

# A FOCUSED MID CAP PORTFOLIO BUILT WITH CONVICTION



## Alger Mid Cap 40 ETF

TICKER	CUSIP
FRTY	015564107

## A Seasoned Portfolio Manager



**Amy Y. Zhang, CFA**  
EXECUTIVE VICE PRESIDENT  
PORTFOLIO MANAGER

The ETF is managed by Amy Y. Zhang, CFA, who has been investing in small- and mid-cap U.S. equities for 17 years. Amy joined Alger in 2015 and has 25 years of total investment experience. In her long tenure managing focused portfolios, Amy has developed a unique and vibrant approach to stock selection, which she and her team employ to build this “best ideas” portfolio and pursue alpha.

## Actively Managed, High Conviction ETF

The **Alger Mid Cap 40 ETF (FRTY)** is a focused, high conviction portfolio of “best ideas” generated by our team of talented analysts and managed by Amy Y. Zhang, CFA. The ETF will typically invest in a focused portfolio of up to 40 growth stocks, generally concentrating in industries undergoing dynamic change. Amy and her team of analysts employ a bottom-up research process to identify and invest in what we believe are exceptional companies that can compound value over the long term.

## Unique Investment Approach

- **Compounding Value:** Our research process enables us to identify and invest in companies that we believe can compound value over the long term. We focus on companies with solid operating histories that have the potential to double their revenue stream in five years.
- **High-Quality Characteristics:** We seek companies with healthy balance sheets—rich in cash and light on debt—and durable business models with long-term growth prospects. Companies that fit these characteristics are often leaders in fields with high barriers to entry (wide moats) that offer innovative and differentiated life-changing technologies and services.
- **Patient, Long-Term View:** While innovation and rapid change are hallmarks of the companies we generally invest in, we take a patient, long-term approach to investing. With a three- to five-year investment horizon, we aim for lower levels of portfolio turnover and trading costs.

## An Actively Managed ETF Backed by 55+ Years of Investing Experience

Our competitive edge is using unique, fundamental, bottom-up research to capitalize on change before it is recognized by the market. We embrace change found in traditional growth companies as well as in companies experiencing a growth renaissance. The Alger Mid Cap 40 ETF, which does not disclose holdings on a daily basis, will enable investors to gain access to our investing prowess in a new way that may suit them.

[alger.com/midcap40ETF](http://alger.com/midcap40ETF)

## This ETF is different from traditional ETFs.

Traditional ETFs tell the public what assets they hold each day. This ETF will not. This may **create additional risks** for your investment. Specifically:

- You may have to pay more money to trade the ETF’s shares. This ETF will provide less information to traders, who tend to charge more for trades when they have less information.
- The price you pay to buy ETF shares on an exchange may not match the value of the ETF’s portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because it provides less information to traders.
- These additional risks may be even greater in bad or uncertain market conditions.

The differences between this ETF and other ETFs may also have advantages. By keeping certain information about the ETF confidential, this ETF may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF’s performance. If other traders are able to copy or predict the ETF’s investment strategy, however, this may hurt the ETF’s performance. For additional information regarding the unique attributes and risks of this ETF, please refer to the prospectus.

## About Our Firm

Fred Alger Management, LLC is widely recognized as a pioneer of growth-style investment management. We have been an independent, privately owned firm since our founding in 1964. For more than 50 years, we have had **three leaders with one vision:** maintaining the legacy and continuity of the Alger Investment Philosophy. We strive to deliver consistently **superior investment results for our clients.** Investment management is our only business. We believe our independence enables us to remain true to our investment beliefs.

**Risk Disclosures:** Investing in the stock market involves risks, including the potential loss of principal. Growth stocks may be more volatile than other stocks as their prices tend to be higher in relation to their companies' earnings and may be more sensitive to market, political, and economic developments. Investing in companies of medium capitalizations involve the risk that such issuers may have limited product lines or financial resources, lack management depth, or have limited liquidity. Assets may be focused in a small number of holdings, making them susceptible to risks associated with a single economic, political or regulatory event than a more diversified portfolio. A significant portion of assets will be invested in technology and healthcare companies, which may be significantly affected by competition, innovation, regulation, and product obsolescence, and may be more volatile than the securities of other companies. Active trading may increase transaction costs, brokerage commissions, and taxes, which can lower the return on investment. The Fund is classified as a "non-diversified fund" under federal securities laws because it can invest in fewer individual companies than a diversified fund.

The Fund is an actively managed ETF that does not seek to replicate the performance of a specified index. The Fund does not provide daily disclosure of its portfolio holdings, but instead provides a verified intraday indicative value ("VIIV") calculated and disseminated every second throughout the trading day. The VIIV is designed to be a highly correlated per share value of the underlying portfolio, but there is a risk that market price of the Fund may vary significantly from its NAV. The VIIV Calculation Methodology and a historical daily comparison of the Fund's VIIV to its NAV is available on [www.alger.com](http://www.alger.com). The Fund trading on the basis of a VIIV may trade at a wider bid/ask spread than ETFs that publish their portfolios on a daily basis, especially during periods of market disruption or volatility, and, therefore, may cost investors more to trade. Although the Fund seeks to benefit from keeping its portfolio information confidential, market participants may attempt to identify a Fund's trading strategy, which, if successful, could result in such market participants engaging in certain predatory trading practices that may have the potential to harm the Fund and its shareholders. The Fund's shares trade in the secondary market on NYSE Arca, Inc. and therefore may experience associated risks, such as the potential lack of an active market for Fund shares, losses from trading in secondary markets, periods of high volatility, and disruptions in the creation and/or redemption process of the Fund. Any of these factors may cause the Fund's shares to trade at a premium or discount to NAV. Creations and redemptions in the Fund occur through an agent called an "AP Representative" who is not obligated to engage in creations or redemptions. The Fund may have a limited number of AP Representatives and if AP Representatives are not able to proceed with creations and/or redemptions the Fund's shares may trade at a discount to NAV and possibly face trading halts and/or delisting, and investors could experience significant losses as a result.

**Before investing, carefully consider the Fund's investment objective, risks, charges, and expenses. For a prospectus and summary prospectus containing this and other information or for the Fund's most recent month-end performance data, visit [www.alger.com](http://www.alger.com), call (800) 992-3863 or consult your financial advisor. Read the prospectus and summary prospectus carefully before investing. Distributor: Fred Alger & Company, LLC. NOT FDIC INSURED. NOT BANK GUARANTEED. MAY LOSE VALUE.**