risks, charges, and expenses carefully before investing. This and other important information about the particular fund can be found in the fund’s Prospectus, or if applicable, Summary Prospectus. Read the Prospectus carefully before investing. To obtain a copy of the LHA Tactical Beta Variable Series Fund Prospectus visit [Fulfillment@ultimusfundolutions.com](mailto:Fulfillment@ultimusfundolutions.com).**

## IMPORTANT RISK DISCLOSURES

Vol Loop™ and Volatility Dashboard™ are trademarks of Thompson Capital Management, LLC (“TCM”) a majority-owned subsidiary of Little Harbor Advisors, LLC (“LHA”). Source of the charts is Standard & Poor’s, Cboe, LHA, and TCM. The first chart is a representation of the Vol Loop™ in graphical form, showing the rising and falling loop pattern around a mean VIX® level of 20. The second chart uses the VIX® Index level and S&P 500® (TR) Index level since April 2004, reflecting the earliest available TCM data calculating “risk on” and “risk off” signals. Shown for illustrative purposes only, not indicative of any specific time-period. **Past Performance does not guarantee future results.**

An investment in the fund is subject to risk, including the possible loss of the principal amount invested. Brokerage commissions will reduce returns. The fund will use future contracts which have risks, including the imperfect correlation between the value of such instruments and the underlying assets and the potential loss of principal. The potential loss of principal in regard to futures contracts can be in amounts greater than the initial amount invested in the futures contract. Because the fund may “turn over” some or all of its portfolio as frequently as daily, the fund may incur high levels of transaction costs, which could reduce shareholder returns.

The fund will invest in ETFs that may invest in small- and mid-cap companies which involves additional risks such as limited liquidity and greater volatility. **Left-tail risk** represents a greater chance of a negative movement in a distribution curve. The **S&P® 500 Index** is a market capitalization-weighted index of 500 large companies in leading industries of the U.S. economy. **The VIX® Index** (CBOE S&P 500® Volatility Index®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices and has been considered by many to be a premier barometer of investor sentiment and market volatility. Index performance is not indicative of a fund’s performance. It is not possible to invest directly in an index. **Correlation** is a statistic that measures the degree to which two data sets move in relation to each other. Correlation has a value that must fall between -1.0 (perfect negative correlation) and +1.0 (perfect positive correlation).

The Fund is distributed by Ultimus Fund Distributors, LLC, member FINRA/SIPC. LHA and Ultimus Fund Distributors, LLC are non-affiliated entities. No other products mentioned are distributed by Ultimus Fund Distributors, LLC. The Fund is an investment vehicle for variable annuity contracts and may be subject to fees or expenses that are typically charged by these contracts. Please review the insurance contract prospectus for further description of these fees and expenses. This product is available as a sub-account investment to a variable life insurance policy or other insurance policy and is not offered directly to the general public.

