

## **21Shares Canton Network ETF (TCAN)**

A series of Listed Funds Trust  
Listed on The Nasdaq Stock Market, LLC

### **PROSPECTUS**

**April 3, 2026**

These securities have not been approved or disapproved by the U.S. Securities and Exchange Commission (the “SEC”) or the U.S. Commodity Futures Trading Commission (the “CFTC”), nor have the SEC or CFTC passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

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## 21SHARES CANTON NETWORK ETF - FUND SUMMARY

### Investment Objective

The 21Shares Canton Network ETF (the “Fund”) seeks investment results, before fees and expenses, that correspond to the price performance of Canton Coin (“CC”).

### 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 table and Example below.**

Shareholder Fees ( <i>fees paid directly from your investment</i> )	None
<b>Annual Fund Operating Expenses</b> ( <i>expenses that you pay each year as a percentage of the value of your investment</i> )	
Management Fee	0.50%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses <sup>1</sup>	0.00%
<b>Total Annual Fund Operating Expenses<sup>1,2</sup></b>	<b>0.50%</b>

<sup>1</sup> Estimated for the Fund’s initial fiscal year.

<sup>2</sup> Teucrium Investment Advisors, LLC (the “Adviser”), the Fund’s investment adviser, also serves as the investment adviser to the Subsidiary, (defined below), and provides the Subsidiary with the same type of management services, under essentially the same terms, as it provides the Fund. The Adviser has agreed to waive the management fee of 0.50% to be paid by the Subsidiary. This waiver will continue in effect for so long as the Fund invests in the Subsidiary, and at least through April 3, 2027. This waiver may be terminated only with the approval of the Fund’s Board of Directors.

### Example

This Example is intended to help you compare the cost of investing in 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 redeem 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 does not take into account brokerage commissions that you may pay on your purchases and sales of Shares. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

**1 Year \$51                      3 Years \$160**

### Portfolio Turnover

The Fund pays 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 Shares are held in a taxable account. These costs, which are not reflected in the Total Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. Because the Fund is newly organized, portfolio turnover information is not yet available.

### Principal Investment Strategies

The Fund seeks to achieve its investment objective primarily by investing in CC and other instruments that provide exposure to CC. Under normal circumstances, the Fund will invest at least 80% of its net assets (plus any borrowings for investment purposes) in CC and other instruments that provide exposure to or produce returns consistent with the price performance of CC.

CC is a utility token used to pay traffic fees for using the Canton Network. The Canton Network is a public, permissionless blockchain with privacy features designed to work on a large scale. Unlike traditional public blockchains, the Canton Network operates as a “network of networks,” where independently governed applications interoperate securely through decentralized public infrastructure called the Global Synchronizer. Institutions and a fast-growing builder community create applications on the Canton Network to transact and synchronize assets and data atomically (*i.e.*, completed and settled in a single action), 24 hours a day.

In addition, no less than 40% of the Fund’s assets will be invested in exchange-traded products (“ETPs”) that hold CC directly, including non-U.S. ETPs, and exchange-traded funds (“ETFs”) registered under the Investment Company Act of 1940, as amended (the “1940 Act”), that provide exposure to or produce returns consistent with the price performance of CC (the ETPs and ETFs, together, are referred to as the “CC ETFs”).

- **ETPs.** ETPs in which the Fund may invest are designed to provide exposure to the performance of the CC and either hold the CC directly or are fully secured by holdings of CC. The Fund may invest in U.S. ETPs or non-U.S. ETPs. The U.S. ETPs

generally issue shares of beneficial interest that derive their value from exposure to CC. Each non-U.S. ETP will generally be structured as an exchange-traded note, and issue bonds that are collateralized by the respective amount of units of the CC. The non-U.S. ETPs in which the Fund may invest will be listed on a European exchange and domiciled in Europe, including the United Kingdom and Channel Islands, such as the 21Shares Canton Network ETP. ETPs are not registered under the 1940 Act, and thus do not provide shareholders with the protections afforded by the 1940 Act. As of the date of this Prospectus, there are no U.S. ETPs that intend to hold CC directly.

- **ETFs.** The Fund may invest in ETFs that are registered under the 1940 Act that provide exposure to the CC. ETFs are a type of open-end fund, shares of which are traded on a national securities exchange. ETFs may hold the CC directly, or may invest in derivatives instruments that provide exposure to the CC. As of the date of this Prospectus, there are no ETFs that intend to hold CC directly.

There can be no guarantee that such a strategy will produce the desired results or that any CC ETFs will provide returns that closely correlate to those produced by CC. Generally, CC ETFs are subject to certain implementation costs and expenses not applicable to direct investments in CC that will cause the returns of CC ETFs to differ from those of direct investments in CC. Additionally, the ability to trade CC 24 hours a day may give rise to differences in returns of CC ETFs that trade during standard market hours.

All CC held by the Fund, including those held by the Subsidiary, will be held in the custody of BitGo Bank & Trust, National Association (“BitGo”), the Fund’s crypto custodian (the “Crypto Custodian”).

The Fund may invest in ETPs, ETFs or other products managed by, sponsored by, or otherwise associated with 21Shares US LLC (the “Sub-Adviser”). Other ETPs or ETFs in which the Fund may invest can be expected to incur fees and expenses for operations, such as management and administration fees, which would be in addition to those incurred by the Fund, and which, with respect to ETPs or ETFs managed or sponsored by the Sub-Adviser, will be received in full or in part by the Sub-Adviser. Therefore, when choosing among potential ETPs or ETFs, the Sub-Adviser faces a conflict of interest because it will receive additional fees when the Fund invests in ETPs or ETFs that the Sub-Adviser manages or sponsors.

The Fund expects to invest in CC and certain CC ETFs primarily indirectly through a wholly-owned subsidiary organized under the laws of the Cayman Islands (the “Subsidiary”). The Fund’s investment in the Subsidiary is intended to provide the Fund with exposure to CC within the limits of current federal income tax laws applicable to investment companies such as the Fund, which limit the ability of investment companies to invest directly in certain investments that do not generate qualifying income for tax purposes. The Subsidiary, which is also managed by the Adviser, has the same investment objective as the Fund, but it may invest in certain investments, such as CC, to a greater extent than the Fund. Except as otherwise noted, for purposes of this Prospectus, references to the Fund’s investments include the Fund’s indirect investments through the Subsidiary. Because the Fund intends to elect to be treated as a regulated investment company (“RIC”) under the Internal Revenue Code of 1986, as amended (the “Code”), the size of the Fund’s investment in the Subsidiary generally will be limited to 25% of the Fund’s total assets, tested at the end of each fiscal quarter, which is one of the requirements for satisfying the “Asset Diversification Test” as described more fully in “Federal Income Taxes” of the Fund’s Statement of Additional Information (“SAI”).

The Fund may engage in reverse repurchase agreements, a form of borrowing, on government securities, investment grade corporate securities or similar transactions.

The Fund is classified as a “non-diversified” investment company under the 1940 Act, and, therefore, may invest a greater percentage of its assets in a particular issuer than a diversified fund.

#### *Additional Information about the ETPs*

The Fund may invest in ETPs that are designed to provide exposure to the performance of CC and are fully secured by holdings of CC. Each non-U.S. ETP issues bonds that are collateralized by the respective amount of units of CC. The issuer shall at any given time procure in relation to issued bonds that it holds such amount of the underlying CC equal to or exceeding the aggregate claims of the bondholders, expressed as a number of units of CC. The value and performance of the bonds materially depend on the value and performance of the issuer’s holdings of CC. Based on the non-U.S. ETPs’ payment and delivery obligations to bondholders, the bonds are expected (subject to the deduction of any fees and costs) to track the performance of CC nearly 1:1.

An investor cannot purchase the bonds issued by non-U.S. ETPs directly from the issuer in the primary market. Initially, in the primary market, the bonds may only be subscribed for or purchased by authorized participants (“APs”). Once the bonds issued by non-U.S. ETPs have been subscribed for or purchased in the primary market, investors may purchase the bonds in the secondary market from any person on an anonymous basis (i) via the relevant stock exchange (in case of bonds admitted to trading on a stock exchange) or (ii) over the counter.

The value of shares of an ETP may not directly correspond to the price of CC and is highly volatile. The price of an ETP may go down even if the price of the underlying asset, CC, remains unchanged. Additionally, shares that trade at a premium mean that an investor who purchases \$1 of a portfolio will actually own less than \$1 in assets.

Each ETP is a passive investment vehicle that does not seek to generate returns beyond tracking the price of CC. This means the ETP sponsor does not speculatively sell CC at times when its price is high or speculatively acquire CC at low prices in the expectation of

future price increases. The ETPs will not utilize hedging, leverage, derivatives, or any similar arrangements in seeking to meet their investment objective. Each ETP's custodian will keep custody of the ETP's CC and will keep all the private keys associated with such ETP's CC held by the custodian in "cold storage." "Cold storage" is a safeguarding method by which the private keys corresponding to the particular ETP's CC are generated and stored in an offline manner using computers or devices that are not connected to the internet, which is intended to make them more resistant to hacking.

### *The Canton Network and CC*

CC is a digital asset that is generated and exchanged through the operations of the Canton Network, a public-permissioned blockchain network designed to combine privacy, regulatory compliance and composability within a single system. The Canton Network is not owned or controlled by any one entity, although its initial development was spearheaded by Digital Assets Holdings, LLC ("Digital Assets") and is now supported by a consortium of independent institutions and governed on a day-to-day basis by a specialized subset of invitation-only validators that collectively maintain the consensus infrastructure of the network ("Super Validators"), the Canton Foundation, and the Global Synchronizer Foundation, an entity facilitated by the Linux Foundation. The Canton Network's infrastructure is maintained by a set of Super Validators, validators and application providers who aid in maintaining and expanding the network.

The Canton Network provides a platform for participants to exchange tokens of value, called CC, which are recorded on synchronized, shared ledgers. CC can be used to pay network transaction fees, to reward validators and application providers and as an optional settlement medium across institutional-grade decentralized applications. CC uses a burn-and-mint mechanism that ties token supply directly to network activity. As users pay fees in CC (denominated in U.S. dollar value), tokens are burned; conversely, new CCs are minted periodically to reward Super Validators, validators and application providers. This model seeks to stabilize token value through organic network demand that aligns issuance with actual usage rather than artificial scarcity.

The Canton Network occupies the intersection of enterprise blockchain infrastructure and institutional decentralized finance. The Canton Network is a network of networks that bridges tokenized real-world assets with on-chain capital markets through its decentralized operability layer, the Global Synchronizer. The Canton Network is distinguished by its ability to deliver privacy-preserving interoperability at scale. This governance model ensures neutrality, a critical differentiator in institutional contexts where trust and transparency outweigh yield incentives. While other networks experiment with privacy via zero-knowledge proofs or private subnets, the Canton Network achieves configurable, per-transaction visibility without relying on complex cryptographic layers, enabling deterministic compliance and composable settlement across applications.

The Canton Network uses a Byzantine Fault Tolerance ("BFT")-style two-thirds majority ordering consensus built around the Global Synchronizer and run by a consortium of Super Validators, rather than an open, permissionless validator set. This design is aligned with the Canton Network's understanding that institutions want deterministic finality, predictable governance, and auditability, all of which are easier to achieve with a BFT committee drawn from known entities rather than with a fully open validator market.

The CC blockchain protocol was initially developed by Digital Assets. In 2023, the Canton Network was launched in collaboration with a consortium of global banks and financial institutions. In 2024, the Canton Network's main blockchain officially launched and became operational, following years of extensive institutional pilots. While Digital Assets provided the technical foundation and launch support for the Canton Network, the Canton Foundation now oversees governance and ecosystem growth. This transition from a corporate developer to a neutral, non-profit entity underpins the Canton Network's move toward decentralized stewardship. Digital Assets continues to contribute code and maintenance alongside other independent contributors and Super Validators.

The Canton Network uses an earned, activity-gated issuance model. At the highest level, the system allows up to 100 billion CC to be minted over the first ten years of the Global Synchronizer's operation, with issuance pre-split with 50% to infrastructure providers (Super Validators and validators) and 50% to application providers. After ten years, issuance tapers to a steady 2.5 billion CC tokens per year, of which 75% is for application providers and 25% is for infrastructure providers. CC tokens are most often used for rewarding validators and application providers, paying network transaction fees, and as an optional settlement medium across institutional-grade decentralized applications.

### **Principal Investment Risks**

**CC is a relatively new investment. It is subject to unique and substantial risks and historically has been subject to significant price volatility. The value of an investment in the Fund could decline significantly and without warning, including to \$0. You should be prepared for the possibility of losing your entire investment. The performance of ETPs and ETFs, and, therefore, the performance of the Fund, may differ significantly from the performance of CC.**

An investment in the Fund does not represent a complete investment program. An investment in the Fund is not a bank deposit and it is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency, the Adviser, Sub-Adviser or any of their affiliates.

The principal risks of investing in the Fund are summarized below. Each risk summarized below is considered a "principal risk" of investing in the Fund, regardless of the order in which it appears. As with any investment, there is a risk that you could lose all or a

portion of your money invested in the Fund. Some or all of these risks may adversely affect the Fund's NAV, trading price, yield, total return, and/or ability to meet its investment objective.

- **Crypto Asset Risk.** The Fund's performance is subject to the risks of the crypto assets industry. The trading prices of many crypto assets, including CC, have experienced extreme volatility and may do so in the future. Extreme volatility in the future, including declines in the trading prices of CC, could have a material adverse effect on the value of the Fund's Shares and the Shares could lose all or substantially all of their value. The value of the Shares is subject to a number of factors relating to the fundamental investment characteristics of CC as a crypto asset, including the fact that crypto assets are bearer instruments and loss, theft, destruction, or compromise of the associated private keys could result in permanent loss of the asset, and the capabilities and development of blockchain technologies. Crypto assets represent a new and rapidly evolving industry, and the value of the Fund's Shares depends on the acceptance of CC. Changes in the governance of a crypto asset network may not receive sufficient support from users and miners, which may negatively affect that crypto asset network's ability to grow and respond to challenges. An investor should be prepared to lose the full principal value of their investment suddenly and without warning.

A number of factors may affect the price and market for CC.

- *Supply and Demand.* It is believed that speculators and investors who seek to profit from trading and holding crypto assets currently account for a significant portion of demand for any crypto asset. Such speculation regarding the potential future appreciation in the price of CC may artificially inflate or deflate the price of CC. Market fraud and/or manipulation and other fraudulent trading practices, such as the intentional dissemination of false or misleading information (e.g., false rumors) can, among other things, lead to a disruption of the orderly functioning of markets and significant market volatility and cause the value of crypto asset futures to fluctuate quickly and without warning.
- *Adoption and Use of Crypto Assets.* Crypto assets and crypto-related investments are relatively new investments, and the continued adoption of the relevant crypto asset will require growth in its usage as a means of payment or for recordkeeping. Even if growth in crypto asset adoption continues in the near or medium-term, there is no assurance that crypto asset usage will continue to grow over the long-term. A contraction in the use of a crypto asset may result in a lack of liquidity, increased volatility in, and a reduction in the price of the crypto asset.

Many digital asset networks face significant scaling challenges and are being upgraded with various features designed to increase the speed of digital asset transactions and the number of transactions that can be processed in a given period (known as "throughput"). These attempts to increase the volume of transactions may not be effective, and such upgrades may fail, resulting in potentially irreparable damage to a crypto asset's network and the value of the crypto asset.

- *Risk Factors Related to the Regulation of Crypto Assets.* A final determination by a court that CC is a "security" may adversely affect the value of CC and the value of the Fund's shares.

Depending on its characteristics, a crypto asset may be considered a "security" under the federal securities laws. The test for determining whether a particular crypto asset is a "security" is complex and difficult to apply, and the outcome is difficult to predict. Public, though non-binding, statements by senior officials at the SEC have indicated that the SEC did not consider bitcoin or ether to be securities and does not currently consider bitcoin to be a security. The SEC staff has also provided informal assurances via no-action letters to a handful of promoters that their digital assets are not securities.

On the other hand, the SEC has brought enforcement actions against the issuers and promoters of several other crypto assets on the basis that the crypto assets in question are securities. More recently, the SEC has also brought enforcement actions against various crypto asset trading platforms for allegedly operating unregistered securities exchanges on the basis that certain of the crypto assets traded on their platforms are securities. For example, in June 2023, the SEC brought a complaint against Coinbase (the "Coinbase Complaint") alleging violations of a variety of securities laws. In its complaint, the SEC asserted that Solana is a security under the federal securities laws. In February 2025, the SEC dismissed the Coinbase Complaint.

If an appropriate court determines that CC is a security, the Adviser would not intend to permit the Fund to continue holding its investments in a way that would violate the federal securities laws.

- *Largely Unregulated Marketplace.* Crypto asset trading venues are relatively new and, in most cases, largely unregulated. As a result of this lack of regulation, individuals or groups may engage in insider trading, fraud, or market manipulation with respect to crypto assets. Such manipulation could cause investors in crypto assets to lose money, possibly the entire value of their investments. Additionally, some digital asset trading platforms may not operate in compliance with applicable law, and such non-compliance may cause such platforms to close operations in certain jurisdictions and/or be the subject of regulatory investigations.

Crypto asset trading venues are not subject to the same regulations as regulated securities or futures exchanges. Crypto asset trading venues that are regulated typically must comply with minimum net worth, cybersecurity, and anti-money laundering requirements, but are not typically required to protect customers or their markets to the same extent that regulated securities

exchanges or futures exchanges are required to do so. As a result, markets for crypto assets may be subject to manipulation or fraud and may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges. Investors in crypto assets may lose money, possibly the entire value of their investments.

Over the past several years, a number of crypto asset trading venues have been closed due to fraud, failure, or security breaches. The nature of the assets held at crypto asset trading venues makes them appealing targets for hackers, and a number of digital asset trading venues have been victims of cybercrimes and other fraudulent activity. These activities have caused significant, and in some cases total, losses for crypto investors. Investors in crypto assets may have little or no recourse should such theft, fraud, or manipulation occur. There is no central registry showing which individuals or entities own crypto assets or the quantity of crypto assets that are owned by any particular person or entity. There are no regulations in place that would prevent a large holder or a group of holders from selling their crypto assets, which could depress the price of the applicable crypto asset, or otherwise attempting to manipulate the price of the crypto asset. Events that reduce user confidence in a crypto asset, the applicable blockchain, and the fairness of crypto asset trading venues could have a negative impact on the price of CC and the value of an investment in the Fund.

If the crypto asset trading venues become subject to onerous regulations or are subject to enforcement actions by regulatory authorities (including FinCEN, the SEC, the CFTC, Financial Industry Regulatory Authority (“FINRA”), the Consumer Financial Protection Bureau, the Department of Justice, the Department of Homeland Security, the Federal Bureau of Investigation, the Internal Revenue Service (the “IRS”), the Office of the Comptroller of the Currency, the FDIC, the Federal Reserve, and state financial institution regulators), among other things, trading in CC may be concentrated in a smaller number of trading venues, which may materially impact the price, volatility, and trading volumes of CC. Additionally, the trading venues may be required to comply with tax, anti-money laundering, know-your-customer and other regulatory requirements, and compliance and reporting obligations that may make it more costly to transact in or trade CC (which may materially impact price, volatility, or trading of CC more generally). Each of these events could have a negative impact on the value of an investment in the Fund.

The trading of crypto assets is fragmented across numerous trading venues. The fragmentation of the volume of crypto asset transactions across multiple trading venues can lead to higher volatility than would be expected if volume was concentrated in a single trading venue. Market fragmentation and volatility increase the likelihood of price differences across different trading venues.

- *Cybersecurity Risk.* Blockchain technology and network functionality rely on the Internet. A significant disruption or interruption of Internet connectivity affecting large numbers of users or geographic areas could impede the functionality of blockchain technologies and the price of crypto assets. In addition, certain features of blockchain technology, such as decentralization, open-source protocol, including the code of smart contracts running on a blockchain, and reliance on peer-to-peer connectivity, may increase the risk of fraud or cyber-attack by potentially reducing the likelihood of a coordinated response. Cybersecurity exploitations or attacks against entities that custody or facilitate the transfers or trading of a crypto asset could result in a significant theft of the crypto asset and a loss of public confidence, which could lead to a decline in the value of the crypto asset and, as a result, adversely impact the Fund’s investment in CC. Additionally, if a malicious actor or botnet (*i.e.*, a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains control of more than 50% of the processing power of a crypto asset’s network, such actor or botnet could alter the blockchain and adversely affect the value of the crypto asset, which would adversely affect the Fund’s investment in CC.
- *Forked Asset Risk.* Crypto asset networks operate using open-source protocols, meaning that any user can download the software, modify it, and then propose that the users and validators adopt the modification. When a modification is introduced and a substantial majority of users and validators consent to the modification, the change is implemented, and the network remains uninterrupted. However, if less than a substantial majority of users and validators consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a “hard fork” of a crypto asset network, with one group running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two versions of a crypto asset network running in parallel, yet lacking interchangeability. For example, in August 2017, Bitcoin “forked” into Bitcoin and a new digital asset, Bitcoin Cash, as a result of a several-year dispute over how to increase the rate of transactions that the Bitcoin network can process.

Forks may also occur as a network community’s response to a significant security breach. For example, in June 2016, an anonymous hacker exploited a smart contract running on the Ethereum Network to siphon approximately \$60 million of ether held by The DAO, a distributed autonomous organization, into a segregated account. In response to the hack, most participants in the Ethereum community elected to adopt a “fork” that effectively reversed the hack. However, a minority of users continued to develop the original blockchain, now referred to as “Ethereum Classic,” with the digital asset on that blockchain now referred to as Ether Classic, or ETC. ETC now trades on several digital asset trading platforms. A fork may also occur as a result of an unintentional or unanticipated software flaw in the various versions of otherwise compatible software that users run. Such a fork could lead to users and validators abandoning the digital asset with the flawed software.

It is possible, however, that a substantial number of users and validators could adopt an incompatible version of the digital asset while resisting community-led efforts to merge the two chains. This could result in a permanent fork, as in the case of ether and Ether Classic.

In addition, many developers have previously initiated hard forks in the blockchain to launch new digital assets, such as Bitcoin Gold and Bitcoin Diamond. To the extent such digital assets compete with CC, such competition could impact demand for CC and could adversely impact the value of the Fund's shares.

Furthermore, a hard fork can lead to new security concerns. For example, when the Ethereum and Ethereum Classic networks split in July 2016, replay attacks, in which transactions from one network were rebroadcast to nefarious effect on the other network, plagued digital asset trading platforms through at least October 2016. A digital asset trading platform announced in July 2016 that it had lost 40,000 Ether Classic, worth about \$100,000 at that time, as a result of replay attacks. Another possible result of a hard fork is an inherent decrease in the level of security due to significant amounts of mining/validating power remaining on one network or migrating instead to the new forked network. After a hard fork, it may become easier for an individual validator or validator pool's power to exceed levels necessary to execute an attack on the network.

A future fork in the Canton Network could adversely affect the value of the Fund's shares.

- **"Attack" Risk.** All networked systems are vulnerable to various kinds of attacks. A blockchain may be vulnerable to several types of attacks, including:
  - a "33% attack," where, if a validator or group of validators were to gain control of more than 33% of the total staked crypto asset on the applicable blockchain, a malicious actor could temporarily impede or delay block confirmation or even cause a temporary fork in the blockchain.
  - a "50% attack" where, if a validator or group of validators acting in concert were to gain control of more than 50% of the staked crypto asset, a malicious actor would be able to gain full control of the blockchain and the ability to manipulate the blockchain on a forward-looking basis, including censoring transactions following the achievement of threshold, double-spending and fraudulent block propagation, while the attacker maintains the threshold. In theory, the minority non-attackers might reach social consensus to reject blocks proposed by the malicious majority attacker, reducing the attacker's ability to engage in malicious activity, but there can be no assurance this would happen or that non-attackers would be able to coordinate effectively.
  - a ">66% attack," where, if a validator or group of validators acting in concert were to gain control of more than 66% of the total staked CC on the blockchain, a malicious actor could permanently and irreversibly manipulate the blockchain, including censorship, double-spending, and fraudulent block propagation, both on a forward- and backward-looking basis. The attacker could unilaterally finalize their preferred chain without the votes of any other stakers and could also reverse past finalized blocks.

Further, smart contracts on the network may create systemic risk for the price of a crypto asset in the event of an exploit. If a significant portion of a crypto asset is held by a small number of holders sometimes referred to as "whales," these holders have the ability to manipulate the price of the crypto asset.

- **Crypto Asset Tax Risk.** Current IRS guidance indicates that convertible virtual currency, defined as a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value that has an equivalent value in real currency, or that acts as a substitute for real currency, should be treated and taxed as property, and that transactions involving the payment of convertible virtual currency for goods and services should be treated as barter transactions. While this treatment allows for the possibility of capital gains treatment, it creates a potential tax reporting requirement in any circumstance where the ownership of convertible virtual currency passes from one person to another, usually by means of convertible virtual currency transactions (including off-blockchain transactions), which could discourage the use of digital assets as a medium of exchange, especially for a holder of digital assets that have appreciated in value.
- **CC Investing Risk.** The Fund is subject to the risks of investing in CC directly and indirectly through its investments in the CC ETFs that obtain exposure to CC and other assets that provide exposure to CC. CC is subject to a variety of risks stemming from the structure, operation and governance of the Canton Network.
  - **Permissioned Network and Limited Accessibility Risk.** The Canton Network operates as a permissioned blockchain, where only approved institutional participants can validate transactions, operate nodes, or deploy applications. This architecture may restrict open participation and limit network composability, as compared with permissionless systems like Ethereum or Solana. Users and independent developers cannot directly build on or access the network, creating a closed ecosystem reliant on institutional collaboration. This approach may slow network effects, developer innovation, and liquidity growth over time. If permissioned institutional interest weakens, users consolidate, or participants face regulatory headwinds, CC's utility and transaction volume could stagnate, constraining token demand and ecosystem expansion.
  - **Validator and Infrastructure Concentration Risk.** The Canton Network's security and performance currently depend on Super Validators, which are coordinated by the Global Synchronizer Foundation. Super Validators are primarily banks, custodians,

validator-as-a-service vendors and infrastructure partners. Although the Super Validator approach structure promotes accountability and streamlines compliance efforts, it creates operational and concentration risk. For example, outages, potential regulatory actions, or coordinated exits by a few Super Validators could disrupt network operations. Also, because onboarding new Super Validators requires governance approval, the Canton Network does not have the operational resilience of a more decentralized network's validator platform.

- *Governance and Centralization Risk.* The Canton Network's governance is committee-driven, with a two-thirds Super Validator majority needed for protocol upgrades, membership decisions, and determining minting parameters. There is no token-holder voting or community proposal system, meaning governance power is concentrated within a small institutional group. This centralized structure may limit transparency and stakeholder accountability. In practice, the institutions earning the largest share of early token rewards also control network decisions, which may lead to self-interested actions by early participants and those maintaining the network. While maturation of the network may lead to broader participation, the timing and extent of this decentralization remain uncertain.
- *Token Liquidity and Market Dynamics Risk.* CC has limited trading history on public markets, and its future liquidity conditions are unknown. With few exchange listings, market depth, or a transparent liquidity plan, early trading could be highly volatile. Thin liquidity, combined with concentrated ownership among early validators and application providers, raises the risk of severe price dislocations or coordinated exits. Furthermore, there may be limited visibility into any potential market-making arrangements, which could decrease token value and credibility. Until sufficient market data emerges, CC's true price discovery, investor participation, and stability remain highly speculative.
- *Operational and Jurisdictional Risk.* Because the Canton Network's validator set and governance are composed of identifiable institutions operating in either the U.S. or EU, the network is exposed to regulatory and geopolitical pressures. Participants may be required to comply with sanctions laws, data residency rules, or financial reporting obligations that could fragment network activity. In an adverse scenario, such as increased regulatory scrutiny or reporting obligations, validators may geofence or withdraw, impairing network interoperability. Moreover, as a consortium-led infrastructure, the Canton Network's performance depends on sustained coordination among participants with differing regulatory regimes, business priorities, and risk appetites.
- *Short Operating History and Adoption Risk.* The Global Synchronizer MainNet launched in mid-2024, meaning the Canton Network lacks a long-term performance record. Key technical assumptions, such as validator coordination, uptime, and failover reliability - remain largely untested. Adoption of tokenized assets, institutional settlement, and decentralized finance (DeFi) integration also remains early. If application throughput and transaction volume fail to scale to the level required to balance the burn-mint equilibrium, CC may face mild structural inflation, putting downward pressure on value. Until the Canton Network demonstrates sustained transaction demand and diversified validator participation, it is subject to elevated execution risk.
- *Reputation and Market Perception Risk.* The Canton Network benefits from relatively strong institutional credibility due to its backers, which include major banks, custodians, and technology partners, but public recognition of the project and its token remains limited. Retail investors, who often drive early liquidity and market sentiment for new digital assets, have relatively little familiarity with the Canton brand or its purpose within the broader crypto ecosystem. This disconnect between institutional reputation and retail awareness could weigh on price discovery once trading begins. Without active community engagement or retail participation, CC may experience low trading volumes, limited exchange coverage, and reduced speculative interest, all of which could suppress market momentum. Moreover, the perception that the Canton Network is an "enterprise-only" or closed system could limit interest from retail participants, reinforcing illiquidity and price stagnation.
- *Smart-Contract and Daml Execution Risk.* Applications on the Canton Network are built using Daml, a specialized smart-contract language designed for privacy, determinism, and regulatory compliance. While Daml benefits from strong formal verification, it has not yet been extensively tested in large-scale, real-world financial environments. Daml's limited operational history introduces uncertainty about its performance and security under heavy institutional workloads. Even widely used smart-contract languages such as Solidity, which powers Ethereum, have repeatedly shown vulnerabilities that have led to significant losses from contract exploits and logic flaws. Because Daml operates across interconnected private ledgers, any undetected error or bug could disrupt settlement processes or expose sensitive transaction data. With limited public audits and bug-bounty programs, the Canton Network faces elevated execution risk until Daml proves resilience under sustained production use.
- **Risks Related to the Regulation of CC.** The Canton Network's regulatory environment is also evolving and uncertain. The Canton Network was designed to avoid speculative token issuance and reduce regulatory friction, including under the EU's Markets in Crypto-Assets ("MiCA") regulation. However, its focus on financial institutions, banks and central securities depositories creates exposure to know-your-customer, anti-money laundering, sanctions screening and data residency regulations and requirements. Because the Global Synchronizer and Super Validators operate within a permissioned framework, regulatory exposure exists primarily at the operator level rather than the tokenholder level. Thus, if EU or U.S. regulators were to tighten

rules on intra-institutional tokenized transfers or on publicly visible fee and reward data, the Super Validators who operate the Global Synchronizer are the first entities regulators would contact.

- **CC Exposure Risk.** The Fund expects to have significant exposure to CC. As a result, the Fund's performance may be disproportionately and significantly impacted by the poor performance of CC or events materially affecting the CC ecosystem. The Fund's significant exposure to CC makes it more susceptible to any single occurrence affecting CC or CC-related investments and may subject the Fund to greater market risk than more diversified funds.

*The remaining principal risks are presented in alphabetical order to facilitate finding particular risks and comparing them with those of other funds.*

- **Active Management Risk.** The Fund is actively managed and may not meet its investment objective based on the Adviser's and Sub-Adviser's success or failure to implement strategies for the Fund. The Fund invests in complex instruments (each described below), including swap agreements and futures contracts. Such instruments may create enhanced risks for the Fund, and the Adviser's and Sub-Adviser's ability to control the Fund's level of risk will depend on the Adviser's skill in managing such instruments. In addition, the Adviser's and Sub-Adviser's evaluations and assumptions regarding investments, interest rates, inflation, and other factors may not successfully achieve the Fund's investment objective given actual market conditions.
- **Cash Transaction Risk.** The Fund expects to effect all of its creations and redemptions for cash, rather than in-kind securities. The Fund may be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used. The use of cash creations and redemptions may also cause the Fund's shares to trade in the market at wider bid-ask spreads or greater premiums or discounts to the Fund's net asset value ("NAV"). Further, effecting purchases and redemptions primarily in cash may cause the Fund to incur certain costs, such as portfolio transaction costs. These costs can decrease the Fund's NAV if not offset by an AP transaction fee.
- **CC ETF Investing Risk.** Issuer-specific attributes related to CC ETFs in which the Fund may invest may cause an investment held by the Fund to be more volatile than the market generally. The value of an individual security or asset or particular type of security or asset may be more volatile than the market as a whole and may perform differently from the value of the market as a whole. When the Fund invests in CC ETFs it will incur costs associated with such funds, including management fees and fees and expenses borne by shareholders of such CC ETFs. The value of shares in a CC ETF may not replicate the performance of CC and the Fund's investments in the CC ETFs will not perform exactly the same as the Fund's direct investments in CC. To the extent the Fund invests in a CC ETF that is sponsored by an affiliate of the Sub-Adviser ("Sponsored CC ETF"), such investments create potential conflicts of interest, including but not limited to: (i) the Adviser has an incentive to use the Sponsored CC ETF to generate additional management fees for its affiliates; and (ii) the Adviser may have an incentive to allocate more of the Fund's assets to the Sponsored CC ETF in such a manner that would generate more fees for the affiliate. However, the Adviser will still seek to invest as much of the Fund's portfolio assets into CC directly rather than through a CC ETF provided that the Fund will always have at least 40% of its assets in securities. The CC ETFs are also subject to the risks of CC, as discussed above.
- **Cybersecurity Risk.** Cybersecurity incidents may allow an unauthorized party to gain access to Fund assets or proprietary information, or cause the Fund, the Adviser, the Sub-Adviser and/or other service providers (including custodians and financial intermediaries) to suffer data breaches or data corruption. Additionally, cybersecurity failures or breaches of the electronic systems of the Fund, the Adviser, the Sub-Adviser or the Fund's other service providers, market makers, APs, the Fund's primary listing exchange, or the issuers of securities in which the Fund invests have the ability to disrupt and negatively affect the Fund's business operations, including the ability to purchase and sell Shares, potentially resulting in financial losses to the Fund and its shareholders.
- **Custodian Risk.** The CC and other assets held by the Fund that operate on distributed ledger/blockchain technology can only be transferred by the person holding both the public and private keys to the digital wallet in which the asset is held. The Fund's custodian that custodies the Fund's digital assets is in control of the private keys for each of the Fund's digital wallets. In the event such custodian loses sole control of the private keys (e.g., through a data breach or hack), the Fund's digital assets held by such custodian could be lost.
- **Early Close/Trading Halt Risk.** An exchange or market may close or issue trading halts on specific investments, or the ability to buy or sell certain securities or financial instruments may be restricted, which may result in the Fund being unable to buy or sell certain securities or financial instruments. In such circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments, and/or may incur substantial trading losses.
- **ETF Risks.** The Fund is an ETF and may invest in other ETFs. As a result, it is exposed to the following risks:
  - *Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.* The Fund has a limited number of financial institutions that may act as APs. In addition, there may be a limited number of market makers and/or liquidity providers in the marketplace. Shares may trade at a material discount to NAV and possibly face delisting if either: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to

perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

- *Costs of Buying or Selling Shares Risk.* Due to the costs of buying or selling Shares, including brokerage commissions imposed by brokers and bid/ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.
- *Shares May Trade at Prices Other Than NAV Risk.* As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund's NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility. This risk is heightened in times of market volatility, periods of steep market declines, and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant.
- *Trading Risk.* Although Shares are listed for trading on The Nasdaq Stock Market, LLC (the "Exchange") and may be traded on U.S. exchanges other than the Exchange, there can be no assurance that Shares will trade with any volume, or at all, on any stock exchange. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund's underlying portfolio holdings, which can be significantly less liquid than the Shares.
- **ETP Risk.** ETP shares trade like ETFs on a securities exchange. The price of an ETP is derived from and based upon the value of its underlying assets or investments. However, shares of ETPs trade at market prices, not NAV, which means they may trade at prices above or below the value of their underlying portfolios. The level of risk involved in the purchase or sale of ETP is similar to the risk involved in the purchase or sale of an ETF, except that the pricing mechanism for ETP is based on a basket of the ETP's investments and cash. Thus, the risks of owning an ETP generally reflect the risks of owning the underlying investment and cash that the ETP holds. Certain ETPs have a relatively limited history of operations. Because certain ETPs are relatively new products, their shares may have a lack of liquidity, which could result in the market price of the ETP shares being more volatile than the underlying portfolio of investments and cash. Disruptions in the markets for CC could result in losses on investment in ETPs. In addition, an actual trading market may not develop for ETP shares and the listing exchange may halt trading of ETP's shares. ETPs may be subject to management fees and other fees that may increase their costs versus the costs of owning the underlying investments directly. The Fund will indirectly bear its proportionate share of management fees and other expenses that are charged by an ETP in addition to the management fees and other expenses paid by the Fund. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETPs.

If the process of creation and redemption of baskets for the ETPs encounters any unanticipated difficulties, the possibility for arbitrage transactions by APs intended to keep the price of the shares closely linked to the price of the CC may not exist and, as a result, the price of the shares may fall or otherwise diverge from NAV. The liquidity of the shares may also be affected by the withdrawal from participation of APs. Security threats to the ETP account at the custodian could result in the halting of the ETP's operations and a loss of the ETP's assets or damage to the reputation of the ETP, each of which could result in a reduction in the value of the Fund's Shares. The price used to calculate the value of the ETP's CC may be volatile, adversely affecting the value of the Shares. If the ETP's custodian agreement is terminated or its custodian fails to provide services as required, the ETP may need to find and appoint a replacement custodian, which could pose a challenge to the safekeeping of the ETP's CC, and the ETP's ability to continue to operate may be adversely affected. Loss of a critical banking relationship for, or the failure of a bank used by, the ETP's prime execution agent could adversely impact the ETP's ability to create or redeem baskets, or could cause losses to the ETPs. An ETP may suspend the issuance of shares at any time which will impact the price of shares of an ETP, resulting in a significant difference (premium/discount) between the ETP's market price and its NAV. Additionally, the Fund may be unable to transact in the shares of the ETP at an acceptable price, and, therefore, the Fund may be unable to achieve its investment objective.

- **Exposure Concentration Risk.** It is currently expected that the Fund will derive a significant amount of its exposure to the price performance of CC as a result of investing directly in CC ETFs. As a result, the Fund's performance will be highly dependent on the performance of the CC ETFs. If shares of the CC ETFs were to be delisted or lose their entire value, Shares would also be expected to suffer a loss of value. The Fund's strategy makes the Fund extremely susceptible to issuer-specific events relating to the CC ETFs that may not necessarily affect the CC market more broadly. This inherently makes an investment in the Fund riskier than an investment in a fund that provides more diversified exposure. In the event that there is an issue regarding the CC ETFs' ability to acquire, dispose of, or maintain proper custody of CC, the Fund's returns will be negatively impacted.
- **Foreign Securities Risk.** Investments in non-U.S. securities involve certain risks that may not be present with investments in U.S. securities. These include risks of adverse changes in foreign economic, political, regulatory and other conditions, or changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges). The securities of some foreign companies may be less liquid and, at times, more volatile than securities of comparable U.S. companies. There may be less information publicly available about a non-U.S. issuer than a U.S. issuer. Non-U.S. issuers may be subject to different accounting, auditing, financial reporting, and investor protection standards than U.S. issuers. Investments in non-U.S. securities may be subject to withholding or other taxes and may be subject to additional trading, settlement, custodial,

and operational risks. With respect to certain countries, there is the possibility of government intervention and expropriation or nationalization of assets. Because legal systems differ, there also is the possibility that it will be difficult to obtain or enforce legal judgments in certain countries. Since foreign exchanges may be open on days when the Fund does not price its shares, the value of the securities in the Fund's portfolio may change on days when shareholders will not be able to purchase or sell the Fund's shares. Conversely, Shares may trade on days when foreign exchanges are closed. Each of these factors can make investments in the Fund more volatile and potentially less liquid than other types of investments.

- **Inflation Risk.** Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As inflation increases, the present value of the Fund's assets and distributions, if any, may decline.
- **Liquidity Risk.** Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Fund's returns because the Fund may be unable to transact at advantageous times or prices.
- **Market Risk.** The trading prices of securities and other instruments fluctuate in response to a variety of factors. These factors include events impacting the entire market or specific market segments, such as political, market and economic developments, as well as events that impact specific issuers. The Fund's NAV and market price, like security and commodity prices generally, may fluctuate significantly in response to these and other factors. As a result, an investor could lose money over short or long periods of time. U.S. and international markets have experienced significant periods of volatility in recent years due to a number of these factors, including the impact of the COVID-19 pandemic and related public health issues, growth concerns in the U.S. and overseas, uncertainties regarding interest rates, trade tensions, and the threat of and/or actual imposition of tariffs by the U.S. and other countries. In addition, local, regional or global events such as war, including Russia's invasion of Ukraine, acts of terrorism, recessions, rising inflation, or other events could have a significant negative impact on the Fund and its investments. These developments as well as other events could result in further market volatility and negatively affect financial asset prices, the liquidity of certain securities and the normal operations of securities exchanges and other markets.
- **New Fund Risk.** The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decision.
- **Non-Correlation Risk.** The performance of the Fund will not, and is not intended to, correlate exactly to the performance of CC and will vary somewhat due to factors such as fees and expenses of the Fund, transaction costs, regulatory restrictions, and active management of the Fund's portfolio.
- **Non-Diversification Risk.** Because the Fund is "non-diversified," it may invest a greater percentage of its assets in the securities of a single issuer or a lesser number of issuers than if it was a diversified fund. As a result, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer or a lesser number of issuers than a fund that invests more widely. This may increase the Fund's volatility and cause the performance of a relatively small number of issuers to have a greater impact on the Fund's performance.
- **Reverse Repurchase Agreements Risk.** A reverse repurchase agreement is the sale by the Fund of a debt obligation to a party for a specified price, with the simultaneous agreement by the Fund to repurchase that debt obligation from that party on a future date at an agreed upon price. Similar to borrowing, reverse repurchase agreements provide the Fund with cash for investment purposes, which creates leverage and subjects the Fund to the risks of leverage. Reverse repurchase agreements also involve the risk that the other party may fail to return the securities in a timely manner or at all. The Fund could lose money if it is unable to recover the securities and the value of collateral held by the Fund, including the value of the investments made with cash collateral, is less than the value of the securities. The Fund may enter into reverse repurchase agreements with a limited number of counterparties, which may further expose the Fund to the risk that a counterparty may be unwilling or unable to sell back the investment contemplated by such arrangement or otherwise to meet its contractual obligations.
- **Staking Risk.** When a CC ETF in which the Fund invests stakes CC, the CC is subject to the risks attendant to staking generally, such as illiquidity, reliance on third-party service providers, slashing, missed rewards, and validator problems and errors. Staking requires that the CC ETF in which the Fund invests lock up the staked CC, meaning that the CC ETF in which the Fund invests cannot sell or transfer the staked CC during the time when the CC is locked up (the "lock-up period"). The lock-up period may be longer than anticipated based on network activity. In addition, during the lock-up period, the CC ETF in which the Fund invests is subject to the market price volatility of CC, and it may miss opportunities to sell the staked CC during opportune times. Staking CC may involve the risk of slashing and concentration risk. Slashing is a penalty imposed on network validators for actions that threaten the blockchain's integrity. For example, slashing can result from isolated validator mistakes, malicious activity, coordinated attacks, software bugs, or provider failures. Slashing serves as an enforcement mechanism to ensure network resilience, but correlated slashing events can be catastrophic. Penalties can scale aggressively, potentially leading to a significant loss of staked principal. Concentration risks associated with staking include staking activities occurring through a concentrated group of software providers and cloud infrastructure providers. There are generally five major staking software providers, and over-allocating to validators using the same software increases the risk of a single issue impacting a large amount of staked assets. Similarly, complications in specific cloud regions (*i.e.*, a particular geographical area where a cloud provider's data centers are located) can create outages that impact validators. Such complications may include, but are not limited to, compliance and regulatory issues, security breaches such as ransomware threats and attacks, data breaches, and malicious actors, and cloud

network and infrastructure performance issues (e.g., network latency and service outages). Staked CC is also subject to security breaches, network downtime or attacks, smart contract vulnerabilities, and validator or custodian failure or compromise, which can result in a complete loss of the staked CC or a loss of any rewards. The loss of the staked CC (either in whole or partially) during the staking period will have a material adverse effect on the Fund.

- **Subsidiary Investment Risk.** By investing in the Subsidiary, the Fund is indirectly exposed to the risks associated with the Subsidiary's investments. The derivatives and other investments held by the Subsidiary are generally similar to those that are permitted to be held by the Fund and are subject to the same risks that apply to similar investments if held directly by the Fund. The Subsidiary is not registered under the 1940 Act, and, unless otherwise noted in this Prospectus, is not subject to all the investor protections of the 1940 Act. Changes in the laws of the United States and/or the Cayman Islands could result in the inability of the Fund and/or the Subsidiary to continue to operate as it does currently and could adversely affect the Fund. For example, the Cayman Islands does not currently impose any income, corporate, or capital gains tax or withholding tax on the Subsidiary. If Cayman Islands law changes such that the Subsidiary must pay Cayman Islands taxes, the Fund shareholders would likely suffer decreased investment returns.
- **Tax Risk.** As a RIC, the Fund must derive at least 90% of its gross income each taxable year from certain qualifying sources of income under the Code. The income of the Fund from direct CC and certain CC ETPs is not expected to generate qualifying income for purposes of the "Qualifying Income Requirement" (as described more fully in the section titled "Federal Income Taxes" in the SAI). To the extent the Fund invests directly in CC and certain CC ETPs, the Fund will seek to restrict its income from such instruments that do not generate qualifying income to a maximum of 10% of its gross income (when combined with its other investments that produce non-qualifying income) to comply with the Qualifying Income Requirement necessary for the Fund to qualify as a RIC under Subchapter M of the Code. However, the Fund may generate more non-qualifying income than anticipated, may not be able to generate qualifying income in a particular taxable year at levels sufficient to meet the Qualifying Income Requirement, or may not be able to accurately predict the non-qualifying income from these investments.

The Fund may gain most of its exposure to CC through its investment in the Subsidiary, which may invest directly in CC-related investments. In order for the Fund to qualify as a RIC under Subchapter M of the Code, the Fund must, among other requirements, derive at least 90% of its gross income for each taxable year from sources generating "qualifying income" for purposes of the Qualifying Income Requirement. The Fund's investment in the Subsidiary is expected to provide the Fund with exposure to CC-related investments within the limitations of the federal tax requirements of Subchapter M of the Code for qualification as a RIC. The "Subpart F" income (defined in Section 951 of the Code to include passive income) of the Fund attributable to its investment in the Subsidiary is "qualifying income" to the Fund to the extent that such income is derived with respect to the Fund's business of investing in stock, securities, or currencies. The Fund expects its "Subpart F" income attributable to its investment in the Subsidiary to be derived with respect to the Fund's business of investing in stock, securities, or currencies and, accordingly, expects its "Subpart F" income attributable to its investment in the Subsidiary to be treated as "qualifying income." The Fund generally will be required to include in its own taxable income the "Subpart F" income of the Subsidiary for a tax year, regardless of whether the Fund receives a distribution of the Subsidiary's income in that tax year, and this income would nevertheless be subject to the distribution requirement for qualification as a RIC and would be taken into account for purposes of the 4% excise tax. The Adviser will carefully monitor the Fund's investments in the Subsidiary to ensure that no more than 25% of the Fund's assets are invested in the Subsidiary to comply with the "Diversification Requirement," as described in more detail in the SAI.

The extent to which the Fund invests in CC and certain CC ETPs may be limited by the Qualifying Income Requirement and the Diversification Requirement, which the Fund must continue to satisfy to maintain its status as a RIC. The Fund intends to enter into reverse purchase agreements to facilitate compliance with the Diversification Requirement. There are no assurances that the IRS will agree with the Fund's application of the Diversification Requirement to its holdings. If the Fund does not qualify as a RIC for any taxable year and certain relief provisions are not available, the Fund's taxable income would be subject to tax at the Fund level and to a further tax at the shareholder level when such income is distributed. The Fund's failure to comply with the requirements for qualification as a RIC could have significant negative tax consequences to Fund shareholders. In such event, in order to re-qualify for taxation as a RIC, the Fund may be required to recognize unrealized gains, pay substantial taxes and interest and make certain distributions. If the Fund does not qualify as a RIC for any taxable year and certain relief provisions are not available, the Fund's taxable income would be subject to tax at the Fund level and to a further tax at the shareholder level when such income is distributed. This would cause investors to incur higher tax liabilities than they otherwise would have incurred and would have a negative impact on Fund returns. In such event, the Fund's Board of Trustees ("Board") may determine to reorganize or close the Fund or materially change the Fund's investment objective and strategies. In the event that the Fund fails to qualify as a RIC, the Fund will promptly notify shareholders of the implications of that failure. The tax treatment of CC or certain CC ETPs may be affected by future regulatory or legislative changes that could affect the character, timing, and/or amount of the Fund's taxable income or gains and distributions.

- **Valuation Risk.** The Fund or the Subsidiary may hold securities or other assets that may be valued on the basis of factors other than readily available market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. There are multiple methods that can be used to value a portfolio holding when

market quotations are not readily available. The value established for any portfolio holding at a point in time might differ from what would be produced using a different methodology or if it had been priced using market quotations. Portfolio holdings that are valued using techniques other than market quotations, including “fair valued” assets or securities, may be subject to greater fluctuation in their valuations from one day to the next than if market quotations were used. In addition, there is no assurance that the Fund could sell or close out a portfolio position for the value established for it at any time, and it is possible that the Fund or the Subsidiary would incur a loss because a portfolio position is sold or closed out at a discount to the valuation established by the Fund or the Subsidiary at that time. The ability to value investments may be impacted by technological issues or errors by pricing services or other third-party service providers.

- **Volatility Risk.** The value of certain of the Fund’s investments, including commodities futures, is subject to market risk. Market risk is the risk that the value of the investments to which the Fund is exposed will fall, which could occur due to general market or economic conditions or other factors.
- **Whipsaw Markets Risk.** The Fund may be subject to the forces of “whipsaw” markets (as opposed to choppy or stable markets), in which significant price movements develop but then repeatedly reverse. “Whipsaw” describes a situation where a security’s price is moving in one direction but then quickly pivots to move in the opposite direction. Such market conditions could cause substantial losses to the Fund.

## Performance

The Fund is new and therefore does not have a performance history for a full calendar year. In the future, performance information for the Fund will be presented in this section. Updated performance information is available on the Fund’s website at [www.21shares.com](http://www.21shares.com).

## Management

*Investment Adviser:* Teucrium Investment Advisors, LLC

*Investment Sub-Adviser:* 21Shares US LLC

*Portfolio Managers:* Springer Harris, Joran Haugens and Christopher Small, each Portfolio Managers of the Adviser, and Andres Valencia, Executive Vice President of Investment Management and Jad Haj Ali, Director and Portfolio Manager, each at the Sub-Adviser, are jointly and primarily responsible for the day-to-day management of the Fund. Each Portfolio Manager has served as a Portfolio Manager of the Fund since its inception in April, 2026.

## Purchase and Sale of Shares

The Fund issues and redeems Shares at NAV only in large blocks known as “Creation Units,” which only APs (typically, broker-dealers) may purchase or redeem. The Fund generally issues and redeems Creation Units in exchange for a portfolio of securities and/or a designated amount of U.S. cash.

Shares are listed on the Exchange, and individual Shares may only be bought and sold in the secondary market through a broker or dealer at market prices, rather than NAV. Because 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 (the “bid” price) and the lowest price a seller is willing to accept for Shares (the “ask” price) when buying or selling Shares in the secondary market. The difference in the bid and ask prices is referred to as the “bid-ask spread.”

Recent information regarding the Fund’s NAV, market price, how often Shares traded on the Exchange at a premium or discount, and bid-ask spreads can be found on the Fund’s website at [www.21shares.com](http://www.21shares.com).

## Tax Information

The Fund’s distributions are generally taxable as ordinary income, qualified dividend income, or capital gains (or a combination), unless your investment is held in an individual retirement account (“IRA”) or other tax-advantaged account. Distributions on investments made through tax-deferred arrangements may be taxed later upon withdrawal of assets from those accounts.

## Financial Intermediary Compensation

If you purchase Shares through a broker-dealer or other financial intermediary (such as a bank) (an “Intermediary”), the Adviser or its affiliates may pay Intermediaries for certain activities related to the Fund, including participation in activities that are designed to make Intermediaries more knowledgeable about exchange-traded products, including the Fund, or for other activities, such as marketing, educational training or other initiatives related to the sale or promotion of Shares. These payments may create a conflict of interest by influencing the Intermediary and your salesperson to recommend the Fund over another investment. Any such arrangements do not result in increased Fund expenses. Ask your salesperson or visit the Intermediary’s website for more information.

## **ADDITIONAL INFORMATION ABOUT THE FUNDS**

### **Investment Objective**

The Fund's investment objective may be changed by the Board of Listed Funds Trust (the "Trust") without shareholder approval.

The Fund is designed to seek investment results, before fees and expenses, that correspond to the price performance of CC.

### **Principal Investment Strategies**

Neither CC nor the Canton Network are affiliated with the Trust, the Fund, the Adviser or the Sub-Adviser, or any affiliates thereof and are not involved with this offering in any way, and have no obligation to consider the Fund in taking any actions that might affect the value of the Fund. None of the Trust, the Fund, the Adviser, the Sub-Adviser or any affiliate are responsible for the performance of CC and make no representation as to the performance of CC. Investing in the Fund is not equivalent to investing in CC. The Fund's performance is not intended to, nor will it, track the performance of CC.

A CC exchange or market may close or issue trading halts, or the ability to buy or sell CC or certain CC ETFs may be restricted, which may result in the Fund being unable to buy or sell certain financial instruments. In such circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments, and/or may incur substantial trading losses.

If the Fund is unable to obtain sufficient exposure to CC due to the limited availability of necessary investments or financial instruments, the Fund could, among other things, limit or suspend creation units until the Adviser and Sub-Adviser determine that the requisite exposure to CC is obtainable. During the period that creation units are suspended, the Fund could trade at a significant premium or discount to its NAV and could experience substantial redemptions.

The Fund may invest in CC ETFs which are sponsored or managed by an entity related to the Adviser or Sub-Adviser. The valuation of any such investment will comply with the requirements of the 1940 Act and the Adviser's valuation procedures as approved by the Board.

### *Reverse Repurchase Agreements*

The Fund may invest in reverse repurchase agreements, which are a form of borrowing in which the Fund sells portfolio securities to financial institutions and agrees to repurchase them at a mutually agreed-upon date and price that is higher than the original sale price, and use the proceeds for investment purposes. The Fund may invest in reverse repurchase agreements at any time.

When the Fund enters into a reverse repurchase agreement, it expects to treat the reverse repurchase agreement as a derivative transaction subject to the leverage limitations prescribed by Rule 18f-4 under the 1940 Act.

### *Additional Information about the ETPs*

The Fund may invest in CC ETPs managed by, sponsored by, or otherwise related to the Sub-Adviser. A portion of the fees and expenses paid by such CC ETPs may be paid in full or in part to the Sub-Adviser or an entity related to the Sub-Adviser. Therefore, when choosing among potential CC ETPs, the Sub-Adviser faces a conflict of interest because it or a related entity will receive additional fees when the Fund invests in CC ETPs that the Sub-Adviser manages, sponsors or is related to.

### *The Canton Network and CC*

CC is a digital asset that is generated and exchanged through the operations of the Canton Network, a public-permissioned blockchain network designed to combine privacy, regulatory compliance and composability within a single system. The Canton Network is not owned or controlled by any one entity, although its initial development was spearheaded by Digital Assets Holdings, LLC ("Digital Assets") and is now supported by a consortium of independent institutions and governed on a day-to-day basis by a specialized subset of invitation-only validators that collectively maintain the consensus infrastructure of the network ("Super Validators"), the Canton Foundation, and the Global Synchronizer Foundation, an entity facilitated by the Linux Foundation. The Canton Network's infrastructure is maintained by a set of Super Validators, validators and application providers who aid in maintaining and expanding the network.

The Canton Network provides a platform for participants to exchange tokens of value, called CC, which are recorded on synchronized, shared ledgers. CC can be used to pay network transaction fees, to reward validators and application providers and as an optional settlement medium across institutional-grade decentralized applications. CC uses a burn-and-mint mechanism that ties token supply directly to network activity. As users pay fees in CC (denominated in U.S. dollar value), tokens are burned; conversely, new CCs are minted periodically to reward Super Validators, validators and application providers. This model seeks to stabilize token value through organic network demand that aligns issuance with actual usage rather than artificial scarcity.

The Canton Network occupies the intersection of enterprise blockchain infrastructure and institutional decentralized finance. The Canton Network is a network of networks that bridges tokenized real-world assets with on-chain capital markets through its decentralized operability layer, the Global Synchronizer. The Canton Network is distinguished by its ability to deliver privacy-preserving interoperability at scale. This governance model ensures neutrality, a critical differentiator in institutional contexts where trust and transparency outweigh yield incentives. While other networks experiment with privacy via zero-knowledge proofs or private

subnets, the Canton Network achieves configurable, per-transaction visibility without relying on complex cryptographic layers, enabling deterministic compliance and composable settlement across applications.

The Canton Network uses a Byzantine Fault Tolerance (“BFT”)-style two-thirds majority ordering consensus built around the Global Synchronizer and run by a consortium of Super Validators, rather than an open, permissionless validator set. This design is aligned with the Canton Network’s understanding that institutions want deterministic finality, predictable governance, and auditability, all of which are easier to achieve with a BFT committee drawn from known entities rather than with a fully open validator market.

The CC blockchain protocol was initially developed by Digital Assets. In 2023, the Canton Network was launched in collaboration with a consortium of global banks and financial institutions. In 2024, the Canton Network’s main blockchain officially launched and became operational, following years of extensive institutional pilots. While Digital Assets provided the technical foundation and launch support for the Canton Network, the Canton Foundation now oversees governance and ecosystem growth. This transition from a corporate developer to a neutral, non-profit entity underpins the Canton Network’s move toward decentralized stewardship. Digital Assets continues to contribute code and maintenance alongside other independent contributors and Super Validators.

The Canton Network uses an earned, activity-gated issuance model. At the highest level, the system allows up to 100 billion CC to be minted over the first ten years of the Global Synchronizer’s operation, with issuance pre-split with 50% to infrastructure providers (Super Validators and validators) and 50% to application providers. After ten years, issuance tapers to a steady 2.5 billion CC tokens per year, of which 75% is for application providers and 25% is for infrastructure providers. CC tokens are most often used for rewarding validators and application providers, paying network transaction fees, and as an optional settlement medium across institutional-grade decentralized applications.

### Principal Investment Risks

**CC is a relatively new investment. It is subject to unique and substantial risks and historically has been subject to significant price volatility. The value of an investment in the Fund could decline significantly and without warning, including to \$0. You should be prepared for the possibility of losing your entire investment. You may lose the entire principal amount of your investment in a single day. The performance of CC ETFs, and, therefore, the performance of the Fund, may differ significantly from the performance of CC.**

An investment in the Fund does not represent a complete investment program. An investment in the Fund is not a bank deposit and it is not insured or guaranteed by the FDIC or any other government agency, the Adviser, Sub-Adviser or any of their affiliates.

An investment in the Fund entails risks. The Fund could lose money, or its performance could trail that of other investment alternatives. The following provides additional information about the Fund’s principal risks. It is important that investors closely review and understand these risks before making an investment in the Fund. Each risk summarized below is considered a “principal risk” of investing in the Fund, regardless of the order in which it appears.

- **Crypto Asset Risk.** The Fund’s performance is subject to the risks of the crypto assets industry. The trading prices of many crypto assets, including CC, have experienced extreme volatility and may do so in the future. Extreme volatility in the future, including declines in the trading prices of CC, could have a material adverse effect on the value of the Fund’s Shares and the Shares could lose all or substantially all of their value. The value of the Shares is subject to a number of factors relating to the fundamental investment characteristics of CC as a crypto asset, including the fact that crypto assets are bearer instruments and loss, theft, destruction, or compromise of the associated private keys could result in permanent loss of the asset, and the capabilities and development of blockchain technologies. Crypto assets represent a new and rapidly evolving industry, and the value of the Fund’s Shares depends on the acceptance of CC. Changes in the governance of a crypto asset network may not receive sufficient support from users and miners, which may negatively affect that crypto asset network’s ability to grow and respond to challenges. An investor should be prepared to lose the full principal value of their investment suddenly and without warning.

A number of factors may affect the price and market for CC.

- *Supply and Demand.* It is believed that speculators and investors who seek to profit from trading and holding crypto assets currently account for a significant portion of demand for any crypto asset. Such speculation regarding the potential future appreciation in the price of CC may artificially inflate or deflate the price of CC. Market fraud and/or manipulation and other fraudulent trading practices, such as the intentional dissemination of false or misleading information (e.g., false rumors) can, among other things, lead to a disruption of the orderly functioning of markets and significant market volatility and cause the value of crypto asset futures to fluctuate quickly and without warning.
- *Adoption and Use of Crypto Assets.* Crypto assets and crypto-related investments are relatively new investments, and the continued adoption of the relevant crypto asset will require growth in its usage as a means of payment or for recordkeeping. Even if growth in crypto asset adoption continues in the near or medium-term, there is no assurance that crypto asset usage will continue to grow over the long-term. A contraction in the use of a crypto asset may result in a lack of liquidity, increased volatility in, and a reduction in the price of the crypto asset.

Many digital asset networks face significant scaling challenges and are being upgraded with various features designed to increase the speed of digital asset transactions and the number of transactions that can be processed in a given period (known as “throughput”). These attempts to increase the volume of transactions may not be effective, and such upgrades may fail, resulting in potentially irreparable damage to a crypto asset’s network and the value of the crypto asset.

- *Risk Factors Related to the Regulation of Crypto Assets.* A final determination by a court that CC is a “security” may adversely affect the value of CC and the value of the Fund’s shares.

Depending on its characteristics, CC may be considered a “security” under the federal securities laws. The test for determining whether a particular crypto asset is a “security” is complex and difficult to apply, and the outcome is difficult to predict. Public, though non-binding, statements by senior officials at the SEC have indicated that the SEC did not consider bitcoin or ether to be securities and does not currently consider bitcoin to be a security. The SEC staff has also provided informal assurances via no-action letters to a handful of promoters that their digital assets are not securities.

On the other hand, the SEC has brought enforcement actions against the issuers and promoters of several other crypto assets on the basis that the crypto assets in question are securities. More recently, the SEC has also brought enforcement actions against various crypto asset trading platforms for allegedly operating unregistered securities exchanges on the basis that certain of the crypto assets traded on their platforms are securities. For example, in June 2023, the SEC brought a complaint against Coinbase (the “Coinbase Complaint”) alleging violations of a variety of securities laws. In its complaint, the SEC asserted that Solana is a security under the federal securities laws. In February 2025, the SEC dismissed the Coinbase Complaint.

Whether a crypto asset is a security under the federal securities laws depends on whether it is included in the lists of instruments making up the definition of “security” in the Securities Act of 1933, the Securities Exchange Act of 1934 and the 1940 Act. Crypto assets as such do not appear in any of these lists, although each list includes the terms “investment contract” and “note,” and the SEC has typically analyzed whether a particular digital asset is a security by reference to whether it meets the tests developed by the federal courts interpreting these terms, known as the “Howey” and “Reves” tests, respectively. For many crypto assets, whether or not the Howey or Reves tests are met is difficult to resolve definitively, and substantial legal arguments can often be made both in favor of and against a particular crypto asset qualifying as a security under one or both tests. Adding to the complexity, the SEC staff has indicated that the security status of a particular crypto asset can change over time as the relevant facts evolve.

As part of determining whether a crypto asset is a security for purposes of the federal securities laws, the Trust takes into account a number of factors, including the various definitions of “security” under the federal securities laws and federal court decisions interpreting elements of these definitions, such as the U.S. Supreme Court’s decisions in the Howey and Reves cases, as well as reports, orders, press releases, public statements and speeches by the SEC, its commissioners and its staff providing guidance on when a digital asset may be a security for purposes of the federal securities laws. If an appropriate court determines that CC is a security, the Adviser and Sub-Adviser would not intend to permit the Fund to continue holding its investments in a way that would violate the federal securities laws.

- *Largely Unregulated Marketplace.* Crypto asset trading venues are relatively new and, in most cases, largely unregulated. As a result of this lack of regulation, individuals or groups may engage in insider trading, fraud, or market manipulation with respect to crypto assets. Such manipulation could cause investors in crypto assets to lose money, possibly the entire value of their investments. Additionally, some digital asset trading platforms may not operate in compliance with applicable law, and such non-compliance may cause such platforms to close operations in certain jurisdictions and/or be the subject of regulatory investigations.

Crypto asset trading venues are not subject to the same regulations as regulated securities or futures exchanges. Crypto asset trading venues that are regulated typically must comply with minimum net worth, cybersecurity, and anti-money laundering requirements, but are not typically required to protect customers or their markets to the same extent that regulated securities exchanges or futures exchanges are required to do so. As a result, markets for crypto assets may be subject to manipulation or fraud and may be subject to larger and/or more frequent sudden declines than assets traded on more traditional exchanges. Investors in crypto assets may lose money, possibly the entire value of their investments.

Over the past several years, a number of crypto asset trading venues have been closed due to fraud, failure, or security breaches. The nature of the assets held at crypto asset trading venues makes them appealing targets for hackers, and a number of digital asset trading venues have been victims of cybercrimes and other fraudulent activity. These activities have caused significant, and in some cases total, losses for crypto investors. Investors in crypto assets may have little or no recourse should such theft, fraud, or manipulation occur. There is no central registry showing which individuals or entities own crypto assets or the quantity of crypto assets that are owned by any particular person or entity. There are no regulations in place that would prevent a large holder or a group of holders from selling their crypto assets, which could depress the price of the applicable crypto asset, or otherwise attempting to manipulate the price of the crypto asset. Events that reduce user confidence in a crypto asset, the applicable blockchain, and the fairness of crypto asset trading venues could have a negative impact on the price of CC and the value of an investment in the Fund.

If the crypto asset trading venues become subject to onerous regulations or are subject to enforcement actions by regulatory authorities (including FinCEN, the SEC, the CFTC, FINRA, the Consumer Financial Protection Bureau, the Department of Justice, the Department of Homeland Security, the Federal Bureau of Investigation, the IRS, the Office of the Comptroller of the Currency, the FDIC, the Federal Reserve, and state financial institution regulators), among other things, trading in CC may be concentrated in a smaller number of trading venues, which may materially impact the price, volatility, and trading volume of CC. Additionally, the trading venues may be required to comply with tax, anti-money laundering, know-your-customer and other regulatory requirements, and compliance and reporting obligations that may make it more costly to transact in or trade CC (which may materially impact price, volatility, or trading of CC more generally). Each of these events could have a negative impact on the value of an investment in the Fund.

The trading of crypto assets is fragmented across numerous trading venues. The fragmentation of the volume of crypto asset transactions across multiple trading venues can lead to higher volatility than would be expected if volume was concentrated in a single trading venue. Market fragmentation and volatility increase the likelihood of price differences across different trading venues.

- *Cybersecurity Risk.* Blockchain technology and network functionality rely on the Internet. A significant disruption or interruption of Internet connectivity affecting large numbers of users or geographic areas could impede the functionality of blockchain technologies and the price of crypto assets. In addition, certain features of blockchain technology, such as decentralization, open-source protocol, including the code of smart contracts running on a blockchain, and reliance on peer-to-peer connectivity, may increase the risk of fraud or cyber-attack by potentially reducing the likelihood of a coordinated response. Cybersecurity exploitations or attacks against entities that custody or facilitate the transfers or trading of a crypto asset could result in a significant theft of the crypto asset and a loss of public confidence, which could lead to a decline in the value of the crypto asset and, as a result, adversely impact the Fund's investment in CC. Additionally, if a malicious actor or botnet (*i.e.*, a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains control of more than 50% of the processing power of a crypto asset's network, such actor or botnet could alter the blockchain and adversely affect the value of the crypto asset, which would adversely affect the Fund's investment in CC.
- *Forked Asset Risk.* Crypto asset networks operate using open-source protocols, meaning that any user can download the software, modify it, and then propose that the users and validators adopt the modification. When a modification is introduced and a substantial majority of users and validators consent to the modification, the change is implemented, and the network remains uninterrupted. However, if less than a substantial majority of users and validators consent to the proposed modification, and the modification is not compatible with the software prior to its modification, the consequence would be what is known as a "hard fork" of a crypto asset network, with one group running the pre-modified software and the other running the modified software. The effect of such a fork would be the existence of two versions of a crypto asset network running in parallel, yet lacking interchangeability. For example, in August 2017, Bitcoin "forked" into Bitcoin and a new digital asset, Bitcoin Cash, as a result of a several-year dispute over how to increase the rate of transactions that the Bitcoin network can process.

Forks may also occur as a network community's response to a significant security breach. For example, in June 2016, an anonymous hacker exploited a smart contract running on the Ethereum Network to siphon approximately \$60 million of ether held by The DAO, a distributed autonomous organization, into a segregated account. In response to the hack, most participants in the Ethereum community elected to adopt a "fork" that effectively reversed the hack. However, a minority of users continued to develop the original blockchain, now referred to as "Ethereum Classic," with the digital asset on that blockchain now referred to as Ether Classic, or ETC. ETC now trades on several digital asset trading platforms. A fork may also occur as a result of an unintentional or unanticipated software flaw in the various versions of otherwise compatible software that users run. Such a fork could lead to users and validators abandoning the digital asset with the flawed software. It is possible, however, that a substantial number of users and validators could adopt an incompatible version of the digital asset while resisting community-led efforts to merge the two chains. This could result in a permanent fork, as in the case of ether and Ether Classic.

In addition, many developers have previously initiated hard forks in the blockchain to launch new digital assets, such as Bitcoin Gold and Bitcoin Diamond. To the extent such digital assets compete with CC, such competition could impact demand for CC and could adversely impact the value of the Fund's shares.

Furthermore, a hard fork can lead to new security concerns. For example, when the Ethereum and Ethereum Classic networks split in July 2016, replay attacks, in which transactions from one network were rebroadcast to nefarious effect on the other network, plagued digital asset trading platforms through at least October 2016. A digital asset trading platform announced in July 2016 that it had lost 40,000 Ether Classic, worth about \$100,000 at that time, as a result of replay attacks. Another possible result of a hard fork is an inherent decrease in the level of security due to significant amounts of mining/validating power remaining on one network or migrating instead to the new forked network. After a hard fork, it may become easier for an individual validator or validator pool's power to exceed levels necessary to execute an attack on the network.

A future fork in the Canton Network could adversely affect the value of the Fund's shares.

- *“Attack” Risk.* All networked systems are vulnerable to various kinds of attacks. A blockchain may be vulnerable to several types of attacks, including:
  - a “33% attack,” where, if a validator or group of validators were to gain control of more than 33% of the total staked crypto asset on the applicable blockchain, a malicious actor could temporarily impede or delay block confirmation or even cause a temporary fork in the blockchain.
  - a “50% attack” where, if a validator or group of validators acting in concert were to gain control of more than 50% of the staked crypto asset, a malicious actor would be able to gain full control of the blockchain and the ability to manipulate the blockchain on a forward-looking basis, including censoring transactions following the achievement of threshold, double-spending and fraudulent block propagation, while the attacker maintains the threshold. In theory, the minority non-attackers might reach social consensus to reject blocks proposed by the malicious majority attacker, reducing the attacker's ability to engage in malicious activity, but there can be no assurance this would happen or that non-attackers would be able to coordinate effectively.
  - a “>66% attack,” where, if a validator or group of validators acting in concert were to gain control of more than 66% of the total staked crypto asset on the blockchain, a malicious actor could permanently and irreversibly manipulate the blockchain, including censorship, double-spending, and fraudulent block propagation, both on a forward- and backward-looking basis. The attacker could unilaterally finalize their preferred chain without the votes of any other stakers and could also reverse past finalized blocks.

Further, smart contracts on the network may create systemic risk for the price of a crypto asset in the event of an exploit. If a significant portion of a crypto asset is held by a small number of holders sometimes referred to as “whales,” these holders have the ability to manipulate the price of the crypto asset.

- *Crypto Asset Tax Risk.* Current IRS guidance indicates that convertible virtual currency, defined as a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value that has an equivalent value in real currency, or that acts as a substitute for real currency, should be treated and taxed as property, and that transactions involving the payment of convertible virtual currency for goods and services should be treated as barter transactions. While this treatment allows for the possibility of capital gains treatment, it creates a potential tax reporting requirement in any circumstance where the ownership of convertible virtual currency passes from one person to another, usually by means of convertible virtual currency transactions (including off-blockchain transactions), which could discourage the use of digital assets as a medium of exchange, especially for a holder of digital assets that have appreciated in value.
- **CC Investing Risk.** The Fund is subject to the risks of investing in CC directly and indirectly through its investments in the CC ETFs that obtain exposure to CC and other assets that provide exposure to CC. CC is subject to a variety of risks stemming from the structure, operation and governance of the Canton Network.
  - *Permissioned Network and Limited Accessibility Risk.* The Canton Network operates as a permissioned blockchain, where only approved institutional participants can validate transactions, operate nodes, or deploy applications. This architecture may restrict open participation and limit network composability, as compared with permissionless systems like Ethereum or Solana. Users and independent developers cannot directly build on or access the network, creating a closed ecosystem reliant on institutional collaboration. This approach may slow network effects, developer innovation, and liquidity growth over time. If permissioned institutional interest weakens, users consolidate, or participants face regulatory headwinds, CC's utility and transaction volume could stagnate, constraining token demand and ecosystem expansion.
  - *Validator and Infrastructure Concentration Risk.* The Canton Network's security and performance currently depend on Super Validators, which are coordinated by the Global Synchronizer Foundation. Super Validators are primarily banks, custodians, validator-as-a-service vendors and infrastructure partners. Although the Super Validator approach structure promotes accountability and streamlines compliance efforts, it creates operational and concentration risk. For example, outages, potential regulatory actions, or coordinated exits by a few Super Validators could disrupt network operations. Also, because onboarding new Super Validators requires governance approval, the Canton Network does not have the operational resilience of a more decentralized network's validator platform.
  - *Governance and Centralization Risk.* The Canton Network's governance is committee-driven, with a two-thirds Super Validator majority needed for protocol upgrades, membership decisions, and determining minting parameters. There is no token-holder voting or community proposal system, meaning governance power is concentrated within a small institutional group. This centralized structure may limit transparency and stakeholder accountability. In practice, the institutions earning the largest share of early token rewards also control network decisions, which may lead to self-interested actions by early participants and those maintaining the network. While maturation of the network may lead to broader participation, the timing and extent of this decentralization remain uncertain.

- *Token Liquidity and Market Dynamics Risk.* CC has limited trading history on public markets, and its future liquidity conditions are unknown. With few exchange listings, market depth, or a transparent liquidity plan, early trading could be highly volatile. Thin liquidity, combined with concentrated ownership among early validators and application providers, raises the risk of severe price dislocations or coordinated exits. Furthermore, there may be limited visibility into any potential market-making arrangements, which could decrease token value and credibility. Until sufficient market data emerges, CC's true price discovery, investor participation, and stability remain highly speculative.
- *Operational and Jurisdictional Risk.* Because the Canton Network's validator set and governance are composed of identifiable institutions operating in either the U.S. or EU, the network is exposed to regulatory and geopolitical pressures. Participants may be required to comply with sanctions laws, data residency rules, or financial reporting obligations that could fragment network activity. In an adverse scenario, such as increased regulatory scrutiny or reporting obligations, validators may geofence or withdraw, impairing network interoperability. Moreover, as a consortium-led infrastructure, the Canton Network's performance depends on sustained coordination among participants with differing regulatory regimes, business priorities, and risk appetites.
- *Short Operating History and Adoption Risk.* The Global Synchronizer MainNet launched in mid-2024, meaning the Canton Network lacks a long-term performance record. Key technical assumptions, such as validator coordination, uptime, and failover reliability - remain largely untested. Adoption of tokenized assets, institutional settlement, and decentralized finance (DeFi) integration also remains early. If application throughput and transaction volume fail to scale to the level required to balance the burn-mint equilibrium, CC may face mild structural inflation, putting downward pressure on value. Until the Canton Network demonstrates sustained transaction demand and diversified validator participation, it is subject to elevated execution risk.
- *Reputation and Market Perception Risk.* The Canton Network benefits from relatively strong institutional credibility due to its backers, which include major banks, custodians, and technology partners, but public recognition of the project and its token remains limited. Retail investors, who often drive early liquidity and market sentiment for new digital assets, have relatively little familiarity with the Canton brand or its purpose within the broader crypto ecosystem. This disconnect between institutional reputation and retail awareness could weigh on price discovery once trading begins. Without active community engagement or retail participation, CC may experience low trading volumes, limited exchange coverage, and reduced speculative interest, all of which could suppress market momentum. Moreover, the perception that the Canton Network is an "enterprise-only" or closed system could limit interest from retail participants, reinforcing illiquidity and price stagnation.
- *Smart-Contract and Daml Execution Risk.* Applications on the Canton Network are built using Daml, a specialized smart-contract language designed for privacy, determinism, and regulatory compliance. While Daml benefits from strong formal verification, it has not yet been extensively tested in large-scale, real-world financial environments. Daml's limited operational history introduces uncertainty about its performance and security under heavy institutional workloads. Even widely used smart-contract languages such as Solidity, which powers Ethereum, have repeatedly shown vulnerabilities that have led to significant losses from contract exploits and logic flaws. Because Daml operates across interconnected private ledgers, any undetected error or bug could disrupt settlement processes or expose sensitive transaction data. With limited public audits and bug-bounty programs, the Canton Network faces elevated execution risk until Daml proves resilience under sustained production use.
- **Risks Related to the Regulation of CC.** The Canton Network's regulatory environment is also evolving and uncertain. The Canton Network was designed to avoid speculative token issuance and reduce regulatory friction, including under the EU's Markets in Crypto-Assets ("MiCA") regulation. However, its focus on financial institutions, banks and central securities depositories creates exposure to know-your-customer, anti-money laundering, sanctions screening and data residency regulations and requirements. Because the Global Synchronizer and Super Validators operate within a permissioned framework, regulatory exposure exists primarily at the operator level rather than the tokenholder level. Thus, if EU or U.S. regulators were to tighten rules on intra-institutional tokenized transfers or on publicly visible fee and reward data, the Super Validators who operate the Global Synchronizer are the first entities regulators would contact.
- **CC Exposure Risk.** The Fund expects to have significant exposure to CC. As a result, the Fund's performance may be disproportionately and significantly impacted by the poor performance of CC or events materially affecting the CC ecosystem. The Fund's significant exposure to CC makes it more susceptible to any single occurrence affecting CC or CC-related investments and may subject the Fund to greater market risk than more diversified funds.

*The remaining principal risks are presented in alphabetical order to facilitate finding particular risks and comparing them with those of other funds.*

- **Active Management Risk.** The Fund is actively managed and may not meet its investment objective based on the Adviser's and Sub-Adviser's success or failure to implement strategies for the Fund. The Fund invests in complex instruments (each described below), including swap agreements and futures contracts. Such instruments may create enhanced risks for the Fund, and the Adviser's and Sub-Adviser's ability to control the Fund's level of risk will depend on the Adviser's skill in managing such

instruments. In addition, the Adviser's and Sub-Adviser's evaluations and assumptions regarding investments, interest rates, inflation, and other factors may not successfully achieve the Fund's investment objective given actual market conditions.

- **Cash Transaction Risk.** The Fund expects to effect all of its creations and redemptions for cash, rather than in-kind securities. The Fund may be required to sell or unwind portfolio investments to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize a capital gain that it might not have recognized if it had made a redemption in kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used. The use of cash creations and redemptions may also cause the Fund's shares to trade in the market at wider bid-ask spreads or greater premiums or discounts to the Fund's NAV. As a practical matter, only institutions and large investors, such as market makers or other large broker dealers, create or redeem shares directly through the Fund. Most investors will buy and sell shares of the Fund on an exchange through a broker-dealer. Furthermore, the Fund may not be able to execute cash transactions for creation and redemption purposes at the same price used to determine the Fund's NAV. To the extent that the maximum additional charge for creation or redemption transactions is insufficient to cover the execution shortfall, the Fund's performance could be negatively impacted.
- **CC ETF Investing Risk.** Issuer-specific attributes related to CC ETFs in which the Fund may invest may cause an investment held by the Fund to be more volatile than the market generally. The value of an individual security or asset or particular type of security or asset may be more volatile than the market as a whole and may perform differently from the value of the market as a whole. When the Fund invests in CC ETFs it will incur costs associated with such funds, including management fees and fees and expenses borne by shareholders of such CC ETFs. The value of shares in a CC ETF may not replicate the performance of CC and the Fund's investments in the CC ETFs will not perform exactly the same as the Fund's direct investments in CC. To the extent the Fund invests in a CC ETF that is sponsored by an affiliate of the Sub-Adviser ("Sponsored CC ETF"), such investments create potential conflicts of interest, including but not limited to: (i) the Adviser has an incentive to use the Sponsored CC ETF to generate additional management fees for its affiliates; and (ii) the Adviser may have an incentive to allocate more of the Fund's assets to the Sponsored CC ETF in such a manner that would generate more fees for the affiliate. However, the Adviser will still seek to invest as much of the Fund's portfolio assets into CC directly rather than through a CC ETF provided that the Fund will always have at least 40% of its assets in securities. The CC ETFs are also subject to the risks of CC, as discussed above.
- **Cybersecurity Risk.** With the increased use of technologies such as the Internet and the dependence on computer systems to perform business and operational functions, funds (such as the Fund) and their service providers may be prone to operational and information security risks resulting from cyber-attacks and/or technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among others, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. Cybersecurity incidents may allow an unauthorized party to gain access to Fund assets or proprietary information, or cause the Fund, the Adviser, the Sub-Adviser and/or other service providers (including custodians and financial intermediaries) to suffer data breaches or data corruption. Additionally, cybersecurity failures or breaches of the electronic systems of the Fund, the Adviser, the Sub-Adviser or the Fund's other service providers, market makers, APs, the Fund's primary listing exchange, or the issuers of securities in which the Fund invests have the ability to disrupt and negatively affect the Fund's business operations, including the ability to purchase and sell Shares, potentially resulting in financial losses to the Fund and its shareholders. For instance, cyber-attacks or technical malfunctions may interfere with the processing of shareholder or other transactions, affect the 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 the Fund to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and additional compliance costs. Cyber-attacks or technical malfunctions may render records of Fund assets and transactions, shareholder ownership of Shares, and other data integral to the functioning of the Fund inaccessible or inaccurate or incomplete. The Fund also may incur substantial costs for cybersecurity risk management to prevent cyber incidents in the future. The Fund and its shareholders could be negatively impacted as a result.
- **Custodian Risk.** The CC and other assets held by the Fund that operate on distributed ledger/blockchain technology can only be transferred by the person holding both the public and private keys to the digital wallet in which the asset is held. The Fund's custodian that custodies the Fund's digital assets is in control of the private keys for each of the Fund's digital wallets. In the event such custodian loses sole control of the private keys (e.g., through a data breach or hack), the Fund's digital assets held by such custodian could be lost.
- **Early Close/Trading Halt Risk.** An exchange or market may close or issue trading halts on specific investments, or the ability to buy or sell certain securities or financial instruments may be restricted, which may result in the Fund being unable to buy or sell certain securities or financial instruments. In such circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments, and/or may incur substantial trading losses.
- **ETF Risks.** The Fund is an ETF and, as a result of its structure, is exposed to the following risks:
  - *Authorized Participants, Market Makers, and Liquidity Providers Concentration Risk.* The Fund has a limited number of financial institutions that may act as APs. In addition, there may be a limited number of market makers and/or liquidity

providers in the marketplace. Shares may trade at a material discount to NAV and possibly face delisting if either: (i) APs exit the business or otherwise become unable to process creation and/or redemption orders and no other APs step forward to perform these services, or (ii) market makers and/or liquidity providers exit the business or significantly reduce their business activities and no other entities step forward to perform their functions.

- *Costs of Buying or Selling Shares Risk.* Investors buying or selling Shares in the secondary market will pay brokerage commissions or other charges imposed by brokers, as determined by that broker. Brokerage commissions are often a fixed amount and may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. In addition, secondary market investors also will incur the cost of the difference between the price at which an investor is willing to buy Shares (the “bid” price) and the price at which an investor is willing to sell Shares (the “ask” price). This difference in bid and ask prices is often referred to as the “spread” or “bid/ask spread.” The bid/ask spread varies over time for Shares based on trading volume and market liquidity and is generally lower if Shares have more trading volume and market liquidity and higher if Shares have little trading volume and market liquidity. Further, a relatively small investor base in the Fund, asset swings in the Fund, and/or increased market volatility may cause increased bid/ask spreads. Due to the costs of buying or selling Shares, including bid/ask spreads, frequent trading of Shares may significantly reduce investment results and an investment in Shares may not be advisable for investors who anticipate regularly making small investments.
- *Shares May Trade at Prices Other Than NAV Risk.* As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund’s NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility. This risk is heightened in times of market volatility or periods of steep market declines and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant. The market price of Shares during the trading day, like the price of any exchange-traded security, includes a “bid/ask” spread charged by the exchange specialist, market makers or other participants that trade Shares. In times of severe market disruption, the bid/ask spread can increase significantly. At those times, Shares are most likely to be traded at a discount to NAV, and the discount is likely to be greatest when the price of Shares is falling fastest, which may be the time that you most want to sell your Shares. The Adviser and Sub-Adviser believe that, under normal market conditions, large market price discounts or premiums to NAV will not be sustained because of arbitrage opportunities. Because securities held by the Fund may trade on foreign exchanges that are closed when the Fund’s primary listing exchange is open, the Fund is likely to experience premiums or discounts greater than those of ETFs that invest in and hold only securities and other investments that are listed and trade in the U.S.
- *Trading Risk.* Although Shares are listed for trading on the Exchange and may be listed or traded on U.S. and non-U.S. stock exchanges other than the Exchange, there can be no assurance that an active trading market for such Shares will develop or be maintained. Trading in Shares may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable. In addition, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to Exchange “circuit breaker” rules, which temporarily halt trading on the Exchange when a decline in the S&P 500<sup>®</sup> Index during a single day reaches certain thresholds (e.g., 7%, 13%, and 20%). Additional rules applicable to the Exchange may halt trading in Shares when extraordinary volatility causes sudden, significant swings in the market price of Shares. There can be no assurance that Shares will trade with any volume, or at all, on any stock exchange. In stressed market conditions, the liquidity of Shares may begin to mirror the liquidity of the Fund’s underlying portfolio holdings, which can be significantly less liquid than the Shares.
- **ETP Risk.** ETP shares trade like ETFs on a securities exchange. The price of an ETP is derived from and based upon the value of its underlying assets or investments. However, shares of ETPs trade at market prices, not NAV, which means they may trade at prices above or below the value of their underlying portfolios. The level of risk involved in the purchase or sale of ETP is similar to the risk involved in the purchase or sale of an ETF, except that the pricing mechanism for ETP is based on a basket of the ETP’s investments and cash. Thus, the risks of owning an ETP generally reflect the risks of owning the underlying investment and cash that the ETP holds. Certain ETPs have a relatively limited history of operations. Because certain ETPs are relatively new products, their shares may have a lack of liquidity, which could result in the market price of the ETP shares being more volatile than the underlying portfolio of investments and cash. Disruptions in the markets for CC could result in losses on investment in ETPs. In addition, an actual trading market may not develop for ETP shares and the listing exchange may halt trading of ETP’s shares. ETPs may be subject to management fees and other fees that may increase their costs versus the costs of owning the underlying investments directly. The Fund will indirectly bear its proportionate share of management fees and other expenses that are charged by an ETP in addition to the management fees and other expenses paid by the Fund. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETPs.

If the process of creation and redemption of baskets for the ETPs encounters any unanticipated difficulties, the possibility for arbitrage transactions by APs intended to keep the price of the shares closely linked to the price of the CC may not exist and, as a result, the price of the shares may fall or otherwise diverge from NAV. The liquidity of the shares may also be affected by the withdrawal from participation of APs. Security threats to the ETP account at the custodian could result in the halting of the ETP’s operations and a loss of the ETP’s assets or damage to the reputation of the ETP, each of which could result in a reduction in the

value of the Fund's Shares. The price used to calculate the value of the ETP's CC may be volatile, adversely affecting the value of the Shares. If the ETP's custodian agreement is terminated or its custodian fails to provide services as required, the ETP may need to find and appoint a replacement custodian, which could pose a challenge to the safekeeping of the ETP's CC, and the ETP's ability to continue to operate may be adversely affected. Loss of a critical banking relationship for, or the failure of a bank used by, the ETP's prime execution agent could adversely impact the ETP's ability to create or redeem baskets, or could cause losses to the ETPs. An ETP may suspend the issuance of shares at any time which will impact the price of shares of an ETP, resulting in a significant difference (premium/discount) between the ETP's market price and its NAV. Additionally, the Fund may be unable to transact in the shares of the ETP at an acceptable price, and, therefore, the Fund may be unable to achieve its investment objective.

- **Exposure Concentration Risk.** It is currently expected that the Fund will derive a significant amount of its exposure to the price performance of CC as a result of investing directly in CC ETFs. As a result, the Fund's performance will be highly dependent on the performance of the CC ETFs. If shares of the CC ETFs were to be delisted or lose their entire value, Shares would also be expected to suffer a loss of value. The Fund's strategy makes the Fund extremely susceptible to issuer-specific events relating to the CC ETFs that may not necessarily affect the CC market more broadly. This inherently makes an investment in the Fund riskier than an investment in a fund that provides more diversified exposure. In the event that there is an issue regarding the CC ETFs' ability to acquire, dispose of, or maintain proper custody of CC, the Fund's returns will be negatively impacted.
- **Foreign Securities Risk.** Investments in non-U.S. securities involve certain risks that may not be present with investments in U.S. securities. These include risks of adverse changes in foreign economic, political, regulatory and other conditions, or changes in currency exchange rates or exchange control regulations (including limitations on currency movements and exchanges). The securities of some foreign companies may be less liquid and, at times, more volatile than securities of comparable U.S. companies. There may be less information publicly available about a non-U.S. issuer than a U.S. issuer. Non-U.S. issuers may be subject to different accounting, auditing, financial reporting and investor protection standards than U.S. issuers. Investments in non-U.S. securities may be subject to withholding or other taxes and may be subject to additional trading, settlement, custodial, and operational risks. With respect to certain countries, there is the possibility of government intervention and expropriation or nationalization of assets. Because legal systems differ, there also is the possibility that it will be difficult to obtain or enforce legal judgments in certain countries. Since foreign exchanges may be open on days when the Fund does not price its shares, the value of the securities in the Fund's portfolio may change on days when shareholders will not be able to purchase or sell the Fund's shares. Conversely, Shares may trade on days when foreign exchanges are closed. Each of these factors can make investments in the Fund more volatile and potentially less liquid than other types of investments.
- **Inflation Risk.** Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. As inflation increases, the present value of the Fund's assets and distributions, if any, may decline.
- **Liquidity Risk.** Liquidity risk exists when particular investments are difficult to purchase or sell. To the extent the Fund invests in illiquid investments or investments that become less liquid, such investments may have a negative effect on the returns of the Fund, because the Fund may be unable to sell the illiquid investments at an advantageous time or price. To the extent that the Fund's principal investment strategies involve investing in securities with substantial market and/or credit risk, the Fund will tend to have the greatest exposure to liquidity risk. Liquid investments may become illiquid after purchase by the Fund, particularly during periods of market turmoil. Illiquid investments may be harder to value, especially in changing markets, and if the Fund is forced to sell these investments to meet redemption requests or for other cash needs, the Fund may suffer a loss. There can be no assurance that an investment that is deemed to be liquid when purchased will continue to be liquid for as long as it is held by the Fund.
- **Market Risk.** Market risks, including political, regulatory, market, and economic or other developments, and developments that impact specific economic sectors, industries, or segments of the market, can affect the value of the Fund's Shares. The Fund is subject to the risk that the prices of, and the income generated by, securities held by the Fund may decline significantly and/or rapidly in response to adverse conditions or other developments, such as trade tensions and the threat of and/or actual imposition of tariffs by the U.S. and other countries, interest rate fluctuations and events directly involving specific issuers that may cause broad changes in market value, public perceptions concerning these developments, and adverse investor sentiment. Such events may cause the value of securities owned by the Fund to go up or down, sometimes rapidly or unpredictably. There also is a risk that policy and legislative changes by the U.S. Government and/or Federal Reserve, or certain foreign governments and central banks, could cause increased volatility in financial markets and higher levels of Fund redemptions, which could have a negative impact on the Fund. These events may lead to periods of volatility and increased redemptions, which could cause the Fund to experience a loss when selling securities to meet redemption requests by shareholders. The risk of loss increases if the redemption requests are unusually large or frequent. Markets also tend to move in cycles, with periods of rising and falling prices. If there is a general decline in the securities and other markets, your investment in the Fund may lose value, regardless of the individual results of the securities and other instruments in which the Fund invests.

Local, regional, or global events, such as war, acts of terrorism, natural disasters, public health issues, recessions, or other events could have a significant impact on the market generally and on specific securities. The COVID-19 pandemic, Russia's invasion of Ukraine, the Israel-Hamas conflict, and higher inflation have resulted in extreme volatility in the financial markets, economic

downturns around the world, and severe losses, particularly to some sectors of the economy and individual issuers, and reduced liquidity of certain instruments. These events have caused significant disruptions to business operations, strained healthcare systems, disruptions to supply chains, large expansion of government deficits and debt as a result of government actions to mitigate the effects of such events, and widespread uncertainty regarding the long-term effects of such events. These or similar events could be prolonged and could adversely affect the value and liquidity of the Fund's investments, impair the Fund's ability to satisfy redemption requests, and negatively impact the Fund's performance. Furthermore, economies and financial markets throughout the world are becoming increasingly interconnected. As a result, whether or not the Fund invests in securities of issuers located in or with significant exposure to countries experiencing economic and financial difficulties, the value and liquidity of the Fund's investments may be negatively affected.

- **New Fund Risk.** The Fund is a recently organized investment company with no operating history. As a result, prospective investors have no track record or history on which to base their investment decision. Moreover, investors will not be able to evaluate the Fund against one or more comparable funds on the basis of relative performance until the Fund has established a track record.
- **Non-Correlation Risk.** The performance of the Fund will not, and is not intended to, correlate exactly to the performance of CC and will vary somewhat due to factors such as fees and expenses of the Fund, transaction costs, regulatory restrictions, and active management of the Fund's portfolio.
- **Non-Diversification Risk.** The Fund is considered to be non-diversified, which means that it may invest a greater percentage of its assets in the securities of a single issuer or a lesser number of issuers than if it was a diversified fund. As a result, the Fund may be more exposed to the risks associated with and developments affecting an individual issuer or a lesser number of issuers than a fund that invests more widely. This may increase the Fund's volatility and cause the performance of a relatively small number of issuers to have a greater impact on the Fund's performance.
- **Reverse Repurchase Agreements Risk.** A reverse repurchase agreement is the sale by the Fund of a debt obligation to a party for a specified price, with the simultaneous agreement by the Fund to repurchase that debt obligation from that party on a future date at an agreed upon price. Similar to borrowing, reverse repurchase agreements provide the Fund with cash for investment purposes, which creates leverage and subjects the Fund to the risks of leverage. Reverse repurchase agreements also involve the risk that the other party may fail to return the securities in a timely manner or at all. The Fund could lose money if it is unable to recover the securities and the value of collateral held by the Fund, including the value of the investments made with cash collateral, is less than the value of the securities. Reverse repurchase agreements also create Fund expenses and require that the Fund have sufficient cash available to purchase the debt obligations when required. Reverse repurchase agreements also involve the risk that the market value of the debt obligation that is the subject of the reverse repurchase agreement could decline significantly below the price at which the Fund is obligated to repurchase the security. The Fund may enter into reverse repurchase agreements with a limited number of counterparties, which may further expose the Fund to the risk that a counterparty may be unwilling or unable to sell back the investment contemplated by such arrangement or otherwise to meet its contractual obligations.
- **Staking Risk.** When a CC ETF in which the Fund invests stakes CC, the CC is subject to the risks attendant to staking generally, such as illiquidity, reliance on third-party service providers, slashing, missed rewards, and validator problems and errors. Staking requires that the CC ETF in which the Fund invests lock up the staked CC, meaning that the CC ETF in which the Fund invests cannot sell or transfer the staked CC during lock-up period. The lock-up period may be longer than anticipated based on network activity. In addition, during the lock-up period, the CC ETF in which the Fund invests is subject to the market price volatility of CC, and it may miss opportunities to sell the staked CC during opportune times. Staking CC may involve the risk of slashing and concentration risk. Slashing is a penalty imposed on network validators for actions that threaten the blockchain's integrity. For example, slashing can result from isolated validator mistakes, malicious activity, coordinated attacks, software bugs, or provider failures. Slashing serves as an enforcement mechanism to ensure network resilience, but correlated slashing events can be catastrophic. Penalties can scale aggressively, potentially leading to a significant loss of staked principal. Concentration risks associated with staking include staking activities occurring through a concentrated group of software providers and cloud infrastructure providers. There are generally five major staking software providers, and over-allocating to validators using the same software increases the risk of a single issue impacting a large amount of staked assets. Similarly, complications in specific cloud regions (i.e., a particular geographical area where a cloud provider's data centers are located) can create outages that impact validators. Such complications may include, but are not limited to, compliance and regulatory issues, security breaches such as ransomware threats and attacks, data breaches, and malicious actors, and cloud network and infrastructure performance issues (e.g., network latency and service outages). Staked CC is also subject to security breaches, network downtime or attacks, smart contract vulnerabilities, and validator or custodian failure or compromise, which can result in a complete loss of the staked CC or a loss of any rewards. The loss of the staked CC (either in whole or partially) during the staking period will have a material adverse effect on the Fund.
- **Subsidiary Investment Risk.** By investing in the Subsidiary, the Fund is indirectly exposed to the risks associated with the Subsidiary's investments. The derivatives and other investments held by the Subsidiary are generally similar to those that are permitted to be held by the Fund and are subject to the same risks that apply to similar investments if held directly by the Fund.

The Subsidiary is not registered under the 1940 Act, and, unless otherwise noted in this Prospectus, is not subject to all the investor protections of the 1940 Act. Changes in the laws of the United States and/or the Cayman Islands could result in the inability of the Fund and/or the Subsidiary to continue to operate as it does currently and could adversely affect the Fund. For example, the Cayman Islands does not currently impose any income, corporate or capital gains tax or withholding tax on the Subsidiary. If Cayman Islands law changes such that the Subsidiary must pay Cayman Islands taxes, the Fund shareholders would likely suffer decreased investment returns.

- **Tax Risk.** As a RIC, the Fund must derive at least 90% of its gross income each taxable year from certain qualifying sources of income under the Code. The income of the Fund from direct CC and certain CC ETPs is not expected to generate qualifying income for purposes of the “Qualifying Income Requirement” (as described more fully in the section titled “Federal Income Taxes” in the SAI). To the extent the Fund invests directly in CC and certain CC ETPs, the Fund will seek to restrict its income from such instruments that do not generate qualifying income to a maximum of 10% of its gross income (when combined with its other investments that produce non-qualifying income) to comply with the Qualifying Income Requirement necessary for the Fund to qualify as a RIC under Subchapter M of the Code. However, the Fund may generate more non-qualifying income than anticipated, may not be able to generate qualifying income in a particular taxable year at levels sufficient to meet the Qualifying Income Requirement, or may not be able to accurately predict the non-qualifying income from these investments.

The Fund may gain most of its exposure to CC through its investment in the Subsidiary, which may invest directly in CC-related investments. In order for the Fund to qualify as a RIC under Subchapter M of the Code, the Fund must, among other requirements, derive at least 90% of its gross income for each taxable year from sources generating “qualifying income” for purposes of the Qualifying Income Requirement. The Fund’s investment in the Subsidiary is expected to provide the Fund with exposure to CC-related investments within the limitations of the federal tax requirements of Subchapter M of the Code for qualification as a RIC. The “Subpart F” income (defined in Section 951 of the Code to include passive income) of the Fund attributable to its investment in the Subsidiary is “qualifying income” to the Fund to the extent that such income is derived with respect to the Fund’s business of investing in stock, securities, or currencies. The Fund expects its “Subpart F” income attributable to its investment in the Subsidiary to be derived with respect to the Fund’s business of investing in stock, securities, or currencies and, accordingly, expects its “Subpart F” income attributable to its investment in the Subsidiary to be treated as “qualifying income.” The Fund generally will be required to include in its own taxable income the “Subpart F” income of the Subsidiary for a tax year, regardless of whether the Fund receives a distribution of the Subsidiary’s income in that tax year, and this income would nevertheless be subject to the distribution requirement for qualification as a RIC and would be taken into account for purposes of the 4% excise tax. The Adviser will carefully monitor the Fund’s investments in the Subsidiary to ensure that no more than 25% of the Fund’s assets are invested in the Subsidiary to comply with the “Diversification Requirement,” as described in more detail in the SAI.

The extent to which the Fund invests in CC and certain CC ETPs may be limited by the Qualifying Income Requirement and the Diversification Requirement, which the Fund must continue to satisfy to maintain its status as a RIC. The Fund intends to enter into reverse purchase agreements to facilitate compliance with the Diversification Requirement. There are no assurances that the IRS will agree with the Fund’s application of the Diversification Requirement to its holdings. If the Fund does not qualify as a RIC for any taxable year and certain relief provisions are not available, the Fund’s taxable income would be subject to tax at the Fund level and to a further tax at the shareholder level when such income is distributed. The Fund’s failure to comply with the requirements for qualification as a RIC could have significant negative tax consequences to Fund shareholders. In such event, in order to re-qualify for taxation as a RIC, the Fund may be required to recognize unrealized gains, pay substantial taxes and interest and make certain distributions. If the Fund does not qualify as a RIC for any taxable year and certain relief provisions are not available, the Fund’s taxable income would be subject to tax at the Fund level and to a further tax at the shareholder level when such income is distributed. This would cause investors to incur higher tax liabilities than they otherwise would have incurred and would have a negative impact on Fund returns. In such event, the Board may determine to reorganize or close the Fund or materially change the Fund’s investment objective and strategies. In the event that the Fund fails to qualify as a RIC, the Fund will promptly notify shareholders of the implications of that failure. The tax treatment of CC or certain CC ETPs may be affected by future regulatory or legislative changes that could affect the character, timing, and/or amount of the Fund’s taxable income or gains and distributions.

- **Valuation Risk.** The Fund or the Subsidiary may hold securities or other assets that may be valued on the basis of factors other than readily available market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. There are multiple methods that can be used to value a portfolio holding when market quotations are not readily available. The value established for any portfolio holding at a point in time might differ from what would be produced using a different methodology or if it had been priced using market quotations. Portfolio holdings that are valued using techniques other than market quotations, including “fair valued” assets or securities, may be subject to greater fluctuation in their valuations from one day to the next than if market quotations were used.

In addition, there is no assurance that the Fund or the Subsidiary could sell or close out a portfolio position for the value established for it at any time, and it is possible that the Fund or the Subsidiary would incur a loss because a portfolio position is sold or closed out at a discount to the valuation established by the Fund or the Subsidiary at that time. The Adviser’s and Sub-

Adviser's ability to value investments may be impacted by technological issues or errors by pricing services or other third-party service providers.

- **Volatility Risk.** The value of certain of the Fund's investments, including commodities futures, is subject to market risk. Market risk is the risk that the value of the investments to which the Fund is exposed will fall, which could occur due to general market or economic conditions or other factors.
- **Whipsaw Markets Risk.** The Fund may be subject to the forces of "whipsaw" markets (as opposed to choppy or stable markets), in which significant price movements develop but then repeatedly reverse. "Whipsaw" describes a situation where a security's price is moving in one direction but then quickly pivots to move in the opposite direction. There are two types of whipsaw patterns. The first involves an upward movement in a price, which is then followed by a drastic downward move causing the price to fall relative to its original position. The second type occurs when a share price drops in value for a short time and then suddenly surges upward to a positive gain relative to the original position. Such market conditions could cause substantial losses to the Fund.

## PORTFOLIO HOLDINGS INFORMATION

Information about the Fund's daily portfolio holdings is available at [www.21shares.com](http://www.21shares.com). A complete description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio holdings is available in the Fund's SAI.

## MANAGEMENT

### Investment Adviser

Teucrium Investment Advisors, LLC, located at Three Main Street, Suite 215, Burlington, Vermont 05401, serves as the investment adviser for the Fund. The Adviser, subject to the general supervision and oversight of the Board, provides an investment management program for the Fund and manages the day-to-day investment of the Fund's assets. In addition, the Adviser provides investment and operational oversight of the Sub-Adviser. The Adviser also arranges for transfer agency, custody, fund administration, distribution and all other services necessary for the Fund to operate. The Adviser is an SEC-registered investment adviser wholly owned by Teucrium Trading, LLC.

The Adviser continuously reviews, supervises, and administers the Fund's investment program. The Board supervises the Adviser and establishes policies that the Adviser must follow in its day-to-day management activities. For the services it provides to the Fund, the Adviser is entitled to a unified management fee, which is calculated daily and paid monthly, at an annual rate based on the Fund's average daily net assets of 0.50%.

Pursuant to an investment advisory agreement between the Trust, on behalf of the Fund, and the Adviser (the "Advisory Agreement"), the Adviser has agreed to pay all expenses of the Fund except the fee payable to the Adviser under the Advisory Agreement, interest charges on any borrowings, dividends and other expenses on securities sold short, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, extraordinary expenses, and distribution fees and expenses paid by the Trust under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act.

A discussion of the basis for the Board's approval of the Fund's Advisory Agreement will be available in the Fund's first Form N-CSR filing with the SEC.

### Investment Sub-Adviser

21Shares US LLC, a Delaware limited liability company located at 158 West 27th Street, 4th Floor, New York, New York, 10001, is responsible for the day-to-day management of the Fund subject to the oversight of the Adviser. The Sub-Adviser was founded in June 2021 and registered with the SEC in 2023.

Pursuant to an investment sub-advisory agreement between the Trust, on behalf of the Fund, the Adviser, and the Sub-Adviser (the "Sub-Advisory Agreement"), the Sub-Adviser provides advice to the Adviser regarding the implementation of the Fund's investment strategy, subject to the oversight of the Adviser and the Board. The Adviser may, in its sole discretion, consider the advice provided by the Sub-Adviser when making investment decisions for the Fund. For its services, the Sub-Adviser is entitled to a fee paid by the Adviser from its management fee, which fee is calculated daily and paid monthly, at an annual rate based on the average daily net assets of the Fund, and subject to a minimum annual fee of 0.20%.

A discussion of the basis for the Board's approval of the Fund's Sub-Advisory Agreement will be available in the Fund's first Form N-CSR filing with the SEC.

### Fund Sponsor

The Adviser has entered into an agreement with the Sub-Adviser pursuant to which the Sub-Adviser has agreed to provide certain support services to the Adviser, including the payment of certain of the Adviser's expenses, and the Adviser has agreed to pay the Sub-Adviser from the Adviser's revenues a fee based on the assets of the Fund which are in addition to the fees paid pursuant to the Sub-Advisory Agreement.

## **Management of the Subsidiary**

The Adviser also serves as the investment adviser and has overall responsibility for the general management and administration of the Fund's Subsidiary, pursuant to an investment advisory agreement between the Adviser and the Subsidiary. Under the agreement, the Adviser provides the Subsidiary with the same type of management, under essentially the same terms, as it provides the Fund, including that the Adviser has agreed to pay all expenses of the Subsidiary except for the management fee paid to the Adviser pursuant to its investment management agreement with the Subsidiary, interest charges on any borrowings, taxes, brokerage commissions and other expenses incurred in placing orders for the purchase and sale of securities and other investment instruments, acquired fund fees and expenses, accrued deferred tax liability, and extraordinary expenses. The Adviser has contractually agreed to waive the management fees of 0.50% to be paid to the Adviser by the Subsidiary for the Fund. The waiver agreement will continue in effect for so long as the Fund invests in the Subsidiary, and at least through April 3, 2027, and may be terminated only by the Fund's Board of Directors at the conclusion of any one-year term or when the Adviser ceases to serve as the investment adviser to the Subsidiary. The Subsidiary has also entered into separate contracts for the provision of custody, transfer agency, and accounting services with the same service providers that provide those services to the Fund.

## **Portfolio Managers**

The individuals identified below are jointly and primarily responsible for the day-to-day management of the Fund's portfolio.

Springer Harris joined Teucrium Trading, LLC, the parent company of the Adviser, in April 2011. He has primary responsibilities for the Trade Operations for the Teucrium Funds. Prior to joining the firm, Mr. Harris was an Account Executive with Emergent Social Media Team at Weber Shandwick, a global public relations firm. He graduated cum laude with a B.A. in Business Management.

Joran Haugens joined Teucrium Trading, LLC in December of 2022. He has responsibilities for trade operations and execution for the Teucrium Funds. Prior to joining the firm, he worked as an account executive at ED&F Man Capital with a focus on agricultural commodities providing support, information, research, account management and execution for a wide range of customers. Mr. Haugens has more than 20 years of experience in execution and is Series 3 certified.

Christopher Small joined Teucrium Trading, LLC in April of 2025. He is responsible for the execution and implementation of Teucrium's growing suite of ETF's and contributes to the development of new products in Teucrium's multi-asset white-label platform. Prior to joining the firm, he worked as the Director of Trading at Boston-based asset manager Windham Capital from March 2015 until December 2024. Mr. Small graduated from Middlebury College in Vermont and studied economics, premedical coursework, and political science.

Andres Valencia is the Executive Vice President of Investment Management at the Sub-Adviser and a member of the Executive Committee. Before Mr. Valencia joined the Sub-Adviser in June 2021, he was a VP of Operations at JPMorgan as part of the Beta Strategies Group and helped launch and build the company's ETF business. Mr. Valencia has over ten years of experience managing ETFs. Mr. Valencia started his career in Asset Servicing at Bank of New York Mellon covering commodity and currency ETFs.

Jad Haj Ali is a Director and Portfolio Manager at the Sub-Adviser. A Series 3 holder, Mr. Ali has been a part of the 21Shares' portfolio management team since January 2023. Prior to joining the Sub-Adviser, Mr. Ali gained cryptocurrency trading experience at Token Metrics Ventures where he worked as a quantitative trader beginning in June 2020. Prior to his role at Token Metrics Ventures, Mr. Ali completed his education. Mr. Ali earned a BS in Industrial Engineering from Virginia Tech in 2019 and a MS in Operations Research and Financial Engineering from Columbia University in 2020.

The SAI provides additional information about the Portfolio Managers' compensation structure, other accounts managed by the Portfolio Managers and the Portfolio Managers' ownership of Shares.

## **Other Service Providers**

PINE Distributors LLC, (the "Distributor"), located at 501 South Cherry Street, Suite 610, Denver, Colorado 80246, serves as distributor and principal underwriter to the Fund. The Distributor will not distribute Shares in less than whole Creation Units, and it does not maintain a secondary market in the Shares. The Distributor is a broker-dealer registered under the Securities Exchange Act of 1934 and a member of FINRA. The Distributor has no role in determining the policies of the Fund or the securities that are purchased or sold by the Fund and is not affiliated with the Adviser or any of its affiliates.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services, located at 615 East Michigan Street, Milwaukee, Wisconsin 53202, serves as the administrator and transfer agent for the Fund.

U.S. Bank National Association, located at 1555 North Rivercenter Drive, Suite 302, Milwaukee, Wisconsin 53212, serves as the custodian for the Fund.

BitGo Bank & Trust, located at 101 S. Reid Street, Suite 307, PMB# 9793, Sioux Falls, South Dakota 57103, serves as the custodian for the Fund's crypto assets.

Morgan, Lewis & Bockius LLP, located at 1111 Pennsylvania Avenue, N.W., Washington, D.C. 20004, serves as legal counsel to the Trust.

Cohen & Company, Ltd., located at 1835 Market Street, Suite 310, Philadelphia, Pennsylvania 19103, serves as the Fund's independent registered public accounting firm. The independent registered public accounting firm is responsible for auditing the annual financial statements of the Fund.

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

The Fund issues and redeems Shares only in Creation Units at the NAV per share next determined after receipt of an order from an AP. Only APs may acquire Shares directly from the Fund, and only APs may tender their Shares for redemption directly to the Fund, at NAV. APs must be a member or participant of a clearing agency registered with the SEC and must execute a Participant Agreement that has been agreed to by the Distributor, and that has been accepted by the Fund's transfer agent, with respect to purchases and redemptions of Creation Units. Once created, Shares trade in the secondary market in quantities less than a Creation Unit.

Most investors buy and sell Shares in secondary market transactions through brokers. Individual Shares are listed for trading on the secondary market on the Exchange and can be bought and sold throughout the trading day like other publicly traded securities.

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 offer price in the secondary market on each leg of a round trip (purchase and sale) transaction. In addition, because secondary market transactions occur at market prices, you may pay more than NAV when you buy Shares and receive less than NAV when you sell those Shares.

### **Book Entry**

Shares are held in book-entry form, which means that no stock certificates are issued. The Depository Trust Company (the "DTC") or its nominee is the record owner of all outstanding Shares.

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. DTC's participants 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" through your brokerage account.

### **Frequent Purchases and Redemptions of Shares**

The Fund imposes no restrictions on the frequency of purchases and redemptions of Shares. In determining not to approve a written, established policy, the Board evaluated the risks of market timing activities by Fund shareholders. Purchases and redemptions by APs, who are the only parties that may purchase or redeem Shares directly from the Fund, are an essential part of the ETF process and help keep Share trading prices in line with NAV. As such, the Fund accommodates frequent purchases and redemptions by APs. However, frequent purchases and redemptions for cash may increase tracking error and portfolio transaction costs and lead to the realization of capital gains. The Fund's fair valuation of its holdings consistent with the 1940 Act and Rule 2a-5 thereunder and its ability to impose transaction fees on purchases and redemptions of Creation Units to cover the custodial and other costs incurred by the Fund in effecting trades help to minimize the potential adverse consequences of frequent purchases and redemptions.

### **Determination of Net Asset Value**

The Fund's NAV is calculated as of the scheduled close of regular trading on the New York Stock Exchange (the "NYSE"), generally 4:00 p.m. Eastern Time, each day the NYSE is open for business. The NAV is calculated by dividing the Fund's net assets by its Shares outstanding.

In calculating its NAV, the Fund generally values its assets at their current market value based on readily available market quotations. With respect to portfolio investments for which market quotations are not readily available or deemed unreliable by the Adviser, the Fund will fair value those investments in good faith in accordance with the Adviser's valuation procedures as approved by the Board and described below. The Fund generally values equity securities traded on any recognized U.S. or non-U.S. exchange, such as shares of CC ETFs, at the last sale price or official closing price on the exchange on which they are principally traded. The Adviser generally values any of the Fund's derivatives investments at fair value consistent with the procedures described below using a variety of information.

### **Fair Value Pricing**

The Adviser has been designated by the Board as the valuation designee for the Fund pursuant to Rule 2a-5 under the 1940 Act. In its capacity as valuation designee, the Adviser has adopted procedures and methodologies to fair value Fund investments whose market prices are not "readily available" or are deemed to be unreliable. For example, such circumstances may arise when: (i) an investment has been de-listed or has had its trading halted or suspended; (ii) an investment's primary pricing source is unable or unwilling to provide a price; (iii) an investment's primary trading market is closed during regular market hours; or (iv) an investment's value is materially affected by events occurring after the close of the investment's primary trading market. Generally, when fair valuing an investment held by the Fund, the Adviser will take into account all reasonably available information that may be relevant to a

particular valuation including, but not limited to, fundamental analytical data regarding the issuer, information relating to the issuer's business, recent trades or offers of the investment, general and/or specific market conditions and the specific facts giving rise to the need to fair value the investment. Fair value determinations are made in good faith and in accordance with the fair value methodologies established by the Adviser. Due to the subjective and variable nature of determining the fair value of a security or other investment, there can be no assurance that the Adviser's determined fair value will match or closely correlate to any market quotation that subsequently becomes available or the price quoted or published by other sources. In addition, the Fund may not be able to obtain the fair value assigned to an investment if the Fund were to sell such investment at or near the time its fair value is determined.

#### **Investments by Registered Investment Companies**

Section 12(d)(1) of the 1940 Act and the rules thereunder limit investments by registered investment companies in the securities of other investment companies. Registered investment companies are permitted to invest in the Fund beyond the limits set forth in section 12(d)(1), subject to certain terms and conditions, including that such investment companies enter into an agreement with the Fund.

#### **Delivery of Shareholder Documents – Householding**

Householding is an option available to certain investors of the Fund. Householding is a method of delivery, based on the preference of the individual investor, in which a single copy of certain shareholder documents can be delivered to investors who share the same address, even if their accounts are registered under different names. Householding for the Fund is available through certain broker-dealers. If you are interested in enrolling in householding and receiving a single copy of prospectuses and other shareholder documents, please contact your broker-dealer. If you are currently enrolled in householding and wish to change your householding status, please contact your broker-dealer.

## **DIVIDENDS, DISTRIBUTIONS, AND TAXES**

### **Dividends and Distributions**

The Fund intends to pay out dividends, if any, in cash, and distribute any net realized capital gains to its shareholders at least annually. The Fund will declare and pay capital gain distributions, if any, in cash. Distributions in cash may be reinvested automatically in additional whole Shares only if the broker through whom you purchased Shares makes such option available. Your broker is responsible for distributing the income and capital gain distributions to you.

### **Taxes**

The following discussion is a summary of certain important U.S. federal income tax considerations generally applicable to investments in the Fund. Your investment in the Fund may have other tax implications. Please consult your tax advisor about the tax consequences of an investment in Shares, including the possible application of foreign, state, and local tax laws. This summary does not apply to Shares held in an IRA or other tax-qualified plans, which are generally not subject to current tax. Transactions relating to Shares held in such accounts may, however, be taxable at some time in the future. This summary is based on current tax laws, which may change.

The Fund intends to qualify each year for treatment as a RIC within the meaning of Subchapter M of the Code. If it meets certain minimum distribution requirements, a RIC is not subject to tax at the fund level on income and gains from investments that are timely distributed to shareholders. However, the Fund's failure to qualify as a RIC or to meet minimum distribution requirements would result (if certain relief provisions were not available) in fund-level taxation and, consequently, a reduction in income available for distribution to shareholders.

Unless your investment in Shares is made through a tax-exempt entity or tax-advantaged account, such as an IRA, you need to be aware of the possible tax consequences when the Fund makes distributions, when you sell your Shares listed on the Exchange, and when you purchase or redeem Creation Units (APs only).

### **Taxes on Distributions**

The Fund intends to distribute, at least annually, substantially all of its net investment income and net capital gains. For federal income tax purposes, distributions of investment income are generally taxable as ordinary income or qualified dividend income. Taxes on distributions of capital gains (if any) are determined by how long the Fund owned the investments that generated them, rather than how long a shareholder has owned his or her Shares. Sales of assets held by the Fund for more than one year generally result in long-term capital gains and losses, and sales of assets held by the Fund for one year or less generally result in short-term capital gains and losses. Distributions of the Fund's net capital gain (the excess of net long-term capital gains over net short-term capital losses) that are reported by the Fund as capital gain dividends ("Capital Gain Dividends") will be taxable as long-term capital gains, which for non-corporate shareholders are subject to tax at reduced rates of up to 20% (lower rates apply to individuals in lower tax brackets). Distributions of short-term capital gain will generally be taxable as ordinary income. Dividends and distributions are generally taxable to you whether you receive them in cash or reinvest them in additional Shares.

Distributions reported by the Fund as "qualified dividend income" are generally taxed to non-corporate shareholders at rates applicable to long-term capital gains, provided holding period and other requirements are met. "Qualified dividend income" generally is income derived from dividends paid by U.S. corporations or certain foreign corporations that are either incorporated in a U.S. possession or eligible for tax benefits under certain U.S. income tax treaties. In addition, dividends that the Fund receives in respect of stock of certain foreign corporations may be qualified dividend income if that stock is readily tradable on an established U.S. securities market. Corporate shareholders may be entitled to a dividends received deduction for the portion of dividends they receive from the Fund that are attributable to dividends received by the Fund from U.S. corporations, subject to certain limitations. For such dividends to be taxed as qualified dividend income to a non-corporate shareholder, the Fund must satisfy certain holding period requirements with respect to the underlying stock and the non-corporate shareholder must satisfy holding period requirements with respect to his or her ownership of the Fund's Shares. Holding periods may be suspended for these purposes for stock that is hedged. The Fund's investment strategy will significantly limit its ability to distribute dividends eligible to be treated as qualified dividend income or entitled to the dividends received deduction.

Shortly after the close of each calendar year, you will be informed of the amount and character of any distributions received from the Fund.

In general, your distributions are subject to federal income tax for the year in which they are paid. Certain distributions paid in January, however, may be treated as paid on December 31 of the prior year. Distributions are generally taxable even if they are paid from income or gains earned by the Fund before your investment (and thus were included in the Shares' NAV when you purchased your Shares).

You should note that if you purchase shares just before a distribution, the purchase price would reflect the amount of the upcoming distribution. In this case, you would be taxed on the entire amount of the distribution received, even though, as an economic matter, the distribution simply constitutes a return of your investment. This is known as "buying a dividend" and should generally be avoided by taxable investors.

If you are neither a resident nor a citizen of the United States or if you are a foreign entity, distributions (other than Capital Gain Dividends) paid to you by the Fund will generally be subject to a U.S. withholding tax at the rate of 30%, unless a lower treaty rate applies. Gains from the sale or other disposition of your Shares from non-U.S. shareholders generally are not subject to U.S. taxation, unless you are a nonresident alien individual who is physically present in the U.S. for 183 days or more per year. The Fund may, under certain circumstances, report all or a portion of a dividend as an “interest-related dividend” or a “short-term capital gain dividend,” which would generally be exempt from this 30% U.S. withholding tax, provided certain other requirements are met. Different tax consequences may result if you are a foreign shareholder engaged in a trade or business within the United States or if a tax treaty applies.

The Fund (or a financial intermediary, such as a broker, through which a shareholder owns Shares) generally is required to withhold and remit to the U.S. Treasury a percentage of the taxable distributions and sale proceeds paid to any shareholder who fails to properly furnish a correct taxpayer identification number, who has underreported dividend or interest income, or who fails to certify that the shareholder is not subject to such withholding.

### **Taxes When Shares are Sold on the Exchange**

Provided that a shareholder holds Shares as capital assets, any capital gain or loss realized upon a sale or exchange of Shares generally is treated as a long-term capital gain or loss if Shares have been held for more than one year and as a short-term capital gain or loss if Shares have been held for one year or less. However, any capital loss on a sale of Shares held for six months or less is treated as long-term capital loss to the extent of Capital Gain Dividends paid with respect to such Shares. Any loss realized on a sale will be disallowed to the extent Shares are acquired, including through reinvestment of dividends, within a 61-day period beginning 30 days before and ending 30 days after the disposition of Shares. The ability to deduct capital losses may be limited.

The cost basis of Shares acquired by purchase will generally be based on the amount paid for the Shares and then may be subsequently adjusted for other applicable transactions as required by the Code. The difference between the selling price and the cost basis of Shares generally determines the amount of the capital gain or loss realized on the sale or exchange of Shares. Contact the broker through whom you purchased your Shares to obtain information with respect to the available cost basis reporting methods and elections for your account.

### **Taxes on Purchases and Redemptions of Creation Units**

An AP having the U.S. dollar as its functional currency for U.S. federal income tax purposes who exchanges securities for Creation Units generally recognizes a gain or a loss. The gain or loss will be equal to the difference between the value of the Creation Units at the time of the exchange and the exchanging AP’s aggregate basis in the securities delivered, plus the amount of any cash paid for the Creation Units. An AP who exchanges Creation Units for securities will generally recognize a gain or loss equal to the difference between the exchanging AP’s basis in the Creation Units and the aggregate U.S. dollar market value of the securities received, plus any cash received for such Creation Units. The IRS may assert, however, that a loss that is realized upon an exchange of securities for Creation Units may not be currently deducted under the rules governing “wash sales” (for an AP who does not mark-to-market its holdings) or on the basis that there has been no significant change in economic position. APs exchanging securities should consult their own tax advisor with respect to whether wash sale rules apply and when a loss might be deductible.

The Fund may include a payment of cash in addition to, or in place of, the delivery of a basket of securities upon the redemption of Creation Units. The Fund may sell portfolio securities to obtain the cash needed to distribute redemption proceeds. This may cause the Fund to recognize investment income and/or capital gains or losses that it might not have recognized if it had completely satisfied the redemption in kind. As a result, the Fund may be less tax efficient if it includes such a cash payment in the proceeds paid upon the redemption of Creation Units.

### **Net Investment Income Tax**

U.S. individuals with income exceeding specified thresholds are subject to a 3.8% tax on all or a portion of their “net investment income,” which includes interest, dividends, and certain capital gains (generally including capital gains distributions and capital gains realized on the sale of Shares). This 3.8% tax also applies to all or a portion of the undistributed net investment income of certain shareholders that are estates and trusts.

### **Foreign Investments by the Fund**

The Fund invests in foreign securities. Interest and other income received by the Fund with respect to foreign securities may give rise to withholding and other taxes imposed by foreign countries. Tax conventions between certain countries and the United States may reduce or eliminate such taxes. If as of the close of a taxable year more than 50% of the value of the Fund’s assets consists of certain foreign stock or securities, the Fund will be eligible to elect to “pass through” to investors the amount of foreign income and similar taxes (including withholding taxes) paid by the Fund during that taxable year. This means that investors would be considered to have received as additional income their respective shares of such foreign taxes but may be entitled to either a corresponding tax deduction in calculating taxable income, or, subject to certain limitations, a credit in calculating federal income tax. If the Fund does not so elect, it will be entitled to claim a deduction for certain foreign taxes incurred by the Fund. The Fund (or a financial intermediary, such as a

broker, through which a shareholder owns Shares) will notify you if it makes such an election and provide you with the information necessary to reflect foreign taxes paid on your income tax return.

*The foregoing discussion summarizes some of the possible consequences under current federal tax law of an investment in the Fund. It is not a substitute for personal tax advice. You also may be subject to state and local tax on Fund distributions and sales of Shares. Consult your personal tax advisor about the potential tax consequences of an investment in Shares under all applicable tax laws. For more information, please see the section entitled "Federal Income Taxes" in the SAI.*

#### **DISTRIBUTION PLAN**

The Board has adopted a Distribution and Service Plan (the "Plan") pursuant to Rule 12b-1 under the 1940 Act. In accordance with the Plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year for certain distribution-related activities and shareholder services.

No Rule 12b-1 fees are currently paid by the Fund, and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, because the fees are paid out of Fund assets, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

#### **PREMIUM/DISCOUNT INFORMATION**

Information regarding how often Shares traded on the Exchange at a price above (*i.e.*, at a premium) or below (*i.e.*, at a discount) the NAV per share is available on the Fund's website at [www.21shares.com](http://www.21shares.com).

#### **ADDITIONAL NOTICES**

The Shares are not sponsored, endorsed, or promoted by the Exchange. The Exchange is not responsible for, nor has it participated in the determination of, the timing, prices, or quantities of Shares to be issued, nor in the determination or calculation of the equation by which Shares are redeemable. The Exchange has no obligation or liability to owners of Shares in connection with the administration, marketing, or trading of Shares.

Without limiting any of the foregoing, in no event shall the Exchange have any liability for any lost profits or indirect, punitive, special, or consequential damages even if notified of the possibility thereof.

The Adviser, the Sub-Adviser, and the Fund make no representation or warranty, express or implied, to the owners of the Shares or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly.

#### **FINANCIAL HIGHLIGHTS**

Financial information is not available because the Fund had not commenced operations prior to the date of this Prospectus.

## 21Shares Canton Network ETF

<b>Adviser</b>	<b>Teucrium Investment Advisors, LLC</b> Three Main Street, Suite 215 Burlington, Vermont 05401	<b>Distributor</b>	<b>PINE Distributors LLC</b> 501 South Cherry Street, Suite 610 Denver, Colorado 80246
<b>Sub-Adviser</b>	<b>21Shares US LLC</b> 158 West 27th Street, 4th Floor New York, New York, 10001	<b>Custodian</b>	<b>U.S. Bank, N.A.</b> 1555 North Rivercenter Drive, Suite 302 Milwaukee, Wisconsin 53212
<b>Transfer Agent, Index Receipt Agent, and Administrator</b>	<b>U.S. Bancorp Fund Services, LLC</b> d/b/a <b>U.S. Bank Global Fund Services</b> 615 East Michigan Street Milwaukee, Wisconsin 53202	<b>Legal Counsel</b>	<b>Morgan, Lewis &amp; Bockius LLP</b> 1111 Pennsylvania Avenue, NW Washington, DC 20004-2541
<b>Independent Registered Public Accounting Firm</b>	<b>Cohen &amp; Company, Ltd.</b> 1835 Market Street, Suite 310 Philadelphia, Pennsylvania 19103	<b>Custodian for the Fund's Crypto Assets</b>	<b>BitGo Bank &amp; Trust</b> 101 S. Reid Street, Suite 307, PMB# 9793 Sioux Falls, South Dakota 57103

Investors may find more information about the Fund in the following documents:

**Statement of Additional Information:** The Fund's SAI provides additional details about the investments of the Fund and certain other additional information. The SAI is on file with the SEC and is incorporated herein by reference into this Prospectus. It is legally considered a part of this Prospectus.

**Annual/Semi-Annual Reports and Form N-CSR:** Additional information about the Fund's investments will be available in the Fund's Annual and Semi-Annual Reports to shareholders and in Form N-CSR. In the Annual Report, when available, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year. In Form N-CSR, you will find the Fund's annual and semi-annual financial statements.

You can obtain free copies of these documents, request other information or make general inquiries about the Fund by calling 1-800-617-0004.

Shareholder reports and other information about the Fund also are available:

- Free of charge from the SEC's EDGAR database on the SEC's website at <http://www.sec.gov>;
- Free of charge from the Fund's website at [www.21shares.com](http://www.21shares.com); or
- For a fee, by e-mail request to [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

(SEC Investment Company Act File No. 811-23226)