



TOOLS FOR ACTIVELY MANAGED ETFs

Active managers can now participate in the ETF revolution....

...with zero compromise

Blue Tractor Group is the developer of the Shielded Alpha® ETF wrapper

SEC-approved and market-proven, it powers actively managed ETFs listed on Nasdaq and the NYSE

The Blue Tractor solution delivers for all ETF market participants

Better for Active Managers

All the benefits of an ETF without exposing the Fund's proprietary strategies

Better for Market Makers and APs

Less guesswork when hedging their trading risk

Better for RIAs

Tight spreads, accurate pricing, deep liquidity

Better for Investors

- Access to novel investment strategies
- Lower cost
- Tax-efficient investing
- Intra-day liquidity

All of the benefits of an ETF, without giving away your strategy

The benefits of ETFs are well-known but until recently, unless active managers were comfortable revealing the inner workings of their trading and investment strategies to the capital markets, they had to sit on the side-lines.

Now, with the Shielded Alpha® ETF wrapper and its cloud-hosted workflow, you can have it all:

- An ETF for active managers that functions and operates exactly like a traditional ETF
- A novel structure and easy-to-use tools that prevent your active strategies being replicated
- Just enough information for Market Makers and APs to price accurately and hedge their risk with confidence



Tight spreads



Accurate pricing



A deep liquid market



An environment where RIAs will allocate with confidence



Find out more today at bluetractorgroup.com





Our SEC-approved Shielded Alpha[®] ETF wrapper and cloud-based tools put you in control

Unlike a fully transparent ETF, with Blue Tractor your actual portfolio is never disclosed daily to the market. Rather, our cloud-hosted algorithm scrambles the weightings of your ETF portfolio, generating a **Portfolio Reference Basket** which is published daily to the market instead.

The market only sees the Portfolio Reference Basket, so your true positions are always hidden.

The scrambled portfolio weightings follow no pattern and randomly change every day, preventing front-running, free-riding and reverse engineering, while still allowing Market Makers and APs to price and hedge confidently in all market conditions.

Blue Tractor's tools offer active managers simple but powerful control over what the market sees:

- Actual positions are always hidden
- Build portfolio positions without tipping off front-runners
- Unwind portfolio positions in stealth
- Misdirect predatory traders by creating phantom trades in the Portfolio Reference Basket

The ETF wrapper's SEC-approved Custom Baskets offer additional tangible benefits:

- Effective tax management when harvesting capital gains
- Reduced trading costs when rebalancing or undertaking block trades

Our secure, cloud-based solution requires no installing and fits effortlessly into existing workflows.

We provide support and guidance every step of the way

A number of important decisions must be made before launching an actively managed ETF. We have deep experience and can help you make the right choices for you and your stakeholders.

Choose to keep some or all processes in-house or benefit from our concierge-level access to leading service providers who can assist you at every stage of your ETF launch:

1

Develop your active ETF strategy: clone or convert an existing active mutual fund or SMA, or launch something new

2

Set up an ETF Trust, including a board, fund accounting & compliance, fund distributor and select a Custody Bank

3

File short-form regulatory application and prospectus with the SEC Division of Investment Management

4

Set up Capital Markets function and select Lead Market Maker and associated Authorized Participants. Determine how to seed your ETF

5

Select the Exchange to list your ETF and file Form 19b-4 with the SEC Division of Trading and Markets

6

Develop marketing and PR, ETF fund website and execute on sales & distribution plan to allocators in the RIA community

7

LAUNCH YOUR ETF

With Blue Tractor you will be up and running quickly and efficiently,
with the premier ETF wrapper for active management.



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Find out more today at bluetractorgroup.com