



# FormulaFolio Funds

## FormulaFolios Tactical Income ETF

### FFTI

#### SUMMARY PROSPECTUS

September 30, 2019

Before you invest, you may want to review the Fund's Prospectus, which contains more information about the Fund and its risks. The Fund's prospectus and Statement of Additional Information, both dated September 30, 2019, are incorporated by reference into this Summary Prospectus. You can obtain these documents and other information about the Fund online at [formulafoliofunds.com/tactical-income-etf](http://formulafoliofunds.com/tactical-income-etf). You can also obtain these documents at no cost by calling 888-562-8880 or by sending an email request to [orderformulafoliosefts@ultimusfundsolutions.com](mailto:orderformulafoliosefts@ultimusfundsolutions.com).

Beginning on January 1, 2021, as permitted by regulations adopted by the SEC, paper copies of the Funds' shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Funds' website [formulafoliofunds.com/tactical-income-etf](http://formulafoliofunds.com/tactical-income-etf), and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Funds electronically or to continue receiving paper copies of shareholder reports, which are available free of charge, by contacting your financial intermediary (such as a broker-dealer or bank).

**Investment Objective:** The Fund seeks to provide income.

**Fees and Expenses of the Fund:** This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Investors purchasing or selling shares of the Fund in the secondary market may be subject to costs (including customary brokerage commissions) charged by their broker. These costs are not included in the expense example below.

| <b>Annual Fund Operating Expenses</b><br>(expenses that you pay each year as a percentage of the value of your investment) |              |
|----------------------------------------------------------------------------------------------------------------------------|--------------|
| Management Fees                                                                                                            | 0.60%        |
| Distribution and Service (12b-1) Fees                                                                                      | 0.00%        |
| Other Expenses                                                                                                             | 0.14%        |
| Acquired Fund Fees and Expenses <sup>(1)</sup>                                                                             | 0.30%        |
| <b>Total Annual Fund Operating Expenses</b>                                                                                | <b>1.04%</b> |

(1) Acquired Fund Fees and Expenses are the indirect costs of investing in other investment companies. The operating expenses in this fee table will not correlate to the expense ratio in the Fund's financial highlights because the financial statements include only the direct operating expenses incurred by the Fund.

**Example:** This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based upon these assumptions your costs would be:

| <u>1 Year</u> | <u>3 Years</u> | <u>5 Years</u> | <u>10 Years</u> |
|---------------|----------------|----------------|-----------------|
| \$106         | \$330          | \$573          | \$1,269         |

**Portfolio Turnover:** The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund's performance. During the fiscal year ended May 31, 2019, the Fund's portfolio turnover rate was 135% of the average value of its portfolio.

**Principal Investment Strategies:** The Fund seeks to achieve its investment objective by investing through other exchange traded funds (“ETFs”) in foreign and domestic fixed income securities. The fixed income securities in which the ETFs invest are US Treasuries, investment grade US bonds, high-yield US bonds (also known as “junk” bonds), US aggregate bond, municipal bonds and international government bonds of any maturity and duration.

The adviser uses its proprietary investment model to rank 5 major fixed income asset classes (US Treasuries, investment grade US bonds, high-yield US bonds, US aggregate bond, and international government bond) based on the strongest combination of yield spread and price momentum (higher price momentum and lower yield spreads). A yield spread is the difference between yields on fixed income securities of varying maturities, credit ratings and risk, which is calculated by deducting the yield of one instrument from another. Price momentum measures the rate of the rise or fall in stock prices. The three highest-ranked asset classes are allocated to the portfolio, while the two lowest ranked asset classes are left out of the portfolio. In addition, if an asset class is not displaying positive momentum, it is not included in the portfolio even it is one of the three highest ranked asset classes. To represent the aforementioned asset classes, the adviser utilizes low-cost, index-tracking ETFs. These ETFs must have a competitive expense ratio, illustrate the ability to closely track the desired asset class’s benchmark, and maintain an appropriate amount of daily trading volume to help avoid liquidity issues.

This process is repeated monthly. The weighting for any individual asset class depends on the prevailing market conditions, with a maximum weight of 56.67% for high-yield US bonds and US Treasuries and a maximum weight of 21.67% for US aggregate bond, investment grade US bonds, and international government bonds. When few (2 or fewer) or none of the asset classes meet the model’s price momentum criteria, the Fund may invest heavily in US Treasuries and US short-term bonds until more asset classes become favorable for investing.

**Principal Investment Risks:** *As with all funds, there is the risk that you could lose money through your investment in the Fund. Many factors affect the Fund’s net asset value and performance.*

The following describes the risks the Fund bears directly or indirectly through investments in Underlying Funds. As with any fund, there is no guarantee that the Fund will achieve its goal.

| <b>Risk</b>        | <b>Direct Risk of the Fund</b> | <b>Indirect Risk of the Fund</b> |
|--------------------|--------------------------------|----------------------------------|
| Credit Risk        |                                | X                                |
| ETF Investments    | X                              |                                  |
| ETF Structure      | X                              | X                                |
| Fixed Income       |                                | X                                |
| Fluctuation of NAV | X                              | X                                |
| Foreign Securities |                                | X                                |
| Income             |                                | X                                |
| Interest Rate      |                                | X                                |
| Junk Bonds         |                                | X                                |
| Management         | X                              | X                                |
| Municipal Bond     | X                              |                                  |
| Portfolio Turnover | X                              |                                  |
| Securities Market  | X                              | X                                |

**Credit Risk.** Credit risk is the risk that the issuer of a security and other instrument will not be able to make principal and interest payments when due. Credit risk may be substantial for the Fund.

**ETF Investment Risk.** Other investment companies, such as ETFs (“Underlying Funds”), in which the Fund invests are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, the cost of investing in the Fund will be higher than the cost of investing directly in the Underlying Funds and may be higher than other funds that invest directly in stocks and bonds. Each of the Underlying Funds is subject to its own specific risks, but the adviser expects the principal investments risks of such Underlying Funds will be similar to the risks of investing in the Fund.

**ETF Structure Risk.** The Fund and each Underlying Fund is structured as an ETF and as a result is subject to the special risks, including:

- **Not Individually Redeemable.** An ETF's shares ("Shares") are not individually redeemable to retail investors and may be redeemed by the ETF only to Authorized Participants ("APs") at NAV in large blocks known as "Creation Units." An AP may incur brokerage costs purchasing enough Shares to constitute a Creation Unit.
- **Trading Issues.** An active trading market for the Shares may not be developed or 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, such as extraordinary market volatility. There can be no assurance that Shares will continue to meet the listing requirements of the Exchange. If the Shares are traded outside a collateralized settlement system, the number of financial institutions that can act as APs that can post collateral on an agency basis is limited, which may limit the market for the Shares.
- **Market Price Variance Risk.** The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares and will include a "bid-ask spread" charged by the exchange specialists, market makers or other participants that trade the particular security. There may be times when the market price and the NAV vary significantly. This means that Shares may trade at a discount to NAV.
  - In times of market stress, market makers may step away from their role market making in shares of ETFs and in executing trades, which can lead to differences between the market value of Shares and an ETF's NAV.
  - To the extent APs exit the business or are unable to process creations or redemptions and no other AP can step in to do so, there may be a significantly reduced trading market in the Shares, which can lead to differences between the market value of Shares and an ETF's NAV.
  - The market price for the Shares may deviate from an ETF's NAV, particularly during times of market stress, with the result that investors may pay significantly more or significantly less for Shares than an ETF's NAV, which is reflected in the bid and ask price for Shares or in the closing price.
  - When all or a portion of an ETF's underlying securities trade in a market that is closed when the market for the Shares is open, there may be changes from the last quote of the closed market and the quote from an ETF's domestic trading day, which could lead to differences between the market value of the Shares and an ETF's NAV.
  - In stressed market conditions, the market for the Shares may become less liquid in response to the deteriorating liquidity of an ETF's portfolio. This adverse effect on the liquidity of the Shares may, in turn, lead to differences between the market value of the Shares and the ETF's NAV.

**Fixed Income Risk.** When the Underlying Funds invest in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities owned by the Underlying Fund. In general, the market price of fixed income securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default), extension risk (an issuer may exercise its right to repay principal on a fixed rate obligation held by the Underlying Fund later than expected), and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). These risks could affect the value of a particular investment by the Underlying Fund, possibly causing the Share price and total return to be reduced and fluctuate more than other types of investments.

**Fluctuation of Net Asset Value Risk.** The NAV of the Shares will generally fluctuate with changes in the market value of the Fund's holdings. The market prices of the shares will generally fluctuate in accordance with changes in NAV as well as the relative supply of and demand for the shares on the Exchange. The adviser cannot predict whether the shares will trade below, at or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for the shares will be closely related to, but not identical to, the same forces influencing the prices of the Fund's holdings trading individually or in the aggregate at any point in time. In addition, unlike conventional ETFs, the Fund is not an index fund. The Fund is actively managed and does not seek to replicate the performance of a specified index. Index based ETFs have generally traded at prices which closely correspond to NAV per share. Actively managed ETFs have a limited trading history and, therefore, there can be no assurance as to whether and/or the extent to which the shares will trade at premiums or discounts to NAV.

*Foreign Securities Risk.* Since the Fund's investments may include ETFs with foreign securities, the Fund is subject to risks beyond those associated with investing in domestic securities. Foreign companies are generally not subject to the same regulatory requirements of U.S. companies thereby resulting in less publicly available information about these companies. In addition, foreign accounting, auditing and financial reporting standards generally differ from those applicable to U.S. companies.

*Income Risk.* The Fund's income may decline when yields fall. This decline can occur because the Fund or the Underlying Fund may subsequently invest in lower-yielding bonds as bonds in its portfolio mature, are near maturity or are called, bonds in the Underlying Fund's index are substituted, or the Fund or the Underlying Fund otherwise needs to purchase additional bonds.

*Interest Rate Risk.* An increase in interest rates may cause the value of securities held by the Fund or the Underlying Fund to decline, may lead to heightened volatility in the fixed-income markets and may adversely affect the liquidity of certain fixed-income investments. The historically low interest rate environment, together with recent modest rate increases, heightens the risks associated with rising interest rates. The Fund will take positions in ETFs that invest in US Treasuries and other futures and interest rate swaps. As a result, when interest rates decline, the Fund will underperform funds with long-only investments in the same investment grade bonds as the Fund. There is no guarantee that the Fund or Underlying Fund will have positive performance even in environments of sharply rising interest rates. There is no guarantee that the Fund or Underlying Fund will be able to successfully mitigate interest rate risk.

*Junk Bonds Risk.* Lower-quality bonds, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds. The lack of a liquid market for these bonds could decrease the Share price.

*Management Risk.* The adviser may be incorrect in its assessment of the intrinsic value of the securities the Fund holds which may result in a decline in the value of Shares and failure to achieve its investment objective. The Fund's portfolio managers use qualitative analyses and/or models. Any imperfections or limitations in such analyses and models could affect the ability of the portfolio managers to implement strategies.

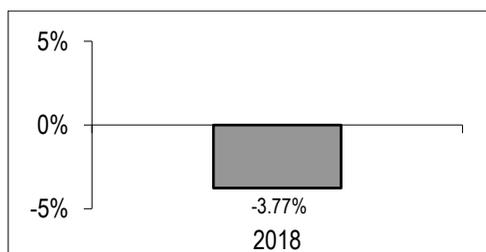
*Municipal Bond Risk.* Municipal bonds are subject to the risk that litigation, legislation or other political events, local business or economic conditions, credit rating downgrades, or the bankruptcy of the issuer could have a significant effect on an issuer's ability to make payments of principal and/or interest or otherwise affect the value of such securities.

*Portfolio Turnover Risk.* The Fund may buy and sell investments frequently. Such a strategy often involves higher transaction costs, including brokerage commissions, and may increase the amount of capital gains (in particular, short term gains) realized by the Fund. Shareholders may pay tax on such capital gains.

*Securities Market Risk.* The value of securities owned by the Fund may go up or down, sometimes rapidly or unpredictably, due to factors affecting particular companies or the securities markets generally. A general downturn in the securities market may cause multiple asset classes to decline in value simultaneously.

**Performance:** The bar chart and performance table below show the variability of the Fund's returns, which is some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and by showing the Fund's one-year and since inception performance compared with those of a broad measure of market performance. The bar chart shows performance of the Fund's shares for each calendar year since the Fund's inception. The performance table compares the performance of the Fund over time to the performance of a broad-based securities market index. You should be aware that the Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. Updated performance information will be available at no cost by visiting [www.formulafoliofunds.com](http://www.formulafoliofunds.com) or by calling 888-562-8880.

**Performance Bar Chart For Calendar Year Ended December 31**



Best Quarter: 3<sup>rd</sup> Quarter 2018 1.46%  
 Worst Quarter: 4<sup>th</sup> Quarter 2018 (2.79%)

The Fund's year-to-date return as of the most recent fiscal quarter, which ended June 30, 2019 was 7.59%.

**Performance Table  
 Average Annual Total Returns  
 (For periods ended December 31, 2018)**

|                                                             | <b>One Year</b> | <b>Since Inception (6/6/17)</b> |
|-------------------------------------------------------------|-----------------|---------------------------------|
| Return before taxes                                         | (3.77%)         | (1.54%)                         |
| Return after taxes on distributions                         | (5.11%)         | (2.87%)                         |
| Return after taxes on distributions and sale of Fund shares | (2.17%)         | (1.70%)                         |
| Index – Bloomberg Barclays US Agg Bond                      | 0.01%           | 0.55%                           |

**Investment Adviser:** FormulaFolio Investments, LLC (the "Adviser").

**Portfolio Managers:** Jason Wenk, Founder, Director of Product Development and Strategy Consultant of the Adviser and Derek Prusa, CFA, CFP, Senior Market Analyst of the Adviser have served as the Fund's portfolio managers since it commenced operations in 2017.

**Purchase and Sale of Fund Shares:** The Fund will issue and redeem Shares at NAV only in large blocks of 50,000 shares (each block of shares is called a "Creation Unit") to APs who have been entered into agreements with the Fund's distributor. Creation Units are issued and redeemed for cash and/or in-kind for securities. Individual shares may only be purchased and sold in secondary market transactions through a broker dealer. Except when aggregated in Creation Units, the Shares are not redeemable securities of the Fund.

Shares of the Fund are listed for trading on the Exchange and trade at market prices rather than NAV. Shares of the Fund may trade at a price that is greater than, at, or less than NAV.

**Tax Information:** The Fund's distributions generally will be taxable as ordinary income or long-term capital gains. A sale of shares may result in capital gain or loss.

**Payments to Broker-Dealers and Other Financial Intermediaries:** If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies 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.

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