



Why Invest in HOTL ETF

The Hotel and Lodging Sector acts as an effective economic barometer as it uniquely captures both leisure and business spending across various income levels. The HOTL sector is seeing favorable market conditions as business spending is set to increase over the next several years.

- **Targeted Exposure to Travel & Leisure:** We believe the hotel and lodging sector acts as an effective economic barometer as it uniquely captures both leisure and business spending across various income levels, while other travel sectors like airlines and cruise lines, can represent only a narrow segment of economic activity. The lodging ecosystem includes many specialized participants, and HOTL is a concentrated portfolio that seeks to provide access to leading global management teams in the hotel and lodging sector. Hotels are an integral part of the global travel and tourism industry as they are part infrastructure, part business, part consumer, and part necessity.
- **Early Stages of Recovery / Less Supply Risk:** The HOTL sector is seeing favorable market conditions as business travel spending is set to increase over the next several years. Lodging demand upturns usually have two phases, first is recovering what was lost from the previous downturn, and then demand tends to reach new cyclical all-time highs. The supply of new rooms will probably remain muted for a few years, particularly in the upscale and luxury segments, where it can take several years between breaking ground and completion. This pattern indicates the potential for real real secular growth for the lodging sector.
- **High Growth Potential:** HOTL enables investors to access high growth potential through companies that in our opinion remain key pillars of economic growth, development, and infrastructure and are at the crossroads of longer-term positive secular tailwinds. Investors and individuals alike are increasingly interested in companies that provide experiences over companies that provide material goods.
- **Tool for Diversification:** HOTL offers diversification due to little overlap with traditional indices and may be a cost effective way for investors to diversify strategy their holdings. HOTL can serve as a complement to not only traditional real estate, but also growth strategies as lodging companies may offer similar benefits to growth equities. The HOTL sector also offers portfolio diversification with a low correlation to other equities and bonds.
- **Cost Effective:** In a single trade, HOTL enables investors to access that we believe are positioned to benefit from transformative forces that are reshaping the travel and lodging industry. HOTL ETF is a diversified across dozens of Lodging companies with desirable locations in high barrier to entry markets. HOTL can be a lower cost alternative to non-traded REITs, mutual funds, and private equity funds in an Exchange Traded Fund (ETF).

Fund Overview

- Designed to capture the entire hotel & lodging industry.
- The lodging ecosystem includes many specialized players and HOTL offers exposure to those companies focusing on hotel and lodging management and operations, lodging platform services, timeshare properties and real estate throughout the developed world.
- Hotel & Lodging Sector ETF seeks to provide total return by investing in a passively managed, concentrated portfolio of companies
- Targets companies in the US and developed markets that specialize in the:
 - Hotel & Lodging Services Sub-Sector: Includes companies that specialize in providing hotel and lodging management services, operational services, or provide franchising of: hotel, motel, lodging, residential, and/or timeshare properties including lodging platform services (e.g., global marketplaces for private accommodations including online marketplaces for discovering and booking private or shared accommodations).
 - Hotel & Lodging Operations Sub-Sector: Includes companies that own or lease hotels, motels, lodges, resorts, timeshare properties, and/or real estate.
- Companies are initially identified by industry and sector and are then further reviewed based on operations related to hotel and lodging activities.

Description

HOTL seeks to track the total return performance, before fees and expenses, of the Strategic Hotel & Lodging Sector Index, which measures the performance of companies that specialize in providing hotel, motel, lodging, residential, and/or timeshare properties management services, operational services, including lodging platform services (e.g., global marketplaces for private accommodations) and companies that own or lease hotels, motels, lodges, resorts, timeshare properties.

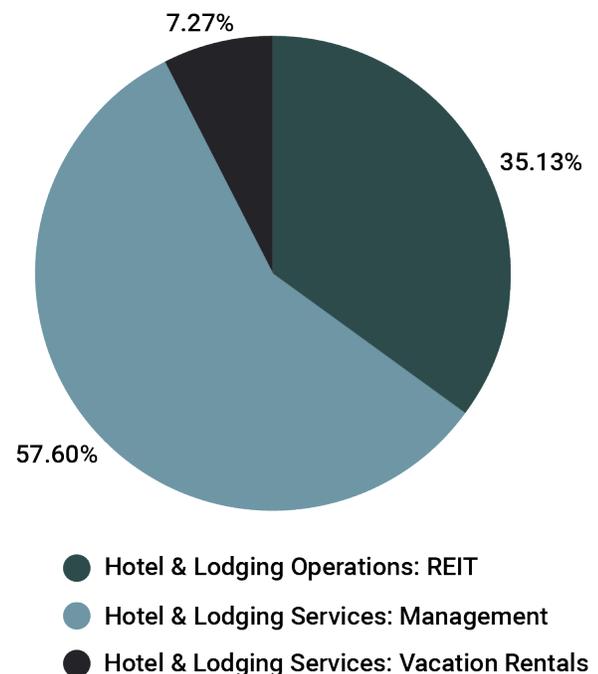
Fund Details

| | |
|--------------------|--------------------|
| Fund Inception | 1/12/2022 |
| Ticker | HOTL |
| Net Assets | \$1,527,111.12 |
| Shares Outstanding | 100000 |
| Primary Exchange | NYSE Arca |
| CUSIP | 48817R 409 |
| ISIN | US48817R4092 |
| Fund Type | Indexed Equity ETF |
| Expense Ratio | 0.78% |
| Number of Holdings | 40 |
| Dividend Frequency | Quarterly |

Data as of 03/31/2022

Sector Breakdown

As of March 18, 2022



Top 10 Holdings

As of March 31, 2022

| Security Name | Weight |
|----------------------------------|--------|
| AIRBNB INC | 11.07% |
| MARRIOTT INTL INC NEW | 10.08% |
| HILTON WORLDWIDE HLDGS INC | 9.98% |
| VICI PPTYS INC | 8.85% |
| HOST HOTELS & RESORTS INC | 5.72% |
| GAMING & LEISURE PPTYS INC | 4.47% |
| HYATT HOTELS CORP | 4.30% |
| INTERCONTL HOTELS | 4.24% |
| WYNDHAM HOTELS & RESORTS INC COM | 3.24% |
| WHITBREAD | 3.16% |

Holdings are subject to change.

Performance

As of March 31, 2022

| | 1 Month | Since Inception (1/12/2022) |
|---------------|---------|--------------------------------|
| Fund NAV | 1.95% | 0.67% |
| Closing Price | 1.93% | 0.86% |

Investors should carefully consider the investment objectives, risks, and charges and expenses of the fund before investing. The prospectus contains this and other information about the fund, and it should be read carefully before investing. Investors may obtain a copy of the prospectus by visiting KellyETFs.com.

The fund is distributed by Foreside Fund Services, LLC.

Limited Operating History Risk. The Fund is a recently organized investment company with a limited operating history. As a result, prospective investors have a limited track record or history on which to base their investment decision.

Hotel and Lodging Industry Risk Companies in the hotels, resorts sub-industry may be affected by unique supply and demand factors that do not apply to other sub-industries. Weak economic conditions in some parts of the world, changes in oil prices and currency values, political instability in some areas, and the uncertainty over how long any of these conditions could continue may have a negative impact on the lodging industry. As a result of such current economic conditions and uncertainty caused by the COVID-19 pandemic, the lodging industry may continue to experience weakened demand for occupancy in some markets. The hotels, restaurants & leisure industry is highly competitive and relies heavily on consumer spending for success. The prices of securities of companies in the industry may fluctuate widely due to general economic conditions, consumer spending and the availability of disposable income, changing consumer tastes and preferences and consumer demographics, in addition may be affected by the availability and expense of liability insurance. Legislative or regulatory changes and increased government supervision.

REIT Investment Risk. REITs may have limited financial resources, may trade less frequently and in limited volume, and may be more volatile than other securities. In addition, to the extent the Fund holds interests in REITs, it is expected that investors in the Fund will bear two layers of asset-based management fees and expenses (directly at the Fund level and indirectly at the REIT level).

Foreign Securities Risk. Investments in non-U.S. securities involve certain risks that may not be present with investments in U.S. securities. For example, investments in non-U.S. securities may be subject to risk of loss due to foreign currency fluctuations or to political or economic instability.

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