

Where Does An ARK DIET ETF Fit In A Portfolio?



Buffered ETFs, such as the ARK Defined Innovation Exposure Term (DIET) ETFs can serve as a tool for managing risk in a traditional investment portfolio.

Here's How:

- If an investor is nervous about volatility or large losses, the downside buffer gives some protection.
- If an investor is nearing retirement or has short-term financial goals, the defined outcome structure can make returns more predictable.
- Instead of exiting the market entirely, buffered ETFs provide investors an option to stay invested.

ARK DIET ETFs Might Replace:

- A portion of an investor's equity exposure where they want less downside.
- Structured notes or hedging strategies, because they offer similar benefits but are easier to access and trade.
- Part of cash or bond holdings, if an investor wants higher potential returns with controlled risk.

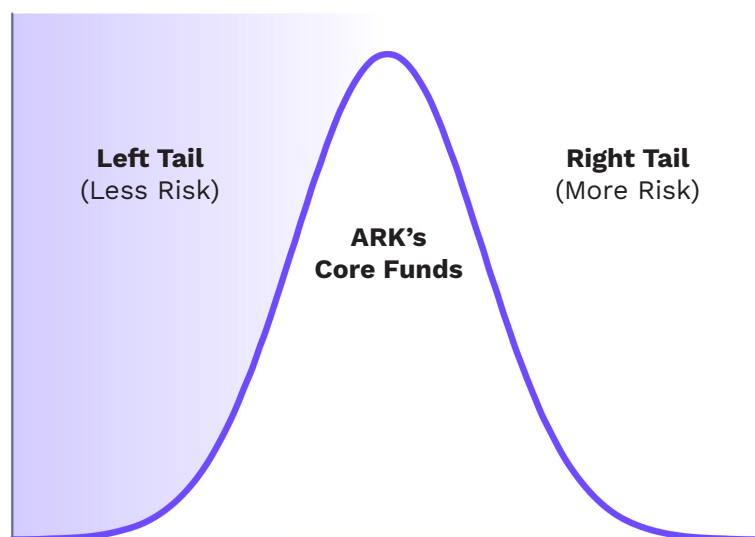
ARK DIET ETFs are not meant to replace a whole portfolio, but to complement it, especially when an investor wants innovation exposure with a more measured approach.

Where Do The ARK DIET ETFs Fit Into The ARK Product Lineup?

Disruptive innovation often delivers asymmetric results, with big upside potential mixed with potentially sharp drawdowns. The ARK Defined Innovation Exposure Term (DIET) ETFs use option overlays on the ARK Innovation ETF (ARKK) to reshape that return curve, giving investors downside buffers in exchange for giving up the first 5% of gains and accepting a defined participation rate above that. These strategies let investors stay invested in innovation while choosing a more balanced trade-off between risk and reward.

Critically, the ARK DIET ETFs expand an investor's toolkit. With the aim of giving investors more control over how their conviction is expressed, ARK's Defined Innovation ETFs seek to provide a broader set of exposures that should align with a broader set of investor preferences.

Risk Dispersion In Funds



Investors should carefully consider the investment objectives and risks as well as charges and expenses of an ARK ETF before investing. This and other information are contained in the ARK ETFs' prospectuses and summary prospectuses, which may be obtained by visiting www.ark-funds.com. The prospectus and summary prospectus should be read carefully before investing.

There is no assurance that the Fund will meet its investment objective. The value of your investment in the Fund, as well as the amount of return you receive on your investment in the Fund, may fluctuate significantly. You may lose part or all of your investment in the Fund or your investment may not perform as well as other similar investments.

The principal risks of investing in the ARK DIET Buffer ETFs include: **Limited Loss Risk.** There is no guarantee that the Fund will be successful in its strategy to limit the Fund's exposure to losses in the Underlying ETF's share price to no more than 50% of the Fund's NAV during the Outcome Period. In the event an investor purchases shares after the commencement of the Outcome Period or redeems shares prior to the end of the Outcome Period, the investor may not fully participate in the share price gains of the Underlying ETF beyond the Hurdle to which the Fund seeks to provide exposure. **Derivatives Risk.** Derivatives involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. These include credit risk, liquidity risk, management risk and leverage risk. Derivative products are highly specialized instruments that require an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. The failure of another party to a derivative to comply with the terms may cause the Fund to incur a loss. Adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. **Option Writing Risk.** The Fund invests in options that derive their performance from the performance of the Underlying ETF. Writing and buying options are speculative activities and entail investment exposures that are greater than their cost would suggest, meaning that a small investment in an option could have a substantial impact on the performance of the Fund. The Fund's use of options, due to the cost of the options, will reduce the Fund's ability to get returns equal to the Underlying ETF. **FLEX Options Risk.** The Fund utilizes FLEX Options guaranteed for settlement by the OCC, and it bears the risk that the OCC will be unable or unwilling to perform its obligations under the FLEX Options contracts, which is a form of counterparty risk. Additionally, FLEX Options may be less liquid than certain other securities, such as standardized options. The Fund may experience substantial downside from certain FLEX Option positions, and FLEX Option positions may expire worthless. **Liquidity Risk.** The Fund may invest in securities or instruments that trade in lower volumes and may make investments that are illiquid or that may become less liquid in response to market developments or adverse investor perceptions. There is no guarantee that a liquid secondary trading market will exist for the listed and OTC options in which the Fund may invest. A less liquid trading market may adversely impact the value of the listed options and the value of your investment. **Other Investment Companies Risk.** In addition to investing in options, the Fund invests in the Underlying ETF, which is another investment company. Accordingly, shareholders will bear both their proportionate share of Fund expenses and, indirectly, the expenses of the Underlying ETF. Furthermore, the Fund is exposed to the risks to which the Underlying ETF may be subject.

New Fund Risk. There can be no assurance that the Fund will grow to or maintain an economically viable size, in which case the Board may determine to liquidate the Fund if it determines that liquidation is in the best interest of shareholders. Liquidation of the Fund can be initiated without shareholder approval. As a result, the timing of the Fund's liquidation may not be favorable.

Outcome Period Risk. The Fund's investment strategy is designed to deliver returns that match the Underlying ETF, subject to the Hurdle and the Fund's strategy to limit the Fund's exposure to losses in the Underlying ETF's share price to no more than 50% of the Fund's NAV during the Outcome Period, only if shares are bought by the first day of the Outcome Period and held until the end of the Outcome Period. If an investor purchases or sells shares during the Outcome Period, the returns realized by the investor will not match those that the Fund seeks to achieve. In addition, the Hurdle may change from one Outcome Period to the next within the range stated above and is unlikely to remain the same for consecutive Outcome Periods. Moreover, the Fund's returns will be reduced by Fund fees and expenses as well as any brokerage commissions, trading fees, taxes and non-routine or extraordinary expenses incurred by the Fund throughout an Outcome Period. Accordingly, the performance of the Fund over an Outcome period will be reduced by these fees and expenses.

Shares of ARK ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the ETF. ETF shares may only be redeemed directly with the ETF at NAV by Authorized Participants, in very large creation units. There can be no guarantee that an active trading market for ETF shares will develop or be maintained, or that their listing will continue or remain unchanged. Buying or selling ETF shares on an exchange may require the payment of brokerage commissions and frequent trading may incur brokerage costs that detract significantly from investment returns.

ARK Investment Management, LLC is the investment adviser to the ARK DIET Buffer ETFs.

Foreside Fund Services LLC, distributor.

Not FDIC Insured – No Bank Guarantee – May Lose Value

ARK Investment Management LLC

info@ark-funds.com | ark-funds.com | St. Petersburg, FL

