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# **Zacks Income ETF**

(Ticker: ZINC)

# **Zacks Preferred Income ETF**

(Ticker: PRIZ)

*Each a series of the*  
**Zacks Trust**

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## **PROSPECTUS**

May 28, 2026

This prospectus contains information about each Fund that you should know before investing. You should read this prospectus carefully before you invest or send money and keep it for future reference. For questions or for Shareholder Services, please call 855-813-3507.

Shares of each of the Zacks Income ETF and Zacks Preferred Income ETF are listed and traded on NYSE Arca (the “Exchange”).

*The securities offered by this prospectus have not been approved or disapproved by the Securities and Exchange Commission, nor has the Securities and Exchange Commission passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.*

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# ZACKS INCOME ETF

## INVESTMENT OBJECTIVE

The Zacks Income ETF (the “Fund”) seeks to provide current income as well as long-term capital appreciation.

## 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 tables and expense example below.**

<b>Annual Fund Operating Expenses</b> <i>(ongoing expenses that you pay each year as a percentage of the value of your investment)</i>	
Management Fees	0.44%
Distribution and Service (12b-1) Fees	0.00%
Other Expenses <sup>1</sup>	0.63%
Acquired Fund Fees and Expenses <sup>1</sup>	0.00%
<b>Total Annual Fund Operating Expenses</b>	<b>1.07%</b>
Fee Waiver and/or Expense Limitation <sup>2</sup>	(0.52)%
<b>Net Annual Fund Operating Expenses</b>	<b>0.55%</b>

1. Estimated for the current fiscal year.
2. The Fund’s adviser, Zacks Investment Management, Inc. (the “Advisor”) has contractually agreed to reduce its fees and/or absorb expenses of the Fund, until at least June 30, 2027, to ensure that total annual fund operating expenses after fee waiver and/or reimbursement (exclusive of any front-end or contingent deferred loads, taxes, brokerage fees and commissions, borrowing costs (such as interest and dividend expense on securities sold short), acquired fund fees and expenses, fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including for example option and swap fees and expenses), or extraordinary expenses such as litigation) will not exceed 0.55% of the Fund’s net assets. These fee waivers and expense reimbursements are subject to possible recoupment from the Fund in future years (within the three years from the date the fees have been waived or reimbursed), if such recoupment can be achieved within the lesser of the foregoing expense limits or those in place at the time of recapture. This agreement may be terminated only by the Zacks Trust’s (the “Trust”) Board of Trustees (the “Board”) on 60 days’ written notice to the Advisor.

**Example.** You may also incur usual and customary brokerage commissions and other charges when buying or selling shares of the Fund, which are not reflected in the example that follows. This example is intended to help you compare the cost of owning shares of 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 sell 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 includes the Fund’s contractual expense limitation through June 30, 2027.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<b>One Year</b>	<b>Three Years</b>
\$56	\$289

**Portfolio Turnover.** The Fund may pay 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 Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. Because the Fund will commence operations on or following the date of this prospectus, the Fund has no reportable portfolio turnover rate.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund is an actively managed exchange-traded fund (“ETF”) that seeks to provide current income as well as long-term capital appreciation. The Fund generally will invest at least 80% of its total assets plus borrowings in securities that the Advisor considers to be income-producing. The Advisor considers securities that have paid interest or dividends at any time within the prior twelve months as being “income-producing” securities. The Advisor seeks to identify companies with potentially high income by using a proprietary strategy that evaluates stocks on multiple factors, including dividend yield and risk adjusted return. While the Fund may invest in companies of any market capitalization, it will generally focus on companies with large capitalizations (\$10 billion or higher at the time of purchase). The Fund intends to concentrate its investments (invests more than 25% of its net assets) in the financial services sector. In addition, the Fund may also include American Depositary Receipts (“ADRs”), real estate investment trusts (“REITs”), master limited partnerships (“MLPs”), Canadian royalty trusts and foreign stocks.

The Advisor employs a bottom-up investment approach to buying and selling investments for the Fund. The Advisor selects investments primarily based on quantitative analysis of an individual issuer and its potential for capital appreciation and dividend income. The Advisor uses a quantitative model that analyzes an issuer’s dividend yield, earnings, cash flows, competitive position, and management ability. The primary aim of this quantitative model is to systematically evaluate an issuer’s valuation, price and earnings momentum and earnings quality. In addition to considering a company’s financial condition the Advisor also considers other factors such as general market, economic, political, and regulatory conditions.

The portfolio is generally rebalanced on a monthly basis using the analysis described above. However, the Advisor may rebalance the Fund’s portfolio more or less frequently due to things like corporate actions, such as mergers and acquisitions, and spin-offs or in reaction to market events, earnings reports, and other specific or global events.

## PRINCIPAL RISKS OF INVESTING IN THE FUND

*Risk is inherent in all investing. The loss of your money is a principal risk of investing in the Fund. Investors should consider the following risk factors and special considerations associated with investing in the Fund, which may cause you to lose money. The following principal risk factors have been identified for the Fund. There can be no assurance that the Fund will be successful in meeting its investment objective.*

**Concentration Risk.** The Fund is expected to concentrate its investments (i.e., invest more than 25% of its assets) in one or more sectors or industries. Specifically, the Fund currently intends to concentrate its investments specifically in the financial services sector, although it may in the future adopt a policy to concentrate in other industries or sectors. Significant

investments in an industry or sector renders a portfolio particularly vulnerable to risks of that industry or sector. Such exposure may cause the Fund to be more impacted by risks relating to and developments affecting the sector(s) or industry(ies) in which it concentrates, including the industries in the financial services sector and the financial services sector itself.

***Financial Services Risk.*** Risks of investing in the financial services sector include: (1) systemic risk: factors outside the control of a particular financial institution may adversely affect the ability of the financial institution to operate normally or may impair its financial condition; (2) regulatory actions: financial services companies may suffer setbacks if regulators change the rules under which they operate; (3) changes in interest rates: unstable and/or rising interest rates may have a disproportionate effect on companies in the financial services sector; (4) non-diversified loan portfolios: financial services companies may have concentrated portfolios that make them vulnerable to economic conditions that affect an industry; (5) credit: financial services companies may have exposure to investments or agreements that may lead to losses; and (6) competition: the financial services sector has become increasingly competitive.

***Equity Securities Risk.*** Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes. These changes in value may result from factors affecting individual issuers, industries or the stock market as a whole. In addition, equity markets tend to be cyclical which may cause stock prices to fall over short or extended periods of time.

***Management Risk.*** The Fund is subject to management risk because it is an actively managed portfolio. The Advisor's judgments about the attractiveness, value, and stability of particular stocks in which the Fund invests may prove to be incorrect, and there is no guarantee that the Advisor's judgment will produce the desired results.

***Dividend Paying Securities Risk.*** The Fund will have significant exposure to dividend paying securities. There is no guarantee that issuers of the securities held by the Fund will declare dividends in the future or that, if declared, they will either remain at current levels or increase over time.

***Quantitative Model Risk.*** Investments selected using quantitative methods may perform differently from the market as a whole. There can be no assurance that these methodologies will enable the Fund to achieve its objective.

***Large-Cap Securities Risk.*** Stocks of large companies as a group can fall out of favor with the market. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

***Small and Medium Cap Securities Risk.*** The earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Mid- and small-capitalization companies typically have more limited product lines, markets and financial resources than larger companies, and their securities may trade less frequently and in more limited volume than those of larger, more mature companies.

**Common Stock Risk.** Investments in shares of common stock may fluctuate in value response to many factors. Such price fluctuations subject the Fund to potential losses.

**Market Risk.** Market risk refers to the possibility that the value of securities held by the Fund may decline due to daily fluctuations in the market. Market prices for securities change daily as a result of many factors, including developments affecting the condition of both individual companies and the market in general. The price of a security may even be affected by factors unrelated to the value or condition of its issuer, including changes in interest rates, economic and political conditions, and general market conditions. The Fund's performance per share will change daily in response to such factors.

**New Fund Risk.** The Fund has a limited history of operations for investors to evaluate.

**Authorized Participant Risk.** Only an authorized participant ("Authorized Participant" or "AP") may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that may act as Authorized Participants on an agency basis (i.e., on behalf of other market participants).

**Early Close/Trading Halt Risk.** An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted. In these circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.

**ETF Structure Risks.** The Fund is structured as an ETF and as a result is subject to the special risks, including:

- o **Not Individually Redeemable.** Shares are not individually redeemable and may be redeemed by the Fund at net asset value ("NAV") only in large blocks known as "Creation Units."
- o **Trading Issues.** An active trading market for the Fund's shares may not be developed or maintained. There can be no assurance that Shares will continue to meet the listing requirements of the Exchange.
- o **Cash purchases.** To the extent Creation Units are purchased by APs in cash instead of in-kind, the Fund will incur certain costs such as brokerage expenses and taxable gains and losses. These costs could be imposed on the Fund and impact the Fund's NAV if not fully offset by transaction fees paid by the APs.
- o **Market Price Variance Risk.** The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares and will include a "bid-ask spread" charged by the exchange specialists, market makers or other participants that trade the particular security. There may be times when the market price and the NAV vary significantly. This means that Shares may trade at a discount to NAV.

**Investment Risk.** Various sectors of the global financial markets have been experiencing an extended period of adverse conditions. Market uncertainty has increased dramatically, particularly in the United States and Europe, and adverse market conditions have expanded to other markets. These conditions have resulted in disruption of markets, periods of reduced liquidity, greater volatility, general volatility of spreads, an acute contraction in the availability of credit and a lack of price transparency. The long-term impact of these events is uncertain but could continue to have a material effect on general economic conditions, consumer and business confidence, and market liquidity.

**Cybersecurity Risk.** As part of its business, the Advisor processes, stores, and transmits large amounts of electronic information, including information relating to the transactions of the Fund. The Advisor and the Fund are therefore susceptible to cybersecurity risk. Cybersecurity failures or breaches of the Fund or its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, and/or reputational damage. The Fund and its shareholders could be negatively impacted as a result.

**Market Disruption and Geopolitical Risk.** Market disruption can be caused by economic, financial or political events and factors, including but not limited to, international wars or conflicts (including Russia's military invasion of Ukraine and the Israel-Hamas war), geopolitical developments (including trading and tariff arrangements, and sanctions), instability in regions such as Asia, Eastern Europe and the Middle East, terrorism, natural disasters and public health epidemics.

**REIT Risk.** REITs are subject to certain risks inherent in the direct ownership of real estate, including without limitation, a possible lack of mortgage funds and associated interest rate risks, overbuilding, property vacancies, increases in property taxes and operating expenses, changes in zoning laws, losses due to environmental damages and changes in neighborhood values and appeal to purchasers. Further, failure of a company to qualify as a REIT under federal tax law may have adverse consequences to the REIT's shareholders. In addition, REITs may have expenses, including advisory and administration expenses, and REIT shareholders will incur a proportionate share of the underlying expenses.

**Master Limited Partnerships Risk.** Investments in MLPs involve risks that differ from investments in common stock, including risks related to the following: (1) a common unit holder's limited control and limited rights to vote on matters affecting the MLP; (2) potential conflicts of interest between the MLP and the MLP's general partner; (3) cash flow; (4) dilution; and (5) the general partner's right to require unit holders to sell their common units at an undesirable time or price. MLP common units, like other equity securities, can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards an issuer or certain market sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer. Prices of common units of individual MLPs, like prices of other equity securities, also can be affected by fundamentals unique to the partnership or company, including earnings power and coverage ratios.

Additionally, due to the heavy state and federal regulations that an MLP and an MLP's assets may be subject to, including tax regulations, an MLP's profitability could be adversely impacted by changes in the regulatory environment.

**Canadian Royalty Trust Risk.** Canadian Royalty Trusts are likely to be heavily invested in crude oil and natural gas. Potential growth may be sacrificed because revenue is passed on to a royalty trust's unitholders (such as the Fund), rather than reinvested in the business. Royalty trusts generally do not guarantee minimum distributions or even return of capital. If the assets underlying a royalty trust do not perform as expected, the royalty trust may reduce or even eliminate distributions. The declaration of such distributions generally depends upon various

factors, including the operating performance and financial condition of the royalty trust and general economic conditions. Unlike U.S. Royalty Trusts, Canadian royalty trusts may engage in the acquisition, development and production of natural gas and crude oil to replace depleting reserves. They may have employees, issue new shares, borrow money, acquire additional properties, and manage the resources themselves. As a result, Canadian royalty trusts are exposed to commodity risk and production and reserve risk as well as operating risks above.

Additionally, Canadian Royalty trusts may be subject to changing regulations, including tax, that could adversely impact their operations and financials.

**Character of Distributions Risk.** Distributions from the Fund are not limited solely to investment-related returns and may include distributions that are characterized as returns of capital. For more information, see the Distribution Policy Risk below.

**Distribution Policy Risk.** The Fund pays quarterly income and managed distributions on Fund shares at a target rate that seeks to represent an annualized payout of approximately 8.0% on the Fund's per-share NAV on the date of a distribution's declaration (this rate is a target only and actual distributions may reflect a higher or lower annualized rate at the time of any given distribution, and further the target rate may be changed (raised or lowered) without prior notice from time to time depending on the market environment). Shareholders receiving periodic payments from the Fund may be under the impression that they are receiving net profits. *However, all or a portion of a distribution may consist of a return of capital.* Return of capital is the portion of distribution that is a return of your original investment dollars in the Fund. Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. The Fund will provide disclosures, with each quarterly distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains, and (3) return of capital. At the end of the year, the Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income, (2) capital gains, and (3) return of capital for tax purposes.

## PERFORMANCE INFORMATION

Because the Fund has not been in operation for an entire calendar year, no Fund performance information is shown. You may request a copy of the Fund's annual and semi-annual reports, once available, at no charge by calling the Fund at 855-813-3507. Interim information on the Fund's results can be obtained by visiting the Fund's website at [www.zacksetfs.com](http://www.zacksetfs.com).

## MANAGEMENT

**Investment Advisor.** Zacks Investment Management, Inc. is the Advisor to the Fund.

**Portfolio Manager.** Mitch Zacks, Principal & senior portfolio manager of the Advisor, has served as a portfolio manager of the Fund since its inception on May 28, 2026.

## **PURCHASE AND REDEMPTION OF SHARES**

The Fund will issue and redeem shares at NAV only in large blocks of 10,000 shares (each block of shares is called a “Creation Unit”). Creation Units are issued and redeemed for cash and/or in-kind for securities. Except when aggregated in Creation Units in transactions with APs, the shares are not redeemable securities of the Fund.

Individual shares of the Fund may only be bought and sold in the secondary market through a broker or dealer at a market price. Because ETF 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 of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the “bid-ask spread”). You may access recent information, including information on the Fund’s NAV, Market Price, premiums and discounts, and bid-ask spreads, on the Fund’s website at [www.zacksetfs.com](http://www.zacksetfs.com).

Purchases and redemptions of Creation Units via cash, rather than through in-kind delivery of portfolio securities, may cause the Fund to incur certain costs, including brokerage costs or taxable gains or losses, that the Fund might not have incurred if the purchases or redemptions had been conducted in-kind. Such costs could be imposed on the Fund, and thus decrease the Fund’s net asset value, to the extent that the costs are not offset by a transaction fee payable by an AP or via other means.

## **TAX INFORMATION**

The Fund’s distributions will generally be taxed to you as ordinary income or capital gains, unless you are investing through a tax deferred arrangement, such as a 401(k) plan or an IRA. Distributions on investments made through tax deferred vehicles, such as 401(k) plans or IRAs, may be taxed later upon withdrawal of assets from those accounts. You are strongly urged to consult with your own tax advisors concerning the tax consequences of an investment in the Fund.

## **PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Advisor, or other related companies may pay the intermediary for marketing activities and presentations, educational training programs, conferences, the development of technology platforms and reporting systems, or other services related to the sale or promotion of the Fund. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

## ZACKS PREFERRED INCOME ETF

### INVESTMENT OBJECTIVE

The Zacks Preferred Income ETF (the “Fund”) seeks to provide current income.

### 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 tables and expense example below.**

<b>Annual Fund Operating Expenses</b> <i>(ongoing expenses that you pay each year as a percentage of the value of your investment)</i>	
Management Fees	0.35%
Distribution and Service (12b-1) Fees	0.00%
Other Expenses <sup>1</sup>	0.72%
Acquired Fund Fees and Expenses <sup>1</sup>	0.00%
<b>Total Annual Fund Operating Expenses</b>	<b>1.07%</b>
Fee Waiver and/or Expense Limitation <sup>2</sup>	(0.62)%
<b>Net Annual Fund Operating Expenses</b>	<b>0.45%</b>

1. Estimated for the current fiscal year.
2. The Fund’s adviser, Zacks Investment Management, Inc. (the “Advisor”) has contractually agreed to reduce its fees and/or absorb expenses of the Fund, until at least June 30, 2027, to ensure that total annual fund operating expenses after fee waiver and/or reimbursement (exclusive of any front-end or contingent deferred loads, taxes, brokerage fees and commissions, borrowing costs (such as interest and dividend expense on securities sold short), acquired fund fees and expenses, fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including for example option and swap fees and expenses), or extraordinary expenses such as litigation) will not exceed 0.45% of the Fund’s net assets. These fee waivers and expense reimbursements are subject to possible recoupment from the Fund in future years (within the three years from the date the fees have been waived or reimbursed), if such recoupment can be achieved within the lesser of the foregoing expense limits or those in place at the time of recapture. This agreement may be terminated only by the Zacks Trust’s (the “Trust”) Board of Trustees (the “Board”) on 60 days’ written notice to the Advisor.

**Example.** You may also incur usual and customary brokerage commissions and other charges when buying or selling shares of the Fund, which are not reflected in the example that follows. This example is intended to help you compare the cost of owning shares of 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 sell 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 includes the Fund’s contractual expense limitation through June 30, 2027.

Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<b>One Year</b>	<b>Three Years</b>
\$46	\$279

**Portfolio Turnover.** The Fund may pay 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 Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. Because the Fund will commence operations on or following the date of this prospectus, the Fund has no reportable portfolio turnover rate.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund is an actively managed exchange-traded fund (“ETF”) that seeks to provide current income. Under normal circumstances, the Fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in preferred securities. The Advisor defines a preferred security to be a class of securities that pays a specified dividend that must be paid before any dividends can be paid to common stockholders and takes precedence over common stock in the event of a company’s liquidation. Examples of preferred securities include preferred stock, certain depositary receipts, and various types of junior subordinated debt (such debt generally includes the contractual ability to defer payment of interest without accelerating an immediate default event). Preferred securities generally pay fixed and floating rate distributions and are junior to all forms of the company’s senior debt but may have “preference” over common stock in the payment of distributions and the liquidation of a company’s assets. The Fund may invest its assets in below-investment-grade preferred securities (sometimes called “high yield” or “junk”), which are rated at the time of purchase Ba1 or lower by Moody’s Investor Service, Inc. (“Moody’s”) and BB+ or lower by S&P Global Ratings (“S&P”). The Advisor’s portfolio team selecting such investments will determine the security’s quality based on the securities rating average. The Fund intends to concentrate its investments (invests more than 25% of its net assets) in the financial services sector. The Fund may also invest in real estate investment trusts (“REITs”).

The Advisor constructs the Fund’s portfolio using both quantitative and qualitative analysis. During the initial quantitative analysis the Advisor looks to eliminate convertible preferred securities, securities that are not covered by rating agencies, and have low liquidity. The Advisor utilizes a quantitative model focused on four factors: Agreement (percentage of earnings estimate revisions that are revised upward), Magnitude (size of the earnings estimate revisions), Upside (where the most accurate or recent earnings estimates are coming in relative to the consensus) and Surprise (the magnitude and frequency of earnings surprises). Earnings surprises are a concept created by the Advisor’s affiliate, Zacks Investment Research, and are defined as the difference between reported earnings per share and consensus or average earnings estimates from sell-side analysts. Consensus estimates refer to the average forecasts of a group of sell-side analysts as to what a company is expected to earn or lose in a given period of time (quarterly or annually). The data for the quantitative analysis is provided by Zacks Investment Research. Once the fundamental strength and outlook of each security is assessed, a qualitative review occurs. The seniority of the preferred security, current CDS spread, ability to meet qualified dividends, and yield being offered determines the securities considered for the portfolio. The result is a portfolio consisting of high-quality preferred securities offering high levels of tax-advantaged income. See the “Preferred Stock Risk” risk factor below for specific risks associated with investments in preferred stocks.

The portfolio is generally rebalanced on a monthly basis using the analysis described above. However, the Advisor may rebalance the Fund's portfolio more or less frequently due to things like corporate actions, such as mergers and acquisitions, and spin-offs.

## PRINCIPAL RISKS OF INVESTING IN THE FUND

*Risk is inherent in all investing. The loss of your money is a principal risk of investing in the Fund. Investors should consider the following risk factors and special considerations associated with investing in the Fund, which may cause you to lose money. The following principal risk factors have been identified for the Fund. There can be no assurance that the Fund will be successful in meeting its investment objective.*

**Concentration Risk.** The Fund is expected to concentrate its investments (i.e., invest more than 25% of its assets) in one or more sectors or industries. Specifically, the Fund currently intends to concentrate its investments specifically in the financial services sector, although it may in the future adopt a policy to concentrate in other industries or sectors. Significant investments in an industry or sector renders a portfolio particularly vulnerable to risks of that industry or sector. Such exposure may cause the Fund to be more impacted by risks relating to and developments affecting the sector(s) or industry(ies) in which it concentrates, including the industries in the financial services sector and the financial services sector itself.

**Financial Services Risk.** Risks of investing in the financial services sector include: (1) systemic risk: factors outside the control of a particular financial institution may adversely affect the ability of the financial institution to operate normally or may impair its financial condition; (2) regulatory actions: financial services companies may suffer setbacks if regulators change the rules under which they operate; (3) changes in interest rates: unstable and/or rising interest rates may have a disproportionate effect on companies in the financial services sector; (4) non-diversified loan portfolios: financial services companies may have concentrated portfolios that make them vulnerable to economic conditions that affect an industry; (5) credit: financial services companies may have exposure to investments or agreements that may lead to losses; and (6) competition: the financial services sector has become increasingly competitive.

**Equity Securities Risk.** Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes. These changes in value may result from factors affecting individual issuers, industries or the stock market as a whole. In addition, equity markets tend to be cyclical which may cause stock prices to fall over short or extended periods of time.

**Management Risk.** The Fund is subject to management risk because it is an actively managed portfolio. The Advisor's judgments about the attractiveness, value, and stability of particular stocks in which the Fund invests may prove to be incorrect, and there is no guarantee that the Advisor's judgment will produce the desired results.

**Dividend Paying Securities Risk.** The Fund will have significant exposure to dividend paying securities. There is no guarantee that issuers of the securities held by the Fund will declare dividends in the future or that, if declared, they will either remain at current levels or increase over time.

***Quantitative Model Risk.*** Investments selected using quantitative methods may perform differently from the market as a whole. There can be no assurance that these methodologies will enable the Fund to achieve its objective.

***Large-Cap Securities Risk.*** Stocks of large companies as a group can fall out of favor with the market. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

***Small and Medium Cap Securities Risk.*** The earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Mid- and small-capitalization companies typically have more limited product lines, markets and financial resources than larger companies, and their securities may trade less frequently and in more limited volume than those of larger, more mature companies.

***Preferred Stock Risk.*** The Fund expects to invest primarily in preferred stocks, which are subject to company-specific and market risks applicable generally to equity securities but that are also subject to different risks from common equity securities, including:

- Changes in issuer's creditworthiness. Changes in the creditworthiness of the issuer of preferred stock could cause the value of the preferred stock to decline even if the issuer's common stock does not experience a decline, or the preferred stock may decline disproportionately.
- Ability to make payments. The value of an issuer's preferred stock may decrease if the issuer thereof is unable, or is perceived to be unable, to make the required payments on the preferred stock, even if the value of the issuer's common equity is unaffected.
- Subordinated position. As a form of equity, preferred stock – and contractual payments of the preference thereon – typically is subordinated to an issuer's debt, and obligations with respect to an issuer's debt can act to block or limit, particularly in times of financial stress on the issuer, the issuer's ability to make payments on preferred stock (and consequently negatively impact the value thereof).
- Interest rate changes. Changes in interest rates may impact, or disproportionately impact, the value of an issuer's preferred stock, particularly including that in times of rising interest rates the value of preferred stock with fixed coupon rates may decline.
- Lack of voting rights. Preferred stock generally is issued without voting rights, meaning that holders of preferred stock do not have a say in the governance of the issuer or on other topics on which holders of common stock have input.

***Market Risk.*** Market risk refers to the possibility that the value of securities held by the Fund may decline due to daily fluctuations in the market. Market prices for securities change daily as a result of many factors, including developments affecting the condition of both individual companies and the market in general. The price of a security may even be affected by factors unrelated to the value or condition of its issuer, including changes in interest rates, economic and political conditions, and general market conditions. The Fund's performance per share will change daily in response to such factors.

***New Fund Risk.*** The Fund has a limited history of operations for investors to evaluate.

***Authorized Participant Risk.*** Only an authorized participant (“Authorized Participant” or “AP”) may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that may act as Authorized Participants on an agency basis (i.e., on behalf of other market participants).

***Early Close/Trading Halt Risk.*** An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted. In these circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.

***ETF Structure Risks.*** The Fund is structured as an ETF and as a result is subject to the special risks, including:

- o ***Not Individually Redeemable.*** Shares are not individually redeemable and may be redeemed by the Fund at net asset value (“NAV”) only in large blocks known as “Creation Units.”
- o ***Trading Issues.*** An active trading market for the Fund’s shares may not be developed or maintained. There can be no assurance that Shares will continue to meet the listing requirements of the Exchange.
- o ***Cash purchases.*** To the extent Creation Units are purchased by APs in cash instead of in-kind, the Fund will incur certain costs such as brokerage expenses and taxable gains and losses. These costs could be imposed on the Fund and impact the Fund’s NAV if not fully offset by transaction fees paid by the APs.
- o ***Market Price Variance Risk.*** The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares and will include a “bid-ask spread” charged by the exchange specialists, market makers or other participants that trade the particular security. There may be times when the market price and the NAV vary significantly. This means that Shares may trade at a discount to NAV.

***Investment Risk.*** Various sectors of the global financial markets have been experiencing an extended period of adverse conditions. Market uncertainty has increased dramatically, particularly in the United States and Europe, and adverse market conditions have expanded to other markets. These conditions have resulted in disruption of markets, periods of reduced liquidity, greater volatility, general volatility of spreads, an acute contraction in the availability of credit and a lack of price transparency. The long-term impact of these events is uncertain but could continue to have a material effect on general economic conditions, consumer and business confidence, and market liquidity.

***Cybersecurity Risk.*** As part of its business, the Advisor processes, stores, and transmits large amounts of electronic information, including information relating to the transactions of the Fund. The Advisor and the Fund are therefore susceptible to cybersecurity risk. Cybersecurity failures or breaches of the Fund or its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, and/or reputational damage. The Fund and its shareholders could be negatively impacted as a result.

**Market Disruption and Geopolitical Risk.** Market disruption can be caused by economic, financial or political events and factors, including but not limited to, international wars or conflicts (including Russia's military invasion of Ukraine and the Israel-Hamas war), geopolitical developments (including trading and tariff arrangements, and sanctions), instability in regions such as Asia, Eastern Europe and the Middle East, terrorism, natural disasters and public health epidemics.

**REIT Risk.** REITs are subject to certain risks inherent in the direct ownership of real estate, including without limitation, a possible lack of mortgage funds and associated interest rate risks, overbuilding, property vacancies, increases in property taxes and operating expenses, changes in zoning laws, losses due to environmental damages and changes in neighborhood values and appeal to purchasers. Further, failure of a company to qualify as a REIT under federal tax law may have adverse consequences to the REIT's shareholders. In addition, REITs may have expenses, including advisory and administration expenses, and REIT shareholders will incur a proportionate share of the underlying expenses.

**Lower-Rated Securities Risk.** The Fund may invest in preferred securities that are rated below investment grade (i.e., "junk") or are unrated securities that the Advisor believes are of comparable quality. Such preferred securities are considered speculative. While generally providing greater income and opportunity for gain, non-investment grade preferred securities are subject to greater risks than higher-rated securities which include being such issuers being highly leveraged. During an economic downturn or recession, highly leveraged issuers of high-yield securities may experience financial stress and may not have sufficient revenues to meet their interest payment obligations. Economic downturns may also lower their values and increase their price volatility.

The Fund may have difficulty selling the preferred securities described above because they may have a thin trading market. The lack of a liquid secondary market may have an adverse effect on the market price and the Fund's ability to dispose of particular issues and may also make it more difficult for the Fund to obtain accurate market quotations in valuing these assets.

**Character of Distributions Risk.** Distributions from the Fund are not limited solely to investment-related returns and may include distributions that are characterized as returns of capital. For more information, see the Distribution Policy Risk below.

**Distribution Policy Risk.** The Fund pays monthly distributions of income and managed distributions quarterly on Fund shares at a target rate that seeks to represent an annualized payout of approximately 8.0% on the Fund's per-share NAV on the date of a distribution's declaration (this rate is a target only and actual distributions may reflect a higher or lower annualized rate at the time of any given distribution, and further the target rate may be changed (raised or lowered) without prior notice from time to time depending on the market environment). Shareholders receiving periodic payments from the Fund may be under the impression that they are receiving net profits. *However, all or a portion of a distribution may consist of a return of capital.* Return of capital is the portion of distribution that is a return of your original investment dollars in the Fund. Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their

shares and potentially increase the taxable gain, if any, upon disposition of their shares. The Fund will provide disclosures, with each quarterly (and such other distributions as deemed necessary or advisable) distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains, and (3) return of capital. At the end of the year, the Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income, (2) capital gains, and (3) return of capital for tax purposes.

## **PERFORMANCE INFORMATION**

Because the Fund has not been in operation for an entire calendar year, no Fund performance information is shown. You may request a copy of the Fund's annual and semi-annual reports, once available, at no charge by calling the Fund at 855-813-3507. Interim information on the Fund's results can be obtained by visiting the Fund's website at [www.zacksetfs.com](http://www.zacksetfs.com).

## **MANAGEMENT**

**Investment Advisor.** Zacks Investment Management, Inc. is the Advisor to the Fund.

**Portfolio Manager.** Mitch Zacks, Principal & senior portfolio manager of the Advisor, has served as a portfolio manager of the Fund since its inception on May 28, 2026.

## **PURCHASE AND REDEMPTION OF SHARES**

The Fund will issue and redeem shares at NAV only in large blocks of 10,000 shares (each block of shares is called a "Creation Unit"). Creation Units are issued and redeemed for cash and/or in-kind for securities. Except when aggregated in Creation Units in transactions with APs, the shares are not redeemable securities of the Fund.

Individual shares of the Fund may only be bought and sold in the secondary market through a broker or dealer at a market price. Because ETF 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 of the Fund (bid) and the lowest price a seller is willing to accept for shares of the Fund (ask) when buying or selling shares in the secondary market (the "bid-ask spread"). You may access recent information, including information on the Fund's NAV, Market Price, premiums and discounts, and bid-ask spreads, on the Fund's website at [www.zacksetfs.com](http://www.zacksetfs.com).

Purchases and redemptions of Creation Units via cash, rather than through in-kind delivery of portfolio securities, may cause the Fund to incur certain costs, including brokerage costs or taxable gains or losses, that the Fund might not have incurred if the purchases or redemptions had been conducted in-kind. Such costs could be imposed on the Fund, and thus decrease the Fund's net asset value, to the extent that the costs are not offset by a transaction fee payable by an AP or via other means.

## **TAX INFORMATION**

The Fund's distributions will generally be taxed to you as ordinary income or capital gains, unless you are investing through a tax deferred arrangement, such as a 401(k) plan or an IRA. Distributions on investments made through tax deferred vehicles, such as 401(k) plans or IRAs, may be taxed later upon withdrawal of assets from those accounts. You are strongly urged to consult with your own tax advisors concerning the tax consequences of an investment in the Fund.

## **PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Advisor, or other related companies may pay the intermediary for marketing activities and presentations, educational training programs, conferences, the development of technology platforms and reporting systems, or other services related to the sale or promotion of the Fund. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

## **ADDITIONAL INFORMATION ABOUT THE FUNDS' INVESTMENT OBJECTIVES, PRINCIPAL INVESTMENT STRATEGIES, AND RISKS**

### **ZACKS INCOME ETF**

#### **INVESTMENT OBJECTIVES**

The Zacks Income ETF seeks to provide current income as well as long-term capital appreciation. Shareholders will receive 60 days' prior written notice before a change to an investment objective or a change to the Fund's 80% investment policy takes place.

#### **PRINCIPAL INVESTMENT STRATEGIES**

The Fund seeks to provide current income as well as long-term capital appreciation. The Fund generally will invest at least 80% of its total assets plus borrowings in securities that the Advisor considers to be income-producing. The Advisor considers securities that have paid interest or dividends at any time within the prior twelve months as being "income-producing" securities. The Advisor seeks to identify companies with potentially high income by using a proprietary strategy that evaluates stocks on multiple factors, including dividend yield and risk adjusted return. While the Fund may invest in companies of any market capitalization, it will generally focus on companies with large capitalizations (\$10 billion or higher at the time of purchase). The Fund intends to concentrate its investments (invests more than 25% of its net assets) in the financial services sector. In addition, the Fund may also include ADRs, REITS, MLPs, and Canadian royalty trusts and foreign stocks.

The Advisor employs a bottom-up investment approach to buying and selling investments for the Fund. The Advisor selects investments primarily based on quantitative analysis of an individual issuer and its potential for capital appreciation and dividend income. The Advisor uses a quantitative model that analyzes an issuer's dividend yield, earnings, cash flows, competitive position, and management ability. The primary aim of this quantitative model is to systematically evaluate an issuer's valuation, price and earnings momentum and earnings quality. In addition to considering a company's financial condition the Advisor also considers other factors such as general market, economic, political, and regulatory conditions.

The portfolio is generally rebalanced on a monthly basis using the analysis described above. However, the Advisor may rebalance the Fund's portfolio more or less frequently due to things like corporate actions, such as mergers and acquisitions, and spin-offs or in reaction to market events, earnings reports, and other specific or global events.

### **ZACKS PREFERRED INCOME ETF**

#### **INVESTMENT OBJECTIVES**

The Zacks Preferred Income ETF seeks to provide current income. Shareholders will receive 60 days' prior written notice before a change to an investment objective or a change to the Fund's 80% investment policy takes place.

## PRINCIPAL INVESTMENT STRATEGIES

The Fund seeks to provide current income. Under normal circumstances, the Fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in preferred securities. The Advisor defines a preferred security to be a class of securities that pays a specified dividend that must be paid before any dividends can be paid to common stockholders and takes precedence over common stock in the event of a company's liquidation. Examples of preferred securities include preferred stock, certain depositary receipts, and various types of junior subordinated debt (such debt generally includes the contractual ability to defer payment of interest without accelerating an immediate default event). Preferred securities generally pay fixed and floating rate distributions and are junior to all forms of the company's senior debt but may have "preference" over common stock in the payment of distributions and the liquidation of a company's assets. The Fund may invest its assets in below-investment-grade preferred securities (sometimes called "high yield" or "junk"), which are rated at the time of purchase Ba1 or lower by Moody's and BB+ or lower by S&P. The Advisors portfolio team selecting such investments will determine the security's quality based on the securities rating average. The Fund intends to concentrate its investments (invests more than 25% of its net assets) in the financial services sector. The Fund may also invest in REITS.

The Advisor constructs the Fund's portfolio using both quantitative and qualitative analysis. During the initial quantitative analysis the Advisor looks to eliminate convertible preferred securities, securities that are not covered by rating agencies, and have low liquidity. The Advisor utilizes a quantitative model focused on four factors: Agreement (percentage of earnings estimate revisions that are revised upward), Magnitude (size of the earnings estimate revisions), Upside (where the most accurate or recent earnings estimates are coming in relative to the consensus) and Surprise (the magnitude and frequency of earnings surprises). Earnings surprises are a concept created by the Advisor's affiliate, Zacks Investment Research, and are defined as the difference between reported earnings per share and consensus or average earnings estimates from sell-side analysts. Consensus estimates refer to the average forecasts of a group of sell-side analysts as to what a company is expected to earn or lose in a given period of time (quarterly or annually). The data for the quantitative analysis is provided by Zacks Investment Research. Once the fundamental strength and outlook of each security is assessed, a qualitative review occurs. The seniority of the preferred security, current CDS spread, ability to meet qualified dividends, and yield being offered determines the securities considered for the portfolio. The result is a portfolio consisting of high-quality preferred securities offering high levels of tax-advantaged income. See the "Preferred Stock Risk" risk factor below for specific risks associated with investments in preferred stocks.

The portfolio is generally rebalanced on a monthly basis using the analysis described above. However, the Advisor may rebalance the Fund's portfolio more or less frequently due to things like corporate actions, such as mergers and acquisitions, and spin-offs.

## PRINCIPAL INVESTMENT RISKS FOR THE FUNDS

*Investors should consider the following risk factors and special considerations associated with investing in a Fund, which may cause you to lose money. The following principal risk factors have been identified for the Funds.*

<b>Risk</b>	<b>Zacks Income ETF</b>	<b>Zacks Preferred Income ETF</b>
<b>Authorized Participant Risk</b>	X	X
<b>Dividend Paying Securities</b>	X	X
<b>Concentration Risk</b>	X	X
<b>Financial Services Risk</b>	X	X
<b>Common Stock Risk</b>	X	X
<b>Preferred Stock Risk</b>		X
<b>Cybersecurity Risk</b>	X	X
<b>Market Disruption and Geopolitical Risk</b>	X	X
<b>Early Close/Trading Halt Risk</b>	X	X
<b>Equity Securities Risk</b>	X	X
<b>ETF Structure Risks</b>	X	X
<b>Investment Risk</b>	X	X
<b>Large-Cap Securities Risk</b>	X	X
<b>Small and Medium Cap Securities Risk</b>	X	X
<b>Management Risk</b>	X	X
<b>Market Risk</b>	X	X
<b>New Fund Risk</b>	X	X
<b>Quantitative Model Risk</b>	X	X
<b>REIT Risk</b>	X	X
<b>MLP and MLP Related Risk</b>	X	
<b>Canadian Royalty Trust Risk</b>	X	
<b>Lower Rated Securities Risk</b>		X
<b>Character of Distributions Risk</b>	X	X
<b>Distribution Policy Risk Zacks Income ETF</b>	X	
<b>Distribution Policy Risk Zacks Preferred Income ETF</b>		X

**Authorized Participant Risk.** Only an Authorized Participant may engage in creation or redemption transactions directly with a Fund. A Fund has a limited number of institutions that may act as Authorized Participants on an agency basis (i.e., on behalf of other market participants). Authorized Participant concentration risk may be heightened for ETFs, such as a Fund, that invest in securities that have lower trading volumes.

***Dividend Paying Securities Risk.*** The Fund will have significant exposure to dividend paying securities. There is no guarantee that issuers of the securities held by the Fund will declare dividends in the future or that, if declared, they will either remain at current levels or increase over time. The Fund may also underperform similar funds that invest without considering a company's dividend payments. Companies that pay dividends historically may not participate in a broad market advance to the same extent as other companies that do not pay dividends. Such companies may also be sensitive to a sharp rise in interest rates or an economic downturn that leads to the elimination or reduction of dividend payments to investors.

***Concentration Risk.*** The Funds are expected to concentrate their investments (i.e., invest more than 25% of its assets) in one or more sectors or industries. Specifically, the Funds currently intend to concentrate their investments specifically in the financial services sector, although they may in the future adopt a policy to concentrate in other industries or sectors. Significant investments in an industry or sector renders a portfolio particularly vulnerable to risks of that industry or sector. Such exposure may cause the Funds to be more impacted by risks relating to and developments affecting the sector(s) or industry(ies) in which it concentrates, including the industries in the financial services sector and the financial services sector itself.

***Financial Services Risk.*** A company is “principally engaged” in financial services if it owns financial services related assets constituting at least 50% of the total value of its assets, or if at least 50% of its revenues are derived from its provision of financial services. The financial services sector consists of several different industries that behave differently in different economic and market environments, including banking, insurance, and securities brokerage houses. Companies in the financial services sector include commercial banks, industrial banks, savings institutions, finance companies, diversified financial services companies, investment banking firms, securities brokerage houses, investment advisory companies, leasing companies, insurance companies, and companies providing similar services. Due to the wide variety of companies in the financial services sector, they may react in different ways to changes in economic and market conditions.

Risks of investing in the financial services sector include: (1) systemic risk: factors outside the control of a particular financial institution — like the failure of another, significant financial institution or material disruptions to the credit markets — may adversely affect the ability of the financial institution to operate normally or may impair its financial condition; (2) regulatory actions: financial services companies may suffer setbacks if regulators change the rules under which they operate; (3) changes in interest rates: unstable and/or rising interest rates may have a disproportionate effect on companies in the financial services sector; (4) non-diversified loan portfolios: financial services companies, whose securities a fund purchases, may themselves have concentrated portfolios, such as a high level of loans to real estate developers, which makes them vulnerable to economic conditions that affect that industry; (5) credit: financial services companies may have exposure to investments or agreements, which, under certain circumstances, may lead to losses, e.g., sub-prime loans; and (6) competition: the financial services sector has become increasingly competitive.

**Banking.** Commercial banks (including “money center” regional and community banks), savings and loan associations, and holding companies of the foregoing are especially subject to adverse effects of volatile interest rates, concentrations of loans in particular industries or classifications (such as real estate, energy, or sub-prime mortgages), and significant competition. The profitability of these businesses is to a significant degree dependent on the availability and cost of capital funds. Economic conditions in the real estate market may have a particularly strong effect on certain banks and savings associations. Commercial banks and savings associations are subject to extensive federal and, in many instances, state regulation. Neither such extensive regulation nor the federal insurance of deposits ensures the solvency or profitability of companies in this industry and there is no assurance against losses in securities issued by such companies.

**Insurance.** Insurance companies are particularly subject to government regulation and rate setting, potential anti-trust and tax law changes, and industry-wide pricing and competition cycles. Property and casualty insurance companies also may be affected by weather, terrorism, long-term climate changes, and other catastrophes. Life and health insurance companies may be affected by mortality and morbidity rates, including the effects of epidemics. Individual insurance companies may be exposed to reserve inadequacies, problems in investment portfolios (e.g., real estate or “junk” bond holdings), and failures of reinsurance carriers.

**Other Financial Services Companies.** Many of the investment considerations discussed in connection with banks and insurance companies also apply to other financial services companies. These companies are subject to extensive regulation, rapid business changes and volatile performance dependent on the availability and cost of capital, and prevailing interest rates and significant competition. General economic conditions significantly affect these companies. Credit and other losses resulting from the financial difficulty of borrowers or other third parties have a potentially adverse effect on companies in this industry. Investment banking, securities brokerage, and investment advisory companies are particularly subject to government regulation and the risks inherent in securities trading and underwriting activities.

**Other Regulatory Limitations.** Regulations of the Securities and Exchange Commission (“SEC”) impose limits on: (1) investments in the securities of companies that derive more than 15% of their gross revenues from the securities or investment management business (although there are exceptions, the Fund is prohibited from investing more than 5% of its total assets in a single company that derives more than 15% of its gross revenues from the securities or investment management business); and (2) investments in insurance companies. The Fund, generally, is prohibited from owning more than 10% of the outstanding voting securities of an insurance company.

**Common Stock Risk.** Investments in shares of common stock may fluctuate in value response to many factors, including the activities of the individual issuers whose securities the Fund owns, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject the Fund to potential losses. In addition, regardless of any one company’s particular prospects, a declining stock market may produce a decline in prices for all equity securities, which could also result in losses for the Fund. Market declines may continue for an indefinite period of time, and investors should understand that during temporary or extended bear markets, the value of common stocks will decline.

**Preferred Stock Risk.** The Fund expects to invest primarily in preferred stocks, which are subject to company-specific and market risks applicable generally to equity securities but that are also subject to different risks from common equity securities, including:

- Changes in issuer’s creditworthiness. Changes in the creditworthiness of the issuer of preferred stock could cause the value of the preferred stock to decline even if the issuer’s common stock does not experience a decline, or the preferred stock may decline disproportionately.
- Ability to make payments. The value of an issuer’s preferred stock may decrease if the issuer thereof is unable, or is perceived to be unable, to make the required payments on the preferred stock, even if the value of the issuer’s common equity is unaffected.
- Subordinated position. As a form of equity, preferred stock – and contractual payments of the preference thereon – typically is subordinated to an issuer’s debt, and obligations with respect to an issuer’s debt can act to block or limit, particularly in times of financial stress on the issuer, the issuer’s ability to make payments on preferred stock (and consequently negatively impact the value thereof).
- Interest rate changes. Changes in interest rates may impact, or disproportionately impact, the value of an issuer’s preferred stock, particularly including that in times of rising interest rates the value of preferred stock with fixed coupon rates may decline.
- Lack of voting rights. Preferred stock generally is issued without voting rights, meaning that holders of preferred stock do not have a say in the governance of the issuer or on other topics on which holders of common stock have input.

**Cybersecurity Risk.** As part of its business, the Advisor processes, stores, and transmits large amounts of electronic information, including information relating to the transactions of each Fund. The Advisor and the Funds are therefore susceptible to cybersecurity risk. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information, and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, the Funds or its advisor, custodians, fund accountant, fund administrator, transfer agent, pricing vendors, and/or other third-party service providers may adversely impact the Funds and their shareholders. For instance, cyber-attacks may interfere with the processing of shareholder transactions, impact a Fund’s ability to calculate its NAV, cause the release of private shareholder information or confidential Fund information, impede trading, cause reputational damage, and subject a Fund to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. A Fund also may incur substantial costs for cybersecurity risk management in order to guard against any cyber incidents in the future. The Funds and its shareholders could be negatively impacted as a result.

**Market Disruption and Geopolitical Risk.** U.S. market disruption can be caused by economic, financial or political events and factors, including but not limited to, international wars or conflicts (including Russia’s military invasion of Ukraine and the Israel-Hamas war), geopolitical developments (including trading and tariff arrangements, and sanctions), instability in regions such as Asia, Eastern Europe and the Middle East, terrorism, natural disasters and public health epidemics. The extent and duration of such events and resulting market disruptions cannot be predicted, but could be substantial and

could magnify the impact of other risks to a Fund. These and other similar events could adversely affect the U.S. financial markets and lead to increased market volatility, reduced liquidity in the securities markets, significant negative impacts on issuers and the markets for certain securities and/or government intervention. They may also cause short- or long-term economic uncertainties in the United States and worldwide. As a result, whether or not a Fund invests in securities of issuers with exposure to the countries directly affected, the value and liquidity of a Fund's investments may be negatively impacted.

**Early Close/Trading Halt Risk.** An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may prevent a Fund from buying or selling certain securities or financial instruments. In these circumstances, a Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.

**Equity Securities Risk.** Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes. These changes in value may result from factors affecting individual issuers, industries or the stock market as a whole. In addition, equity markets tend to be cyclical which may cause stock prices to fall over short or extended periods of time.

**ETF Structure Risks.** The Funds are structured as ETFs and as a result are subject to the special risks, including:

- o **Not Individually Redeemable.** Shares are not individually redeemable and may be redeemed by each Fund at NAV only in Creation Units. You may incur brokerage costs purchasing enough Shares to constitute a Creation Unit.
- o **Trading Issues.** An active trading market for each Fund's shares may not be developed or maintained. Trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable, such as extraordinary market volatility. There can be no assurance that Shares will continue to meet the listing requirements of the Exchange. If a Fund's shares are traded outside a collateralized settlement system, the number of financial institutions that can act as authorized participants that can post collateral on an agency basis is limited, which may limit the market for a Fund's shares.
- o **Cash purchases.** To the extent Creation Units are purchased by APs in cash instead of in-kind, each Fund will incur certain costs such as brokerage expenses and taxable gains and losses. These costs could be imposed on a Fund and impact a Fund's NAV if not fully offset by transaction fees paid by the APs.
- o **Market Price Variance Risk.** The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares and will include a "bid-ask spread" charged by the exchange specialists, market makers or other participants that trade the particular security. There may be times when the market price and the NAV vary significantly. This means that Shares may trade at a discount to NAV.
  - In times of market stress, market makers may step away from their role market making in shares of ETFs and in executing trades, which can lead to differences between the market value of Fund shares and a Fund's NAV and lead to wider bid ask spreads.

- To the extent Authorized Participants exit the business or are unable to process creations or redemptions and no other Authorized Participant can step in to do so, there may be a significantly reduced trading market in a Fund's shares, which can lead to differences between the market value of Fund shares and a Fund's NAV.
- The market price for a Fund's shares may deviate from a Fund's NAV, particularly during times of market stress, with the result that investors may pay significantly more or receive significantly less for Fund shares than a Fund's NAV, which is reflected in the bid and ask price for Fund shares or in the closing price.
- When all or a portion of an ETFs underlying securities trade in a market that is closed when the market for a Fund's shares is open, there may be changes from the last quote of the closed market and the quote from a Fund's domestic trading day, which could lead to differences between the market value of a Fund's shares and a Fund's NAV.
- In stressed market conditions, the market for a Fund's shares may become less liquid in response to the deteriorating liquidity of a Fund's portfolio. This adverse effect on the liquidity of a Fund's shares may, in turn, lead to differences between the market value of a Fund's shares and a Fund's NAV.

***Investment Risk.*** The value of the Funds' investments, like other market investments, may move up or down, sometimes rapidly and unpredictably. All investments involve risks, including the risk that the entire amount invested may be lost. No guarantee or representation is made that a Fund's investment objectives will be achieved.

Various sectors of the global financial markets have been experiencing an extended period of adverse conditions. Market uncertainty has increased dramatically over the past few years, and adverse market conditions have expanded to other markets. These conditions have resulted in disruption of markets, periods of reduced liquidity, greater volatility, general volatility of spreads, an acute contraction in the availability of credit and a lack of price transparency. These volatile and often difficult global market conditions have episodically adversely affected the market values of many securities, and this volatility may continue, and conditions could even deteriorate further. Some of the largest banks and companies across many sectors have declared bankruptcy, entered into insolvency, administration or similar proceedings, been nationalized by government authorities, and/or agreed to merge with or be acquired by other banks or companies that had been considered their peers. The long-term impact of these events is uncertain but could continue to have a material effect on general economic conditions, consumer and business confidence, and market liquidity.

Outbreaks of disease, epidemics, and other public health issues may impact the Funds. For example, the outbreak of the novel coronavirus designated as COVID-19 and efforts to contain its spread resulted in substantial market volatility and global business disruption and impacted the global economy in significant and unforeseen ways. The occurrence, reoccurrence, and pendency of public health events in the future, and the resulting financial and economic market uncertainty, could have a material adverse impact on the Funds or its investments. Moreover, changes in interest rates, travel advisories, quarantines and restrictions, disrupted supply chains and industries, impact on labor markets, reduced liquidity or a slowdown in U.S. or global economic conditions resulting from a future public health crisis may also adversely affect the Funds or its investments. Health crisis and the current or any resulting financial, economic and capital markets environment, and future developments in these and other areas present uncertainty and risk with respect to a Fund's NAV, performance, financial condition, results of operations, ability to pay distributions, make share repurchases and portfolio liquidity, among other factors.

***Large-Cap Securities Risk.*** Stocks of large companies as a group can fall out of favor with the market. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

***Small and Medium Cap Securities Risk.*** The earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small and medium sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

***Management Risk.*** The Funds are subject to management risk because they are actively managed portfolios. The Advisor's reliance on its strategy and its judgments about the value and stability of securities in which a Fund invests may prove to be incorrect. The ability of a Fund to meet its investment objective is directly related to the Advisor's proprietary investment process. The Advisor's assessment of the attractiveness, value, and stability of particular investments in which a Fund invests may prove to be incorrect, and there is no guarantee that a Fund's investment strategy will produce the desired results.

***Market Risk.*** Market risk refers to the possibility that the value of securities held by the Funds may decline due to daily fluctuations in the market. Market prices for securities change daily as a result of many factors, including developments affecting the condition of both individual companies and the market in general. The price of a security may even be affected by factors unrelated to the value or condition of its issuer, including changes in interest rates, economic and political conditions, and general market conditions. The Funds' performance per share will change daily in response to such factors.

***New Fund Risk.*** Each Fund has a limited history of operations. Accordingly, investors in a Fund bear the risk that a Fund may not be successful in implementing its investment strategy, may not employ a successful investment strategy, or may fail to attract sufficient assets under management to realize economies of scale, any of which could result in a Fund being liquidated at any time without shareholder approval and at a time that may not be favorable for all shareholders. Such a liquidation could have negative tax consequences for shareholders and will cause shareholders to incur expenses of liquidation.

***Quantitative Model Risk.*** The Funds seek to pursue their investment objectives by using proprietary models that incorporate quantitative analyses and were developed by the Advisor. Investments selected using quantitative methods may perform differently from the market as a whole and differently than forecasted for many reasons, including factors used in building the quantitative analytical frameworks, the weights placed on each factor, changes from historical trends, issues in the construction and management of the quantitative models (including, but not limited to, software issues and other technological issues), and changing sources of market returns, among others. There is no guarantee that the Advisor's use of these quantitative models will result in effective investment decisions for the Funds. The information and data used in the quantitative models may be supplied by third parties. Inaccurate or incomplete data may limit the effectiveness of the quantitative models. In addition, some of the data that the Advisor uses may be historical data, which may not accurately predict future market movement. There is a risk that the quantitative models will not be successful in selecting investments or in determining the weighting of investment positions, and there can be no assurance that these methodologies will enable a Fund to achieve its investment objective.

**REIT Risk.** REITs are pooled investment vehicles that trade like stocks and invest substantially all of their assets in real estate, and may qualify for special tax considerations. REITs are subject to certain risks inherent in the direct ownership of real estate, including without limitation, a possible lack of mortgage funds and associated interest rate risks, overbuilding, property vacancies, increases in property taxes and operating expenses, changes in zoning laws, losses due to environmental damages and changes in neighborhood values and appeal to purchasers. Further, failure of a company to qualify as a REIT under federal tax law may have adverse consequences to the REIT's shareholders. In addition, REITs may have expenses, including advisory and administration expenses, and REIT shareholders will incur a proportionate share of the underlying expenses.

**Master Limited Partnerships Risk.** The Fund may invest in securities of MLPs. Investments in MLPs involve risks that differ from investments in common stock, including risks related to the following: (1) a common unit holder's limited control and limited rights to vote on matters affecting the MLP; (2) potential conflicts of interest between the MLP and the MLP's general partner; (3) cash flow; (4) dilution; and (5) the general partner's right to require unit holders to sell their common units at an undesirable time or price. MLP common unit holders may not elect the general partner or its directors and have limited ability to remove an MLP's general partner. MLPs may issue additional common units without unit holder approval which could dilute the ownership interests of investors holding MLP common units. MLP common units, like other equity securities, can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards an issuer or certain market sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer. Prices of common units of individual MLPs, like prices of other equity securities, also can be affected by fundamentals unique to the partnership or company, including earnings power and coverage ratios. A holder of MLP common units typically would not be shielded to the same extent that a shareholder of a corporation would be. In certain circumstances, creditors of an MLP would have the right to seek return of capital distributed to a limited partner, which would continue after an investor sold its investment in the MLP. The value of an MLP security may decline for reasons that directly relate to the issuer such as management performance, financial leverage, and reduced demand for the issuer's products or services.

Currently, MLPs do not pay U.S. federal income tax at the partnership level. A change in current tax law, or a change in the underlying business mix of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes, which could result in a requirement to pay federal income tax on its taxable income and have the effect of reducing the amount of cash available for distribution by the MLP, resulting in a reduction of the value of the common unit holder's investment. Changes in the laws, regulations, or related interpretations relating to the Fund's investments in MLPs could increase the Fund's expenses, reduce its cash distributions, negatively impact the value of an investment in an MLP, or otherwise impact the Fund's ability to implement its investment strategy. Due to the heavy state and federal regulations that an MLP's assets may be subject to, an MLP's profitability could be adversely impacted by changes in the regulatory environment.

Generally, the securities markets may move down, sometimes rapidly and unpredictably, based on overall economic conditions and other factors. The value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. A security's value also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

**Canadian Royalty Trust Risk.** Canadian Royalty Trusts are likely to be heavily invested in crude oil and natural gas. Potential growth may be sacrificed because revenue is passed on to a royalty trust's unitholders (such as the Fund), rather than reinvested in the business. Royalty trusts generally do not guarantee minimum distributions or even return of capital. If the assets underlying a royalty trust do not perform as expected, the royalty trust may reduce or even eliminate distributions. The declaration of such distributions generally depends upon various factors, including the operating performance and financial condition of the royalty trust and general economic conditions.

Unlike U.S. Royalty Trusts, Canadian royalty trusts may engage in the acquisition, development and production of natural gas and crude oil to replace depleting reserves. They may have employees, issue new shares, borrow money, acquire additional properties, and manage the resources themselves. As a result, Canadian royalty trusts are exposed to commodity risk and production and reserve risk, as well as operating risk.

Under amendments to the Income Tax Act (Canada) passed in 2007 (the "SIFT Rules"), certain trusts (defined as "SIFT trusts") are taxable on certain income and gains on a basis similar to that which applies to a corporation, with the result that tax efficiencies formerly available in respect of an investment in the trust may cease to be available. A royalty trust may be a SIFT trust. A trust that began public trading before November 1, 2006 did not become subject to the SIFT Rules until the first year of the trust that ended in 2011, or earlier if the trust exceeded "normal growth guidelines" incorporated by reference into the Income Tax Act (Canada). In addition, as a result of the SIFT Rules, some trusts may undertake reorganization transactions, the costs of which may affect the return earned on an investment in the trust. After any such conversion, tax efficiencies that were formerly available in respect of an investment in the trust may cease to be available. Accordingly, the SIFT Rules have had, and may continue to have, an effect on the trading price of investments in royalty trusts, and consequently could impact the value of the Shares of the Fund.

**Lower-Rated Securities Risk.** The Fund may invest in preferred securities that are rated below investment grade (i.e., "junk") by nationally recognized statistical rating organizations ("NRSROs") or are unrated securities that the Advisor believes are of comparable quality. Such "junk" preferred securities are considered speculative with respect to their capacity to pay interest and repay principal in accordance with the terms of the obligation. While generally providing greater income and opportunity for gain, non-investment grade preferred securities are subject to greater risks than higher-rated securities.

Companies that issue junk preferred securities are often highly leveraged and may not have more traditional methods of financing available to them. During an economic downturn or recession, highly leveraged issuers of high-yield securities may experience financial stress. Economic downturns tend to disrupt the market for junk preferred securities, lowering their values and increasing their price volatility.

The credit rating from an NRSRO of a preferred security does not necessarily address its market value risk, and ratings may from time to time change to reflect developments regarding the issuer's financial condition. The lower the rating of a preferred security, the more speculative its characteristics.

The Fund may have difficulty selling certain preferred securities because they may have a thin trading market. The lack of a liquid secondary market may have an adverse effect on the market price and the Fund's ability to dispose of particular issues and may also make it more difficult for the Fund to obtain accurate market quotations in valuing these assets. In the event the Fund experiences an unexpected level of net redemptions, the Fund could be forced to sell such preferred securities at an unfavorable price. Prices of such preferred securities have been found to be less sensitive to fluctuations in interest rates and more sensitive to adverse economic changes and individual corporate developments than those of higher-rated debt securities.

***Character of Distributions Risk.*** Distributions from the Fund are not limited solely to investment-related returns and may include distributions that are characterized as returns of capital. For more information, see the Distribution Policy Risk of Zacks Income ETF and the Distribution Policy Risk of Zacks Preferred Income ETF below.

***Distribution Policy Risk of Zacks Income ETF.*** The Fund pays quarterly income and managed distributions on Fund shares at a target rate that seeks to represent an annualized payout of approximately 8.0% on the Fund's per-share NAV on the date of a distribution's declaration (this rate is a target only and actual distributions may reflect a higher or lower annualized rate at the time of any given distribution, and further the target rate may be changed (raised or lowered) without prior notice from time to time depending on the market environment). Shareholders receiving periodic payments from the Fund may be under the impression that they are receiving net profits. *However, all or a portion of a distribution may consist of a return of capital.* Return of capital is the portion of distribution that is a return of your original investment dollars in the Fund. Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. The Fund will provide disclosures, with each quarterly distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains, and (3) return of capital. At the end of the year, the Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income, (2) capital gains, and (3) return of capital for tax purposes.

***Distribution Policy Risk of Zacks Preferred Income ETF.*** The Fund pays monthly distributions of income and managed distributions quarterly on Fund shares at a target rate that seeks to represent an annualized payout of approximately 8.0% on the Fund's per-share NAV on the date of a distribution's declaration (this rate is a target only and actual distributions may reflect a higher or lower annualized rate at the time of any given distribution, and further the target rate may be changed (raised or lowered) without prior notice from time to time depending on the market environment). Shareholders receiving periodic payments from the Fund may be under the impression that they are receiving net profits. *However, all or a portion of a distribution may consist of a return of capital. Return of capital is the portion of distribution that is a return of your original investment dollars in the Fund.* Shareholders should not assume that the source of a distribution from the Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. The Fund will provide disclosures, with each quarterly (and such other distributions as deemed necessary or advisable) distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains, and (3) return of capital. At the end of the year, the Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income, (2) capital gains, and (3) return of capital for tax purposes.

## **MANAGEMENT OF THE FUNDS**

### **INVESTMENT ADVISOR**

The Advisor acts as each Fund's investment advisor pursuant to an advisory agreement with the Trust on behalf of each Fund (the "Advisory Agreement"). As investment advisor, the Advisor has overall responsibility for the general management and administration of the Funds. The Advisor, located at 101 N Wacker Drive, Suite 1500, Chicago, Illinois 60606, is registered with the Securities and Exchange Commission as an investment advisor. Subject to the supervision of the Board, the Advisor is responsible for managing each Fund's investments, executing transactions and providing related administrative services and facilities under an Advisory Agreement between the Funds and the Advisor. The Advisor had approximately \$13.4 billion in assets under management as of December 31, 2025.

The management fees set forth in the Advisory Agreement are 0.44% for Zacks Income ETF and 0.35% for Zacks Preferred Income ETF annually, to be paid on a monthly basis. In addition to investment advisory fees, each Fund pays other expenses including costs incurred in connection with the maintenance of securities law registration, printing and mailing prospectuses and Statements of Additional Information to shareholders, certain financial accounting services, taxes or governmental fees, custodial, transfer and shareholder servicing agent costs, expenses of outside counsel and independent accountants, preparation of shareholder reports and expenses of trustee and shareholders meetings.

The Advisor has contractually agreed to reduce its fees and/or absorb expenses of the Funds, until at least June 30, 2027, to ensure that total annual fund operating expenses after fee waiver and/or reimbursement (exclusive of any front-end or contingent deferred loads, taxes, brokerage fees and commissions, borrowing costs (such as interest and dividend expense on securities sold short), acquired fund fees and expenses, fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including for example option and swap fees and expenses), or extraordinary expenses such as litigation) will not exceed 0.55% of the Zacks Income ETF or 0.45% of the Zacks Preferred Income ETF, respectively, of each Fund's average daily net assets, subject to possible recoupment from the Funds in future years within the three years from the date the fees have been waived or reimbursed if such recoupment can be achieved within the lesser of the foregoing expense limits or the expense limits in place at the time of the recoupment. Fee waiver and reimbursement arrangements can decrease the Funds' expenses and boost its performance.

**Approval of Advisory Agreement.** A discussion regarding the basis for the Board's approval of the Advisory Agreement will be available in the Funds' first Form N-CSR, which will be available on the Funds' website and on the SEC's website at [www.sec.gov](http://www.sec.gov).

**Portfolio Management.** The day-to-day investment decisions for the Funds are made by Mitch Zacks.

Mitch Zacks is the President and Chief Executive Officer of the Advisor. He is also a Portfolio Manager at the Advisor overseeing the modeling and quantitative process. Mr. Zacks joined the Advisor in 1996 and has been a portfolio manager with the firm since 1999. Mr. Zacks wrote a weekly finance column for the Chicago Sun-Times and has written two books on quantitative investment strategies, which were published in 2003 and 2011. Prior to joining Zacks Investment Management in 1996, Mitch was an investment banking analyst at Lazard Freres in New York. Mitch graduated cum laude from Yale University with distinction in his major of Economics. He received his M.B.A with high honors in his concentration of Analytic Finance and Statistics from the University of Chicago.

The Funds' Statement of Additional Information provides additional information about the Portfolio Manager's compensation, other accounts managed and ownership of Fund shares.

## **HOW SHARES ARE PRICED**

The NAV and offering price of shares is determined at the close of regular trading on the New York Stock Exchange ("NYSE") (normally 4:00 p.m. Eastern Time) on each day the NYSE is open. NAV is computed by determining, on a per class basis, the aggregate market value of all assets of a Fund, less its liabilities, divided by the total number of shares outstanding ((assets-liabilities)/number of shares = NAV). The NYSE is closed on weekends and New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The NAV takes into account the expenses and fees of a Fund, including management, administration, and distribution fees, which are accrued daily. The determination of NAV for a Fund for a particular day is applicable to all applications for the purchase of shares, as well as all requests for the redemption of shares, received by a Fund (or an authorized broker or agent, or its authorized designee) before the close of trading on the NYSE on that day.

Generally, fixed income securities having a remaining maturity of 60 days or less are valued at amortized cost, which approximates market value. Fixed income securities having a remaining maturity of greater than 60 days are valued using an independent pricing service. When prices are not available from such services or are deemed to be unreliable, such securities are valued in accordance with procedures approved by the Board. Securities traded or dealt in upon one or more securities exchanges (whether domestic or foreign) for which market quotations are readily available and not subject to restrictions against resale shall be valued at the last quoted sales price on the primary exchange or, in the absence of a sale on the primary exchange, at the mean between the current bid and ask prices on such exchange. Securities primarily traded in the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") National Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price. Securities that are not traded or dealt in any securities exchange (whether domestic or foreign) and for which over-the-counter market quotations are readily available generally shall be valued at the last sale price or, in the absence of a sale, at the mean between the current bid and ask price on such over-the-counter market.

If market quotations are not readily available, securities will be valued at their fair market value as determined in good faith by the Advisor in accordance with procedures approved by the Board and evaluated by the Board as to the reliability of the fair value method used. In these cases, a Fund's NAV will reflect certain portfolio securities' fair value rather than their market price. Fair value pricing involves subjective judgments, and it is possible that the fair value determined for a security may be materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available. The Board has delegated execution of these procedures to a fair value designee, the Advisor. The Advisor may also enlist third party consultants such as an audit firm or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value.

A Fund may use independent pricing services to assist in calculating the value of a Fund's securities. In addition, market prices for foreign securities are not determined at the same time of day as the NAV for a Fund. Because a Fund may invest in underlying ETFs that hold portfolio securities primarily listed on foreign exchanges, and these exchanges may trade on weekends or other days when the underlying ETFs do not price their shares, the value of some of a Fund's portfolio securities may change on days when you may not be able to buy or sell Fund shares.

In computing the NAV, a Fund values foreign securities held by a Fund at the latest closing price on the exchange in which they are traded immediately prior to closing of the NYSE. Prices of foreign securities quoted in foreign currencies are translated into U.S. dollars at current rates. If events materially affecting the value of a security in a Fund's portfolio, particularly foreign securities, occur after the close of trading on a foreign market but before a Fund prices its shares, the security will be valued at fair value. For example, if trading in a portfolio security is halted and does not resume before a Fund calculates its NAV, the Advisor may need to price the security using a Fund's fair value pricing guidelines. Without a fair value price, short-term traders could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Fair valuation of a Fund's

portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that fair value pricing policies will prevent dilution of a Fund's NAV by short term traders. The determination of fair value involves subjective judgments. As a result, using fair value to price a security may result in a price materially different from the prices used by other mutual funds to determine NAV, or from the price that may be realized upon the actual sale of the security.

With respect to any portion of a Fund's assets that are invested in one or more open-end management investment companies registered under the Investment Company Act of 1940, as amended (the "1940 Act"), a Fund's NAV is calculated based upon the NAVs of those open-end management investment companies, and the prospectuses for these companies explain the circumstances under which those companies will use fair value pricing and the effects of using fair value pricing.

**Pricing Fund Shares.** The trading price of a Fund's shares on the Exchange is based on the market price, not a Fund's NAV, so it may differ from a Fund's daily NAV and can be affected by market forces such as supply and demand, economic conditions and other factors.

Information regarding the number of days the market price of a Fund's shares was greater than a Fund's NAV and the number of days it was less than a Fund's NAV (i.e., premium or discount) for the most recently completed calendar year, and the most recently completed calendar quarters is available on the Funds' website at [www.zacksetfs.com](http://www.zacksetfs.com).

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

Shares of the Zacks Income ETF and Zacks Preferred Income ETF are listed for trading on the Exchange under the symbols ZINC and PRIZ, respectively. Share prices are reported in dollars and cents per Share. Shares can be bought and sold on the secondary market throughout the trading day like other publicly traded shares, and shares typically trade in blocks of less than a Creation Unit. There is no minimum investment required. Shares may only be purchased and sold on the secondary market when the Exchange is open for trading. The Exchange is open for trading Monday through Friday and is closed on weekends and the following holidays, as observed: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

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 offered price in the secondary market on each leg of a round trip (purchase and sale) transaction.

You can access recent information, including information on each Fund's NAV, market price, premiums and discounts, and bid-ask spreads, on the Funds' website at [www.zacksetfs.com](http://www.zacksetfs.com).

APs may acquire Shares directly from a Fund, and APs may tender their shares for redemption directly to a Fund, at NAV per Share only in large blocks, or Creation Units, of 10,000 shares. Purchases and redemptions directly with a Fund must follow the Funds procedures, which are described in the SAI.

The Funds may liquidate and terminate at any time without shareholder approval.

## **Book Entry**

Shares are held in book entry form, which means that no stock certificates are issued. The Depository Trust Company (“DTC”) or its nominee is the record owner of all outstanding shares of each Fund and is recognized as the owner of all shares for all purposes.

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. Participants in DTC 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” form.

### **FREQUENT PURCHASES AND REDEMPTIONS OF FUND SHARES**

Shares can only be purchased and redeemed directly from a Fund in Creation Units by APs, and the vast majority of trading Shares occurs on the secondary market. Because the secondary market trades do not directly involve a Fund, it is unlikely those trades would cause the harmful effects of market timing, including dilution, disruption of portfolio management, increases in a Fund’s trading costs and the realization of capital gains. With regard to the purchase or redemption of Creation Units directly with a Fund, to the extent effected in-kind (i.e., for securities), those trades do not cause the harmful effects that may result from frequent cash trades. To the extent trades are effected in whole or in part in cash, those trades could result in dilution to a Fund and increased transaction costs, which could negatively impact a Fund’s ability to achieve its investment objective. However, direct trading by APs is critical to ensuring that the Shares trade at or close to NAV. Each Fund also employs fair valuation pricing to minimize potential dilution from market timing. In addition, each Fund imposes transaction fees on purchases and redemptions of Fund shares to cover the custodial and other costs incurred by a Fund in effecting trades. These fees increase if an investor substitutes cash in part or in whole for securities, reflecting the fact that a Fund’s trading costs increase in those circumstances. Given this structure, the Trust has determined that it is not necessary to adopt policies and procedures to detect and deter market timing of a Fund’s shares.

### **DISTRIBUTION AND SERVICE PLAN**

Each Fund has adopted a distribution and service plan (“Plan”) pursuant to Rule 12b-1 under the 1940 Act. Under the Plan, each Fund is authorized to pay distribution fees to the distributor and other firms that provide distribution and shareholder services (“Service Providers”). If a Service Provider provides these services, a Fund may pay fees at an annual rate not to exceed 0.25% of average daily net assets, pursuant to Rule 12b-1 under the 1940 Act.

No distribution or service fees are currently paid by the Funds and will not be paid by the Funds unless authorized by the Board. There are no current plans to impose these fees. In the event Rule 12b-1 fees were charged, over time they would increase the cost of an investment in a Fund.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

Shares are traded throughout the day in the secondary market on a national securities exchange on an intra-day basis and are created and redeemed in-kind and/or for cash in Creation Units at each day's next calculated NAV. In-kind arrangements are designed to protect ongoing shareholders from the adverse effects on a Fund's portfolio that could arise from frequent cash redemption transactions. In a conventional mutual fund, redemptions can have an adverse tax impact on taxable shareholders if the mutual fund needs to sell portfolio securities to obtain cash to meet net fund redemptions. These sales may generate taxable gains for the ongoing shareholders of the mutual fund, whereas the shares in-kind redemption mechanism generally will not lead to a tax event for a Fund or its ongoing shareholders.

In order to allow shareholders of each Fund to realize a predictable, but not assured, level of cash flow, each Fund has adopted a policy (which may be modified at any time) to pay distributions on Fund shares at a target rate that represents an annualized payout of approximately 8.0% (the "Target Rate") on a Fund's per-share NAV on the date of a distribution's declaration (this rate is a target only and actual distributions may reflect a higher or lower annualized rate at the time of any given distribution, and further the Target rate may be changed (raised or lowered) without prior notice from time to time depending on the market environment). For ZINC, such distributions will occur quarterly. For PRIZ, distributions of income will occur monthly and managed distributions will occur quarterly. All income will be distributed quarterly or monthly, as applicable, regardless of whether such income will be treated as return of capital. The Funds generally distribute to shareholders substantially all of its net income (for example, interest and dividends) quarterly or monthly, as applicable, as well as substantially all of its net capital gains (that is, long-term capital gains from the sale of portfolio securities and short-term capital gains from both the sale of portfolio securities and option premium earned) annually. In addition, pursuant to its distribution policy, a Fund may make distributions that are treated as a return of capital. Return of capital is the portion of a distribution that is the return of your original investment dollars in a Fund. A return of capital is not taxable to a shareholder unless it exceeds a shareholder's tax basis in the shares. Returns of capital reduce a shareholder's tax cost (or "tax basis"). Once a shareholder's tax basis is reduced to zero, any further return of capital would be taxable. Shareholders receiving periodic payments from a Fund may be under the impression that they are receiving net profits. However, all or a portion of a distribution may consist of a return of capital (i.e., from your original investment). Shareholders should not assume that the source of a distribution from a Fund is net profit. Shareholders should note that return of capital will reduce the tax basis of their shares and potentially increase the taxable gain, if any, upon disposition of their shares. As required under the 1940 Act, each Fund will provide a notice to shareholders at the time of distribution when such Channing Intrinsic Value Small-Cap Fund distribution

does not consist solely of net income. Additionally, each quarterly distribution payment (and such other distributions as deemed necessary or advisable) will be accompanied by a written statement which discloses the estimated source or sources of each distribution. The IRS requires you to report these amounts, excluding returns of capital, on your income tax return for the year declared. Each Fund will provide disclosures, with each distribution, that estimate the percentages of the current and year-to-date distributions that represent (1) net investment income, (2) capital gains, and (3) return of capital. At the end of the year, a Fund may be required under applicable law to re-characterize distributions made previously during that year among (1) ordinary income, (2) capital gains, and (3) return of capital for tax purposes. An additional distribution may be made in December, and other additional distributions may be made with respect to a particular fiscal year in order to comply with applicable law. Distributions declared in December, if paid to shareholders by the end of January, are treated for federal income tax purposes as if received in December.

Distributions in cash may be reinvested automatically in additional whole shares only if the broker through whom you purchased shares makes such option available.

### **FEDERAL INCOME TAXATION**

As with any investment, you should consider how your investment in Shares will be taxed. The tax information in this Prospectus is provided as general information. You should consult your own tax professional about the tax consequences of an investment in Shares.

Unless your investment in the Shares is made through a tax-exempt entity or tax-deferred retirement account, such as an IRA plan, you need to be aware of the possible tax consequences when:

- A Fund makes a distribution;
- You sell your Shares listed on the Exchange; and
- You purchase or redeem Creation Units.

### **TAXES ON DISTRIBUTIONS**

Distributions from a Fund's net investment income (other than qualified dividend income), including distributions of income from securities lending and distributions out of a Fund's net short-term capital gains, if any, are taxable to you as ordinary income. Distributions by a Fund of net long-term capital gains in excess of net short-term capital losses (capital gain dividends) are taxable to you as long-term capital gains, regardless of how long you have held a Fund's shares. Distributions by a Fund that qualify as qualified dividend income are taxable to you at long-term capital gain rates. Long-term capital gains and qualified dividend income are generally eligible for taxation at a maximum rate of 20%. In addition, a 3.8% U.S. federal Medicare contribution tax is imposed on "net investment income," including, but not limited to, interest, dividends, and net gain, of U.S. individuals with income exceeding \$200,000 (or \$250,000 if married and filing jointly) and of estates and trusts.

Dividends will be qualified dividend income to you if they are attributable to qualified dividend income received by a Fund. Generally, qualified dividend income includes dividend income from taxable U.S. corporations, provided that a Fund satisfies certain holding period requirements in respect of the stock of such corporations and has not hedged its position in the stock in certain ways. Substitute dividends received by a Fund with respect to dividends paid on securities lent out will not be qualified dividend income. For this purpose, a qualified non-U.S. corporation means any non-U.S. corporation that is eligible for benefits under a comprehensive income tax treaty with the United States, which includes an exchange of information program or if the stock with respect to which the dividend was paid is readily tradable on an established United States securities market. The term excludes a corporation that is a passive foreign investment company.

Dividends received by a Fund from a real estate investment trust (“REIT”) or another RIC generally are qualified dividend income only to the extent the dividend distributions are made out of qualified dividend income received by such REIT or RIC. It is expected that dividends received by a Fund from a REIT and distributed to a shareholder generally will be taxable to the shareholder as ordinary income.

For a dividend to be treated as qualified dividend income, the dividend must be received with respect to a share of stock held without being hedged by a Fund, and with respect to a share of a Fund held without being hedged by you, for 61 days during the 121-day period beginning at the date which is 60 days before the date on which such share becomes ex-dividend with respect to such dividend or, in the case of certain preferred stock, 91 days during the 181-day period beginning 90 days before such date.

If your Fund shares are loaned out pursuant to a securities lending arrangement, you may lose the ability to treat Fund dividends paid while the shares are held by the borrower as qualified dividend income. In addition, you may lose the ability to use foreign tax credits passed through by a Fund if your Fund shares are loaned out pursuant to a securities lending agreement.

In general, your distributions are subject to U.S. federal income tax for the year when they are paid. Certain distributions paid in January, however, may be treated as paid on December 31 of the prior year.

If a Fund’s distributions exceed current and accumulated earnings and profits, all or a portion of the distributions made in the taxable year may be recharacterized as a return of capital to shareholders. Distributions in excess of a Fund’s minimum distribution requirements, but not in excess of a Fund’s earnings and profits, will be taxable to shareholders and will not constitute nontaxable returns of capital. A return of capital distribution generally will not be taxable but will reduce the shareholder’s cost basis and result in a higher capital gain or lower capital loss when those shares on which the distribution was received are sold. Once a shareholder’s cost basis is reduced to zero, further distributions will be treated as capital gain, if the shareholder holds shares of a Fund as capital assets.

If you are neither a resident nor a citizen of the United States or if you are a non-U.S. entity, a Fund's ordinary income dividends (which include distributions of net short-term capital gains) will generally be subject to a 30% U.S. withholding tax, unless a lower treaty rate applies, provided that withholding tax will generally not apply to any gain or income realized by a non-U.S. shareholder in respect of any distributions of long-term capital gains or upon the sale or other disposition of shares of a Fund.

A 30% withholding tax is currently imposed on U.S.-source dividends, interest, and other income items, and will be imposed on proceeds from the sale of property producing U.S.-source dividends and interest paid to (i) foreign financial institutions including non-U.S. investment funds unless they agree to collect and disclose to the Internal Revenue Service ("IRS") information regarding their direct and indirect U.S. account holders and (ii) certain other foreign entities, unless they certify certain information regarding their direct and indirect U.S. owners. To avoid withholding, foreign financial institutions will need to (i) enter into agreements with the IRS that state that they will provide the IRS information, including the names, addresses, and taxpayer identification numbers of direct and indirect U.S. account holders, comply with due diligence procedures with respect to the identification of U.S. accounts, report to the IRS certain information with respect to U.S. accounts maintained, agree to withhold tax on certain payments made to non-compliant foreign financial institutions or to account holders who fail to provide the required information, and determine certain other information as to their account holders, or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, provide local revenue authorities with similar account holder information. Other foreign entities will need to provide the name, address, and taxpayer identification number of each substantial U.S. owner or certifications of no substantial U.S. ownership unless certain exceptions apply or agree to provide certain information to other revenue authorities for transmittal to the IRS. Prospective non-US investors are urged to consult with their own tax advisors concerning the application of these rules to an investment in a Fund.

Dividends, interest, and capital gains earned by a Fund with respect to non-U.S. securities may give rise to withholding, capital gains and other taxes imposed by non-U.S. countries. Tax conventions between certain countries and the United States may reduce or eliminate such taxes. If more than 50% of the total assets of a Fund at the close of a year consists of non-U.S. stocks or securities (generally, for this purpose, depositary receipts, no matter where traded, of non-U.S. companies are treated as "non-U.S."), a Fund may "pass through" to you certain non-U.S. income taxes (including withholding taxes) paid by a Fund. This means that you would be considered to have received as an additional dividend your share of such non-U.S. taxes, but you may be entitled to either a corresponding tax deduction in calculating your taxable income, or, subject to certain limitations, a credit in calculating your U.S. federal income tax.

For purposes of foreign tax credits for U.S. shareholders of a Fund, foreign capital gains taxes may not produce associated foreign source income, thereby limiting a U.S. person's ability to use such credits.

If you are a resident or a citizen of the United States, by law, back-up withholding at a 28% rate will apply to your distributions and proceeds if you have not provided a taxpayer identification number or social security number and made other required certifications.

## **TAXES ON EXCHANGE-LISTED SHARES SALES**

Currently, any capital gain or loss realized upon a sale of Shares is generally treated as long-term capital gain or loss if the Shares have been held for more than one year and as short-term capital gain or loss if the Shares have been held for one year or less. The ability to deduct capital losses may be limited.

## **TAXES ON PURCHASE AND REDEMPTION OF CREATION UNITS**

An Authorized Participant who exchanges equity securities for Creation Units generally will recognize a gain or a loss. The gain or loss will be equal to the difference between the market value of the Creation Units at the time of the exchange and the exchanger's aggregate basis in the securities surrendered and the Cash Component paid. A person who exchanges Creation Units for equity securities will generally recognize a gain or loss equal to the difference between the exchanger's basis in the Creation Units and the aggregate market value of the securities received and the Cash Redemption Amount. The Internal Revenue Service, however, may assert that a loss realized upon an exchange of securities for Creation Units cannot be deducted currently under the rules governing "wash sales," 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 the wash sale rules apply and when a loss might be deductible.

Under current federal tax laws, any capital gain or loss realized upon redemption of Creation Units is generally treated as long-term capital gain or loss if the Shares have been held for more than one year and as a short-term capital gain or loss if the Shares have been held for one year or less.

If you purchase or redeem Creation Units, you will be sent a confirmation statement showing how many and at what price you purchased or sold Shares.

*The foregoing discussion summarizes some of the possible consequences under current federal tax law of an investment in the Funds. It is not a substitute for personal tax advice. You may also be subject to state and local taxation on Fund distributions, and sales of Fund Shares. Consult your personal tax advisor about the potential tax consequences of an investment in Fund Shares under all applicable tax laws.*

## FUND SERVICE PROVIDERS

Ultimus Fund Solutions, LLC is the Funds' administrator and fund accountant. It has its principal office at 4221 North 203<sup>rd</sup> Street, Elkhorn, Nebraska 68022-3474, and is primarily in the business of providing administrative, fund accounting and transfer agent services to retail and institutional mutual funds.

Brown Brothers Harriman & Co., 50 Post Office Square, Boston, MA 02110, is the Funds' transfer agent and custodian.

Northern Lights Distributors, LLC (the "Distributor"), 4221 North 203<sup>rd</sup> Street, Suite 100, Elkhorn, NE 68022-3474, is the distributor for the shares of the Funds. The Distributor is a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc.

Greenberg Traurig LLP, 1144 15<sup>th</sup> Street, Suite 3300, Denver, Colorado 80202, serves as legal counsel to the Trust.

Cohen & Company, Ltd., 342 N. Water St., Suite 830, Milwaukee, WI 53202, serves as the Funds' independent registered public accounting firm. The independent registered public accounting firm is responsible for auditing the annual financial statements of the Funds.

**Portfolio Holdings Information.** A description of the Funds' policies and procedures with respect to the disclosure of its portfolio securities is available in the Funds' Statement of Additional Information ("SAI").

## FINANCIAL HIGHLIGHTS

Because the Funds commenced operations on or following the date of this Prospectus, no Financial Highlights are shown. You may request a copy of the Funds' annual and semi-annual reports, once available, at no charge by calling the Funds at 855-813-3507.

## ADDITIONAL INFORMATION

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### **Zacks Income ETF**

(Ticker: ZINC)

### **Zacks Preferred Income ETF**

(Ticker: PRIZ)

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**For more information visit [www.zacksetfs.com](http://www.zacksetfs.com) or call 855-813-3507**

Copies of the Prospectus, SAI, and recent shareholder reports can be found on our website at [www.zacksetfs.com](http://www.zacksetfs.com). For more information about the Funds, you may request a copy of the SAI. The SAI provides detailed information about the Funds and is incorporated by reference into this Prospectus. This means that the SAI, for legal purposes, is a part of this Prospectus. Additional information about the Funds' investments will be available in the annual and semi-annual reports to shareholders and in Form N-CSR. The annual reports will include discussions of market conditions and investment strategies that significantly affected the Funds' performance during its last fiscal year. In Form N-CSR, you will find the Funds' annual and semi-annual financial statements.

If you have any questions about the Funds or shares of the Funds or you wish to obtain the SAI or Annual Report free of charge, please:

**Call:** 855-813-3507 (toll free)

**Write:** **Zacks Trust**  
c/o Ultimus Fund Solutions, LLC  
225 Pictoria Drive, Suite 450  
Cincinnati, OH 45426

Information about the Funds (including the SAI) can be reviewed and copied at the SEC's Public Reference Room in Washington, D.C., and information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-202-551-8090. Reports and other information about the Funds are available on the EDGAR database on the SEC's website at [www.sec.gov](http://www.sec.gov), and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

*Investment Company Act File No.: 811-23435*