



## PROSPECTUS

### Tradr 2X Long XNDU Daily ETF (Ticker: XNDX)

April 1, 2026

The Tradr 2X Long XNDU Daily ETF (the “Fund”) is a series of Investment Managers Series Trust II (the “Trust”). Shares of the Fund are listed on the Cboe Exchange (the “Cboe Exchange” or “Exchange”).

Shares of the Fund trade on the Exchange at market prices that may be below, at or above the Fund’s net asset value per share. The Fund is not suitable for all investors and are designed to be utilized only by sophisticated investors who understand the risks associated with the use of derivatives, are willing to assume a high degree of risk, and intend to actively monitor and manage their investments in the Fund.

**Neither the U.S. Securities and Exchange Commission (the “SEC”) nor the Commodity Futures Trading Commission (the “CFTC”) has approved or disapproved these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

**The Fund seeks daily long leveraged investment results and is intended to be used as short-term trading vehicle. The Fund attempts to provide daily investment results that correspond to the long leveraged multiple of the performance of an underlying security.**

**The Fund is not intended to be used by, and is not appropriate for, investors who do not intend to actively monitor and manage their portfolios. The Fund is very different from most mutual funds and exchange-traded funds. Investors should note that the pursuit of a daily investment objective means that the return of the Fund for a period longer than a full trading day will be the product of a series of daily leveraged returns for each trading day during the relevant period. As a consequence, especially in periods of market volatility, the volatility of the underlying security may affect the Fund’s return as much as, or more than, the return of the underlying security. Further, the return for investors that invest for periods less than a full trading day will not be the product of the return of the Fund’s stated daily long leveraged investment objective and the performance of the underlying security for the full trading day. During periods of high volatility, the Fund may not perform as expected and the Fund may have losses when an investor may have expected gains if the Fund is held for a period that is different than one trading day.**

**The Fund is not suitable for all investors. The Fund is designed to be utilized only by sophisticated investors, such as traders and active investors employing dynamic strategies. Investors in the Fund should:**

- (a) understand the risks associated with the use of leverage;**
- (b) understand the consequences of seeking daily leveraged investment results; and**
- (c) intend to actively monitor and manage their investments.**

**Investors who do not understand the Fund, or do not intend to actively manage their funds and monitor their investments, should not buy the Fund.**

There is no assurance that the Fund will achieve its investment objective and an investment in the Fund could lose money. No single Fund is a complete investment program.

The Fund's investment advisor, AXS Investments, LLC (the "Advisor" or "AXS"), will not attempt to position the Fund's portfolio to ensure that the Fund does not gain or lose more than a maximum percentage of its net asset value on a given trading day. As a consequence, if the Fund's underlying security moves more than 50% on a given trading day in a direction adverse to the Fund, which seeks two times daily performance, the Fund's investors would lose all of their money.

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## SUMMARY SECTION - TRADR 2X LONG XNDU DAILY ETF

### IMPORTANT INFORMATION ABOUT THE TRADR 2X LONG XNDU DAILY ETF

The Tradr 2X Long XNDU Daily ETF (the “Fund”) seeks daily leveraged investment results and is very different from most other exchange-traded funds (“ETFs”). As a result, the Fund may be riskier than alternatives that do not use leverage because the Fund’s objective is to magnify (200%) the daily performance of the common shares of Xanadu Quantum Technologies, Inc., (Nasdaq: XNDU) (“XNDU”). The return for investors that invest for periods longer or shorter than a single-trading day should not be expected to be 200% of the performance of XNDU for the period. The return of the Fund for a period longer than a single-trading day will be the result of each trading day’s compounded return over the period, which will very likely differ from 200% of the return of XNDU for that period. Longer holding periods, higher volatility of XNDU and leverage increase the impact of compounding on an investor’s returns. During periods of higher XNDU volatility, the volatility of XNDU may affect the Fund’s return as much as, or more than, the return of XNDU.

**The Fund is not suitable for all investors. The Fund is designed to be utilized only by knowledgeable investors who understand the potential consequences of seeking daily leveraged (200%) investment results, understand the risks associated with the use of leverage and are willing to monitor their portfolios frequently. The Fund is not intended to be used by, and is not appropriate for, investors who do not intend to actively monitor and manage their portfolios. For periods longer than a single-trading day, the Fund will lose money if XNDU’s performance is flat, and it is possible that the Fund will lose money even if XNDU’s performance increases over a period longer than a single-trading day. An investor could lose the full principal value of his/her investment within a single-trading day if XNDU loses more than 50% in one day.**

### INVESTMENT OBJECTIVE

The Tradr 2X Long XNDU Daily ETF seeks daily investment results, before fees and expenses, that correspond to two times (200%) the daily performance of the common shares of Xanadu Quantum Technologies, Inc. **The Fund does not seek to achieve its stated investment objective for a period of time different than a single-trading day.**

### 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”). **Investors may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the table and example set forth below.**

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fees	1.49%
Distribution and Service (12b-1) Fees	0.00%
Other Expenses <sup>(1)</sup>	0.00%
<hr/> Total Annual Fund Operating Expenses	<hr/> 1.49%

<sup>(1)</sup> “Other Expenses” are estimated for the current fiscal year. The cost of investing in swaps, including the embedded cost of the swap and the operating expenses of the referenced assets, is an indirect expense that is not included in the above fee table and is not reflected in the expense example.

## EXAMPLE

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds.

This 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 at current levels. This example does not include the brokerage commissions that investors may pay to buy and sell Shares.

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

One Year	Three Years
\$152	\$471

## Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it purchases and sells securities (or “turns over” its portfolio). A higher portfolio turnover will cause the Fund to incur additional transaction costs and may result in higher taxes when Shares are held in a taxable account. These costs, which are not reflected in Total Annual Fund Operating Expenses or in the example, may affect the Fund's performance. At the date of this prospectus, the Fund does not have an operating history and turnover data therefore is not available.

## PRINCIPAL INVESTMENT STRATEGIES

Under normal market circumstances, the Fund will maintain at least 80% exposure to financial instruments that provide two times leveraged exposure to the daily performance of XNDU. This may include XNDU stock in addition to financial instruments discussed below. The Fund is an actively-managed ETF that seeks to achieve on a daily basis, before fees and expenses, 200% performance of XNDU for a single-trading day, not for any other period, by entering into one or more swaps and/or purchasing listed options on XNDU and/or investing directly in the common stock of XNDU. A “single-trading day” is measured from the time the Fund calculates its net asset value (“NAV”) to the time of the Fund's next NAV calculation. However, the use of option contracts or direct investments in common stock of XNDU is typically less efficient than swaps and may increase the likelihood that the Fund is unable to achieve its daily 2X objective.

The Fund will enter into one or more swaps with major global financial institutions whereby the Fund and the global financial institution will agree to exchange the return (or differentials in rates of return) earned or realized on XNDU. The gross return to be exchanged or “swapped” between the parties is calculated with respect to a “notional amount,” e.g., the return on or change in value of a particular dollar amount representing XNDU. If the Advisor determines to use call options, the Fund will purchase exchange-traded call options, including FLEXible EXchange® Options (“FLEX Options”). FLEX Options are customized options contracts that trade on an exchange but provide investors with the ability to customize key contract terms like strike price, style and expiration date while achieving price discovery in competitive, transparent auctions markets and avoiding the counterparty exposure of over-the-counter (“OTC”) options positions. Like traditional exchange-traded options, FLEX Options are guaranteed for settlement by the Options Clearing Corporation (“OCC”), a market clearinghouse that guarantees performance by counterparties to certain derivatives contracts. The FLEX Options are listed on the Exchange. The Fund may take delivery of XNDU stock if it chooses to exercise a call option and either hold or sell the stock in the secondary markets.

Additionally, the Fund may use other option strategies to produce similar exposure to XNDU, like buying calls and selling puts with identical strike prices. Call options give the holder (i.e., the buyer) the right to buy an asset (or receive cash value of the asset, in case of certain call options) and the seller (i.e., the writer) the obligation to sell the asset (or deliver cash value of the asset, in case of certain call options) at a certain defined price. In situations where swap

availability is constrained, the Fund may rely more heavily on options contracts. Additionally, the Fund may use options in response to changing market dynamics.

The Advisor attempts to consistently apply leverage to increase the Fund's exposure to 200% of XNDU, and expects to rebalance the Fund's holdings daily to maintain such exposure. As a result of its investment strategies, the Fund will be concentrated in the industry assigned to XNDU (i.e., hold 25% or more of its total assets in investments that provide leveraged exposure to the industry assigned to XNDU). XNDU is assigned to the Computer Hardware industry as of the date of this prospectus.

Additionally, the Fund may invest all available cash in the Fund's portfolio in (1) U.S. government securities, such as bills, notes and bonds issued by the U.S. Treasury; (2) money market funds; (3) short-term bond ETFs and/or (4) corporate debt securities, such as commercial paper and other short-term unsecured promissory notes issued by businesses that are rated investment grade or of comparable quality ("Collateral Investments").

The Fund is classified as "non-diversified" under the Investment Company Act of 1940 (the "1940 Act"), which means that it may invest more of its assets in a smaller number of issuers than "diversified" funds. The Fund may engage in frequent and active trading.

XNDU is a photonic quantum computing company that was founded in 2016, specializing in quantum hardware and software. XNDU's mission is to build quantum computers that are useful and available to people everywhere. The company also leads the development of PennyLane, an open-source software library for quantum computing and application development. XNDU has entered into an agreement with Crane Harbor Acquisition Corp. ("CHAC"), for a business combination (the "Business Combination") that would result in the combined company ("Xanadu Quantum Technologies Limited") to be listed on the Nasdaq under the ticker symbol "[ ]". CHAC, a Cayman Islands exempted company, is a special purpose acquisition company ("SPAC") formed for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or similar business combination with one or more businesses. The Business Combination is expected to occur late in the first quarter or early second quarter of 2026 and will result in the first and only publicly-traded pure-play photonic quantum computing company. XNDU is incorporated and domiciled in Canada.

XNDU is registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Information provided to or filed with the SEC by XNDU pursuant to the Exchange Act can be located by reference to the SEC file number [000-xxxxx] through the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, information regarding XNDU may be obtained from other sources including, but not limited to, press releases, newspaper articles and other publicly disseminated documents.

**The Fund has derived all disclosures contained in this document regarding XNDU from the publicly available documents described above. In connection with the offering of the Fund's securities, none of the Fund, the Trust, the Advisor, or any of their respective affiliates has participated in the preparation of such documents. The Advisor has not made any due diligence inquiry with respect to the data or information underlying the publicly available information of XNDU. None of the Fund, the Trust, the Advisor or any of their respective affiliates makes any representation that such publicly available documents or any other publicly available information regarding XNDU is accurate or complete. Furthermore, the Fund cannot give any assurance that all events occurring prior to the date hereof (including events that would affect the accuracy or completeness of the publicly available documents described above) that would affect the trading price of XNDU have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning XNDU could affect the value of the Fund's investments with respect to XNDU and therefore the value of the Fund.**

**None of the Trust, the Fund, the Advisor or any of their respective affiliates makes any representation to you as to the performance of XNDU.**

## PRINCIPAL RISKS

You could lose money by investing in the Fund. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. There can be no assurance that the Fund's investment objective will be achieved.

**Derivatives Risk.** The Fund's use of derivatives may be considered aggressive and may expose the Fund to greater risks and larger losses or smaller gains than investing directly in the reference asset(s) underlying those derivatives. A derivative refers to any financial instrument whose value is derived, at least in part, from the price of an underlying security, asset, rate or index. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. Changes in the value of a derivative may not correlate perfectly with the underlying security, asset, rate or index. Gains or losses in a derivative may be magnified and may be much greater than the derivative's original cost.

- *Swaps Risk.* The Fund expects to use swaps as a means to achieve its investment objective. Swaps are generally traded in OTC markets and have only recently become subject to regulation by the CFTC. CFTC rules, however, do not cover all types of swaps. Investors, therefore, may not receive the protection of CFTC regulation or the statutory scheme of the Commodity Exchange Act in connection with the Fund's swaps. The lack of regulation in these markets could expose investors to significant losses under certain circumstances, including in the event of trading abuses or financial failure by participants. Unlike in futures contracts, the counterparty to uncleared OTC swaps is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions. As a result, the Fund is subject to increased counterparty risk with respect to the amount it expects to receive from counterparties to uncleared swaps. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Fund could suffer significant losses on these contracts and the value of an investor's investment in the Fund may decline. OTC swaps of the type that may be utilized by the Fund are less liquid than futures contracts because they are not traded on an exchange, do not have uniform terms and conditions, and are generally entered into based upon the creditworthiness of the parties and the availability of credit support, such as collateral, and in general, are not transferable without the consent of the counterparty. Swaps are also subject to the risk of imperfect correlation between the value of the reference asset underlying the swap and the swap itself. Leverage inherent in derivatives will tend to magnify the Fund's gains and losses. Moreover, with respect to the use of swaps, if XNDU has a dramatic intraday move that causes a material decline in the Fund's net assets, the terms of a swap between the Fund and its counterparty may permit the counterparty to immediately close out the transaction with the Fund. In that event, the Fund may be unable to enter into another swap or invest in other derivatives to achieve the desired exposure consistent with the Fund's investment objective. This, in turn, may prevent the Fund from achieving its investment objective, even if XNDU reverses all or a portion of its intraday move by the end of the day. As a result, the value of an investment in the Fund may change quickly and without warning.
- *Options Risk.* Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance.

The Fund will be subject to regulatory constraints relating to level of value at risk that the Fund may incur through its derivative portfolio. To the extent the Fund exceeds these regulatory thresholds over an extended period, the Fund may determine that it is necessary to make adjustments to the Fund's investment strategy, including the desired daily leveraged performance for the Fund.

**SPAC-Derived Company Risk.** XNDU will be formed through the Business Combination with a SPAC. Companies that have completed a business transaction with a SPAC (“SPAC-derived companies”) may share similar illiquidity risks of private equity and venture capital. The free float shares held by the public in a SPAC-derived company are typically a small percentage of the market capitalization. The ownership of many SPAC-derived companies often includes large holdings by venture capital and private equity investors who seek to sell their shares in the public market in the months following a business combination transaction when shares restricted by lock-up are released, causing greater volatility and possible downward pressure during the time that locked-up shares are released.

**Leverage Risk.** Leverage increases the risk of a total loss of an investor’s investment, may increase the volatility of the Fund, and may magnify any differences between the performance of the Fund and XNDU. Because the Fund includes a multiplier of two times (200%) XNDU, a single-trading day decline in XNDU approaching 50% at any point in the day could result in the total loss of an investor’s investment if that movement is contrary to the investment objective of the Fund, even if XNDU subsequently rises or moves in an opposite direction, eliminating all or a portion of the earlier decline. This would be the case with any such single-trading day movements in XNDU, even if XNDU maintains a level greater than zero at all times.

**Volatility Risk.** Volatility is the characteristic of a security or other asset, an index or a market to fluctuate significantly in price within a short time period. The value of the Fund’s investments in swaps and therefore the value of an investment in the Fund could decline significantly and without warning, including to zero. If you are not prepared to accept significant and unexpected changes in the value of the Fund and the possibility that you could lose your entire investment in the Fund, you should not invest in the Fund.

**Compounding Risk.** The Fund has a single-trading day investment objective, and the Fund’s performance for any other period is the result of its return for each day compounded over the period. The performance of the Fund for periods longer or shorter than a single-trading day will very likely differ in amount, and possibly even direction, from 200% of the daily return of XNDU for the same period, before accounting for fees and expenses. **Compounding affects all investments, but has a more significant impact on a leveraged fund. This effect becomes more pronounced as XNDU volatility and holding periods increase.** Fund performance for a period longer than a single-trading day can be estimated given any set of assumptions for the following factors: (a) XNDU volatility; (b) XNDU performance; (c) period of time; (d) financing rates associated with leveraged exposure; and (e) other Fund expenses. The chart below illustrates the impact of two principal factors — XNDU volatility and XNDU performance — on Fund performance. The chart shows estimated Fund returns for a number of combinations of XNDU volatility and XNDU performance over a one-year period. Actual volatility, XNDU and Fund performance may differ significantly from the chart below. Performance shown in the chart assumes: (a) no Fund expenses; and (b) borrowing/lending rates (to obtain leveraged exposure) of zero percent. If Fund expenses and/or actual borrowing/lending rates were reflected, the Fund’s performance would be lower than shown.

Areas shaded red represent those scenarios where the Fund can be expected to return less than 200% of the performance of XNDU and those shaded green represent those scenarios where the Fund can be expected to return more than 200% of the performance of XNDU. The Fund’s actual returns may be significantly better or worse than the returns shown below as a result of any of the factors discussed above or in “Correlation Risk” below.

## Estimated Fund Returns

One Year XNDU	200% One Year XNDU	Volatility Rate				
		10%	25%	50%	75%	100%
Return	Return					
-60%	-120%	-84.2%	-85.0%	-87.5%	-90.9%	-94.1%
-50%	-100%	-75.2%	-76.5%	-80.5%	-85.8%	-90.8%
-40%	-80%	-64.4%	-66.2%	-72.0%	-79.5%	-86.8%
-30%	-60%	-51.5%	-54.0%	-61.8%	-72.1%	-82.0%
-20%	-40%	-36.6%	-39.9%	-50.2%	-63.5%	-76.5%
-10%	-20%	-19.8%	-23.9%	-36.9%	-53.8%	-70.2%
0%	0%	-1.0%	-6.1%	-22.1%	-43.0%	-63.2%
10%	20%	19.8%	13.7%	-5.8%	-31.1%	-55.5%
20%	40%	42.6%	35.3%	12.1%	-18.0%	-47.0%
30%	60%	67.3%	58.8%	31.6%	-3.7%	-37.8%
40%	80%	94.0%	84.1%	52.6%	11.7%	-27.9%
50%	100%	122.8%	111.4%	75.2%	28.2%	-17.2%
60%	120%	153.5%	140.5%	99.4%	45.9%	-5.8%

The foregoing table is intended to isolate the effect of XNDU’s volatility and XNDU’s performance on the return of the Fund and is not a representation of actual returns. For example, the Fund may incorrectly be expected to achieve a 40% return on a yearly basis if XNDU’s return were 20%, absent the effects of compounding. As the table shows, with XNDU’s volatility of 50%, the Fund could be expected to return 12.1% under such a scenario. The Fund’s actual returns may be significantly better or worse than the returns shown above as a result of any of the factors discussed above or in “Principal Risks — Correlation Risk” below.

XNDU’s annualized historical volatility rate for the [ ] period ended December 31, 2025 was [ ]%. XNDU’s highest volatility rate for any one calendar year during the [ ] period was [ ]%. XNDU’s annualized total return performance for the [ ] period ended December 31, 2025 was [ ]%. Historical XNDU volatility and performance are not indications of what XNDU volatility and performance will be in the future. The volatility of U.S. exchange-traded securities or instruments that reflect the value of XNDU may differ from the volatility of XNDU.

**Correlation Risk.** A number of factors may affect the Fund’s ability to achieve a high degree of correlation with XNDU, and there is no guarantee that the Fund will achieve a high degree of correlation. Failure to achieve a high degree of correlation may prevent the Fund from achieving its investment objective, and the percentage change of the Fund’s NAV each day may differ, perhaps significantly in amount, and possibly even direction, from 200% of the percentage change of XNDU on such day.

In order to achieve a high degree of correlation with XNDU, the Fund seeks to rebalance its portfolio daily to keep exposure consistent with its investment objective. Being materially under- or overexposed to XNDU may prevent the Fund from achieving a high degree of correlation with XNDU and may expose the Fund to greater leverage risk. Market disruptions or closure, regulatory restrictions, market volatility, illiquidity in the markets for the financial instruments in which the Fund invests, and other factors will adversely affect the Fund’s ability to adjust exposure to requisite levels. The target amount of portfolio exposure is impacted dynamically by XNDU’s movements, including intraday movements. **Because of this, it is unlikely that the Fund will have perfect 200% exposure during the day or at the end of each day and the likelihood of being materially under- or overexposed is higher on days when XNDU is volatile, particularly when XNDU is volatile at or near the close of the trading day.**

A number of other factors may also adversely affect the Fund’s correlation with XNDU, including fees, expenses, transaction costs, financing costs associated with the use of derivatives, income items, valuation methodology,

accounting standards and disruptions or illiquidity in the markets for the securities or financial instruments in which the Fund invests. The Fund may take, or refrain from taking, positions in order to improve tax efficiency, comply with regulatory restrictions, or for other reasons, each of which may negatively affect the Fund's correlation with XNDU. The Fund may also be subject to large movements of assets into and out of the Fund, potentially resulting in the Fund being under- or overexposed to XNDU. Additionally, the Fund's underlying investments and/or reference assets may trade on markets that may not be open on the same day as the Fund, which may cause a difference between the changes in the daily performance of the Fund and changes in the performance of XNDU. Any of these factors could decrease correlation between the performance of the Fund and XNDU and may hinder the Fund's ability to meet its daily investment objective on or around that day.

**Rebalancing Risk.** If for any reason the Fund is unable to rebalance all or a portion of its portfolio, or if all or a portion of the portfolio is rebalanced incorrectly, the Fund's investment exposure may not be consistent with the Fund's investment objective. In these instances, the Fund may have investment exposure to XNDU that is significantly greater or less than its stated multiple. As a result, the Fund may be more exposed to leverage risk than if it had been properly rebalanced and may not achieve its investment objective.

**Trading Halt Risk.** Shares of XNDU will be listed on the Nasdaq and Shares of the Fund are listed on the Exchange. Securities exchanges may apply different rules with respect to trading halts. In addition, exchanges may treat stocks differently than shares of ETFs with respect to trading halts. Although XNDU's and the Fund's Shares are listed for trading on exchanges, there can be no assurance that an active trading market for such shares will be available at all times and an exchange may halt trading of such shares in certain circumstances. In the event of a trading halt for an extended period of time in XNDU's and/or the Fund's Shares, the Fund may be unable to execute arrangements with swap counterparties that are necessary to implement the Fund's investment strategy. Trading halts of XNDU's and/or the Fund's Shares can occur for "regulatory" or "non-regulatory" reasons. A regulatory halt may occur when a company has pending news that may affect the security's price, when there is uncertainty over whether the security continues to meet an exchange's listing standards, or when a regulator specifically suspends trading in a security. When a regulatory halt is imposed by a security's primary exchange, the other U.S. exchanges that also trade the security usually honor this halt. A non-regulatory halt generally occurs when there is a significant imbalance in the pending buy and sell orders in a security or because of extraordinary market volatility pursuant to exchange "circuit breaker" rules. A non-regulatory trading halt or delay on one exchange does not necessarily mean that other exchanges will halt a security from trading. Regulatory trading halts of XNDU's shares are expected to result in a halt in the trading in the Fund's Shares. However, not all non-regulatory trading halts affecting XNDU's shares will result in a trading halt of the Fund's Shares. To the extent trading in XNDU's shares is halted while the Fund's Shares continue to trade, the Fund may not perform as intended.

**Counterparty Risk.** Investing in derivatives involves entering into contracts with third parties (i.e., counterparties). The use of derivatives involves risks that are different from those associated with ordinary portfolio securities transactions. The Fund will be subject to credit risk (i.e., the risk that a counterparty is or is perceived to be unwilling or unable to make timely payments or otherwise meet its contractual obligations) with respect to the amount it expects to receive from counterparties to derivatives and repurchase agreements entered into by the Fund. If a counterparty becomes bankrupt or fails to perform its obligations, or if any collateral posted by the counterparty for the benefit of the Fund is insufficient or there are delays in the Fund's ability to access such collateral, the value of an investment in the Fund may decline.

**Indirect Investment Risk.** XNDU is not affiliated with the Trust, the Advisor, or any affiliates thereof and is not involved with this offering in any way, and has no obligation to consider the Fund in taking any corporate actions that might affect the value of Shares. The Advisor has not made any due diligence inquiry with respect to the publicly available information of XNDU in connection with this offering. Investors in the Shares will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to the common shares of XNDU.

**Intraday Price Performance Risk.** The intraday performance of Shares traded in the secondary market generally will be different from the performance of the Fund when measured from one NAV calculation-time to the next.

When shares are bought intraday, the performance of the Shares relative to XNDU until the Fund's next NAV calculation time will generally be greater than or less than the Fund's stated multiple times the performance of XNDU.

**Liquidity Risk.** In certain circumstances, such as the disruption of the orderly markets for the financial instruments in which the Fund invests, the Fund might not be able to acquire or dispose of certain holdings quickly or at prices that represent true market value in the judgment of the Advisor. Markets for the financial instruments in which the Fund invests may be disrupted by a number of events, including but not limited to economic crises, health crises, natural disasters, excessive volatility, new legislation, or regulatory changes inside or outside of the U.S. For example, regulation limiting the ability of certain financial institutions to invest in certain financial instruments would likely reduce the liquidity of those instruments. These situations may prevent the Fund from limiting losses, realizing gains or achieving a high leveraged correlation with XNDU.

**Portfolio Turnover Risk.** The Fund may incur high portfolio turnover to manage the Fund's investment exposure. Additionally, active market trading of the Shares may cause more frequent creation or redemption activities that could, in certain circumstances, increase the number of portfolio transactions. High levels of portfolio transactions increase brokerage and other transaction costs and may result in increased taxable capital gains. Each of these factors could have a negative impact on the performance of the Fund.

**Market Risk.** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic, political, or geopolitical conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as tariffs, labor shortages or increased production costs and competitive conditions within an industry. In addition, local, regional or global events such as war, acts of terrorism, international conflicts, trade disputes, supply chain disruptions, cybersecurity events, the spread of infectious illness or other public health issues, natural disasters or climate events, or other events could have a significant impact on a security or instrument. The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market.

**Valuation Risk.** The Fund may hold securities or other assets that may be valued on the basis of factors other than 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 would incur a loss because a portfolio position is sold or closed out at a discount to the valuation established by the Fund at that time. The Fund's ability to value investments may be impacted by technological issues or errors by pricing services or other third-party service providers.

**Concentration Risk.** The Fund will be concentrated in the industry assigned to XNDU (i.e., hold more than 25% of its total assets in investments that provide leveraged exposure to the industry assigned to XNDU). A portfolio concentrated in a particular industry may present more risks than a portfolio broadly diversified over several industries.

**Computer Hardware Industry Risk.** The Fund is subject to computer hardware industry risk due to its investment exposure to XNDU. The computer hardware industry includes companies that manufacture and distribute computers, servers, mainframes, peripheral devices (e.g., keyboard, mouse, etc.), high-technology components (e.g., circuit boards), and electronic office equipment. In addition, companies in the computer hardware industry include producers and distributors of semiconductors and other integrated chips, other products related to the semiconductor industry such as motherboards, and manufacturers of high-technology tools and/or equipment used in the creation of

semiconductors, photonics, wafers, and other high-technology components. Companies in the computer hardware industry can be significantly affected by competitive pressures, aggressive pricing, technological developments, changing domestic demand, the ability to attract and retain skilled employees, and availability and price of components. The market for products produced by companies in the computer hardware industry is characterized by rapidly changing technology, rapid product obsolescence, cyclical market patterns, evolving industry standards and frequent new product introductions. An unexpected change in one or more of the technologies affecting an issuer's products or in the market for products based on a particular technology could have a material adverse effect on a participant's operating results. Many of the companies in the computer hardware industry rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by the companies to protect their proprietary rights will be adequate to prevent misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology.

**Computer Programming Company Risks.** The Fund is subject to computer programming company risk due to its investment exposure to XNDU. Computer programming companies provide social networking, file sharing, and other web-based media applications. The risks related to investing in such companies include disruption in service caused by hardware or software failure, interruptions or delays in service by third-party data center hosting facilities and maintenance providers, security breaches involving certain private, sensitive, proprietary and confidential information managed and transmitted by social media companies, and privacy concerns and laws, evolving Internet regulation and other foreign or domestic regulations that may limit or otherwise affect the operations of such companies. Additionally, the collection of data from consumers and other sources could face increased scrutiny as regulators consider how the data is collected, stored, safeguarded and used. Furthermore, the business models employed by computer programming companies may not prove to be successful.

**Software Company Risk.** The Fund is subject to software company risk due to its investment exposure to XNDU. Software companies can be significantly affected by intense competition, aggressive pricing, technological innovations, and product obsolescence. Software companies are also subject to the competitive pressures of new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments and the potential for limited earnings and/or falling profit margins. These companies also face the risks that new services, equipment or technologies will not be accepted by consumers and businesses or will become rapidly obsolete. These factors can affect the profitability of these companies and, as a result, the value of their securities. Also, patent protection is integral to the success of many companies in this industry, and profitability can be affected materially by, among other things, the cost of obtaining (or failing to obtain) patent approvals, the cost of litigating patent infringement and the loss of patent protection for products (which significantly increases pricing pressures and can materially reduce profitability with respect to such products). In addition, many software companies have limited operating histories. Prices of these companies' securities historically have been more volatile than other securities, especially over the short term.

**Information Technology Sector Risk.** The Fund is subject to information technology sector risk due to its investment exposure to XNDU. The information technology sector includes companies engaged in internet software and services, technology hardware and storage peripherals, electronic equipment instruments and components, and semiconductors and semiconductor equipment. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Information technology companies may have limited product lines, markets, financial resources or personnel. The products of information technology companies may face rapid product obsolescence due to technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Failure to introduce new products, develop and maintain a loyal customer base, or achieve general market acceptance for their products could have a material adverse effect on a company's business. Companies in the information technology sector are heavily dependent on intellectual property and the loss of patent, copyright and trademark protections may adversely affect the profitability of these companies.

**Foreign Securities Risk.** Foreign securities may be subject to special risks such as changes in restrictions on foreign currency transactions and rates of exchange, and changes in the administration or economic and monetary policies of foreign governments.

**Risk of Investing in Canada.** The Fund is subject to the risk of investing in Canada due to its investment exposure to XNDU. Investments in Canadian issuers may subject the Fund to legal, regulatory, political, currency, security and economic risk specific to Canada. Among other things, the Canadian economy is heavily dependent on relationships with certain key trading partners, including the U.S. and China. The Canadian economy is sensitive to fluctuations in certain commodity markets.

**Collateral Investments Risk.** The Fund's use of Collateral Investments may include obligations issued or guaranteed by the U.S. Government, its agencies and instrumentalities, including bills, notes and bonds issued by the U.S. Treasury, money market funds, short-term bond ETFs and corporate debt securities, such as commercial paper. Some securities issued or guaranteed by federal agencies and U.S. Government-sponsored instrumentalities may not be backed by the full faith and credit of the United States, in which case the investor must look principally to the agency or instrumentality issuing or guaranteeing the security for ultimate repayment, and may not be able to assert a claim against the United States itself in the event that the agency or instrumentality does not meet its commitment. The U.S. Government, its agencies and instrumentalities do not guarantee the market value of their securities, and consequently, the value of such securities may fluctuate. Although the Fund may hold securities that carry U.S. Government guarantees, these guarantees do not extend to Shares of the Fund.

Money market funds are subject to management fees and other expenses. Therefore, investments in money market funds will cause the Fund to bear indirectly a proportional share of the fees and costs of the money market funds in which it invests. Short-term bond ETFs will generally invest in short-term instruments (i.e., duration of less than one year). The amount of time until a fixed-income security matures can lead to various risks, including changes in interest rates over the life of a bond. Short-term fixed income securities generally provide lower returns than longer-term fixed income securities. The average maturity of an ETF's investments will affect the volatility of the ETF's share price. Corporate debt securities such as commercial paper generally are short-term unsecured promissory notes issued by businesses. Corporate debt may be rated investment-grade or below investment-grade and may carry variable or floating rates of interest. Corporate debt securities carry both credit risk and interest rate risk. Some corporate debt securities that are rated below investment-grade generally are considered speculative because they present a greater risk of loss, including default, than higher quality debt securities.

The Fund's Collateral Investments are subject to the following risks:

- *Debt Securities Risk.* Investments in debt securities subject the holder to the credit risk of the issuer. Credit risk refers to the possibility that the issuer or other obligor of a security will not be able or willing to make payments of interest and principal when due. Generally, the value of debt securities will change inversely with changes in interest rates. To the extent that interest rates rise, certain underlying obligations may be paid off substantially slower than originally anticipated and the value of those securities may fall sharply. During periods of falling interest rates, the income received by the Fund may decline. If the principal on a debt security is prepaid before expected, the prepayments of principal may have to be reinvested in obligations paying interest at lower rates. Debt securities generally do not trade on a securities exchange making them generally less liquid and more difficult to value than common stock.
- *Call Risk.* Some debt securities may be redeemed, or "called," at the option of the issuer before their stated maturity date. In general, an issuer will call its debt securities if they can be refinanced by issuing new debt securities which bear a lower interest rate. The Fund is subject to the possibility that during periods of falling interest rates an issuer will call its high yielding debt securities. The Fund would then be forced to invest the proceeds at lower interest rates, likely resulting in a decline in the Fund's income.

- *Interest Rate Risk.* Interest rate risk is the risk that the value of the debt securities in the Fund’s portfolio will decline because of rising market interest rates. Interest rate risk is generally lower for shorter term debt securities and higher for longer-term debt securities. The Fund may be subject to a greater risk of rising interest rates than would normally be the case due to the current period of historically low rates and the effect of potential government fiscal policy initiatives and resulting market reaction to those initiatives. Duration is a reasonably accurate measure of a debt security’s price sensitivity to changes in interest rates and a common measure of interest rate risk. Duration measures a debt security’s expected life on a present value basis, taking into account the debt security’s yield, interest payments and final maturity. In general, duration represents the expected percentage change in the value of a security for an immediate 1% change in interest rates. For example, the price of a debt security with a three-year duration would be expected to drop by approximately 3% in response to a 1% increase in interest rates. Therefore, prices of debt securities with shorter durations tend to be less sensitive to interest rate changes than debt securities with longer durations. As the value of a debt security changes over time, so will its duration.
- *Credit Risk.* An issuer or other obligated party of a debt security may be unable or unwilling to make dividend, interest and/or principal payments when due. In addition, the value of a debt security may decline because of concerns about the issuer’s ability or unwillingness to make such payments.

**Small-Cap Company Risk.** Investing in small-cap companies may involve greater risk than investing in large-cap companies due to less management experience, fewer financial resources, less product diversification and fewer competitive strengths. Therefore, such securities may be more volatile and less liquid than large-cap companies. In addition, small-cap companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations, or may have difficulty in repaying any loans.

**ETF Structure Risks.** The Fund is an ETF, and, as a result of an ETF’s structure, it is exposed to the following risks:

- *Authorized Participant Concentration Risk.* Only an authorized participant (“AP”) may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that act as APs on an agency basis (i.e., on behalf of other market participants). To the extent that these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to the Fund and no other AP is able to step forward to process creation or redemption orders, Shares may trade at a discount to the Fund’s NAV and possibly face delisting.
- *Cash Transaction Risk.* To the extent the Fund sells portfolio securities to meet some or all of a redemption request with cash, the Fund may incur taxable gains or losses that it might not have incurred had it made redemptions entirely in-kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used.
- *Costs of Buying or Selling Shares.* 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 will also 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 the spread 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.

- *Fluctuation of 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). Differences in market price and NAV may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for Shares will be closely related to, but not identical to, the same forces influencing the prices of the holdings of the Fund trading individually or in the aggregate at any point in time. These differences can be especially pronounced during times of market volatility or stress. During these periods, the demand for Shares may decrease considerably and cause the market price of Shares to deviate significantly from the Fund's NAV. When all or a portion of an ETF's underlying securities trade in a market that is closed when the market in which the ETF's shares are listed and trading is open, there may be changes from the last quote from the closed market and the value of such security during the ETF's domestic trading day, which could lead to differences between the market price of the ETF's shares and their underlying NAV.
- *Market Maker Risk.* If the Fund has lower average daily trading volumes, it may rely on a small number of third-party market makers to provide a market for the purchase and sale of Shares. Any trading halt or other problem relating to the trading activity of these market makers could result in a dramatic change in the spread between the Fund's NAV and the price at which the Shares are trading on the Exchange, which could result in a decrease in value of the Shares. In addition, decisions by market makers or APs to reduce their role or step away from these activities in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of the Fund's portfolio securities and the Fund's market price. This reduced effectiveness could result in Shares trading at a discount to NAV and also in greater than normal intra-day bid-ask spreads for Shares.
- *Shares are Not Individually Redeemable.* Shares are only redeemable by the Fund at NAV if they are tendered in Creation Units. Only APs may engage in such creation and redemption transactions directly with the Fund. Individual Shares may be sold on a stock exchange at their current market prices, which may be less, more, or equal to their NAV.
- *Trading Issues Risk.* Although the Shares are listed for trading on the Exchange, there can be no assurance that an active trading market for such Shares will develop or be maintained. Trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable. In addition, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. Market makers are under no obligation to make a market in the Shares, and APs are not obligated to submit purchase or redemption orders for Creation Units. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the Fund will continue to be met or will remain unchanged. Initially, due to the small asset size of the Fund, it may have difficulty maintaining its listings on the Exchange.

**Active Management Risk.** The Fund is actively-managed and its performance reflects investment decisions that the Advisor makes for the Fund. Such judgments about the Fund's investments may prove to be incorrect. If the investments selected and the strategies employed by the Fund fail to produce the intended results, the Fund could underperform as compared to other funds with similar investment objectives and/or strategies, or could have negative returns.

**Operational Risk.** The Fund is exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third-parties, failed or inadequate processes and technology or systems failures. The Fund and the Advisor seek to reduce these operational risks through controls and procedures. However, these measures do not address every possible risk and may be inadequate to address these risks.

**New Fund Risk.** As of the date of this prospectus, the Fund has no operating history and currently has fewer assets than larger funds. Like other new funds, large inflows and outflows may impact the Fund's market exposure for limited periods of time. This impact may be positive or negative, depending on the direction of market movement during the period affected.

**Non-Diversification Risk.** The Fund is classified as "non-diversified" under the 1940 Act. As a result, the Fund is only limited as to the percentage of its assets which may be invested in the securities of any one issuer by the diversification requirements imposed by the Internal Revenue Code of 1986, as amended (the "Code"). The Fund seeks to achieve daily results that correspond to a multiple of the daily performance of a single issuer by entering into one or more swaps. In seeking this objective, the Fund may invest a relatively high percentage of its assets in swaps with a single counterparty or a few counterparties. As a result, the Fund may experience increased volatility and be more susceptible to a single economic or regulatory occurrence affecting the issuer or one or more of the counterparties.

**Tax Risk.** In order to qualify for the favorable tax treatment generally available to regulated investment companies, the Fund must satisfy certain diversification and other requirements. In particular, the Fund generally may not acquire a security if, as a result of the acquisition, more than 50% of the value of the Fund's assets would be invested in (a) issuers in which the Fund has, in each case, invested more than 5% of the Fund's assets and (b) issuers more than 10% of whose outstanding voting securities are owned by the Fund. The application of these requirements to certain investments (including swaps and options) that may be entered into by the Fund is unclear. In addition, the application of these requirements to the Fund's investment objective is not clear, particularly because the Fund's investment objective focuses on the performance of the stock of a single issuer. If the Fund were to fail to qualify as a regulated investment company, it would be taxed in the same manner as an ordinary corporation, and distributions to its shareholders would not be deductible by the Fund in computing its taxable income.

**Security Issuer Risk.** Issuer-specific attributes may cause a security held by the Fund to be more volatile than the market generally. The prices of, and income generated by, securities held by the Fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer's goods or services, poor management performance, major litigation, investigations or other controversies related to the issuer, changes in the issuer's financial condition or credit rating, changes in government regulation affecting the issuer or its competitive environment, and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives. An individual security may also be affected by factors related to the industry or sector of the issuer or the securities markets as a whole, and conversely an industry or sector or the securities markets may be affected by a change in financial condition or another event affecting a single issuer. The value of an individual security or particular type of security may be more volatile than the market as a whole and may perform differently from the value of the market as a whole.

**Recent Market Events.** Periods of market volatility may occur in response to market events, public health emergencies, natural disasters or climate events, and other economic, political, and global macro factors. U.S. and international markets have recently experienced, and may continue to experience, periods of significant volatility due to various factors, including uncertainty regarding inflation and central banks' interest rate changes, the possibility of a national or global recession, trade tensions and tariffs, and political and geopolitical events. In addition, wars or threats of war and aggression, such as Russia's invasion of Ukraine and conflicts among nations and militant groups in the Middle East, have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on the U.S. and world economies and markets generally, each of which may negatively impact the Fund's investments. Additionally, since the change in the U.S. presidential administration in 2025, the administration has pursued an aggressive foreign policy agenda, including actual or potential imposition of tariffs, which may have consequences on the United States' relations with foreign countries, the economy, and markets generally. These and other 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.

**Cybersecurity Risk.** Cybersecurity incidents may allow an unauthorized party to gain access to Fund assets, customer data (including private shareholder information), or proprietary information, or cause the Fund, the Advisor and/or other service providers (including custodians, sub-custodians, transfer agents and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality. In an extreme case, a shareholder's ability to exchange or redeem Shares may be affected. The use of artificial intelligence and machine learning could exacerbate these risks. Issuers of securities in which the Fund invests are also subject to cybersecurity risks, and the value of those securities could decline if the issuers experience cybersecurity incidents.

**The Shares will change in value, and you could lose money by investing in the Fund. The Fund may not achieve its investment objective.**

## **PERFORMANCE**

As of the date of this prospectus, the Fund has not yet commenced operations and therefore does not have a performance history. Once available, the Fund's performance information will be accessible on the Fund's website at [www.tradretfs.com](http://www.tradretfs.com) and will provide some indication of the risks of investing in the Fund.

## **MANAGEMENT**

### Investment Advisor

AXS Investments LLC ("AXS" or the "Advisor") is the Fund's investment advisor.

### Portfolio Managers

Travis Trampe, Managing Director, Portfolio Manager of the Advisor, and Parker Binion, Chief of Compliance and Head of Investments of the Advisor, are jointly and primarily responsible for the day-to-day management of the Fund and have served in such capacity since the Fund's inception in March, 2026.

## **PURCHASE AND SALE OF SHARES**

The Fund issues and redeems Shares on a continuous basis, at NAV, only in large blocks of shares called "Creation Units." Except when aggregated in Creation Units, the Shares are not redeemable securities of the Fund.

Individual Shares may only be purchased and sold on the secondary market through a broker-dealer. Since Shares trade on securities exchanges in the secondary market at their market price rather than their NAV, the Shares may trade at a price greater than (premium) or less than (discount) the Fund's NAV. An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase Shares (bid) and the lowest price a seller is willing to accept for Shares (ask) when buying or selling Shares in the secondary market (the "bid-ask spread"). Recent information, including the Fund's NAV, market price, premiums and discounts, and bid-ask spreads, is available online at [www.tradretfs.com](http://www.tradretfs.com).

## **TAX INFORMATION**

The Fund's distributions will generally be taxable as ordinary income or capital gains. A sale of Shares may result in capital gain or loss.

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

If you purchase Shares through a broker-dealer or other financial intermediary (such as a bank), the Advisor and ALPS Distributors, Inc., the Fund's distributor, may pay the intermediary for the sale of Shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.



## ADDITIONAL INFORMATION ABOUT THE FUND'S PRINCIPAL INVESTMENT STRATEGIES

The Fund is a series of Investment Managers Series Trust II (the "Trust") and is regulated as an "investment company" under the 1940 Act. The Fund's investment objective is non-fundamental and may be changed without approval by the holders of a majority of the outstanding voting securities of the Fund. Unless an investment policy is identified as being fundamental, all investment policies included in this prospectus and the Statement of Additional Information ("SAI") for the Fund are non-fundamental and may be changed by the Board of Trustees of the Trust (the "Board") without shareholder approval. If there is a material change to the Fund's investment objective or principal investment strategies, you should consider whether the Fund remains an appropriate investment for you. There is no guarantee that the Fund will achieve its investment objective.

### DISCLOSURE OF PORTFOLIO HOLDINGS

A description of the Trust's policies and procedures with respect to the disclosure of the Fund's portfolio holdings is available in the SAI for the Fund, which is available at [www.tradretfs.com](http://www.tradretfs.com).

### ADDITIONAL INFORMATION REGARDING THE FUND'S INVESTMENT OBJECTIVE

The Tradr 2X Long XNDU Daily ETF seeks daily investment results, before fees and expenses, that correspond to two times (200%) the daily performance of the common shares of XNDU. **The Fund does not seek to achieve its stated investment objective for a period of time different than a single-trading day.**

**The Fund's investment objective is non-fundamental, meaning that it may be changed by the Board without the approval of the Fund's shareholders. The Fund reserves the right to substitute a different index or security for the underlying security on which the performance of the Fund is based.**

**The Fund is not suitable for all investors. The Fund is designed to be utilized only by sophisticated investors, such as traders and active investors employing dynamic strategies. Such investors are expected to monitor and manage their portfolios frequently. Investors in the Fund should: (a) understand the risks associated with the use of leverage; (b) understand the consequences of seeking daily leveraged investment results; and (c) intend to actively monitor and manage their investments. Investors who do not understand the Fund or do not intend to actively manage their funds and monitor their investments should not buy the Fund.**

**There is no assurance that the Fund will achieve its investment objective and an investment in the Fund could lose money.**

### ADDITIONAL INFORMATION REGARDING THE FUND'S PRINCIPAL STRATEGIES

In seeking to achieve the Fund's investment objective, the Advisor invests in a manner that is designed to correspond to the multiple of the daily performance of the Fund's underlying security. The Fund attempts to achieve its investment objective by investing a substantial amount of its assets in financial instruments that provide exposure to its underlying security.

The Advisor does not invest the assets of the Fund in securities or financial instruments based on the Advisor's view of the investment merit of a particular security, instrument, or company, other than for cash management purposes, nor does it conduct conventional investment research or analysis (other than in determining counterparty creditworthiness), or forecast market movement or trends, in managing the assets of the Fund. The Fund generally seeks to remain fully invested at all times in securities and/or financial instruments that, in combination, provide exposure to its underlying security consistent with its investment objective, without regard to market conditions, trends, direction, or the financial condition of a particular issuer.

On a daily basis, the Fund will seek to position its portfolio so that the Fund's investment exposure is consistent with its investment objective. In general, changes to the level of an underlying security each day will determine whether the Fund's portfolio needs to be repositioned. For example, if an underlying security has risen on a given day, net assets of the Fund should rise. As a result, the Fund's exposure will need to be increased. Conversely, if an underlying security has fallen on a given day, net assets of the Fund should fall. As a result, the Fund's exposure will need to be decreased.

The time and manner in which the Fund rebalances its portfolio may vary from day to day at the sole discretion of the Advisor depending upon market conditions and other circumstances. If for any reason the Fund is unable to rebalance all or a portion of its portfolio, or if all or a portion of the portfolio is rebalanced incorrectly, the Fund's investment exposure may not be consistent with the Fund's investment objective. In these instances, the Fund may have investment exposure to its underlying security that is significantly greater or less than its stated multiple. As a result, the Fund may be more or less exposed to leverage risk than if it had been properly rebalanced and may not achieve its investment objective.

**There can be no assurance that the Fund will achieve its investment objective or avoid substantial losses. The Fund does not seek to achieve its stated investment objective over a period of time greater than a single-trading day because mathematical compounding prevents the Fund from achieving such results. Results for the Fund over periods of time greater than a single-trading day should not be expected to be a simple return times the respective multiple of its underlying security. The Fund's returns will likely differ in amount and possibly even direction from the return of the underlying security times the applicable multiple over the same period. These differences can be significant. The Fund will lose money if the underlying security's performance is flat over time, and the Fund can lose money regardless of the performance of its underlying security, as a result of daily rebalancing, fees, the underlying security's volatility, compounding and other factors. Daily compounding of the Fund's investment returns can dramatically and adversely affect its longer-term performance, especially during periods of high volatility. Volatility has a negative impact on performance and may be at least as important to the Fund's return for a period as the return of its underlying security.**

In seeking to achieve the Fund's investment objective, the Advisor uses a mathematical approach to investing. Using this approach, the Advisor determines the type, quantity and mix of investment positions that the Advisor believes, in combination, should produce daily returns consistent with the Fund's objective.

The Fund intends to meet its investment objective by investing a significant portion of its assets in swaps and/or purchasing listed options on investment vehicles with exposure to its underlying security, in any one of, or combinations of financial instruments, and/or direct investments in the underlying security, such that the Fund has exposure equal to its respective multiple to its underlying security at the time of its NAV calculation. The number of financial instruments the Fund invests in will change day-to-day. However, the use of option contracts or direct investments in common stock of the underlying security is typically less efficient than swaps and may increase the likelihood that the Fund is unable to achieve its daily 2X objective.

The Fund will enter into swaps with major global financial institutions whereby the Fund and the global financial institution will agree to exchange the return earned or realized on the underlying security. The gross returns to be exchanged or "swapped" between the parties is calculated with respect to a "notional amount," e.g., the return on or change in value of a particular dollar amount representing the underlying security. Each trading day the Advisor adjusts the Fund's exposure to its underlying security consistent with the Fund's daily leveraged investment objective. The impact of market movements during the day determines whether the portfolio needs to be repositioned. If the value of the underlying security has risen on a given day, the value of the Fund's net assets should rise, meaning its exposure will typically need to be increased. Conversely, if the value of the underlying security has fallen on a given day, the value of the Fund's net assets should fall, meaning its exposure will typically need to be reduced.

The time and manner in which the Fund rebalances its portfolio may vary from day to day at the sole discretion of the Advisor depending upon market conditions and other circumstances. Generally, at or near the close of the market at each trading day, the Fund will position its portfolio to ensure that the Fund's exposure to its underlying security is consistent with its stated investment objective. The Fund reviews its notional exposure under each swap, which reflects the extent of the Fund's total investment exposure under the swap, to ensure that the Fund's exposure is in-line with its stated investment objective. The gross returns to be exchanged are calculated with respect to the notional amount and the underlying security returns to which the swap is linked. Swaps are typically closed out on a net basis. Thus, while the notional amount reflects the Fund's total investment exposure under the swap, the net amount is the Fund's current obligations (or rights) under the swap. That is the amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement. If for any reason the Fund is unable to rebalance all or a portion of its portfolio, or if all or a portion of the portfolio is rebalanced incorrectly, the Fund's investment exposure may not be consistent with the Fund's investment objective. As a result, the Fund may be more or less exposed to leverage risk than if it had been properly rebalanced and may not achieve its investment objective. To the extent that the Fund needs to "roll" its swap positions (i.e., enter into new swap positions with a later expiration date as the current positions approach expiration), it could be subjected to increased costs, which could negatively impact the Fund's performance.

As a result of the above investment strategies, the Fund will be concentrated in the industry assigned to its underlying security (i.e., hold 25% or more of its total assets in investments that provide leveraged exposure to the industry assigned to the underlying security).

In addition to the investment financial instruments, the Fund will invest its remaining assets directly in Collateral Investments. The Collateral Investments may consist of high-quality securities, which include: (1) U.S. Government securities, such as bills, notes and bonds issued by the U.S. Treasury; (2) money market funds; and/or (3) corporate debt securities, such as commercial paper and other short-term unsecured promissory notes issued by businesses that are rated investment grade or determined by the Advisor to be of comparable quality. For these purposes, "investment grade" is defined as investments with a rating at the time of purchase in one of the four highest categories of at least one nationally recognized statistical rating organizations (e.g., BBB- or higher from S&P Global Ratings or Baa3 or higher from Moody's Investors Service, Inc.).

The Fund seeks to remain fully invested at all times in financial instruments and Collateral Investments that, in combination, provide exposure to its underlying security consistent with its investment objective without regard to market conditions, trends or direction.

The Fund seeks to position its portfolio so that its exposure to its underlying security is consistent with its investment objective. The time and manner in which the Fund rebalances its portfolio may vary from day to day depending upon market conditions and other circumstances at the discretion of the Advisor. The impact of an underlying security's movements each day will affect whether the Fund's portfolio needs to be rebalanced and the amount of such rebalance.

The amount of exposure the Fund has to a specific combination of financial instruments may differ and may be changed without shareholder approval at any given time. The amount of the Fund's exposure should be expected to change from time to time at the discretion of the Advisor based on market conditions and other factors. In addition, the Advisor has the power to change the Fund's investment objective, benchmark, or investment strategy at any time, without shareholder approval, subject to applicable regulatory requirements.

The Fund is classified as "non-diversified" under the 1940 Act, which means that it may invest more of its assets in a smaller number of issuers than "diversified" funds. The Fund may engage in frequent and active trading.

## **FUND INVESTMENTS**

### **Principal Investments**

#### **Swaps**

The Fund will enter into swaps to pursue its investment objective. The swaps may include as a reference asset investment vehicles that seek exposure to the applicable underlying security.

Swaps are contracts entered into primarily with major financial institutions for a specified period. In a standard “swap” transaction, two parties agree to exchange the return (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. The gross return to be exchanged or “swapped” between the parties is calculated with respect to a “notional amount,” e.g., the return on or change in value of a particular dollar amount invested in a “basket” of securities or an ETF representing a particular index. The Fund may use a combination of swaps on the underlying securities and swaps on various investment vehicles that are designed to track the performance of the underlying securities. The underlying investment vehicle may not track the performance of an underlying security due to embedded costs and other factors, which may increase the Fund’s correlation risk and impact the Fund’s ability to correlate with its underlying security.

With respect to the use of swaps, if an underlying security has a dramatic intraday move that causes a material decline in net assets, the terms of a swaps between the Fund and its counterparties may permit the counterparties to immediately close out the transaction with the Fund. In that event, the Fund may be unable to enter into another swap or invest in other derivatives to achieve the desired exposure consistent with its investment objective. This, in turn, may prevent the Fund from achieving its investment objective, even if the reference asset reverses all or a portion of its intraday move by the end of the day. Any costs associated with using swaps may also have the effect of lowering the Fund’s return.

#### **Option Contracts**

The Fund may purchase exchange-traded call options, including FLEX Options to pursue its investment objective. Call options give the holder (i.e., the buyer) the right to buy an asset (or receive cash value of the asset, in case of certain call options) and the seller (i.e., the writer) the obligation to sell the asset (or deliver cash value of the asset, in case of certain call options) at a certain defined price. FLEX Options are customized options contracts that trade on an exchange but provide investors with the ability to customize key contract terms like strike price, style and expiration date while achieving price discovery in competitive, transparent auctions markets and avoiding the counterparty exposure of over-the-counter (OTC) options positions. Like traditional exchange-traded options, FLEX Options are guaranteed for settlement by the OCC, a market clearinghouse that guarantees performance by counterparties to certain derivatives contracts. The FLEX Options are listed on the Exchange. Additionally, the Fund may use other option strategies to produce similar exposure to the underlying issuer, like buying calls and selling puts with identical strike prices.

### **Non-Principal Investments**

#### **Cash Equivalents and Short-Term Investments**

The Fund may invest in securities with maturities of less than one year or cash equivalents, or they may hold cash. The percentage of the Fund invested in such holdings varies and depends on several factors, including market conditions. For more information on eligible short-term investments, see the SAI.

## U.S. Government Securities

The Fund may invest in short-term U.S. government securities. U.S. government securities include U.S. Treasury obligations and securities issued or guaranteed by various agencies of the U.S. government, or by various instrumentalities that have been established or sponsored by the U.S. government. U.S. Treasury obligations are backed by the “full faith and credit” of the U.S. government. Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

## Additional Information Regarding Investment Techniques and Policies

**The Effects of Fees and Expenses on the Return of the Fund for a Single Trading Day.** To create the necessary exposure, the Fund uses leveraged investment techniques, which necessarily incur brokerage and financing charges. In light of these charges and the Fund’s operating expenses, the expected return of the Fund over one trading day is equal to the gross expected return, which is the daily return of the underlying security multiplied by the Fund’s daily leveraged investment objective, minus (i) financing charges incurred by the portfolio and (ii) daily operating expenses. For instance, if a hypothetical underlying security returns 2% on a given day, the gross expected return of the Fund would be 4%, but the net expected return, which factors in the cost of financing the portfolio and the impact of operating expenses, would be lower. The Fund will reposition its portfolio at the end of every trading day. Therefore, if an investor purchases the Fund’s Shares at close of the markets on a given trading day, the investor’s exposure to the hypothetical underlying security would reflect 200% of the performance of the hypothetical underlying security during the following trading day, subject to the charges and expenses noted above.

**A Cautionary Note to Investors Regarding Dramatic Movement.** The Advisor will not attempt to position the Fund’s portfolio to ensure that the Fund does not gain or lose more than maximum percentage of its NAV on a given day. The Fund could lose an amount greater than its net assets in the event of a movement of an underlying security in excess of 50% for the Fund, in a direction adverse to the Fund (meaning a decline in the value of the underlying security for the Fund). **As a result, the risk of total loss exists.**

If an underlying security has a dramatic adverse move that causes a material decline in the Fund’s net assets, the terms of the Fund’s swaps may permit the counterparty to immediately close out the swap transaction. In that event, the Fund may be unable to enter into another swap or invest in other derivatives to achieve exposure consistent with the Fund’s investment objective. This may prevent the Fund from achieving its leveraged investment objective, even if its underlying security later reverses all or a portion of the move, and result in significant losses.

**Examples of the Impact of Daily Leverage and Compounding.** Because the Fund’s exposure to its underlying security is repositioned on a daily basis, for a holding period longer than one day, the pursuit of a daily investment objective will result in daily long leveraged compounding for the Fund. This means that the return of an underlying security over a period of time greater than one day multiplied by the Fund’s daily long leveraged investment objective generally will not equal the Fund’s performance over that same period. As a consequence, investors should not plan to hold the Fund unmonitored for periods longer than a single trading day. This deviation increases with higher volatility in an underlying security and longer holding periods. Further, the return for investors that invest for periods less than a full trading day or for a period different than a single-trading day will not be the product of the return of the Fund’s stated daily investment objective and the performance of its underlying security for the full trading day. The actual exposure will largely be a function of the performance of the underlying security from the end of the prior trading day.

**Consider the following examples of a hypothetical fund that seeks 200% of the daily performance of a hypothetical underlying security:**

Mary is considering investments in two funds, Fund A and B. Fund A is an ETF which seeks (before fees and expenses) to match the performance of the hypothetical underlying security. Fund B is a leveraged ETF and seeks daily leveraged

investment results (before fees and expenses) that correspond to 200% of the daily performance of the hypothetical underlying security.

On Day 1, the hypothetical underlying security increases in value from \$100 to \$105, a gain of 5%. On Day 2, the hypothetical underlying security declines from \$105 back to \$100, a loss of 4.76%. In the aggregate, the hypothetical underlying security has not moved.

An investment in Fund A would be expected to gain 5% on Day 1 and lose 4.76% on Day 2, returning the investment its original value. The following example assumes a \$100 investment in Fund A when the hypothetical underlying security is also valued at \$100:

Day	Underlying Security Value	Underlying Security Performance	Value of Fund A Investment
	\$100.00		\$100.00
1	\$105.00	5.00%	\$105.00
2	\$100.00	-4.76%	\$100.00

The same \$100 investment in Fund B would be expected to gain 10% on Day 1 (200% of 5%) but decline 9.52% on Day 2. Although the percentage decline in Fund B is smaller on Day 2 than the percentage gain on Day 1, the loss is applied to a higher principal amount, so the investment in Fund B experiences a loss even when the aggregate underlying security value for the two-day period has not declined (these calculations do not include the charges for fund fees and expenses).

Day	Underlying Security Performance	200% of Underlying Security Performance	Value of Fund B Investment
			\$100
1	5.00%	10.0%	\$110
2	-4.76%	-9.52%	\$99.52

As you can see, an investment in Fund B has additional risks due to the effects of leverage and compounding.

An investor who purchases shares of the Fund intra-day will generally receive more, or less, than the applicable exposure to the underlying security from that point until the end of the trading day. The actual exposure will be largely a function of the performance of the underlying security from the end of the prior trading day. If the Fund's Shares are held for a period longer than a single-trading day, the Fund's performance is likely to deviate from the respective multiple return of the underlying security's performance for the longer period. This deviation will increase with higher underlying security volatility and longer holding periods.

**Examples of the Impact of Volatility.** The Fund rebalances its portfolio on a daily basis, increasing exposure in response to that day's gains or reducing exposure in response to that day's losses. Daily rebalancing will typically cause the Fund to lose money if the underlying security experiences volatility. A volatility rate is a statistical measure of the magnitude of fluctuations in the underlying security's returns over a defined period. For periods longer than a single-trading day, volatility in the performance of the underlying security from day to day is the primary cause of any disparity between the Fund's actual returns and the returns of the underlying security for such period. Volatility causes such disparity because it exacerbates the effects of compounding on the Fund's returns. In addition, the effects of volatility are magnified in the Fund due to leverage. Consider the following three examples that demonstrate the effect of volatility on a hypothetical fund:

**Example 1 – Underlying Security Experiences Low Volatility**

Mary invests \$10.00 in a hypothetical 2X Fund at the close of trading on Day 1. During Day 2, the hypothetical underlying security rises from 100 to 102, a 2% gain. Mary's investment rises 4% to \$10.40. Mary holds her investment through the close of trading on Day 3, during which the hypothetical underlying security rises from 102 to 104, a gain

of 1.96%. Mary's investment rises to \$10.81, a gain during Day 3 of 3.92%. For the two-day period since Mary invested in the hypothetical 2X Fund, the hypothetical underlying security gained 4% although Mary's investment increased by 8.1%. Because the hypothetical underlying security continued to trend upwards with low volatility, Mary's return closely correlates to the 200% return of the return of the hypothetical underlying security for the period.

**Example 2 – Underlying Security Experiences High Volatility**

Mary invests \$10.00 in a hypothetical 2X Fund after the close of trading on Day 1. During Day 2, the hypothetical underlying security rises from 100 to 102, a 2% gain, and Mary's investment rises 4% to \$10.40. Mary continues to hold her investment through the end of Day 3, during which the hypothetical underlying security declines from 102 to 98, a loss of 3.92%. Mary's investment declines by 7.84%, from \$10.40 to \$9.58. For the two-day period since Mary invested in the hypothetical 2X Fund, the hypothetical underlying security lost 2% while Mary's investment decreased from \$10 to \$9.58, a 4.2% loss. The volatility of the hypothetical underlying security affected the correlation between the hypothetical underlying security's return for the two-day period and Mary's return. In this situation, Mary lost more than two times the return of the hypothetical underlying security.

**Example 3 – Intra-day Investment with Volatility**

The examples above assumed that Mary purchased the hypothetical 2X Fund at the close of trading on Day 1 and sold her investment at the close of trading on a subsequent day. However, if she made an investment intra-day, she would have received a beta determined by the performance of the hypothetical underlying security from the end of the prior trading day until her time of purchase on the next trading day. Consider the following example.

Mary invests \$10.00 in a hypothetical 2X Fund at 11 a.m. on Day 2. From the close of trading on Day 1 until 11 a.m. on Day 2, the hypothetical underlying security moved from 100 to 102, a 2% gain. In light of that gain, the hypothetical 2X Fund beta at the point at which Mary invests is 196%. During the remainder of Day 2, the hypothetical underlying security rises from 102 to 110, a gain of 7.84%, and Mary's investment rises 15.4% (which is the hypothetical underlying security gain of 7.84% multiplied by the 196% beta that she received) to \$11.54. Mary continues to hold her investment through the close of trading on Day 3, during which the hypothetical underlying security declines from 110 to 90, a loss of 18.18%. Mary's investment declines by 36.4%, from \$11.54 to \$7.34. For the period of Mary's investment, the hypothetical underlying security declined from 102 to 90, a loss of 11.76%, while Mary's investment decreased from \$10.00 to \$7.34, a 27% loss. The volatility of the hypothetical underlying security affected the correlation between the hypothetical underlying security's return for period and Mary's return. In this situation, Mary lost more than two times the return of the hypothetical underlying security. Mary was also hurt because she missed the first 2% move of the hypothetical underlying security and had a beta of 196% for the remainder of Day 2.

**Market Volatility.** The Fund seeks to provide a return which is a multiple of the daily performance of an underlying security. The Fund does not attempt to, and should not be expected to, provide returns which are a multiple of the return of an underlying security for periods other than a single-trading day. The Fund rebalances its portfolio on a daily basis, increasing exposure in response to that day's gains or reducing exposure in response to that day's losses.

Daily rebalancing will impair the Fund's performance if its underlying security experiences volatility. For instance, a 2X Fund would be expected to lose 4% (as shown in Table 1 below) if its underlying security provided no return over a one-year period and experienced annualized volatility of 20%. If an underlying security provided no return over a one-year period and experienced annualized volatility of 40%, the hypothetical loss for a one-year period for a 2X Fund rises to 15% (as shown in Table 1 below).

**Table 1**

Volatility Range	2X Fund Loss
10%	-1%

Volatility Range	2X Fund Loss
20%	-4%
30%	-9%
40%	-15%
50%	-23%
60%	-33%
70%	-47%
80%	-55%
90%	-76%
100%	-84%

**Note that at higher volatility levels, there is a chance of a complete loss of Fund assets even if the underlying security is flat.** For instance, if annualized volatility of an underlying security were 90%, a 2X Fund based on such underlying security would be expected to lose 76% even if the underlying security returned 0% for the year.

Table 2 shows the annualized historical volatility rate for the underlying securities over the five-year period ended December 31, 2024. Since market volatility has negative implications for funds which rebalance daily, investors should be sure to monitor and manage their investments in the Fund particularly in volatile markets. The negative implications of volatility in Table 1 can be combined with the recent volatility in Table 2 to give investors some sense of the risks of holding the Fund for longer periods over the past five years. Historical volatility and performance are not likely indicative of future volatility and performance.

**Table 2 – Historic Volatility**

	5-Year Historical Volatility Rate
XNDU	[ ]%

**The Projected Returns of the Fund for Intra-Day Purchases.** Because the Fund rebalances its portfolio once daily, an investor who purchases shares during a day will likely have more, or less, than the respective long leveraged investment exposure to an underlying security. The exposure to an underlying security received by an investor who purchases the Fund intra-day will differ from the Fund’s stated daily investment objective by an amount determined by the movement of the underlying security from its value at the end of the prior day. If the underlying security moves in a direction favorable to the Fund between the close of the market on one trading day through the time on the next trading day when the investor purchases the Fund Shares, the investor will receive less exposure to the underlying security than the stated Fund daily investment objective. Conversely, if the underlying security moves in a direction adverse to the Fund, the investor will receive more exposure to the underlying security than the stated Fund daily investment objective.

Table 3 below indicates the exposure to an underlying security that an intra-day purchase of a 2X Fund would be expected to provide based upon the movement in the value of the underlying security from the close of the market on the prior trading day. Such exposure holds until a subsequent sale on that same trading day or until the close of the market on that trading day. For instance, if an underlying security has moved 5% in a direction favorable to a 2X Fund, the investor would receive exposure to the performance of the underlying security from that point until the investor sells later that day or the end of the day equal to approximately 191% of the investor’s investment.

Conversely, if the underlying security has moved 5% in a direction unfavorable to a 2X Fund, an investor at that point would receive exposure to the performance of the underlying security from that point until the investor sells later that day or the end of the day equal to approximately 211% of the investor's investment.

The table includes a range of underlying security moves from 20% to -20% for a 2X Fund. Movement of an underlying security beyond the range noted below will result in exposure further from a 2X Fund's daily leveraged investment objective.

**Table 3**

<u>Underlying Security</u>	<u>2X Fund</u>
-20%	267%
-15%	243%
-10%	225%
-5%	211%
0%	200%
5%	191%
10%	183%
15%	177%
20%	171%

**The Projected Returns of the Fund for Periods Other Than a Single Trading Day.** The Fund seeks long leveraged investment results on a daily basis — from the close of regular trading on one trading day to the close on the next trading day — which should not be equated with seeking a long leveraged investment objective for any other period. For instance, if an underlying security gains 10% for a week, the Fund should not be expected to provide a return of 20% for the week even if it meets its daily leveraged investment objective throughout the week. This is true because of the financing charges noted above but also because the pursuit of daily goals may result in daily leveraged compounding, which means that the return of an underlying security over a period of time greater than one day multiplied by the Fund's daily leveraged investment objective will not generally equal the Fund's performance over that same period. In addition, the effects of compounding become greater the longer Shares are held beyond a single trading day.

The following tables set out a range of hypothetical daily performances during a given 10 trading days of an underlying security and demonstrate how changes in an underlying security impact the Fund's hypothetical performance for a single-trading day and cumulatively up to, and including, the entire 10 trading day period. The charts are based on a hypothetical \$100 investment in the Fund over a 10-trading day period and do not reflect fees or expenses of any kind.

**Table 4 – Lacks a Clear Trend**

Underlying Security				2X Fund		
	Value	Daily Performance	Cumulative Performance	NAV	Daily Performance	Cumulative Performance
	100			\$100.00		
Day 1	105	5.00%	5.00%	\$110.00	10.00%	10.00%
Day 2	110	4.76%	10.00%	\$120.48	9.52%	20.47%
Day 3	100	-9.09%	0.00%	\$ 98.57	-18.18%	-1.43%
Day 4	90	-10.00%	-10.00%	\$ 78.86	-20.00%	-21.14%
Day 5	85	-5.56%	-15.00%	\$ 70.10	-11.12%	-29.91%
Day 6	100	17.65%	0.00%	\$ 94.83	35.30%	-5.17%
Day 7	95	-5.00%	-5.00%	\$ 85.35	-10.00%	-14.65%
Day 8	100	5.26%	0.00%	\$ 94.34	10.52%	-5.68%
Day 9	105	5.00%	5.00%	\$103.77	10.00%	3.76%
Day 10	100	-4.76%	0.00%	\$ 93.89	-9.52%	-6.12%

The cumulative performance of the underlying security in Table 5 is 0% for 10 trading days. The hypothetical return for the 10-trading day period is -6.12% for a 2X Fund. The volatility of the underlying security's performance and lack of a clear trend results in performance for the Fund for the period which bears little relationship to the performance of the underlying security for the 10-trading day period.

**Table 5 – Rises in a Clear Trend**

Underlying Security				2X Fund		
	Value	Daily Performance	Cumulative Performance	NAV	Daily Performance	Cumulative Performance
	100			\$100.00		
Day 1	102	2.00%	2.00%	\$104.00	4.00%	4.00%
Day 2	104	1.96%	4.00%	\$108.08	3.92%	8.08%
Day 3	106	1.92%	6.00%	\$112.24	3.84%	12.23%
Day 4	108	1.89%	8.00%	\$116.47	3.78%	16.47%
Day 5	110	1.85%	10.00%	\$120.78	3.70%	20.78%
Day 6	112	1.82%	12.00%	\$125.18	3.64%	25.17%
Day 7	114	1.79%	14.00%	\$129.65	3.58%	29.66%
Day 8	116	1.75%	16.00%	\$134.20	3.50%	34.19%
Day 9	118	1.72%	18.00%	\$138.82	3.44%	38.81%
Day 10	120	1.69%	20.00%	\$143.53	3.38%	43.50%

The cumulative performance of the underlying security in Table 6 is 20% for 10 trading days. The hypothetical return for the 10-trading day period is 43.50% for a 2x Fund. In this case, because of the positive hypothetical underlying security trend, the Fund's hypothetical gain is greater than the applicable multiple of the hypothetical underlying security gain for the 10-trading day period.

**Table 6 – Declines in a Clear Trend**

	Underlying Security			2X Fund		
	Value	Daily Performance	Cumulative Performance	NAV	Daily Performance	Cumulative Performance
	100			\$100.00		
Day 1	98	-2.00%	-2.00%	\$ 96.00	-4.00%	-4.00%
Day 2	96	-2.04%	-4.00%	\$ 92.08	-4.08%	-7.92%
Day 3	94	-2.08%	-6.00%	\$ 88.24	-4.16%	-11.75%
Day 4	92	-2.13%	-8.00%	\$ 84.49	-4.26%	-15.51%
Day 5	90	-2.17%	-10.00%	\$ 80.82	-4.34%	-19.17%
Day 6	88	-2.22%	-12.00%	\$ 77.22	-4.44%	-22.76%
Day 7	86	-2.27%	-14.00%	\$ 73.71	-4.54%	-26.27%
Day 8	84	-2.33%	-16.00%	\$ 70.29	-4.66%	-29.71%
Day 9	82	-2.38%	-18.00%	\$ 66.94	-4.76%	-33.05%
Day 10	80	-2.44%	-20.00%	\$ 63.67	-4.88%	-36.32%

The cumulative performance of the underlying security in Table 7 is -20% for 10 trading days. The hypothetical return for the 10-trading day period is -36.32% for a 2X Fund. In this case, because of the negative hypothetical underlying security trend, the Fund's hypothetical decline is less than the applicable multiple of the hypothetical underlying security decline for the 10-trading day period.

#### ADDITIONAL INFORMATION ABOUT THE FUND'S PRINCIPAL RISKS

Risk is inherent in all investing. Investing in the Fund involves risk, including the risk that you may lose all or part of your investment. There can be no assurance that the Fund will meet its stated objective. Before you invest, you should consider the following supplemental disclosure pertaining to the Principal Risks set forth above as well as additional Non-Principal Risks set forth below in this prospectus.

#### PRINCIPAL RISKS

**Derivatives Risk.** The Fund's use of derivatives may be considered aggressive and may expose the Fund to greater risks and larger losses or smaller gains than investing directly in the reference asset(s) underlying those derivatives. A derivative refers to any financial instrument whose value is derived, at least in part, from the price of an underlying security, asset, rate or index. The use of derivatives presents risks different from, and possibly greater than, the risks associated with investing directly in traditional securities. Changes in the value of a derivative may not correlate perfectly with the underlying security, asset, rate or index. Gains or losses in a derivative may be magnified and may be much greater than the derivative's original cost.

- *Swaps Risk.* The Fund expects to use swaps as a means to achieve its investment objective. Swaps are generally traded in OTC markets and have only recently become subject to regulation by the CFTC. CFTC rules, however, do not cover all types of swaps. Investors, therefore, may not receive the protection of CFTC regulation or the statutory scheme of the Commodity Exchange Act in connection with the Fund's swaps. The lack of regulation in these markets could expose investors to significant losses under certain circumstances, including in the event of trading abuses or financial failure by participants. Unlike in futures contracts, the counterparty to uncleared OTC swaps is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions. As a result, the Fund is subject to increased counterparty risk with respect to the amount it expects to receive from counterparties to uncleared swaps. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Fund could suffer significant losses on these contracts and the value of an investor's investment in the Fund may decline. OTC swaps of the type that may be utilized by the Fund are less liquid

than futures contracts because they are not traded on an exchange, do not have uniform terms and conditions, and are generally entered into based upon the creditworthiness of the parties and the availability of credit support, such as collateral, and in general, are not transferable without the consent of the counterparty. Swaps are also subject to the risk of imperfect correlation between the value of the reference asset underlying the swap and the swap itself. Leverage inherent in derivatives will tend to magnify the Fund's gains and losses. Moreover, with respect to the use of swaps, if the underlying issuer has a dramatic intraday move that causes a material decline in the Fund's net assets, the terms of a swap between the Fund and its counterparty may permit the counterparty to immediately close out the transaction with the Fund. In that event, the Fund may be unable to enter into another swap or invest in other derivatives to achieve the desired exposure consistent with the Fund's investment objective. This, in turn, may prevent the Fund from achieving its investment objective, even if the underlying issuer reverses all or a portion of its intraday move by the end of the day. As a result, the value of an investment in the Fund may change quickly and without warning.

- **Options Risk.** Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance.

The Fund will be subject to regulatory constraints relating to level of value at risk that the Fund may incur through its derivative portfolio. To the extent the Fund exceeds these regulatory thresholds over an extended period, the Fund may determine that it is necessary to make adjustments to the Fund's investment strategy, including the desired daily leveraged performance for the Fund.

**SPAC-Derived Company Risk.** SPAC-derived companies may share similar illiquidity risks of private equity and venture capital. The free float shares held by the public in a SPAC-derived company are typically a small percentage of the market capitalization. The ownership of many SPAC-derived companies often includes large holdings by venture capital and private equity investors who seek to sell their shares in the public market in the months following a business combination transaction when shares restricted by lock-up are released, causing greater volatility and possible downward pressure during the time that locked-up shares are released.

**Leverage Risk.** Leverage increases the risk of a total loss of an investor's investment, may increase the volatility of the Fund, and may magnify any differences between the performance of the Fund and its underlying security. Because the Fund includes a multiplier of two times (200%) its underlying security, a single-trading day movement in an underlying security approaching 50% at any point in the day could result in the total loss of an investor's investment if that movement is contrary to the investment objective of the Fund, even if the underlying security subsequently moves in an opposite direction, eliminating all or a portion of the earlier movement. This would be the case with any such single-trading day movements in the underlying security, even if the underlying security maintains a level greater than zero at all times.

**Compounding Risk.** The Fund has a single-day investment objective, and the Fund's performance for any other period is the result of its return for each day compounded over the period. The performance of the Fund for periods longer or shorter than a single-trading day will very likely differ in amount, and possibly even direction, from their stated multiple of the daily return of the underlying security for the same period, before accounting for fees and expenses. Compounding affects all investments, but has a more significant impact on a leveraged fund that rebalances daily. This effect becomes more pronounced as underlying security volatility and holding periods increase. The Fund's performance for a period longer than a single-trading day can be estimated given any set of assumptions for the following factors: (a) underlying security volatility; (b) underlying security performance; (c) period of time; (d) financing rates associated with leveraged exposure; and (e) other Fund expenses. The charts below illustrate the impact of two

principal factors — underlying security volatility and underlying security performance — on Fund performance. The charts show estimated returns for the Fund for a number of combinations of underlying security volatility and underlying security performance over a one-year period. Actual volatility, underlying security and Fund performance may differ significantly from the charts below. Performance shown in the charts assumes: (a) no Fund expenses; and (b) borrowing/lending rates (to obtain leveraged exposure) of zero percent. If Fund expenses and/or actual borrowing/ lending rates were reflected, the Fund’s performance would be lower than shown.

In the graph below, areas shaded red represent those scenarios where a 2X Fund can be expected to return less than 200% of the performance of the underlying security and those shaded green represent those scenarios where a 2X Fund can be expected to return more than 200% of the performance of the underlying security. A 2X Fund’s actual returns may be significantly better or worse than the returns shown below as a result of any of the factors discussed above or in “Correlation Risk” below.

### Estimated 2X Fund Returns

One Year Underlying Security Return	200% One Year Underlying Security Return	Volatility Rate				
		10%	25%	50%	75%	100%
-60%	-120%	-84.2%	-85.0%	-87.5%	-90.9%	-94.1%
-50%	-100%	-75.2%	-76.5%	-80.5%	-85.8%	-90.8%
-40%	-80%	-64.4%	-66.2%	-72.0%	-79.5%	-86.8%
-30%	-60%	-51.5%	-54.0%	-61.8%	-72.1%	-82.0%
-20%	-40%	-36.6%	-39.9%	-50.2%	-63.5%	-76.5%
-10%	-20%	-19.8%	-23.9%	-36.9%	-53.8%	-70.2%
0%	0%	-1.0%	-6.1%	-22.1%	-43.0%	-63.2%
10%	20%	19.8%	13.7%	-5.8%	-31.1%	-55.5%
20%	40%	42.6%	35.3%	12.1%	-18.0%	-47.0%
30%	60%	67.3%	58.8%	31.6%	-3.7%	-37.8%
40%	80%	94.0%	84.1%	52.6%	11.7%	-27.9%
50%	100%	122.8%	111.4%	75.2%	28.2%	-17.2%
60%	120%	153.5%	140.5%	99.4%	45.9%	-5.8%

The foregoing table is intended to isolate the effect of underlying security volatility and underlying security performance on the return of a 2X Fund and is not a representation of actual returns. For example, a 2X Fund may incorrectly be expected to achieve a 40% return on a yearly basis if the underlying security return were 20%, absent the effects of compounding. As the table shows, with underlying security volatility of 50%, a 2X Fund could be expected to return 12.1% under such a scenario. A 2X Fund’s actual returns may be significantly better or worse than the returns shown above as a result of any of the factors discussed above or in “Correlation Risk” below.

**Correlation Risk.** A number of factors may affect the Fund’s ability to achieve a high degree of correlation with its underlying security, and there is no guarantee that the Fund will achieve a high degree of correlation. Failure to achieve a high degree of correlation may prevent the Fund from achieving its investment objective, and the percentage change of the Fund’s NAV each day may differ, perhaps significantly in amount, and possibly even direction, from their stated multiple of the percentage change of the underlying security on such day.

In order to achieve a high degree of correlation with its underlying security, the Fund seeks to rebalance its portfolio daily to keep exposure consistent with its investment objective. Being materially under- or overexposed to its underlying security may prevent the Fund from achieving a high degree of correlation with its underlying security and may expose the Fund to greater leverage risk. Market disruptions or closure, regulatory restrictions, market volatility, illiquidity in the markets for the financial instruments in which the Fund invests, and other factors will adversely affect

the Fund's ability to adjust exposure to requisite levels. The target amount of portfolio exposure is impacted dynamically by an underlying security's movements, including intraday movements. **Because of this, it is unlikely that the Fund will have perfect exposure during the day or at the end of each day and the likelihood of being materially under- or overexposed is higher on days when the underlying security is volatile, particularly when the underlying security is volatile at or near the close of the trading day.**

A number of other factors may also adversely affect the Fund's correlation with its underlying security, including fees, expenses, transaction costs, financing costs associated with the use of derivatives, income items, valuation methodology, accounting standards and disruptions or illiquidity in the markets for the securities or financial instruments in which the Fund invests. The Fund may take or refrain from taking positions in order to improve tax efficiency, comply with regulatory restrictions, or for other reasons, each of which may negatively affect the Fund's correlation with the underlying securities. The Fund may also be subject to large movements of assets into and out of the Fund, potentially resulting in the Fund being under- or overexposed to the underlying securities. Additionally, the Fund's underlying investments and/or reference assets may trade on markets that may not be open on the same day as the Fund, which may cause a difference between the changes in the daily performance of the Fund and changes in the level of the underlying securities. Any of these factors could decrease correlation between the performance of the Fund and the underlying securities and may hinder the Fund's ability to meet its daily investment objective on or around that day.

**Rebalancing Risk.** If for any reason the Fund is unable to rebalance all or a portion of its portfolio, or if all or a portion of the portfolio is rebalanced incorrectly, the Fund's investment exposure may not be consistent with the Fund's investment objective. In these instances, the Fund may have investment exposure to its underlying security that is significantly greater or less than its stated multiple. As a result, the Fund may be more exposed to leverage risk than if they had been properly rebalanced and may not achieve its investment objective.

**Trading Halt Risk.** Securities exchanges may apply different rules with respect to trading halts. In addition, exchanges may treat stocks differently than shares of ETFs with respect to trading halts. Although the underlying issuers' shares and the Fund's Shares will be listed for trading on an exchange, there can be no assurance that an active trading market for such shares will be available at all times and the exchange may halt trading of such shares in certain circumstances. In the event of a trading halt for an extended period of time in the underlying issuer's and/or the Fund's Shares, the Fund may be unable to execute arrangements with swap counterparties that are necessary to implement the Fund's investment strategy. Trading halts of the underlying issuer's and/or the Fund's Shares can occur for "regulatory" or "non-regulatory" reasons. A regulatory halt may occur when a company has pending news that may affect the security's price, when there is uncertainty over whether the security continues to meet an exchange's listing standards, or when a regulator specifically suspends trading in a security. When a regulatory halt is imposed by a security's primary exchange, the other U.S. exchanges that also trade the security usually honor this halt. A non-regulatory halt generally occurs when there is a significant imbalance in the pending buy and sell orders in a security or because of extraordinary market volatility pursuant to exchange "circuit breaker" rules. A non-regulatory trading halt or delay on one exchange does not necessarily mean that other exchanges will halt a security from trading. Regulatory trading halts of an underlying issuer's shares are expected to result in a halt in the trading in the Fund's Shares. However, not all non-regulatory trading halts affecting an underlying issuer's shares will result in a trading halt of the Fund's Shares. To the extent trading in an underlying issuer's shares is halted while the Fund's Shares continue to trade, the Fund may not perform as intended.

**Counterparty Risk.** Investing in derivatives involves entering into contracts with third parties (i.e., counterparties). The use of derivatives involves risks that are different from those associated with ordinary portfolio securities transactions. The Fund will be subject to credit risk (i.e., the risk that a counterparty is or is perceived to be unwilling or unable to make timely payments or otherwise meet its contractual obligations) with respect to the amount they expect to receive from counterparties to derivatives and repurchase agreements entered into by the Fund. If a counterparty becomes bankrupt or fails to perform its obligations, or if any collateral posted by the counterparty for the benefit of the Fund are insufficient or there are delays in the Fund's ability to access such collateral, the value of an investment in the Fund may decline.

**Indirect Investment Risk.** The issuers of the underlying securities are not affiliated with the Trust, the Advisor, or any affiliates thereof and is not involved with this offering in any way, and has no obligation to consider the Fund in taking any corporate actions that might affect the value of Shares. The Advisor has not made any due diligence inquiry with respect to the publicly available information of the underlying issuers in connection with this offering. Investors in the Shares will not have voting rights or rights to receive dividends or other distributions or any other rights with respect to the common shares of the underlying issuers.

**Intraday Price Performance Risk.** The intraday performance of Shares of the Fund traded in the secondary market generally will be different from the performance of the Fund when measured from one NAV calculation-time to the next. When Shares are bought intraday, the performance of the Fund's Shares relative to its underlying security until the Fund's next NAV calculation time will generally be greater than or less than the Fund's stated multiple times the performance of the underlying security.

**Liquidity Risk.** In certain circumstances, such as the disruption of the orderly markets for the financial instruments in which the Fund invest, the Fund might not be able to acquire or dispose of certain holdings quickly or at prices that represent true market value in the judgment of the Advisor. Markets for the financial instruments in which the Fund invest may be disrupted by a number of events, including but not limited to economic crises, health crises, natural disasters, excessive volatility, new legislation, or regulatory changes inside or outside of the U.S. For example, regulation limiting the ability of certain financial institutions to invest in certain financial instruments would likely reduce the liquidity of those instruments. These situations may prevent the Fund from limiting losses, realizing gains or achieving a high long leveraged correlation with its underlying security.

**Portfolio Turnover Risk.** The Fund may incur high portfolio turnover to manage the Fund's investment exposure. Additionally, active market trading of the Fund's Shares may cause more frequent creation or redemption activities that could, in certain circumstances, increase the number of portfolio transactions. High levels of portfolio transactions increase brokerage and other transaction costs and may result in increased taxable capital gains. Each of these factors could have a negative impact on the performance of the Fund.

**Market Risk.** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic, political, or geopolitical conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as tariffs, labor shortages or increased production costs and competitive conditions within an industry. In addition, local, regional or global events such as war, acts of terrorism, international conflicts, trade disputes, supply chain disruptions, cybersecurity events, the spread of infectious illness or other public health issues, natural disasters or climate events, or other events could have a significant impact on a security or instrument. Such events could make identifying investment risks and opportunities especially difficult for the Advisor. In response to certain crises, the United States and other governments have taken steps to support financial markets. The withdrawal of this support or failure of efforts in response to a crisis could negatively affect financial markets generally as well as the value and liquidity of certain securities. In addition, policy and legislative changes in the United States and in other countries are changing many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time. The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market.

**Valuation Risk.** The Fund may hold securities or other assets that may be valued on the basis of factors other than 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 would incur a loss because a portfolio position is sold or closed out at a discount to the valuation established by the Fund at that time. The Fund's ability to value investments may be impacted by technological issues or errors by pricing services or other third-party service providers.

**Concentration Risk.** The Fund will be concentrated in the industry assigned to its underlying issuer (i.e., hold more than 25% of its total assets in investments that provide leveraged exposure to the industry assigned to the underlying issuer). A portfolio concentrated in a particular industry may present more risks than a portfolio broadly diversified over several industries.

**Computer Hardware Industry Risk.** The Fund is subject to computer hardware industry risk due to its investment exposure to XNDU. The computer hardware industry includes companies that manufacture and distribute computers, servers, mainframes, peripheral devices (e.g., keyboard, mouse, etc.), high-technology components (e.g., circuit boards), and electronic office equipment. In addition, companies in the computer hardware industry include producers and distributors of semiconductors and other integrated chips, other products related to the semiconductor industry such as motherboards, and manufacturers of high-technology tools and/or equipment used in the creation of semiconductors, photonics, wafers, and other high-technology components. Companies in the computer hardware industry can be significantly affected by competitive pressures, aggressive pricing, technological developments, changing domestic demand, the ability to attract and retain skilled employees, and availability and price of components. The market for products produced by companies in the computer hardware industry is characterized by rapidly changing technology, rapid product obsolescence, cyclical market patterns, evolving industry standards and frequent new product introductions. The success of these companies depends in substantial part on the timely and successful introduction of new products. An unexpected change in one or more of the technologies affecting an issuer's products or in the market for products based on a particular technology could have a material adverse effect on a participant's operating results. Many of the companies in the computer hardware industry rely on a combination of patents, copyrights, trademarks and trade secret laws to establish and protect their proprietary rights in their products and technologies. There can be no assurance that the steps taken by the companies to protect their proprietary rights will be adequate to prevent misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology.

**Computer Programming Company Risks.** The Fund is subject to computer programming company risk due to its investment exposure to XNDU. Such companies provide social networking, file sharing, and other web-based media applications. The risks related to investing in such companies include disruption in service caused by hardware or software failure, interruptions or delays in service by third-party data center hosting facilities and maintenance providers, security breaches involving certain private, sensitive, proprietary and confidential information managed and transmitted by social media companies, and privacy concerns and laws, evolving Internet regulation and other foreign or domestic regulations that may limit or otherwise affect the operations of such companies. Additionally, the collection of data from consumers and other sources could face increased scrutiny as regulators consider how the data is collected, stored, safeguarded and used. Furthermore, the business models employed by computer programming companies may not prove to be successful.

**Software Companies Risk.** The Fund is subject to software company risk due to its investment exposure to XNDU. Software companies can be significantly affected by intense competition, aggressive pricing, technological innovations, and product obsolescence. Software companies are also subject to the competitive pressures of new market entrants, competition for market share, short product cycles due to an accelerated rate of technological developments and the potential for limited earnings and/or falling profit margins. These companies also face the risks that new services, equipment or technologies will not be accepted by consumers and businesses or will become rapidly obsolete. These factors can affect the profitability of these companies and, as a result, the value of their securities. Also, patent protection is integral to the success of many companies in this industry, and profitability can be affected materially by, among other things, the cost of obtaining (or failing to obtain) patent approvals, the cost of litigating patent infringement and the loss of patent protection for products (which significantly increases pricing pressures and can

materially reduce profitability with respect to such products). In addition, many software companies have limited operating histories. Prices of these companies' securities historically have been more volatile than other securities, especially over the short term.

**Information Technology Sector Risk.** The information technology sector includes companies engaged in internet software and services, technology hardware and storage peripherals, electronic equipment instruments and components, and semiconductors and semiconductor equipment. Information technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Information technology companies may have limited product lines, markets, or financial resources. The products of information technology companies may face rapid product obsolescence due to technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified technology personnel. Failure to introduce new products, develop and maintain a loyal customer base, or achieve general market acceptance for their products could have a material adverse effect on a company's business. Companies in the information technology sector are heavily dependent on intellectual property and the loss of patent, copyright and trademark protections may adversely affect the profitability of these companies. There can be no assurance that the steps taken by companies to protect their proprietary rights will be adequate to prevent misappropriation of their technology or that competitors will not independently develop technologies that are substantially equivalent or superior to such companies' technology. Some companies in the information technology sector are facing increased government and regulatory scrutiny and may be subject to adverse government or regulatory action, which could negatively impact the value of their securities.

**Foreign Securities Risk.** The Fund's investment in foreign securities can be riskier than U.S. securities investments. Investments in the securities of foreign issuers are subject to the risks associated with investing in those foreign markets, such as heightened risks of inflation or nationalization. The prices of foreign securities and the prices of U.S. securities have, at times, moved in opposite directions. In addition, securities of foreign issuers may lose value due to political, economic and geographic events affecting a foreign issuer or market. During periods of social, political or economic instability in a country or region, the value of a foreign security traded on U.S. exchanges could be affected by, among other things, increasing price volatility, illiquidity, or the closure of the primary market on which the security is traded. You may lose money due to political, economic and geographic events affecting a foreign issuer or market.

**Risk of Investing in Canada.** The Canadian economy is heavily dependent on the demand for natural resources and agricultural products. Canada is a major producer of commodities such as forest products, metals, agricultural products, and energy related products like oil, gas, and hydroelectricity. Accordingly, a change in the supply and demand of these resources, both domestically and internationally, can have a significant effect on Canadian market performance. Canada is a top producer of zinc and uranium and a global source of many other natural resources, such as gold, nickel, aluminum, and lead. Conditions that weaken demand for such products worldwide could have a negative impact on the Canadian economy as a whole. Changes to the U.S. economy may significantly affect the Canadian economy because the United States is Canada's largest trading partner and foreign investor. These and other factors could have a negative impact on the Fund and its investments in Canada.

**Collateral Investments Risk.** The Fund's use of Collateral Investments may include obligations issued or guaranteed by the U.S. Government, its agencies and instrumentalities, including bills, notes and bonds issued by the U.S. Treasury, money market funds, short-term bond ETFs and corporate debt securities, such as commercial paper. Some securities issued or guaranteed by federal agencies and U.S. Government-sponsored instrumentalities may not be backed by the full faith and credit of the United States, in which case the investor must look principally to the agency or instrumentality issuing or guaranteeing the security for ultimate repayment, and may not be able to assert a claim against the United States itself in the event that the agency or instrumentality does not meet its commitment. The U.S. Government, its agencies and instrumentalities do not guarantee the market value of their securities, and consequently, the value of such securities may fluctuate. Although the Fund may hold securities that carry U.S. Government guarantees, these guarantees do not extend to Shares of the Fund.

Money market funds are subject to management fees and other expenses. Therefore, investments in money market funds will cause the Fund to bear indirectly a proportional share of the fees and costs of the money market funds in which it invests. At the same time, the Fund will continue to pay its own management fees and expenses with respect to all of its assets, including any portion invested in the shares of the money market fund. It is possible to lose money by investing in money market funds.

Short-term bond ETFs will generally invest in short-term instruments (i.e., duration of less than one year). The amount of time until a fixed-income security matures can lead to various risks, including changes in interest rates over the life of a bond. Short-term fixed income securities generally provide lower returns than longer-term fixed income securities. The average maturity of an ETF's investments will affect the volatility of the ETF's share price.

Corporate debt securities such as commercial paper generally are short-term unsecured promissory notes issued by businesses. Corporate debt may be rated investment-grade or below investment-grade and may carry variable or floating rates of interest. Corporate debt securities carry both credit risk and interest rate risk. Credit risk is the risk that the Fund could lose money if the issuer of a corporate debt security is unable to pay interest or repay principal when it is due. Some corporate debt securities that are rated below investment-grade generally are considered speculative because they present a greater risk of loss, including default, than higher quality debt securities.

The Fund's Collateral Investments are subject to the following risks:

- *Debt Securities Risk.* Investments in debt securities subject the holder to the credit risk of the issuer. Credit risk refers to the possibility that the issuer or other obligor of a security will not be able or willing to make payments of interest and principal when due. Generally, the value of debt securities will change inversely with changes in interest rates. To the extent that interest rates rise, certain underlying obligations may be paid off substantially slower than originally anticipated and the value of those securities may fall sharply. During periods of falling interest rates, the income received by the Fund may decline. If the principal on a debt security is prepaid before expected, the prepayments of principal may have to be reinvested in obligations paying interest at lower rates. Debt securities generally do not trade on a securities exchange making them generally less liquid and more difficult to value than common stock.
- *Call Risk.* Some debt securities may be redeemed, or "called," at the option of the issuer before their stated maturity date. In general, an issuer will call its debt securities if they can be refinanced by issuing new debt securities which bear a lower interest rate. The Fund is subject to the possibility that during periods of falling interest rates an issuer will call its high yielding debt securities. The Fund would then be forced to invest the proceeds at lower interest rates, likely resulting in a decline in the Fund's income.
- *Interest Rate Risk.* Interest rate risk is the risk that the value of the debt securities in the Fund's portfolio will decline because of rising market interest rates. Interest rate risk is generally lower for shorter term debt securities and higher for longer-term debt securities. The Fund may be subject to a greater risk of rising interest rates than would normally be the case due to the current period of historically low rates and the effect of potential government fiscal policy initiatives and resulting market reaction to those initiatives. Duration is a reasonably accurate measure of a debt security's price sensitivity to changes in interest rates and a common measure of interest rate risk. Duration measures a debt security's expected life on a present value basis, taking into account the debt security's yield, interest payments and final maturity. In general, duration represents the expected percentage change in the value of a security for an immediate 1% change in interest rates. For example, the price of a debt security with a three-year duration would be expected to drop by approximately 3% in response to a 1% increase in interest rates. Therefore, prices of debt securities with shorter durations tend to be less sensitive to interest rate changes than debt securities with longer durations. As the value of a debt security changes over time, so will its duration.

- *Credit Risk.* An issuer or other obligated party of a debt security may be unable or unwilling to make dividend, interest and/or principal payments when due. In addition, the value of a debt security may decline because of concerns about the issuer's ability or unwillingness to make such payments.

**Volatility Risk.** Volatility is the characteristic of a security or other asset, an index or a market to fluctuate significantly in price within a short time period. The value of the Fund's investments in swaps and options – and therefore the value of an investment in the Fund – could decline significantly and without warning, including to zero. If you are not prepared to accept significant and unexpected changes in the value of the Fund and the possibility that you could lose your entire investment in the Fund, you should not invest in the Fund.

**Small-Cap Company Risk.** Generally, small-cap and less seasoned companies have more potential for rapid growth. They also involve greater risks than investing in large- or mid-capitalization companies. Small-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or market averages in general. Many small capitalization companies may be in the early stages of development. In addition, small-cap companies may be particularly affected by interest rate increases, as they may find it more difficult to borrow money to continue or expand operations or may have difficulty in repaying any loans. Since equity securities of smaller companies may lack sufficient market liquidity and may not be regularly traded, it may be difficult or impossible to sell securities at an advantageous time or a desirable price.

**ETF Structure Risks.** The Fund is an ETF, and, as a result of an ETF's structure, it is exposed to the following risks:

- *Authorized Participant Concentration Risk.* Only an AP may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that act as APs on an agency basis (i.e. on behalf of other market participants). To the extent that these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to the Fund and no other AP is able to step forward to process creation or redemption orders, Shares may trade at a discount to the Fund's NAV and possibly face delisting.
- *Cash Transaction Risk.* To the extent the Fund sells portfolio securities to meet some or all of a redemption request with cash, the Fund may incur taxable gains or losses that it might not have incurred had it made redemptions entirely in-kind. As a result, the Fund may pay out higher annual capital gain distributions than if the in-kind redemption process was used.
- *Costs of Buying or Selling Shares.* 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 will also 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 the spread 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.
- *Fluctuation of 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). Differences in market price and NAV may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for shares will be closely related to, but not identical to, the same forces influencing the prices of the holdings of the Fund trading individually or in the aggregate at any point in time. These differences can be especially pronounced during times of market volatility or stress. During these periods, the demand for Fund Shares may decrease considerably and cause the market price of Fund Shares to deviate significantly from the Fund's NAV. When all or a portion of an ETF's underlying securities trade in a market that is closed when the market in which the ETF's shares are listed and trading is open, there may be changes from the last quote from the closed market and the value of such security during the ETF's domestic trading day, which could lead to differences between the market price of the ETF's shares and their underlying NAV.

- *Market Maker Risk.* If the Fund has lower average daily trading volumes, it may rely on a small number of third-party market makers to provide a market for the purchase and sale of Shares. Any trading halt or other problem relating to the trading activity of these market makers could result in a dramatic change in the spread between the Fund's NAV and the price at which the Shares are trading on the Exchange, which could result in a decrease in value of the Shares. In addition, decisions by market makers or APs to reduce their role or step away from these activities in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of the Fund's portfolio securities and the Fund's market price. This reduced effectiveness could result in Shares trading at a discount to NAV and also in greater than normal intra-day bid-ask spreads for Shares.
- *Shares are Not Individually Redeemable.* Shares are only redeemable by the Fund at NAV if they are tendered in Creation Units. Only APs may engage in such creation and redemption transactions directly with the Fund. Individual Shares may be sold on a stock exchange at their current market prices, which may be less, more, or equal to their NAV.
- *Trading Issues Risk.* Although the Fund's Shares are listed for trading on the Exchange, there can be no assurance that an active trading market for such Fund Shares will develop or be maintained. Trading in Fund Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Fund Shares inadvisable. In addition, trading in Fund Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. Market makers are under no obligation to make a market in the Fund Shares, and APs are not obligated to submit purchase or redemption orders for Creation Units. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the Fund will continue to be met or will remain unchanged. Initially, due to the small asset size of the Fund, they may have difficulty maintaining their listings on the Exchange.

**Active Management Risk.** The Fund is actively-managed and their performance reflects investment decisions that the Advisor makes for the Fund. Such judgments about the Fund's investments may prove to be incorrect. If the investments selected and the strategies employed by the Fund fail to produce the intended results, the Fund could underperform as compared to other funds with similar investment objectives and/or strategies, or could have negative returns.

**Operational Risk.** The Fund is exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Fund's service providers, counterparties or other third-parties, failed or inadequate processes and technology or systems failures. The Fund and the Advisor seek to reduce these operational risks through controls and procedures. However, these measures do not address every possible risk and may be inadequate to address these risks.

**New Fund Risk.** As of the date of this prospectus, the Fund has no operating history and currently have fewer assets than larger funds. Like other new funds, large inflows and outflows may impact the Fund's market exposure for limited

periods of time. This impact may be positive or negative, depending on the direction of market movement during the period affected.

**Non-Diversification Risk.** The Fund is classified as “non-diversified” under the 1940 Act. As a result, the Fund is only limited as to the percentage of its assets which may be invested in the securities of any one issuer by the diversification requirements imposed by the Code. The Fund seeks to achieve daily results that correspond to a multiple of the daily performance of a single issuer by entering into one or more swaps. In seeking this objective, the Fund may invest a relatively high percentage of its assets in swaps with a single counterparty or a few counterparties. As a result, the Fund may experience increased volatility and be more susceptible to a single economic or regulatory occurrence affecting the issuer or one or more of the counterparties.

**Tax Risk.** In order to qualify for the favorable tax treatment generally available to regulated investment companies, the Fund must satisfy certain diversification and other requirements. In particular, the Fund generally may not acquire a security if, as a result of the acquisition, more than 50% of the value of the Fund’s assets would be invested in (a) issuers in which the Fund has, in each case, invested more than 5% of the Fund’s assets and (b) issuers more than 10% of whose outstanding voting securities are owned by the Fund. The application of these requirements to certain investments (including swaps and options) that may be entered into by the Fund is unclear. In addition, the application of these requirements to the Fund’s investment objective is not clear, particularly because the Fund’s investment objective focuses on the performance of the stock of a single issuer. If the Fund were to fail to qualify as a regulated investment company, it would be taxed in the same manner as an ordinary corporation, and distributions to its shareholders would not be deductible by the Fund in computing its taxable income.

**Security Issuer Risk.** Issuer-specific attributes may cause a security held by the Fund to be more volatile than the market generally. The prices of, and income generated by, securities held by the Fund may decline in response to various factors directly related to the issuers of such securities, including reduced demand for an issuer’s goods or services, poor management performance, major litigation, investigations or other controversies related to the issuer, changes in the issuer’s financial condition or credit rating, changes in government regulation affecting the issuer or its competitive environment, and strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives. An individual security may also be affected by factors related to the industry or sector of the issuer or the securities markets as a whole, and conversely an industry or sector or the securities markets may be affected by a change in financial condition or another event affecting a single issuer. The value of an individual security or particular type of security may be more volatile than the market as a whole and may perform differently from the value of the market as a whole. To the extent that the securities of issuers in the same or related industries or sectors behave similarly to each other, and these issuers make up a sizeable portion of the market, events affecting one issuer, industry or sector or the securities markets generally may have a larger impact. If such issuers represent a substantial portion of major market indices, a downturn in their stock prices may have a disproportionate adverse effect on the overall equity markets, even if other segments of the market perform well.

**Recent Market Events.** Periods of market volatility may occur in response to market events, public health emergencies, natural disasters or climate events, and other economic, political, and global macro factors. U.S. and international markets have recently experienced, and may continue to experience, periods of significant volatility due to various factors, including uncertainty regarding inflation and central banks’ interest rate changes, the possibility of a national or global recession, trade tensions and tariffs, and political and geopolitical events. In addition, wars or threats of war and aggression, such as Russia’s invasion of Ukraine and conflicts among nations and militant groups in the Middle East, have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on the U.S. and world economies and markets generally, each of which may negatively impact the Fund’s investments. Additionally, since the change in the U.S. presidential administration in 2025, the administration has pursued an aggressive foreign policy agenda, including through suggestions that the United States should control sovereign foreign territories, attempts to restructure federal government agencies with international influence, and the actual or potential imposition of tariffs on foreign countries, including China and long-time U.S. allies. In particular, the imposition of tariffs has led to retaliatory tariffs by certain foreign countries and could lead to additional retaliatory tariffs by foreign countries, as well as increased and prolonged market volatility, and sector-specific downturns in

industries reliant on international trade. The new administration has also sought to reduce the headcount of and freeze funding available to certain U.S. government agencies. Such efforts may continue throughout U.S. federal agencies, which could increase administrative burdens on remaining government employees, increase processing times of company filings, alter regulatory policymaking, and increase regulatory volatility. These efforts may have a negative impact on the Fund or on markets generally.

In September 2024, the Federal Reserve lowered interest rates for the first time since 2020. Changing interest rate environments (whether downward or upward) impact various sectors of the economy and asset classes in different ways. For example, low interest rate environments tend to be positive for the equity markets, whereas high interest rate environments tend to apply downward pressure on earnings and equity prices.

In addition, raising the ceiling on U.S. government debt and passing periodic legislation to fund the government have become increasingly politicized. Any failure to do either could lead to a default on U.S. government obligations, with unpredictable consequences for economies and markets in the United States and elsewhere.

The events and circumstances described above 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. Other market events may cause similar disruptions and effects.

**Cybersecurity Risk.** Cybersecurity incidents may allow an unauthorized party to gain access to Fund assets, customer data (including private shareholder information), or proprietary information, or cause the Fund, the Advisor and/or other service providers (including custodians, sub-custodians, transfer agents and financial intermediaries) to suffer data breaches, data corruption or loss of operational functionality. A cybersecurity incident may disrupt the processing of shareholder transactions, impact the Fund's ability to calculate its NAV, and prevent shareholders from redeeming their Shares. The use of artificial intelligence and machine learning could exacerbate these risks. Issuers of securities in which the Fund invests are also subject to cybersecurity risks, and the value of those securities could decline if the issuers experience cybersecurity incidents.

## NON-PRINCIPAL RISKS

**Inflation Risk.** Inflation may reduce the intrinsic value of increases in the value of the Fund. 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 value of the Fund's assets can decline as can the value of the Fund's distributions.

**Legislation and Litigation Risk.** Legislation or litigation that affects the value of securities held by the Fund may reduce the value of the Fund. From time to time, various legislative initiatives are proposed that may have a negative impact on certain securities in which the Fund invests. In addition, litigation regarding any of the securities owned by the Fund may negatively impact the value of the Shares. Such legislation or litigation may cause the Fund to lose value or may result in higher portfolio turnover if the Advisor determines to sell such a holding.

## MANAGEMENT OF THE FUND

The Fund is a series of Investment Managers Series Trust II, an investment company registered under the 1940 Act. The Fund is treated as a separate fund with its own investment objective and policies. The Trust is organized as a Delaware statutory trust. The Board is responsible for the overall management and direction of the Trust. The Board elects the Trust's officers and approves all significant agreements, including those with the Advisor, custodian and fund administrative and accounting agent.

### Investment Advisor

AXS Investments LLC, a Delaware limited liability company, serves as the Fund's Advisor pursuant to an investment management agreement (the "Investment Advisory Agreement"). AXS is located at 181 Westchester Avenue, Suite 402, Port Chester, New York 10573.

In its capacity as Advisor, AXS manages the Fund's investments subject to the supervision of the Board. AXS also arranges for transfer agency, custody, fund administration, distribution and all other services necessary for the Fund to operate. Further, AXS continuously reviews, supervises, and administers the Fund's investment program.

Pursuant to the Investment Advisory Agreement between the Advisor and the Trust, on behalf of the Fund, the Fund has agreed to pay an annual unitary management fee of 1.49% of its average daily net assets. This unitary management fee is designed to pay the Fund's expenses and to compensate the Advisor for the services it provides to the Fund. Out of the unitary management fee, the Advisor pays substantially all expenses of the Fund, including the cost of transfer agency, custody, fund administration, legal, audit and other service and license fees. However, the Advisor is not responsible for advisory fee, interest, 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 Fund under any distribution plan adopted pursuant to Rule 12b-1 under the 1940 Act.

### Portfolio Managers

**Parker Binion**, Portfolio Manager, Chief of Compliance and Head of Investments of AXS, serves as portfolio manager for the Fund. Mr. Binion joined AXS in January 2021. Prior to joining AXS, Mr. Binion was a portfolio manager of Kerns Capital Management, Inc. since September 2014, and was responsible for managing the firm's separately managed account strategies and hedging/net exposure strategies. Prior to 2014, Mr. Binion was an investment advisor representative with Heritage Capital from 2012 to 2014. He holds an A.B. in political science with a concentration in economics from Duke University and a J.D. with honors from the University of Texas at Austin.

**Travis Trampe**, Portfolio Manager of AXS, serves as portfolio manager for the Fund. Mr. Trampe joined AXS in 2022. Prior to joining AXS, Mr. Trampe was a portfolio manager with ETF issuers and asset management firms for over 15 years, including most recently from 2016 to 2021, where he was responsible for managing ETFs, mutual funds, UCITS and other fund vehicles. Mr. Trampe's asset management tenure includes longtime experience in portfolio management, trade execution and fund operations in U.S. and global securities markets. Mr. Trampe holds a B.S. in finance and mathematics from Nebraska Wesleyan University.

The Fund's SAI provides additional information about the compensation structure for the portfolio managers, other accounts that the portfolio managers manage and the ownership of Shares by the portfolio managers.

### Manager of Managers Structure

The Fund and AXS have received an exemptive order from the SEC to operate under a manager of managers structure that permits AXS, with the approval of the Board, to appoint and replace sub-advisors, enter into sub-advisory agreements, and materially amend and terminate sub-advisory agreements on behalf of the Fund without shareholder approval (the "Manager of Managers Structure"). Under the Manager of Managers Structure, AXS has ultimate responsibility, subject to oversight by the Board, for overseeing the Fund's sub-advisor(s) and recommending to the Board the hiring, termination, or replacement of any such sub-advisor(s). The exemptive order does not apply to any sub-advisor that is affiliated with the Fund or AXS.

The Manager of Managers Structure enables the Fund to operate with greater efficiency and without incurring the expense and delays associated with obtaining shareholder approvals for matters relating to sub-advisors or sub-advisory agreements. The Manager of Managers Structure does not permit an increase in the overall management and

advisory fees payable by the Fund without shareholder approval. Shareholders will be notified of any changes made to sub-advisors or sub-advisory agreements within 90 days of the changes.

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

## **BUYING AND SELLING FUND SHARES**

Fund Shares are listed for trading on the Exchange. When you buy or sell the Fund's Shares on the secondary market, you will pay or receive the market price. You may incur customary brokerage commissions and charges and may pay some or all of the spread between the bid and the offered price in the secondary market on each leg of a round trip (purchase and sale) transaction. The Shares of the Fund will trade on the Exchange at prices that may differ to varying degrees from the daily NAV of such shares. A "Business Day" with respect to the Fund is any day on which the Exchange is open for business. The Exchange is generally open Monday through Friday and is closed on weekends and the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

The Fund's NAV is calculated as of 4:00 p.m. Eastern time, the normal close of regular trading on the NYSE, on each day the NYSE is open for trading. If for example, the NYSE closes at 1:00 p.m. Eastern time, the Fund's NAV would still be determined as of 4:00 p.m. Eastern time. In this example, portfolio securities traded on the NYSE would be valued at their closing prices unless the Trust's Valuation Committee determines that a "fair value" adjustment is appropriate due to subsequent events. The NAV is determined by dividing the value of the Fund's portfolio securities, cash and other assets (including accrued interest), less all liabilities (including accrued expenses), by the total number of outstanding shares. The Fund's NAV may be calculated earlier if permitted by the SEC. The NYSE is closed on weekends and most U.S. national holidays. However, foreign securities listed primarily on non-U.S. markets may trade on weekends or other days on which the Fund does not value its shares, which may significantly affect the Fund's NAV on those days.

The Fund's securities generally are valued at market price. Securities are valued at fair value when market quotations are not readily available. The Board has adopted procedures to be followed when the Fund must utilize fair value pricing, including when reliable market quotations are not readily available, when the Fund's pricing service does not provide a valuation (or provides a valuation that, in the judgment of the Advisor, does not represent the security's fair value), or when, in the judgment of the Advisor, events have rendered the market value unreliable (see, for example, the discussion of fair value pricing of foreign securities in the paragraph below). Valuing securities at fair value involves reliance on the judgment of the Advisor and the Board (or a committee thereof) and may result in a different price being used in the calculation of the Fund's NAV from quoted or published prices for the same securities. Fair value determinations are made in good faith in accordance with procedures adopted by the Board. There can be no assurance that the Fund will obtain the fair value assigned to a security if it sells the security.

In certain circumstances, the Fund employs fair value pricing to ensure greater accuracy in determining daily NAV and to prevent dilution by frequent traders or market timers who seek to exploit temporary market anomalies. Fair value pricing may be applied to foreign securities held by the Fund upon the occurrence of an event after the close of trading on non-U.S. markets but before the close of trading on the NYSE when the Fund's NAV is determined. If the event may result in a material adjustment to the price of the Fund's foreign securities once non-U.S. markets open on the following business day (such as, for example, a significant surge or decline in the U.S. market), the Fund may value such foreign securities at fair value, taking into account the effect of such event, in order to calculate the Fund's NAV.

Other types of portfolio securities that the Fund may fair value include, but are not limited to: (1) investments that are illiquid or traded infrequently, including "restricted" securities and private placements for which there is no public market; (2) investments for which, in the judgment of the Advisor, the market price is stale; (3) securities of an issuer

that has entered into a restructuring; (4) securities for which trading has been halted or suspended; and (5) fixed income securities for which there is not a current market value quotation.

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

The Fund does not impose any restrictions on the frequency of purchases and redemptions of Creation Units; however, the Fund reserves the right to reject or limit purchases at any time as described in the SAI. When considering that no restriction or policy was necessary, the Board evaluated the risks posed by arbitrage and market timing activities, such as whether frequent purchases and redemptions would interfere with the efficient implementation of the Fund's investment strategies, or whether they would cause the Fund to experience increased transaction costs. The Board considered that, unlike traditional mutual funds, Shares of the Fund are issued and redeemed only in large quantities of shares known as Creation Units available only from the Fund directly to APs, and that most trading in the Fund occurs on the Exchange at prevailing market prices and does not involve the Fund directly. Given this structure, the Board determined that it is unlikely that trading due to arbitrage opportunities or market timing by shareholders would result in negative impact to the Fund or its shareholders. In addition, frequent trading of Shares of the Fund done by APs and arbitrageurs is critical to ensuring that the market price remains at or close to NAV.

### **Availability of Information**

Each Business Day, the following information will be available at [www.tradretfs.com](http://www.tradretfs.com) with respect to the Fund: (i) information for each portfolio holding that will form the basis of the next calculation of the Fund's NAV per share; (ii) the Fund's NAV per share, market price, and premium or discount, each as of the end of the prior Business Day; (iii) a table showing the number of days the Fund's Shares traded at a premium or discount during the most recently completed calendar year and the most recently completed calendar quarter since that year; (iv) a line graph showing Fund Share premiums or discounts for the most recently completed calendar year and the most recently completed calendar quarter since that year; (v) the Fund's median bid-ask spread over the last thirty calendar days; and (vi) if during the past year the Fund's premium or discount was greater than 2% for more than seven consecutive trading days, a statement that the Fund's premium or discount, as applicable, was greater than 2% and a discussion of the factors that are reasonably believed to have materially contributed to the premium or discount.

## **DIVIDENDS, DISTRIBUTIONS AND TAXES**

### **Fund Distributions**

The Fund pays out dividends from its net investment income and distributes its net capital gains, if any, to investors at least annually.

### **Dividend Reinvestment Service**

Brokers may make available to their customers who own Shares of the Fund the Depository Trust Company book-entry dividend reinvestment service. If this service is available and used, dividend distributions of both income and capital gains will automatically be reinvested in additional whole Shares of the Fund purchased on the secondary market. Without this service, investors would receive their distributions in cash. To determine whether the dividend reinvestment service is available and whether there is a commission or other charge for using this service, consult your broker. Brokers may require the Fund's shareholders to adhere to specific procedures and timetables.

### **Federal Income Tax Consequences**

The following discussion is very general and does not address investors subject to special rules, such as investors who hold Fund Shares through an IRA, 401(k) plan or other tax-advantaged account. The SAI contains further information

about taxes. Because each shareholder's circumstances are different and special tax rules may apply, you should consult your tax advisor about your investment in the Fund.

You will generally have to pay federal income taxes, as well as any state or local taxes, on distributions received from the Fund, whether paid in cash or reinvested in additional shares. If you sell Fund Shares, it is generally considered a taxable event. Distributions of net investment income, other than distributions the Fund reports as "qualified dividend income," are taxable for federal income tax purposes at ordinary income tax rates. Distributions of net short-term capital gains are also generally taxable at ordinary income tax rates. Distributions from the Fund's net capital gain (i.e., the excess of its net long-term capital gain over its net short-term capital loss) are taxable for federal income tax purposes as long-term capital gain, regardless of how long the shareholder has held Fund Shares.

Dividends paid by the Fund (but none of the Fund's capital gain distributions) may qualify in part for the dividends-received deduction available to corporate shareholders, provided certain holding period and other requirements are satisfied. Distributions that the Fund reports as "qualified dividend income" may be eligible to be taxed to non-corporate shareholders at the reduced rates applicable to long-term capital gain if derived from the Fund's qualified dividend income and/or if certain other requirements are satisfied. "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.

Since the Fund's income is derived primarily from sources that do not pay dividends, it is not expected that a substantial portion of the dividends paid by the Fund will qualify either for the dividends-received deduction for corporations or for any favorable U.S. federal income tax rate available to non-corporate shareholders on "qualified dividend income."

You may want to avoid buying Shares of the Fund just before it declares a distribution (on or before the record date), because such a distribution will be taxable to you even though it may effectively be a return of a portion of your investment.

Although distributions are generally taxable when received, dividends declared in October, November or December to shareholders of record as of a date in such month and paid during the following January are treated as if received on December 31 of the calendar year when the dividends were declared.

Information on the federal income tax status of dividends and distributions is provided annually.

Dividends and distributions from the Fund and net gain from sales of Fund Shares will generally be taken into account in determining a shareholder's "net investment income" for purposes of the 3.8% Medicare contribution tax applicable to certain individuals, estates and trusts.

If you do not provide your Fund with your correct taxpayer identification number and any required certifications, you will be subject to backup withholding on your dividends and other distributions. The backup withholding rate is currently 24%.

Dividends and certain other payments made by the Fund to a non-U.S. shareholder are subject to withholding of federal income tax at the rate of 30% (or such lower rate as may be determined in accordance with any applicable treaty). Dividends that are reported by the Fund as "interest-related dividends" or "short-term capital gain dividends" are generally exempt from such withholding. In general, the Fund may report interest-related dividends to the extent of its net income derived from U.S.-source interest and the Fund may report short-term capital gain dividends to the extent its net short-term capital gain for the taxable year exceeds its net long-term capital loss. Backup withholding will not be applied to payments that have been subject to the 30% withholding tax described in this paragraph.

Under legislation commonly referred to as “FATCA,” unless certain non-U.S. entities that hold shares comply with requirements of the Internal Revenue Service (the “IRS”) that will generally require them to report information regarding U.S. persons investing in, or holding accounts with, such entities, a 30% withholding tax may apply to dividends payable to such entities. A non-U.S. shareholder may be exempt from the withholding described in this paragraph under an applicable intergovernmental agreement between the United States and a foreign government, provided that the shareholder and the applicable foreign government comply with the terms of the agreement.

Some of the Fund’s investment income may be subject to foreign income taxes that are withheld at the country of origin. Tax treaties between certain countries and the United States may reduce or eliminate such taxes, but there can be no assurance that the Fund will qualify for treaty benefits.

An AP who exchanges securities for Creation Units generally will recognize a gain or a loss. The gain or loss will be equal to the difference between the market value of the Creation Units at the time and the sum of the exchanger’s aggregate basis in the securities surrendered plus the amount of any cash paid for such Creation Units. A person who redeems Creation Units will generally recognize a gain or loss equal to the difference between the exchanger’s basis in the Creation Units and the sum of the aggregate market value of any securities received plus the amount of any cash received for such Creation Units. The IRS, however, may assert that a loss realized upon an exchange of securities for Creation Units cannot be deducted currently under the rules governing “wash sales,” or on the basis that there has been no significant change in economic position.

Any gain or loss realized upon a creation of Creation Units will be treated as a capital gain or loss if the AP holds the securities exchanged therefor as capital assets, and otherwise will be ordinary income or loss. Similarly, any gain or loss realized upon a redemption of Creation Units of the Fund will be treated as a capital gain or loss if the AP holds the Shares of the Fund comprising the Creation Units as capital assets, and otherwise will be an ordinary income or loss. Any capital gain or loss realized upon the creation of Creation Units will generally be treated as a long-term capital gain or loss if the securities exchanged for such Creation Units have been held for more than one year, and otherwise will be a short-term capital gain or loss. Any capital gain or loss realized upon the redemption of Creation Units of the Fund will generally be treated as a long-term capital gain or loss if the Shares of the Fund comprising the Creation Units have been held for more than one year, and otherwise, will generally be a short-term capital gain or loss. Any capital loss realized upon a redemption of Creation Units held for 6 months or less will be treated as a long-term capital loss to the extent of any amounts treated as distributions to the applicable AP of long-term capital gains with respect to the Creation Units (including any amounts credited to the AP as undistributed capital gains).

The Fund has the right to reject an order for Creation Units if the purchaser (or a group of purchasers) would, upon obtaining the Shares of the Fund so ordered, own 80% or more of the outstanding Shares of the Fund and if, pursuant to Section 351 of the Code, the Fund would have a basis in any securities different from the market value of such securities on the date of deposit. The Fund also has the right to require information necessary to determine beneficial share ownership for purposes of the 80% determination. If the Fund does issue Creation Units to a purchaser (or a group of purchasers) that would, upon obtaining the Shares of the Fund so ordered, own 80% or more of the outstanding Shares of the Fund, the purchaser (or a group of purchasers) may not recognize gain or loss upon the exchange of securities for Creation Units.

Persons purchasing or redeeming Creation Units should consult their own tax advisors with respect to the tax treatment of any creation or redemption transaction.

## **DISTRIBUTOR**

ALPS Distributors, Inc. (the “Distributor”) serves as the distributor of Creation Units for the Fund on an agency basis. The Distributor does not maintain a secondary market in Shares.

The Trust has adopted a Distribution and Service Plan pursuant to Rule 12b-1 under the 1940 Act. In accordance with its Rule 12b-1 plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year

to reimburse the Distributor for amounts expended to finance activities primarily intended to result in the sale of Creation Units or the provision of investor services. The Distributor may also use this amount to compensate securities dealers or other persons that are APs for providing distribution assistance, including broker-dealer and shareholder support and educational and promotional services. The Fund does not and has no current intention of paying 12b-1 fees. However, in the event 12b-1 fees are charged in the future, because these fees are paid out of the Fund's assets, over time these fees will increase the cost of your investment and may cost you more than certain other types of sales charges.

## **FUND SERVICE PROVIDERS**

**Co-Administrators.** UMB Fund Services, Inc., 235 West Galena Street, Milwaukee, Wisconsin 53212, and Mutual Fund Administration, LLC, 2220 E. Route 66, Suite 226, Glendora, California 91740 (collectively the "Co-Administrators"), act as co-administrators for the Fund. Pursuant to the Co-Administration Agreement, the Co-Administrators receive a fee for administration services based on the Fund's average daily net assets, which is paid by the Advisor.

**Transfer Agent.** Brown Brothers Harriman & Co., located at 50 Post Office Square, Boston, Massachusetts 02110, serves as the Fund's transfer agent. The transfer agent provides record keeping and shareholder services.

**Custodian.** Brown Brothers Harriman & Co., located at 50 Post Office Square, Boston, Massachusetts 02110, serves as the Fund's custodian. The custodian holds the securities, cash and other assets of the Fund.

**Fund Accounting Agent.** Brown Brothers Harriman & Co., located at 50 Post Office Square, Boston, Massachusetts 02110, serves as the fund accounting agent for the Fund. The fund accounting agent calculates the Fund's daily NAV.

**Legal Counsel.** Morgan, Lewis & Bockius LLP, 600 Anton Boulevard, Suite 1800, Costa Mesa, California 92626, serves as legal counsel to the Trust and to the Independent Trustees.

**Independent Registered Public Accounting Firm.** Tait, Weller & Baker LLP, Two Liberty Place, 50 S. 16th Street, Suite 2900, Philadelphia, Pennsylvania 19102, serves as the Fund's independent registered public accounting firm and is responsible for auditing the annual financial statements of the Fund.

## **ADDITIONAL INFORMATION**

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

For purposes of the 1940 Act, the Fund is treated as a registered investment company. Section 12(d)(1) of the 1940 Act restricts investments by investment companies in the securities of other investment companies, including Shares of the Fund. Rule 12d1-4 under the 1940 Act permits registered investment companies to invest in ETFs offered by the Trust, including the Fund, beyond the limits of Section 12(d)(1) subject to certain terms and conditions, including that such registered investment companies enter into an agreement with the Trust.

### **Continuous Offering**

The method by which Creation Units are purchased and traded may raise certain issues under applicable securities laws. Because new Creation Units are issued and sold by the Fund on an ongoing basis, at any point a "distribution," as such term is used in the Securities Act of 1933, as amended (the "Securities Act"), may occur. Broker-dealers and other persons are cautioned that some activities on their part may, depending on the circumstances, result in their being deemed participants in a distribution in a manner which could render them statutory underwriters and subject them to the prospectus delivery and liability provisions of the Securities Act.

For example, a broker-dealer firm or its client may be deemed a statutory underwriter if it takes Creation Units after placing an order with the transfer agent, breaks them down into individual shares, and sells such shares directly to customers, or if it chooses to couple the creation of a supply of new shares with an active selling effort involving

solicitation of secondary market demand for shares. A determination of whether one is an underwriter for purposes of the Securities Act must take into account all the facts and circumstances pertaining to the activities of the broker-dealer or its client in the particular case, and the examples mentioned above should not be considered a complete description of all the activities that could lead to categorization as an underwriter.

Broker-dealer firms should also note that dealers who are not “underwriters” but are effecting transactions in Shares of the Fund, whether or not participating in the distribution of Shares of the Fund, are generally required to deliver a prospectus. This is because the prospectus delivery exemption in Section 4(a)(3) of the Securities Act is not available with respect to such transactions as a result of Section 24(d) of the 1940 Act. As a result, broker dealer-firms should note that dealers who are not underwriters but are participating in a distribution (as contrasted with ordinary secondary market transactions) and thus dealing with Shares of the Fund that are part of an unsold allotment within the meaning of Section 4(a)(3)(C) of the Securities Act would be unable to take advantage of the prospectus delivery exemption provided by Section 4(a)(3) of the Securities Act. Firms that incur a prospectus delivery obligation with respect to Shares of the Fund are reminded that under Rule 153 under the Securities Act, a prospectus delivery obligation under Section 5(b)(2) of the Securities Act owed to an exchange member in connection with a sale on the Exchange is satisfied by the fact that the Fund’s Prospectus is available on the SEC’s electronic filing system. The prospectus delivery mechanism provided in Rule 153 is only available with respect to transactions on an exchange.

## **FINANCIAL HIGHLIGHTS**

The Fund is new and has no performance history as of the date of this prospectus. Financial information therefore is not available.

## Tradr 2X Long XNDU Daily ETF

A series of Investment Managers Series Trust II

### FOR MORE INFORMATION

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#### **Statement of Additional Information (SAI)**

The SAI provides additional details about the investments and techniques of the Fund and certain other additional information. A current SAI is on file with the SEC and is incorporated into this Prospectus by reference. This means that the SAI is legally considered a part of this Prospectus even though it is not physically within this Prospectus.

#### **Shareholder Reports and Financials and Other Information**

Additional information about the Fund's investments will be available in the Fund's annual and semi-annual reports to shareholders and the Fund's Financials and Other Information, which are each included in the Fund's Form N-CSR filings. In the Fund's annual report, you will find a summary of the key factors that significantly affected the Fund's performance during its most recent fiscal year. In the Fund's Financials and Other Information, you will find the Fund's annual and semi-annual financial statements.

The Fund's SAI, annual and semi-annual reports, and Financials and Other Information will be available, free of charge, on the Fund's website at [www.tradretfs.com](http://www.tradretfs.com). You can also obtain a free copy of the Fund's SAI or annual and semi-annual reports, request other information, or inquire about the Fund by contacting a broker that sells Shares of the Fund or by calling the Fund at 1-833-297-2587.

Reports and other information about the Fund are also available:

- Free of charge, on the SEC's EDGAR Database on the SEC's Internet site at <http://www.sec.gov>; or
- For a duplication fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

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