

**FUND OBJECTIVE**

The exchange traded fund (ETF) seeks long-term capital appreciation.

**FUND INCEPTION DATE**

November 29, 2023

**PORTFOLIO MANAGERS**

Joseph Engelberg, Ph.D  
Chief Research Officer

Michael Krause, CFA  
Chief Investment Officer

**FUND DETAILS**

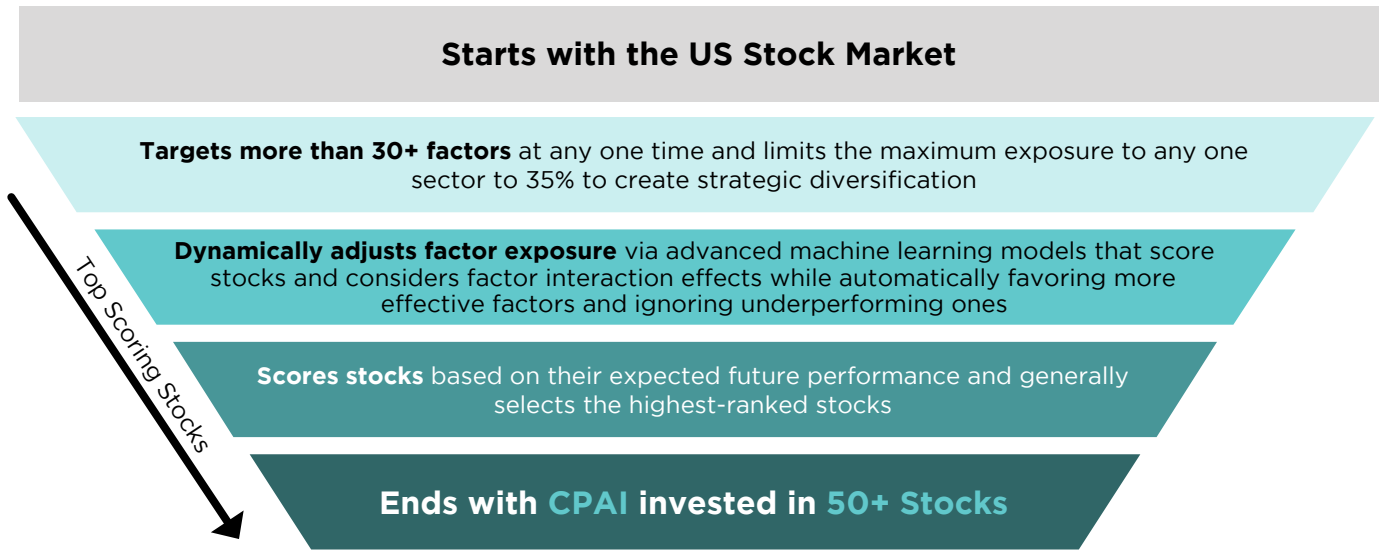
STYLE: Small & Mid Market Cap  
INDEX: S&P 1000®

CUSIP: 66538R540  
ISIN: US66538R5404

CPAI seeks long-term capital appreciation by investing in individual stocks that have exposure to multiple factors and are among the highest-ranking stocks to hold as determined by quantitative models and artificial intelligence.

**ALLOCATION STRATEGY**

The Counterpoint Quantitative Equity ETF Fund uses multiple machine learning models to select a portfolio. The process dynamically adjusts exposure to different factors to seek outperformance relative to the market.



**PORTFOLIO CHARACTERISTICS**

The Fund uses a blend of multiple quantitative machine learning models and advanced artificial intelligence techniques to most optimally score and select the highest ranked stocks.

- Holds at least 50 individual securities
- Stock holdings are equally weighted
- Rebalances quarterly with high active share

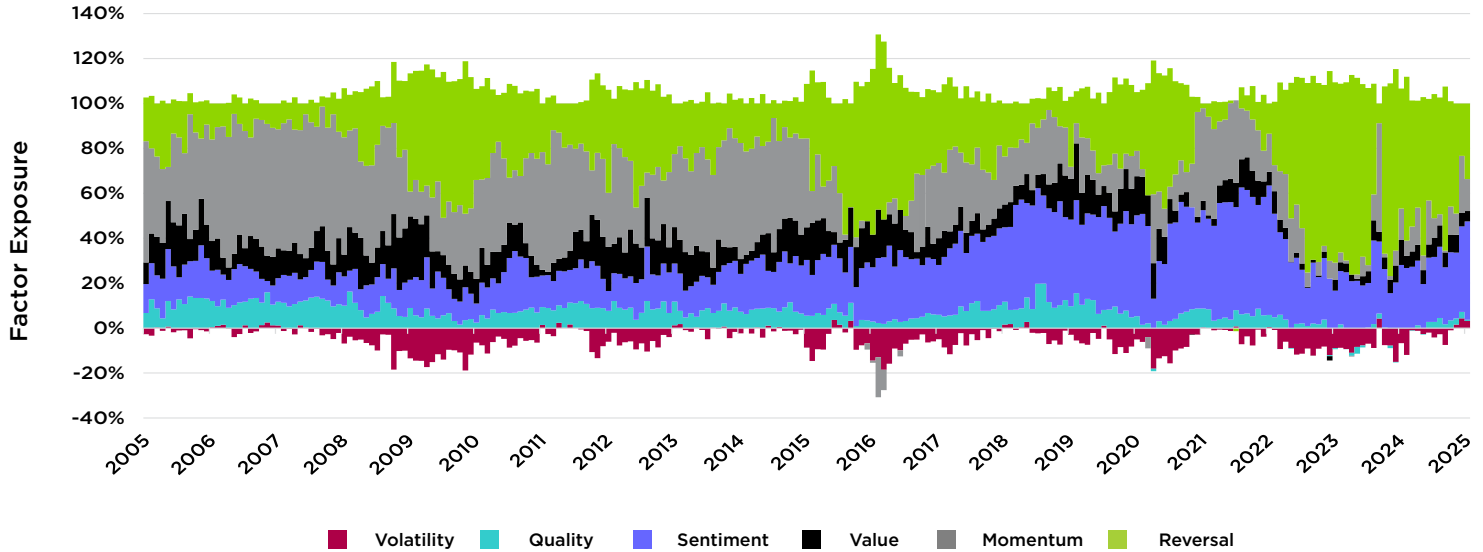
- All market capitalizations, focused on small & mid
- Targets no more than 35% exposure to any sector
- Benchmarked against the S&P 1000® Index

There is no guarantee that any investment strategy will achieve its objectives, generate profits, or avoid losses.

DYNAMIC FACTOR EXPOSURES OVER TIME

The Counterpoint Quantitative Equity ETF seeks to provide exposure to stocks with the highest predicted return, where factor exposures are dynamic depending on factor interaction effects and market conditions.

The chart below displays the dynamic nature of total factor weighting for the top 100 stocks determined by the model, rolling over time.



*Time Period: January 1, 2005, to December 31, 2024* The chart displays the factor exposure of the top 100 stocks determined by the model and displays shifts in factor style over time. Positive and negative factor weightings must sum to 100%, so where a factor may contribute negatively in a given period, the sum of all positive factor attributions may be greater than 100%. Factor attributions below the 0% axis subtract from total excess return estimate, often indicating the model takes negative exposure to certain factors because some other factor has positive expectations that exceed the negative contribution. i.e., Volatility factor usually includes lower volatility stocks when the attribution is positive, and higher volatility stocks when the attribution is negative. Likewise, it would show High quality when positive, low quality when negative. It does not show actual investment returns or performance of the fund. Future performance is unknown.

Important information about the funds is available in their prospectuses, which can be obtained at [counterpointfunds.com](https://counterpointfunds.com) or by calling 844-273-8637. The prospectuses should be read carefully before investing. Investors should carefully consider the investment objectives, risks, charges, and expenses of the funds managed by Counterpoint Funds. The Counterpoint Funds fund family is distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Counterpoint Funds, LLC is not affiliated with Northern Lights Distributors, LLC member FINRA/SIPC.

Important Risk Information

Investments in the Counterpoint Quantitative Equity ETF involves risk including possible loss of principal and may not be suitable for all investors. The Fund is new with a limited history of operations. There is no assurance that the Fund’s strategy for allocating assets will achieve its investment objectives. The extent that Authorized Participants (AP) exit the business or are unable to proceed with creation or redemption orders, Fund shares may be more likely to trade at a premium or discount to net asset value and possibly face trading halts or delisting. Issuers of a security and other instruments may not be able to make principal and interest payments when due. Fluctuation in the value of equity securities held by the Fund causes the net asset value of the Fund to fluctuate. You should consider how your investment in Shares will be taxed and consult your own tax professional about the tax consequences of an investment in Shares.

The Fund is structured as an ETF and is subject to risks including, market price variance, trading issues and not being individually redeemable. ETF investments involve advisory and other expenses which will be indirectly paid by the Fund. The Adviser’s judgments about the growth, value or potential appreciation of an investment may prove to be incorrect or fail to have the intended results, which could adversely impact the Fund’s performance and cause it to underperform relative to its benchmark, or not to achieve its investment goal. Like any quantitative analysis, the Adviser’s investment model carries a risk that the model used might be based on one or more incorrect assumptions. Rapidly changing and unforeseen market dynamics could lead to a decrease in the short-term effectiveness of the model and could have an adverse effect on the securities selected for the Fund. No assurance can be given that the Fund will be successful under all or any market conditions.

Factor Definitions

“Quality” rankings are based on financial statement quality characteristics, i.e. the Profitability anomaly. “Momentum” rankings are based on historical market returns that have predictive characteristics. “Sentiment” rankings reflect indicators of outlook such as revisions to analyst estimates of future earnings, share issuance changes, or measures of short interest and demand in the share lending market. “Value” rankings are based on measures of company valuation such as price/sales ratio, and prices/earnings ratio. “Volatility” or stability rankings are based on measures of underlying company risk, such as volatility or beta.