WATER ISLAND CAPITAL, LLC

104 Fifth Avenue, 9th Floor, New York, NY 10011

July 28, 2026

Dear Shareholder:

I am writing to inform you about a transaction that will affect your investment in the AltShares Merger Arbitrage ETF and the AltShares Event-Driven ETF.

To achieve certain operational and administrative efficiencies, we are planning to reorganize the AltShares Merger Arbitrage ETF and the AltShares Event-Driven ETF, each a series of AltShares Trust, by merging each Fund into a corresponding newly-created exchange traded Fund with an identical investment objective, investment strategy, and risk profile, and with the same fees and expenses. Each newly-created Fund will be a series of The Arbitrage Funds, as shown in the table below. The Arbitrage Funds is a separate trust which has the same investment adviser, Water Island Capital, LLC ("Water Island"). We refer to these transactions as the "Reorganizations."

Reorganizations		
Each **Target Fund** will be reorganized into a corresponding **Acquiring Fund** as follows:		
<u>Target Funds</u> **(each a series of AltShares Trust)**	→	**<u>Acquiring Funds</u>** **(each series of The Arbitrage Funds)**
AltShares Merger Arbitrage ETF	→	AltShares Merger Arbitrage ETF, a newly-created series of The Arbitrage Funds ("New Merger Arbitrage ETF")
AltShares Event-Driven ETF	→	AltShares Event-Driven ETF, a newly-created series of The Arbitrage Funds ("New Event-Driven ETF")

The Reorganizations are part of an initiative designed to streamline the fund family and to promote operating efficiencies. The Reorganizations are intended to combine all of the funds that are advised by Water Island into a single, larger trust, which is expected to eliminate redundancies associated with maintaining two separate trusts for these funds and to reduce the costs of administering and operating the funds that comprise the fund complex.

References in this document to the "Target Funds" mean the AltShares Merger Arbitrage ETF and the AltShares Event-Driven ETF. References to the "Acquiring Funds" mean the corresponding newly-formed Funds. The Target Funds and the Acquiring Funds may be referred to collectively herein as the "Funds." You are receiving this letter because, as of June 1, 2026, you were an investor in shares of one or more of the Target Funds.

The Reorganizations will take effect following the close of business on or about September 25, 2026. No shareholder vote is required for the Reorganizations by AltShares Trust's governing documents, the federal securities laws or the regulations thereunder. You do not need to take any action regarding your account. We are not asking you for a proxy or written consent, and you are requested not to send us a proxy or written consent. At the time of the Reorganizations, shareholders of each Target Fund automatically will become shareholders of the corresponding Acquiring Fund, by receiving shares of the Acquiring Fund with the same aggregate value as the shareholder's investment in the Target Fund.

After the Reorganizations, each shareholder that invests in a Target Fund will automatically become a shareholder that invests in the corresponding Acquiring Fund, which has an identical investment objective, investment strategy, and risk profile. In addition, the fees and expenses of each Acquiring Fund will be identical to those of the corresponding Target Fund on the closing date of the Reorganizations. Each Target Fund and its corresponding Acquiring Fund are managed by Water Island. Accordingly, the Reorganizations will not result in any changes to the day-to-day management of either Target Fund. Neither the Target Funds nor the Acquiring Funds will bear any direct fees or expenses in connection with the Reorganizations.

The Board of Trustees of AltShares Trust believes that each Reorganization is in the best interests of each Target Fund and its shareholders, and that the interests of the Target Funds' shareholders will not be diluted as a result of the Reorganization.

Each Reorganization is designed to qualify as a tax-free reorganization, so shareholders of the Funds will not realize a gain or loss for federal income tax purposes as a direct result of the Reorganizations. No sales loads, commissions or other transactional fees will be imposed on Target Fund shareholders in connection with the exchange of their shares.

The enclosed Combined Information Statement/Prospectus contains more information about the Reorganizations and the Acquiring Funds. If you have any questions or need additional information, please contact Water Island Capital, LLC at (212) 584-2364.

Sincerely,

John S. Orrico
President, The Arbitrage Funds and
AltShares Trust
104 Fifth Avenue, 9th Floor, New York,
NY 10011

Important Notice Regarding the Availability of Information Statement: The Combined Information Statement/Prospectus is available on the internet at www.altsharesetfs.com.

COMBINED INFORMATION STATEMENT/PROSPECTUS

Reorganization of the ALTSHARES MERGER ARBITRAGE ETF ALTSHARES EVENT-DRIVEN ETF each a series of AltShares Trust (each, a “Target Fund” and together, the “Target Funds”)	into the ALTSHARES MERGER ARBITRAGE ETF ALTSHARES EVENT-DRIVEN ETF each a newly-created series of The Arbitrage Funds (each, an “Acquiring Fund” and together, the “Acquiring Funds”)

July 28, 2026

104 Fifth Avenue, 9th Floor, New York, NY 10011
1-855-955-1607

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY

This Combined Information Statement/Prospectus (“Information Statement”) is furnished to you as a shareholder of the AltShares Merger Arbitrage ETF and/or the AltShares Event-Driven ETF (each, a “Target Fund” or “Fund”). To achieve certain operational and administrative efficiencies, the investment adviser for each Target Fund, Water Island Capital, LLC (“Water Island” or the “Adviser”) recommended the reorganization of each Target Fund into a corresponding newly-created Acquiring Fund (the “Acquiring Fund”) to the Board of the Trustees of the Target Funds (the “Board”). The Board approved the reorganization of each Target Fund into its corresponding Acquiring Fund at a Board meeting held on May 19, 2026. Each Target Fund is a series of AltShares Trust, a Delaware statutory trust, and each Acquiring Fund is a series of The Arbitrage Funds, a Delaware statutory trust (the “Acquiring Trust”). Water Island is the investment adviser to each Target Fund and its corresponding Acquiring Fund.

Each Target Fund will be reorganized into its corresponding Acquiring Fund, which is a newly-created shell vehicle created specifically for acquiring the assets and liabilities of the corresponding Target Fund. Each Target Fund and its corresponding Acquiring Fund have the same investment objectives, investment strategies, policies, and restrictions and the same investment risks, and there will be no change in investment adviser or portfolio managers. Each Acquiring Fund will operate with the same net expense ratio as its corresponding Target Fund. Each Acquiring Fund and its corresponding Target Fund have the same advisory fee, which is structured as a unitary advisory fee, pursuant to which the Adviser will pay, subject to certain limitations, substantially all of the Fund’s operating expenses out of the advisory fee received. Each Target Fund and its corresponding Acquiring Fund have the same procedures for buying and selling shares.

Throughout this Combined Information Statement/Prospectus, we refer to each reorganization transaction as a “Reorganization” and collectively as the “Reorganizations.” For purposes of this Combined Information Statement/Prospectus, the terms “shareholder,” “you” and “your” refer to the shareholders of the Target Funds. Each of AltShares Trust and the Acquiring Trust is an open-end management investment company organized as a Delaware statutory trust.

Shares of each Target Fund are listed for trading on NYSE Arca, Inc. (the “Exchange”), and shares of each corresponding Acquiring Fund also will be listed for trading on the Exchange.

In anticipation of the Reorganizations, the last day for shareholders to purchase or sell shares of the Target Funds will be September 25, 2026. Upon completion of the Reorganizations, you, as a shareholder of a Target Fund, will become a shareholder of the corresponding Acquiring Fund. You will receive shares of the corresponding Acquiring Fund with an aggregate net asset value ("NAV") equal to the aggregate NAV of the shares of the Target Fund that you hold as of the close of business on the day of the closing of the Reorganizations, which is expected to be after the close of business on September 25, 2026 ("Effective Date"). The Acquiring Fund will open for trading on or about September 28, 2026. When the Reorganizations are completed, the Target Funds will be liquidated, and AltShares Trust will be terminated.

This Combined Information Statement/Prospectus sets forth the information you should know about the Reorganization of each Target Fund and constitutes an offering of the shares of the corresponding Acquiring Fund issued in the Reorganization. Please read it carefully and retain it for future reference. For additional information, you should consult the Reorganization Agreement, which is in Appendix A.

In addition, the following documents each have been filed with the Securities and Exchange Commission (the "SEC"), and are incorporated herein by reference:

- the Prospectus for each Target Fund, dated September 26, 2025, which is on file with the SEC (http://www.sec.gov) (File No. 811-09815) (Accession No. 0001104659-25-093808);

- the Statement of Additional Information of the Target Fund, dated September 26, 2025, as supplemented February 10, 2026, which is on file with the SEC (http://www.sec.gov) (File No. 811-09815) (Accession No. 0001104659-25-093808);

- The Annual Report of each Target Fund, including the audited financial statements of each Target Fund for fiscal year ended May 31, 2025, which is on file with the SEC (http://www.sec.gov) (File No. 811-09815) (Accession No. 0001104659-25-075091);

- The Semi-Annual Report of each Target Fund, including the unaudited financial statements of each Target Fund for the six months ended November 30, 2025, which is on file with the SEC (http://www.sec.gov) (File No. 811-09815) (Accession No. 0001104659-26-010829);

- The Prospectus and SAI of The Arbitrage Funds on behalf of each Acquiring Fund filed on June 24, 2026, as amended, which is on file with the SEC (http://www.sec.gov), (File No. 811-09815) (Accession No. 0001104659-26-077283); and

- An SAI dated July 28, 2026, relating to this Combined Information Statement/Prospectus.

This Combined Information Statement/Prospectus will be mailed on or about August 11, 2026 to shareholders of record of each Target Fund as of June 1, 2026 (the "Record Date").

AltShares Trust and the Acquiring Trust are subject to the informational requirements of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and the Investment Company Act of 1940, as amended (the "1940 Act"). Accordingly, each Trust must file certain reports and other information with the SEC. Reports and other information about AltShares Trust and the Acquiring Trust (The Arbitrage Funds) are available on the EDGAR Database on the SEC's Internet site at http://www.sec.gov, and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following email address: publicinfo@sec.gov.

Each *Target Fund's* Prospectus, Statement of Additional Information, annual and semi-annual reports and the Statement of Additional Information related to this Combined Information Statement/Prospectus are available upon request and without charge by writing to the Target Fund at AltShares Trust, c/o State Street Bank and Trust Company, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts, 02114 or by calling toll-free at (855) 955-1607. They are also available, free of charge, at AltShares Trust's website at www.altsharesetfs.com.

The *Acquiring Funds* have not yet commenced operations as of the date of this Information Statement, and therefore no prospectus or statement of additional information (other than this Information Statement) or annual or semi-annual report is available for the Acquiring Funds at this time. Each Acquiring Fund has filed a Summary Prospectus, Prospectus and Statement of Additional Information for the Acquiring Fund as it will be offered after the Reorganization. Those filings will be effective prior to or upon the closing of the Reorganization.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED OR DISAPPROVED THESE SECURITIES OR PASSED UPON THE ADEQUACY OF THIS INFORMATION STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION NOT CONTAINED IN THIS COMBINED INFORMATION STATEMENT/PROSPECTUS AND, IF SO GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED. THIS COMBINED INFORMATION STATEMENT/PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION IN WHICH, OR TO ANY PERSON TO WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION.

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OVERVIEW: QUESTIONS AND ANSWERS

The following is an overview, in question and answer format, of the Reorganization of each Target Fund into its corresponding Acquiring Fund, including the reasons for the Reorganizations. More complete information appears later in this Combined Information Statement/Prospectus. **Shareholders should read the entire Combined Information Statement/Prospectus carefully**.

Q1. What is happening? Why am I receiving this document?

A. Each of the AltShares Merger Arbitrage ETF and the AltShares Event-Driven ETF, each referred to as a "Target Fund," is merging into a corresponding Acquiring Fund, which is a newly-created shell vehicle created specifically for acquiring the assets and liabilities of the corresponding Target Fund. We refer to each transaction as a "Reorganization" and collectively as the "Reorganizations."

Reorganizations		
Each **Target Fund** will be reorganized into a corresponding **Acquiring Fund** as follows:		
<u>Target Funds</u> **(each a series of AltShares Trust)**	→	**<u>Acquiring Funds</u>** **(each series of The Arbitrage Funds)**
AltShares Merger Arbitrage ETF	→	AltShares Merger Arbitrage ETF, a newly-created series of The Arbitrage Funds ("New Merger Arbitrage ETF")
AltShares Event-Driven ETF	→	AltShares Event-Driven ETF, a newly-created series of The Arbitrage Funds ("New Event-Driven ETF")

Each Target Fund and its corresponding Acquiring Fund are advised by Water Island Capital, LLC ("Water Island" or the "Adviser") and have identical names, investment objectives, strategies, and risk profiles. The Target Funds are series of AltShares Trust and the Acquiring Funds are series of The Arbitrage Funds ("Acquiring Trust"). AltShares Trust and the Acquiring Trust (the "Trusts") are each organized as a Delaware statutory trust and are open-end management investment companies registered with the Securities and Exchange Commission (the "SEC").

The Board of Trustees of AltShares Trust (the "Board") has approved an Agreement and Plan of Reorganization and Termination between AltShares Trust and the Acquiring Trust (the "Reorganization Agreement"). The Reorganization Agreement provides, with respect to each Reorganization, for:

- the transfer of all the assets of each Target Fund to the corresponding Acquiring Fund in exchange solely for Acquiring Fund shares having an aggregate net asset value equal to the Target Fund's net assets and the Acquiring Fund's assumption of all the liabilities of the Target Fund;
- the distribution to the shareholders of those Acquiring Fund shares; and
- the complete termination of the Target Fund.

After the Reorganizations take place, only the Acquiring Funds will continue to operate.

You are receiving this document because, as of June 1, 2026, you were a shareholder in one or more Target Funds. **No shareholder vote is required for the Reorganizations. You do not need to take any action regarding your account. We are not asking you for a proxy or written consent, and you are requested not to send us a proxy or written consent.**

Q2. What is this document and why did we send it to you?

A. This is a Combined Information Statement/Prospectus that provides you with information about the Reorganization of each Target Fund. Each Target Fund is a series of AltShares Trust, and each corresponding Acquiring Fund is a series of the Acquiring Trust. Each Target Fund and its corresponding Acquiring Fund have the same name, pursue the same investment objective and operate with the same investment strategies and restrictions. There is no change in the investment adviser or portfolio managers. When the Reorganization is completed, your shares of a Target Fund will be exchanged for shares of the corresponding Acquiring Fund, and the Target Fund will be terminated as a series of AltShares Trust.

You are receiving this document because, as of June 1, 2026, you were a shareholder in one or more Target Funds.

Q3. Why are the Reorganizations occurring?

A. The Reorganizations are intended to combine all of the funds that are advised by Water Island into a single, larger trust, which is expected to eliminate redundancies associated with maintaining two separate trusts for these funds and to reduce the costs of administering and operating the funds that comprise the fund complex. While the expected efficiencies and savings will be modest and not likely to materially impact the current expense ratios for the Target Funds at the time of the Reorganizations, it is expected that these efficiencies will result in increased savings over time and will assist in optimizing the structure and operations of the fund complex.

After the Reorganizations, shareholders of each Target Fund will still be invested in an exchange traded fund with the same investment objective, strategies, policies and restrictions, operated by the same investment adviser and portfolio managers, at the same overall cost.

Each Reorganization is designed to be a non-taxable event for Fund shareholders.

Q4. When will the Reorganizations occur?

A. Water Island anticipates a Reorganization date on or about September 25, 2026 (the "Closing Date"). While this is the targeted date for the Reorganizations, this date could be delayed. The Target Funds will publicly disclose updates on material developments on the Reorganization process at www.altsharesetfs.com.

Q5. How will these Reorganizations affect me as a shareholder?

A. After the Reorganizations, shareholders of each Target Fund will still be invested in an exchange traded fund with the same name, investment objective, strategies, policies and restrictions, operated by the same investment adviser and portfolio managers, at the same overall cost.

In each Reorganization, all assets and liabilities of each Target Fund will be transferred to the corresponding newly-formed Acquiring Fund. You, as a shareholder of the Target Fund, will receive shares of the corresponding Acquiring Fund having an aggregate net asset value equal to the aggregate net asset value of the shares of the Target Fund that you owned at the time of the Reorganization. Shares of the Acquiring Fund will be transferred to each shareholder's brokerage account.

No physical share certificates will be issued to shareholders. After the Reorganization, each Target Fund shareholder will hold the same percentage of ownership in the corresponding Acquiring Fund as that shareholder held in the Target Fund prior to the Reorganization adjusted for cash distributions, if any.

Q6. Will the portfolio management of the Target Funds change?

A. No. Water Island Capital, LLC will remain as the investment adviser to each Acquiring Fund, and each Acquiring Fund will be managed using the same investment objective, policies, and restrictions currently used by the corresponding Target Fund. Each Acquiring Fund will continue to be managed in the same manner as the corresponding Target Fund and by the same portfolio managers.

Q7. Who will pay for the Reorganizations?

A. The costs of the Reorganizations will be borne by the Adviser, Water Island Capital, LLC. The costs associated with the Reorganizations will not affect the NAV of the Target Funds. The Adviser expects the costs associated with the Reorganizations will be approximately $100,000. This estimate includes all costs associated with the Reorganizations that can be estimated at this time. In addition, the Target Funds may incur brokerage commission costs and local transfer taxes associated with sales of securities in foreign markets that do not permit securities to be transferred "in-kind." Such costs are not anticipated to be reimbursed by the Adviser, and currently the Adviser expects such costs to be less than $5,000.

Q8. Has the Board of Trustees of the Target Funds approved the Reorganizations?

A. Yes, the Board of Trustees of AltShares Trust approved the Reorganizations at a meeting of the Board held on May 19, 2026. After careful consideration, the Board, including all of the Trustees who are not "interested persons" of the Target Funds (as defined in the Investment Company Act of 1940 (the "1940 Act")) (the "Independent Trustees"), determined that each Reorganization is in the best interests of each Target Fund and its shareholders and that the Target Fund's existing shareholders' interests will not be diluted as a result of the Reorganization. The corresponding Acquiring Funds do not have existing shareholders.

Q9. How do the fees of the Acquiring Funds compare to those of their corresponding Target Funds?

A. Each Acquiring Fund will operate with the same total annual fund operating expenses as its Target Fund. The Adviser has entered into an investment advisory agreement with respect to the Acquiring Fund. Pursuant to that advisory agreement, the Adviser, subject to certain limitations, pays substantially all of the operating expenses of the Acquiring Fund from the advisory fee it receives from the Acquiring Fund. This is known as a "unitary advisory fee." Each Acquiring Fund will pay the same unitary advisory fee as its corresponding Target Fund currently pays.

Q10. Will shareholders have to pay any sales load, commission or other similar fee in connection with the Reorganizations?

A. No. Shareholders will not pay any sales load, commission or other similar fee in connection with the Reorganizations. Neither the Target Funds nor the corresponding Acquiring Funds charge a sales load.

After the Reorganizations take place, shareholders of the Acquiring Funds will continue to be able to sell their shares on the Exchange in the secondary market. Such sales of shares take place through a broker, and some brokers charge commissions or other fees.

Q11. Will the Reorganizations result in any federal tax liability to me?

A. The Reorganizations are not expected to result in gain or loss being recognized for federal income tax purposes by either the Target Funds or the Acquiring Funds or by the shareholders of either the Target Funds or the Acquiring Funds. Each Reorganization is designed to be treated as a tax-free reorganization for federal income tax purposes. Thus, assuming that the parties comply with the terms of the Reorganization Agreement and supply appropriate representation letters, AltShares Trust will receive an opinion of counsel, with respect to each Reorganization, that the transaction will be a tax-free reorganization. The realized and unrealized gains, losses and net income for each Target Fund will carry over to the corresponding Acquiring Fund in the Reorganization and will continue to be distributed in a manner consistent with the Target Fund.

There is one caveat to this -- it is likely that the Fund will incur some capital gain in connection with the Reorganization due to the fact that the Target Fund may hold various instruments, as of the Closing Date, which cannot be transferred to the Acquiring Fund in-kind. Thus, in the Reorganization, the Target Fund will sell those instruments, which could result in a capital gain. The Acquiring Fund will receive the proceeds of any such sales.

Shareholders should consult their tax advisor about possible state and local tax consequences of the Reorganizations, if any, because the information about tax consequences in this document relates to the federal income tax consequences of the Reorganizations only.

Q12. What's the difference between AltShares Trust and The Arbitrage Funds?

A. After the Reorganizations, each Acquiring Fund will continue to carry the AltShares brand name rather than the Arbitrage Funds brand name. Water Island Capital, LLC will continue to serve as the investment adviser.

Each of the Acquiring Trust and AltShares Trust is a Delaware statutory trust. As such, each Trust's operations are governed by its Declaration of Trust (with respect to the Acquiring Trust) or Trust Instrument (with respect to AltShares Trust) and By-laws and applicable Delaware law. The operations of each Trust are also subject to the provisions of the Investment Company Act of 1940, as amended (the "1940 Act"), and the rules and regulations thereunder. The rights of shareholders of the Acquiring Funds are substantially similar to the rights of shareholders of the Target Funds. However, the Acquiring Trust and AltShares Trust are governed by different organizational documents, including a separate Declaration of Trust (or Trust Instrument). Among other differences, the Acquiring Trust's Declaration of Trust contains provisions requiring the affirmative vote of a majority of the Trust's or a series' interest holders in order to effectuate a merger of the Trust or a series. AltShares Trust's Trust Instrument permits such action to be taken by a majority of the Trustees and without a shareholder vote. In addition, AltShares Trust's Trust Instrument includes provisions (i) limiting the scope of the Trustees' fiduciary duties to the

Trust, series or shareholders to those imposed by applicable federal law and those included in the Declaration of Trust and (ii) setting forth certain procedural requirements with respect to the ability of a shareholder to bring a derivative action against the Trust. The Acquiring Trust's Declaration of Trust does not include these provisions. A summary of the similarities and differences between the Acquiring Trust's Declaration of Trust and AltShares Trust's Trust Instrument is provided in the Combined Information Statement/Prospectus in the section entitled "Shareholder Rights and Description of Securities to Be Issued."

You will be able to find information about the Reorganizations on the Target Funds' website at www.altsharesetfs.com. After the Reorganizations, you can get up-to-date information on the Acquiring Funds at www.altsharesetfs.com.

Q13. How do the share purchase and sale procedures of the Acquiring Funds compare to those of their corresponding Target Funds?

A. The share purchase and sale procedures of the Acquiring Funds are identical to those of the Target Funds. For more information concerning the purchase and sale of shares of the Target Funds and the Acquiring Funds, please see the "Comparison of Purchase and Sale Procedures" section below.

Q14. Are there any differences between the investment objectives, principal strategies and risks, or fundamental investment policies of the Target Funds and those of their corresponding Acquiring Funds?

A. No. Each Acquiring Fund has the same investment objective, principal strategies and risks, and fundamental investment policies as its corresponding Target Fund.

Q15. Can I purchase, redeem or sell shares of the Target Funds before the Reorganizations take place?

A. Yes. Before the Reorganizations take place, you may buy or sell shares of each Target Fund through your broker throughout the trading day like shares of any publicly traded issuer. Because the Target Fund shares trade at market prices rather than net asset value, shares may trade at a price greater than net asset value (premium) or less than net asset value (discount). 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 Fund shares in the secondary market (i.e., the bid-ask spread).

Any shares outstanding of a Target Fund as of September 25, 2026, the Closing Date, will be exchanged for shares of the corresponding Acquiring Fund.

Q16. What if I want to purchase or sell shares of the Acquiring Funds after the Reorganizations?

A. Each Target Fund and its corresponding Acquiring Fund operate as exchange traded funds. Accordingly, you will need to call your broker and place an order to sell the Acquiring Fund shares that you received in the Reorganization. Depending on your brokerage firm this may mean paying a commission.

Q17. Whom do I contact for further information?

A. You can contact your financial advisor for further information. You may also contact the Target Funds at (855) 955-1607. You may also visit our website at www.altsharesetfs.com.

THE REORGANIZATION OF ALTSHARES MERGER ARBITRAGE ETF, A SERIES OF ALTSHARES TRUST, INTO ITS CORRESPONDING NEW ALTSHARES MERGER ARBITRAGE ETF, A NEWLY-CREATED SERIES OF THE ARBITRAGE FUNDS.

Comparison of Fee Tables and Expense Examples

Fee Table

The following tables allow you to compare the shareholder fees and annual fund operating expenses as a percentage of the aggregate daily net assets of the Target Fund and the Acquiring Fund. For the Reorganization, the table below shows the Target Fund's fees and expenses based on the Target Fund's assets as of November 30, 2025 and actual expenses incurred. The Acquiring Fund is newly organized and has not had any operations of its own to date. The *pro forma* Acquiring Fund's expenses are estimated and assume that the Acquiring Fund will have the same assets as the Target Fund's assets as of November 30, 2025. **The Acquiring Fund (*Pro Forma*) column shows the fees and expenses that will apply going forward.**

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

AltShares Merger Arbitrage ETF	**Target Fund**	**Acquiring Fund (*Pro Forma*)**
Shareholder Fees (fees paid directly from your investment)	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)		
Management Fee	0.75%	0.75%
Distribution and/or Service (Rule 12b-1) Fees	None[1]	None[1]
Other Expenses	0.00%	0.00%[2]
Dividend on Short Positions and Interest Expense on Short Positions and/or Borrowings	0.00%	0.00%
All Remaining Other Expenses	None	None
Acquired Fund Fees and Expenses[3]	0.01%	0.01%
Total Annual Fund Operating Expenses	0.76%	0.76%

[1] Pursuant to a Rule 12b-1 Distribution and Service Plan (the "Plan"), the Fund may bear a Rule 12b-1 Fee not to exceed 0.25% per year of its average daily net assets. However, no such fee is currently paid by the Fund, and the Board of Trustees has not currently approved the commencement of any payments under the Plan.

[2] Estimate based on the expenses the Acquiring Fund expects to incur for the current fiscal year.

[3] Acquired Fund Fees and Expenses are expenses incurred indirectly by each fund through its ownership of shares in other investment companies.

Expense Example

This Example is intended to help you compare the cost of investing in the Target Fund with the cost of investing in the Acquiring Fund. The Example assumes that you invest $10,000 in each fund for the time periods indicated and then redeem or continue to hold 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 each Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

AltShares Merger Arbitrage ETF	1 Year	3 Years	5 Years	10 Years
Target Fund	$78	$243	$422	$942
Acquiring Fund (*pro forma*)	$78	$243	$422	$942

For the Reorganization, the projected post-reorganization *pro forma* annual fund operating expenses (shown above under the heading Fees and Expenses) and the *pro forma* expense example (shown above under the heading Expense Example) are based on material assumptions. Although these projections represent good faith estimates, there can be no assurance that any particular level of expenses or expense savings will be achieved because expenses depend on a variety of factors, including the future level of the Acquiring Fund's assets at the time the Acquiring Fund commences investment operations, many of which are beyond the control of the Adviser or the Acquiring Fund.

Comparison of Investment Objectives, Principal Investment Strategies, Principal Risks, and Fundamental Investment Policies

The Target Fund and the Acquiring Fund have the same investment objective, their principal investment strategies, principal risks, and fundamental investment policies are the same. The tables below compare these features of the Target Fund and the Acquiring Fund. For more detailed information about the Acquiring Fund's investment strategies and risks, see Appendix C.

Investment Objectives

AltShares Merger Arbitrage ETF	
Target Fund	Acquiring Fund
The Fund seeks to provide investment results that closely correspond, before fees and expenses, to the performance of its underlying index, the Water Island Merger Arbitrage USD Hedged Index (the "Underlying Index").	Same.

Principal Investment Strategies

AltShares Merger Arbitrage ETF	Target Fund	Acquiring Fund
The Fund seeks to track the performance of the Underlying Index, which is designed to reflect a global merger arbitrage strategy. The most common approach to merger arbitrage, and the approach the Underlying Index (and by extension the Fund) reflects, is to seek to capture the difference (the "spread") between the price at which the stock of a target company in a publicly announced merger, takeover, tender offer, or leveraged buy-out (the "Target") trades after the announcement of the acquisition and the price the acquiring company (the "Acquirer") has agreed to pay for the stock of the Target.	✓	✓
The Underlying Index is rebalanced and reconstituted twice per month. The Fund reconstitutes and rebalances on the same schedule as the Underlying Index. The Fund's investment adviser, Water Island Capital, LLC (the "Adviser"), generally expects the Underlying Index to include between 30-50 Targets at each reconstitution. To gain exposure to the Underlying Index, the Fund will establish long positions in shares of the Target stocks. When the terms of a transaction call for the exchange of an Acquirer's common stock, the Underlying Index, as a result of the index methodology, will include short exposure in the Acquirer's stock at the deal's exchange ratio. This short exposure is designed to lock in the current deal spread, and to hedge against the risk of a decline in the deal value as a result of a decline in the value of the Acquirer's stock. The Fund may invest in derivatives, such as swaps, to obtain exposure to long and short constituents of the Underlying Index.	✓	✓
The Underlying Index is comprised of securities of United States and foreign companies of any market capitalization, which may from time to time include small and medium capitalization companies. The Underlying Index is calculated in U.S. dollars. The Underlying Index hedges against fluctuations in the relative value of foreign currencies against the U.S. dollar. The Fund uses forward currency or futures contracts to effectuate these hedges in the Underlying Index. The amount of forward and futures contracts held by the Fund is based on the aggregate exposure of the Fund to each currency.	✓	✓
The Underlying Index may also include an allocation to cash-like instruments, such as money market and similar cash management funds and ultra short-term bond exchange-traded funds ("ETFs"). In addition, when a transaction closes, any allocation in the Underlying Index to the securities of the Target and/or Acquirer will be reallocated to such instruments. The Underlying Index generally only allocates to cash when there are an insufficient number of Targets for inclusion in the Underlying Index and when a transaction represented by a Target in the Underlying Index has been consummated or abandoned. Accordingly, cash allocations in the Underlying Index and Fund are generally removed	✓	✓

AltShares Merger Arbitrage ETF	Target Fund	Acquiring Fund
as part of each Underlying Index reconstitution, though cash allocations may continue to be included if there are an insufficient number of Targets.		
Under normal market conditions, the Fund will invest at least 80% of its net assets (including borrowings for investment purposes) in the constituents of the Underlying Index and in financial instruments with economic characteristics similar to such constituents, such as swaps on such constituents. Although the Fund expects to replicate (or hold all components of) the Underlying Index, the Fund reserves the right to use representative sampling to track the Underlying Index. The Fund may invest up to 20% of its net assets in instruments that are not included in the Underlying Index, but that the Adviser believes will help the Fund track the Underlying Index. The Fund may also invest in financial instruments, including swap agreements, futures contracts, ETFs, and options on securities or equity securities indices. With respect to derivatives, the Fund will invest principally in swaps and forward contracts on foreign currencies. The Fund will invest in other funds, such as money market and similar cash management funds and ultra short-term bond ETFs, only to reflect cash allocations by the Underlying Index.	✓	✓
The Fund is non-diversified. To the extent the Underlying Index is concentrated in a particular industry, the Fund is expected to be concentrated in that industry. As of August 30, 2025, the Underlying Index included 49 long positions and 16 short positions in companies with market capitalizations of between $280 million and $62 billion.	✓	✓
The Underlying Index was developed by Water Island Indices LLC (the "Index Provider"), an affiliate of the Adviser. The Index Calculation Agent is Solactive AG, which is not affiliated with the Index Provider, the Fund, or the Adviser. The Index Calculation Agent provides information to the Fund about the constituents of the Underlying Index and does not provide investment advice with respect to the desirability of investing in, purchasing or selling securities.		

Principal Risks

The principal risks for the Target Fund and the Acquiring Fund are the same, as shown in the table below. The table compares the principal risks of the investing in the Target Fund, as identified in the Target Fund's summary prospectus, with the principal risks of the Acquiring Fund, as identified in the Acquiring Fund's summary prospectus. The principal risks of the Acquiring Fund are not expected to change once the Reorganization occurs. As with all funds, investing in the Target Fund or the Acquiring Fund entails risks that could cause the Fund and the Fund's investors to lose money.

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
Merger Arbitrage Risk: The principal risk associated with the Fund’s merger arbitrage investment strategy is that the proposed reorganizations in which the Fund invests may not be completed or may be completed on less favorable terms than originally anticipated, in which case the Fund may realize losses.	✓	✓
Passive Investment Risk: The Fund is not actively managed, does not seek to “beat” the Underlying Index, and does not take temporary defensive positions when markets decline. Therefore, the Fund may not sell a security due to current or projected underperformance of a security, industry, or sector.	✓	✓
Short Sale Risk: The Fund may obtain short exposure by borrowing a security to sell or by trading a derivative instrument, such as a future, forward or swap. The Fund will suffer a loss if it sells a security short and the value of the security rises rather than falls. There is no theoretical ceiling to the price of a shorted security. Therefore, securities sold short have unlimited risk. Short sales also expose the Fund to the risk that it will be required to buy the security sold short (also known as “covering” the short position) at a time when the security has appreciated in value, thus resulting in a loss to the Fund. The Fund’s investment performance may also suffer if it is required to close out a short position earlier than it had intended. In addition, the Fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing. When the Fund sells a security short, it must maintain cash or high-grade securities equal to the margin requirement. As a result, the Fund may maintain high levels of cash or other liquid assets (such as U.S. Treasury bills, money market instruments, certificates of deposit, high quality commercial paper, and long equity positions). The need to maintain cash or other liquid assets could limit the Fund’s ability to pursue other opportunities as they arise. Short exposure generally introduces more risk to the Fund than long positions. It is also possible that the Fund’s long positions will decline in value at the same time that the value of its short positions increase, thereby increasing potential losses to the Fund.	✓	✓
Market Risk: The value of the Fund’s investments, and the net asset value (“NAV”) of the Fund, will fluctuate over time, sometimes rapidly and unpredictably. Market risk may affect a single issuer, an entire industry, or the market as a whole. Securities markets may experience short-term or even extended periods of heightened volatility and turmoil. These events could have an adverse effect on	✓	✓

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
the value of the Fund’s investments, and investors could lose money due to this price fluctuation. The value of a security may decline due to factors that are specifically related to a particular company, as well as general market conditions, such as real or perceived adverse economic or political conditions, inflation rates, changes in interest rates, or adverse investor sentiment. Geopolitical risks, including terrorism, war and sanctions, and environmental and public health risks (such as natural disasters, epidemics and pandemics), may add to instability in world economies and markets generally. This uncertainty could lead to corporate events such as mergers, acquisitions, and restructurings breaking. The extent and duration of such market disruptions cannot be predicted, but could magnify the impact of other risks to the Fund, could have a significant adverse impact on the Fund and its investments, and could result in increased volatility of the Fund’s NAV.		
High Portfolio Turnover Risk: The Fund’s strategy is expected to involve buying and selling portfolio securities frequently to rebalance the Fund’s investment exposures, which may increase brokerage commission costs and reduce performance. High portfolio turnover also exposes shareholders to a higher current realization of short-term gains, which could cause higher taxes.	✓	✓
Hedging Risk: Instruments used to hedge against an opposite position may offset losses, but they also may offset gains. Hedges may not be perfect or may not work as expected, adversely affecting performance.	✓	✓
Concentration Risk: If a large percentage of mergers or other corporate events taking place within the U.S. are within one industry over a given period of time, the Underlying Index may be concentrated in an industry or group of industries or sectors. Because the Fund’s assets are expected to be concentrated in an industry or group of industries or sectors to the same extent as the Underlying Index, the Fund is subject to loss due to adverse occurrences affecting that industry or group of industries or sectors. During such a period of concentration, the Fund may be subject to greater volatility than a fund that is more broadly diversified.	✓	✓
Sector Risk: The securities of companies in the same or related businesses (“sectors”), if comprising a significant portion of the Fund’s portfolio, may in some circumstances react negatively to market conditions, interest rates and economic, regulatory or financial developments, and may adversely affect the value of the Fund’s	✓	✓

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
portfolio, to a greater extent than if such securities comprised a lesser portion of the Fund's portfolio or if the Fund's portfolio was diversified across a greater number of sectors. Some sectors have particular risks that may not affect other sectors.		
Equity Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. Preferred stocks are subject to the risk that the dividend on the stock may be changed or omitted by the issuer, and that participation in the growth of an issuer may be limited.	✓	✓
Derivatives Risk: A derivative instrument (such as a forward contract, option (both written and purchased), or swap contract) typically involves leverage and provides exposure to potential gain or loss from a change in the market price of the underlying asset (or a basket of assets or an index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative instrument.	✓	✓
Adverse changes in the value or price of the underlying asset (or basket of assets or index), which the Fund may not directly own, can result in a loss to the Fund substantially greater than the amount invested in the derivative itself. The use of derivative instruments also exposes the Fund to additional risks and transaction costs.		
Swap Risk: The Fund may enter into total return swaps to gain investment exposure to the underlying security or securities in a more efficient or economically attractive manner than direct ownership. In a standard "swap" transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. Certain categories of swap agreements often have terms of greater than seven days and may be considered illiquid. Moreover, the Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. New and additional government regulation of the swap market could result in higher Fund costs and expenses and could adversely affect the Fund's ability, among other things, to terminate existing swap agreements or to realize amounts to be received under such agreements.	✓	✓
Foreign Securities Risk: The securities of foreign issuers may be less liquid and more volatile than securities of comparable U.S. issuers. Transaction costs may be higher in foreign countries than in the U.S.	✓	✓

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
The U.S. dollar value of foreign securities traded in foreign currencies (and any dividends and interest earned) held by the Fund may be affected favorably or unfavorably by changes in foreign currency exchange rates. Foreign governments and economies often are less stable and foreign companies may not be subject to the same regulatory requirements and accounting, auditing, and financial reporting standards of U.S. companies. As a consequence, there may be less publicly available information about such companies, which may negatively affect the value of foreign securities held by the Fund.		
Currency Risk: Fluctuations in exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment in the Fund. Adverse changes in exchange rates may erode or reverse any gains produced by foreign currency-denominated investments and may widen any losses. The return of the forward currency contracts and currency futures contracts utilized for currency hedging may not perfectly offset the actual fluctuations of the foreign currencies relative to the U.S. dollar and may prevent the Fund from realizing gains from an increase in the value of the currency. In addition to currency risk, currency forward/futures contracts may be susceptible to credit risk and other risks. Further, in order to minimize transaction costs, or for other reasons, the Fund’s exposure to non-U.S. currencies may not be hedged.	✓	✓
Counterparty Risk: The Fund may enter into various types of derivative contracts with a counterparty that may be privately negotiated in the over-the-counter market. These contracts involve exposure to credit risk because contract performance depends, in part, on the financial condition of the counterparty. If the creditworthiness of the counterparty declines, the Fund may not receive payments owed under the contract, or such payments may be delayed, and the value of the counterparty agreements can be expected to decline, potentially resulting in losses to the Fund.	✓	✓
ETF Risk: As an ETF, the Fund is subject to the following risks: Premium-Discount Risk: Shares may trade above or below their NAV. Accordingly, investors may pay more than NAV when purchasing shares or receive less than NAV when selling shares. Secondary Market Trading Risk: Investors buying or selling shares in the secondary market may pay bid-ask spreads, brokerage commissions or other charges, which may be a significant proportional cost for investors seeking to buy or sell shares. There can be no assurance that an active or liquid trading	✓	✓

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
market for shares will develop or be maintained or that the shares will continue to be listed. In addition, trading in shares on the Exchange may be halted.		
Cash Transactions Risk: The Fund may effect redemptions partly or wholly for cash, rather than through in-kind distributions of securities. Accordingly, the Fund may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds and it may recognize gains on sales of portfolio holdings. As a result, an investment in the Fund may be less tax-efficient than an investment in an ETF that primarily or wholly effects redemptions in-kind. Moreover, cash transactions may have to be carried out over several days if the securities markets are relatively illiquid at the time the Fund must sell securities and may involve considerable brokerage fees and taxes. These brokerage fees and taxes, which will be higher than if the Fund redeemed its shares principally in-kind, may be passed on to Authorized Participants ("APs") in the form of transaction fees. As a result, the spreads between the bid and the offered prices of the Fund's shares may be wider than those of shares of ETFs that primarily or wholly transact in-kind. International Closed Market Trading Risk: Because certain of the Fund's investments trade in markets that are closed when the Fund and Exchange are open, there are likely to be deviations between the current prices of such investments and the prices at which such investments are marked for purposes of the Fund's NAV. As a result, shares may appear to trade at a significant discount or premium to NAV. In addition, shareholders may not be able to purchase or redeem their shares of the Fund, or purchase or sell shares of the Fund on the Exchange, on days when the NAV of the Fund could be significantly affected by events in the relevant non-U.S. markets. Flash Crash Risk: Sharp price declines in securities owned by the Fund may trigger trading halts, which may result in the Fund's shares trading in the market at an increasingly large discount to NAV during part (or all) of a trading day or cause the Fund itself to halt trading. Authorized Participants Concentration Risk: The Fund may have a limited number of financial institutions that may act as APs. To the extent that those APs exit the business or are unable to process creation and/or redemption orders, shares may trade at a discount		

AltShares Merger Arbitrage ETF		
Principal Risks	Target Fund	Acquiring Fund
to NAV like closed-end fund shares and may face delisting from the Exchange.		
Small and Medium Capitalization Securities Risk: Securities issued by small and medium capitalization companies tend to be less liquid and more volatile than stocks of companies with relatively large market capitalizations. These securities may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small and medium sized companies may have limited product lines, markets, and financial resources, and may depend upon a relatively small management group.	✓	✓
Investment Company and ETF Risk: Investing in securities issued by other investment companies, including ETFs, involves risks similar to those of investing directly in the securities and other assets held by the investment company or ETF. The Fund will indirectly bear its pro rata share of the fees and expenses incurred by a fund it invests in, including advisory fees. These expenses are in addition to the advisory and other expenses that the Fund bears directly in connection with its own operations.	✓	✓
Non-Diversification Risk: The Fund is non-diversified, which means that it may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the Fund's performance may be more vulnerable to changes in market value of a single issuer or group of issuers and more susceptible to risks associated with the occurrence of adverse events affecting a particular issuer than a diversified fund.	✓	✓
Tracking Error Risk: Tracking error is the divergence of the Fund's performance from that of the Underlying Index, which may be due to the Fund's use of representative sampling or other differences between the Fund's and Underlying Index's holdings, transaction and operating costs, and security valuation procedures. This risk is heightened during times of market volatility.	✓	✓
Large Shareholder Risk: Certain shareholders, including the Adviser or an affiliate of the Adviser, may own a substantial amount of the Fund's shares. Redemptions by large shareholders could have a significant negative impact on the Fund and transactions by large shareholders may account for a large percentage of the trading volume on the Exchange and may, therefore, have a material upward or downward effect on the market price of the shares.	✓	✓

Fundamental Investment Policies

The Acquiring Fund will have the same fundamental investment policies as the Target Fund. The table below compares the Funds' fundamental investment policies. A Fund's fundamental investment policies and limitations may be changed only with the consent of a "majority of the outstanding voting securities" of the Fund. The term "majority of the outstanding voting securities" means the lesser of: (1) 67% of the shares of a fund present at a meeting where the holders of more than 50% of the outstanding shares of a fund are present in person or by proxy, or (2) more than 50% of the outstanding shares of a fund. Shares of a Fund will be voted separately on matters affecting only the Fund, including approval of changes in the fundamental investment policies of the Fund. Except for the fundamental investment limitations identified below, each Fund's investment policies and limitations described in this Information Statement/Prospectus are not fundamental and may be changed without shareholder approval.

AltShares Merger Arbitrage ETF	
Target Fund	Acquiring Fund
1. The Fund may not borrow money, except to the extent permitted by the 1940 Act, the rules, regulations, and interpretations thereunder and any applicable exemptive relief.	Same.
2. The Fund may not issue senior securities, except to the extent permitted by the 1940 Act, the rules, regulations, and interpretations thereunder and any applicable exemptive relief.	Same.
3. The Fund may not engage in the business of underwriting securities except to the extent that the Fund may be considered an underwriter within the meaning of the 1933 Act in the acquisition, disposition or resale of its portfolio securities or in connection with investments in other investment companies, or to the extent otherwise permitted under the 1940 Act, the rules, regulations, and interpretations thereunder and any applicable exemptive relief.	Same.
4. The Fund may not purchase the securities of any issuer (other than securities issued or guaranteed by the U.S. government, or any non-U.S. government, or their respective agencies or instrumentalities) if, as a result, more than 25% of the Fund's total assets would be invested in the securities of companies whose principal business activities are in the same industry, except that the Fund will invest more than 25% of its total assets in securities of the same industry to approximately the same extent that the Fund's Underlying Index concentrates in the securities of a particular industry.	Same.
5. The Fund may not purchase or sell real estate, except to the extent permitted under the 1940 Act, the rules, regulations, and interpretations thereunder and any applicable exemptive relief (but this shall not prevent the Fund from investing in securities or other instruments backed by real estate, real estate investment trusts or securities of companies engaged in the real estate business).	Same.
6. The Fund may not purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments (but this shall not prevent the Fund from purchasing or selling options and futures contracts or from investing in	Same.

AltShares Merger Arbitrage ETF	
Target Fund	Acquiring Fund
issuers engaged in the commodities business or securities or other instruments backed by physical commodities).	
7. The Fund may not make loans, except to the extent permitted under the 1940 Act, the rules, regulations, and interpretations thereunder and any applicable exemptive relief. This limitation does not apply to purchases of debt securities or to repurchase agreements, or to acquisitions of loans, loan participations or other forms of debt instruments permissible under the Fund's investment policies.	Same.

Comparison of Portfolio Turnover

Each of the Target Fund and its corresponding Acquiring Fund pays transaction costs, such as commissions, when the Fund buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example above, affect a fund's performance. The following table shows the Target Fund's portfolio turnover rate for the six-month fiscal period ended November 30, 2025 and for the fiscal year ended May 31, 2025. No portfolio turnover rate is shown for the corresponding Acquiring Fund because it is not yet operational. The Adviser expects the portfolio turnover rate for the Acquiring Fund to be comparable to the rate for the corresponding Target Fund.

Target Fund - AltShares Merger Arbitrage ETF	Portfolio Turnover Rate (six-month fiscal period ended November 30, 2025)	Portfolio Turnover Rate (fiscal year ended May 31, 2025)
	212%	431%

Comparison of Fund Performance

For the Reorganization, the Acquiring Fund will be the surviving legal entity, and the Acquiring Fund will adopt the accounting history of its predecessor Target Fund. As of the date of this Information Statement, the Acquiring Fund has not commenced operations and, therefore, does not have calendar year performance information. As a result, the Acquiring Fund will assume the performance history of the Target Fund when the Reorganization closes.

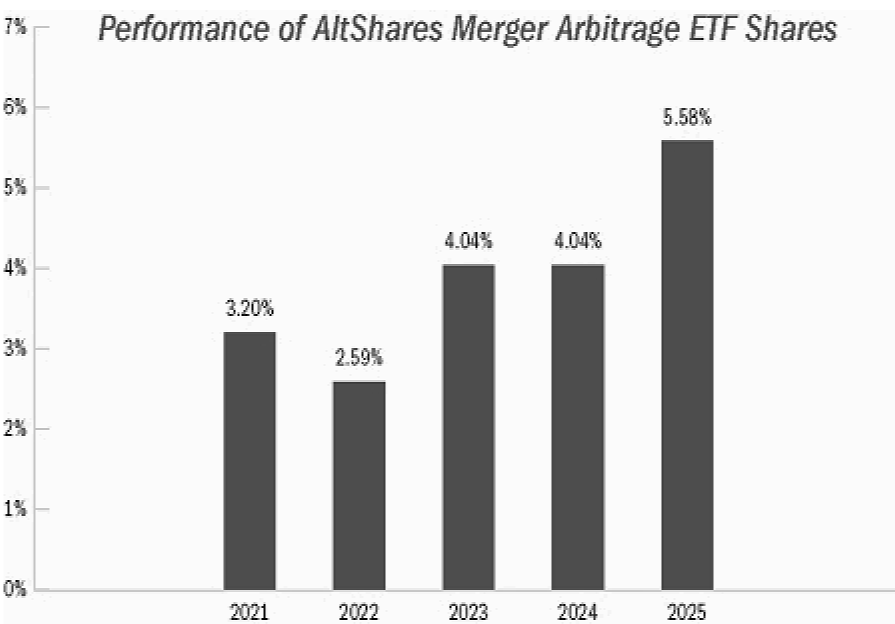
The following performance information indicates some of the risks of investing in the Target Fund through the time periods shown. Because the Acquiring Fund will assume the performance history of the Target Fund in the Reorganization, the following performance information also indicates some of the risks of investing in the Acquiring Fund.

The bar chart shows the Target Fund's performance for the calendar years ended December 31. The annual returns bar chart demonstrates the risks of investing in the Acquiring Fund by showing how the predecessor Target Fund's performance has varied from year to year.

The table illustrates how the Target Fund's average annual returns for the 1-year, 5-year and since inception periods compare with those of with those of the Standard & Poor's 500® Index, Water Island Merger Arbitrage USD Hedged Index, ICE BofA U.S. 3-Month Treasury Bill Index and the Bloomberg U.S. Aggregate Bond Index. Unlike the Target Fund's returns, these index returns do not reflect any deductions for fees, expenses or taxes.

The table also presents the impact of taxes on the returns of the Fund's shares. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. Return after taxes on distributions measures the effect of taxable distributions, but assumes the underlying shares are held for the entire period. Return after taxes on distributions and sale of Fund shares shows the effect of both taxable distributions and any taxable gain or loss that would be realized if the underlying shares were purchased at the beginning and sold at the end of the period (for purposes of the calculation, it is assumed that income dividends and capital gain distributions are reinvested at net asset value and that the entire account is redeemed at the end of the period, including reinvested amounts). The Fund's return after taxes on distributions and sale of Fund shares may be higher than its returns before taxes or its returns after taxes on distributions because it may include a tax benefit resulting from the capital losses that would have been incurred.

The performance shown reflects voluntary fee waivers for the Target Fund, which had a positive effect on performance and may be discontinued at any time. Without such voluntary fee waivers, performance would have been lower. The Target Fund's past performance, before and after taxes, does not necessarily indicate how it will perform in the future. Updated performance information is available on the Fund's Website at www.altsharesetfs.com/arb or by calling the Fund toll-free at (855) 955-1607.



During the period shown in the bar chart, the best performance for a quarter was 3.27% (for the quarter ended September 30, 2023). The worst performance was (1.43)% (for the quarter ended June 30, 2022). The year-to-date return through March 31, 2026 is 1.24%.

Average Annual Total Returns as of 12/31/2025	One year	Five Years	Since Inception*
AltShares Merger Arbitrage ETF			
Return Before Taxes	5.58%	3.88%	4.18%
Return After Taxes on Distributions	5.46%	3.45%	3.59%
Return After Taxes on Distributions and Sale of Fund Shares	3.37%	2.83%	3.00%
Standard & Poor's 500® Index (reflects no deduction for fees, expenses, or taxes)**	17.88%	14.42%	18.55%
Water Island Merger Arbitrage USD Hedged Index ***	6.87%	5.22%	5.54%
ICE BofA U.S. 3-Month Treasury Bill Index (reflects no deduction for fees, expenses, or taxes)****	4.18%	3.17%	2.81%
Bloomberg U.S. Aggregate Bond Index*****	7.30%	(0.36)%	0.19%

* *The Target Fund's inception date is May 7, 2020.*

** *The Standard and Poor's 500® Index, or simply the S&P 500, is a stock market index tracking the performance of 500 large companies listed on stock exchanges in the U.S.*

*** *The Water Island Merger Arbitrage USD Hedged Index is the Fund's Underlying Index and is most representative of the Fund's risk and return and investment style. The Fund seeks to track the performance of the Underlying Index. The Water Island Merger Arbitrage USD Hedged Index is designed to reflect a global merger arbitrage strategy investing in definitive, publicly announced mergers and acquisitions and is comprised of securities of U.S. and foreign companies of any market capitalization, which may from time to time include small and medium capitalization companies.*

**** *The ICE BofA U.S. 3-Month Treasury Bill Index tracks the performance of the U.S. Treasury Bills publicly issued in the U.S. domestic market with a remaining term to final maturity of less than 3 months.*

***** *The Bloomberg U.S. Aggregate Bond Index is a market value-weighted index of investment grade fixed-rated debt issues, including government, corporate, asset-backed and mortgage-backed securities with a maturity of one year or more. The indexes are calculated on a total-return basis, are unmanaged and are not available for direct investment. The indexes reflect no deduction for fees, expenses, or taxes. The Standard & Poor's 500® Index, the ICE BofA U.S. 3-Month Treasury Bill Index and the Bloomberg U.S. Aggregate Bond Index are not intended to, and do not, parallel the risk or investment style of the Fund's investment strategy.*

Capitalization

The following tables set forth, as of November 30, 2025 (a) the unaudited capitalization of the Target Fund's shares and (b) the unaudited *pro forma* combined capitalization of the Acquiring Fund assuming the Reorganization has taken place. The Acquiring Fund is a newly-created shell fund that will commence operations upon the closing of the Reorganization. The Target Fund will be the accounting survivor for financial statement purposes. The capitalizations are likely to be different on the Closing Date as a result of daily Target Fund share purchase, sale and market activity.

	Net Assets	Shares Outstanding	Net Asset Value Per Share
AltShares Merger Arbitrage ETF (Target Fund)	$98,243,113	3,384,000	$29.03
New AltShares Merger Arbitrage ETF (Acquiring Fund) (*Pro forma*)*	$98,243,113	3,384,000	$29.03

* Reflects the estimated *pro forma* capitalization of the Acquiring Fund at November 30, 2025 as though the Reorganization had occurred on November 30, 2025 and is for informational purposes only. No assurance can be given as to how many shares of the Acquiring Fund will be received by the shareholders of the Target Fund on the date the Reorganization takes place, and the foregoing should not be relied upon to reflect the number of shares of the Acquiring Fund that actually will be received on or after such date.

THE REORGANIZATION OF ALTSHARES EVENT-DRIVEN ETF, A SERIES OF ALTSHARES TRUST, INTO ITS CORRESPONDING NEW ALTSHARES EVENT-DRIVEN ETF, A NEWLY-CREATED SERIES OF THE ARBITRAGE FUNDS.

Comparison of Fee Tables and Expense Examples

Fee Table

The following tables allow you to compare the shareholder fees and annual fund operating expenses as a percentage of the aggregate daily net assets of the Target Fund and the Acquiring Fund. For the Reorganization, the table below shows the Target Fund's fees and expenses based on the Target Fund's assets as of November 30, 2025 and actual expenses incurred. The Acquiring Fund is newly organized and has not had any operations of its own to date. The *pro forma* Acquiring Fund's expenses are estimated and assume that the Acquiring Fund will have the same assets as the Target Fund's assets as of November 30, 2025. **The Acquiring Fund (*Pro Forma*) column shows the fees and expenses that will apply going forward.**

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

AltShares Event-Driven ETF	Target Fund	Acquiring Fund (*Pro Forma*)
Shareholder Fees (fees paid directly from your investment)	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)		
Management Fee	1.25%	1.25%
Distribution and/or Service (Rule 12b-1) Fees	None[1]	None[1]
Other Expenses	0.06%	0.06%[2]
Dividend on Short Positions and Interest Expense on Short Positions and/or Borrowings	0.05%	0.05%
All Remaining Other Expenses	0.01%	0.01%
Acquired Fund Fees and Expenses[3]	0.02%	0.02%
Total Annual Fund Operating Expenses	1.33%	1.33%

[1] Pursuant to a Rule 12b-1 Distribution and Service Plan (the "Plan"), the Fund may bear a Rule 12b-1 Fee not to exceed 0.25% per year of its average daily net assets. However, no such fee is currently paid by the Fund, and the Board of Trustees has not currently approved the commencement of any payments under the Plan.

[2] Estimate based on the expenses the Acquiring Fund expects to incur for the current fiscal year.

[3] Acquired Fund Fees and Expenses are expenses incurred indirectly by each fund through its ownership of shares in other investment companies.

Expense Example

This Example is intended to help you compare the cost of investing in the Target Fund with the cost of investing in the Acquiring Fund. The Example assumes that you invest $10,000 in each fund for the time periods indicated and then redeem or continue to hold 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 each fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

AltShares Event-Driven ETF	1 Year	3 Years	5 Years	10 Years
Target Fund	$135	$421	$729	$1,601
Acquiring Fund (*pro forma*)	$135	$421	$729	$1,601

For the Reorganization, the projected post-reorganization *pro forma* annual fund operating expenses (shown above under the heading Fees and Expenses) and the *pro forma* expense example (shown above under the heading Expense Example) are based on material assumptions. Although these projections represent good faith estimates, there can be no assurance that any particular level of expenses or expense savings will be achieved because expenses depend on a variety of factors, including the future level of the Acquiring Fund's assets at the time the Acquiring Fund commences investment operations, many of which are beyond the control of the Adviser or the Acquiring Fund.

Comparison of Investment Objectives, Principal Investment Strategies, Principal Risks, and Fundamental Investment Policies

The Target Fund and the Acquiring Fund have the same investment objectives and their principal investment strategies, principal risks, and fundamental investment policies are the same. The tables below compare these features of the Target Fund and the Acquiring Fund. For more detailed information about the Acquiring Fund's investment strategies and risks, see Appendix C.

Investment Objectives

AltShares Event-Driven ETF	
Target Fund	Acquiring Fund
The Fund seeks to achieve capital appreciation over a full market cycle with lower volatility than the broad equity market.	Same.

Principal Investment Strategies

AltShares Event-Driven ETF	Target Fund	Acquiring Fund
To pursue its investment objective, the Fund employs a "long/short" event-driven strategy, which seeks to profit by investing, long and/or short, in the equity and debt securities of companies whose prices Water Island Capital, LLC (the "Adviser") believes are or will be impacted by a publicly announced or anticipated corporate event. The strategy may invest both long and short across various industries/sectors, market capitalizations, and credit qualities, and in both U.S. and foreign securities, seeking what the Adviser believes are the most favorable event opportunities across the globe. By focusing on event opportunities, the Adviser aims to generate a return profile that is more correlated to the outcomes of each idiosyncratic event rather than the overall direction of broader equity and credit markets.	✓	✓
Corporate events may take the form of "hard" catalysts or "soft" catalysts as described below. The Fund may invest in both hard and soft catalysts, though under normal market conditions the Adviser expects to focus on hard catalyst events – predominantly definitive merger arbitrage investments. Other approaches to event-driven investing in which the Adviser may engage include special situations and other types of arbitrage trades, such as convertible arbitrage and capital structure arbitrage. The Fund will invest in catalysts without bias toward a company's capital structure, allowing the Fund to position its investments in both equity and credit instruments, selecting whichever security the Adviser believes offers the greatest reward-to-risk ratio for a given event opportunity.	✓	✓
Hard Catalysts: Investment opportunities predicated on hard catalysts tend to be characterized by more definitive outcomes, shorter timelines, and lower levels of volatility. The most common example of a hard catalyst is definitive, publicly announced mergers and acquisitions ("M&A") whereby a legally binding merger agreement is in place, but hard catalysts may also take other forms including, but not limited to, Dutch tenders (whereby an offer is made to purchase securities within a given price range through an auction structure, wherein shareholders are invited to sell shares over a specific time period by specifying the lowest price within the range that they will accept), yield-to-call opportunities (whereby a company or other entity's callable bonds are purchased and held until the next anticipated call date, at which point they may be redeemed prior to maturity), and spin-offs (pre-completion, whereby a company has announced its intent to separate its business into two or more separately traded independent entities, which may be able to unlock more shareholder value on a standalone rather than combined basis).	✓	✓

AltShares Event-Driven ETF	Target Fund	Acquiring Fund
Soft Catalysts: Investment opportunities predicated on soft catalysts tend to be characterized by less certain outcomes, longer timelines, and greater levels of risk – though also commensurate greater potential reward. Examples of soft catalysts include a broad range of events spurred by company-specific, industry-wide, or broad economic conditions such as speculated M&A (whereby certain M&A are anticipated, rumored or in negotiations but are not yet definitive), asset sales, spin-offs (post-completion, whereby a company has completed the separation of its business into two or more separately traded independent entities), turnaround plans, management changes, activist campaigns, transformational M&A (post-completion), corporate levering/de-levering, credit refinancings, recapitalizations, restructurings, and other corporate reorganizations and re-rating opportunities.	✓	✓
The Adviser generally engages in active and frequent trading of portfolio securities to achieve the Fund's principal investment objective. The Adviser generally seeks to maintain a fully invested portfolio; however, for various reasons, there may be times when the Fund may hold a significant portion of its assets in cash or cash equivalents, including money market and similar cash management funds, money market instruments such as Treasury bills, and other short-term or temporary investments. Such instances may occur for defensive purposes in response to adverse market, economic, political, or other conditions; to preserve the Fund's ability to capitalize quickly on new market opportunities; because the Adviser has determined to obtain investment exposure through derivative instruments instead of direct cash investments; or for other reasons, such as after a period in which several catalysts held by the Fund close in a similar timeframe, yet before capital is redeployed to other opportunities.	✓	✓
In addition, the Fund will hold a higher percentage of its assets in long positions (i.e., the Fund will be "net long"). The Fund's net long exposure may exceed 100% of the Fund's net assets.	✓	✓
The Fund may maintain long and short positions through the use of derivative instruments, including swap agreements, options, futures, and forward contracts, without investing directly in the underlying asset. The Fund may use derivative instruments to attempt to both increase the return of the Fund and hedge (protect) the value of the Fund's assets. Investments in derivative instruments may have the economic effect of creating financial leverage in the Fund's portfolio because such investments may give rise to exposures that exceed the Fund's total assets and may result in losses that exceed the amount the Fund invested. Financial leverage will magnify, sometimes significantly, the Fund's exposure to any increase or decrease in prices associated with a particular reference asset resulting in increased volatility in the value of the Fund's	✓	✓

AltShares Event-Driven ETF	Target Fund	Acquiring Fund
portfolio. The Fund may invest in convertible and non-convertible debt securities, including high yield debt securities, also known as “junk bonds.” Furthermore, the Fund may invest in exchange-traded funds (“ETFs”).		
The Fund is not limited with respect to issuer, geography, market capitalization, credit quality, sector or industry. The Fund is non-diversified, which means that it may invest a greater portion of its assets in one or a limited number of issuers and may invest overall in a smaller number of issuers than a diversified fund.	✓	✓

Principal Risks

The principal risks for the Target Fund and the Acquiring Fund are the same, as shown in the table below. The table compares the principal risks of the investing in the Target Fund, as identified in the Target Fund’s summary prospectus, with the principal risks of the Acquiring Fund, as identified in the Acquiring Fund’s summary prospectus. The principal risks of the Acquiring Fund are not expected to change once the Reorganization occurs. As with all funds, investing in the Target Fund or the Acquiring Fund entails risks that could cause the Fund and the Fund’s investors to lose money.

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
Merger Arbitrage Risk: The principal risk associated with the Fund’s merger arbitrage investment strategy is that the proposed corporate reorganizations in which the Fund invests may not be completed or may be completed on less favorable terms than originally anticipated, in which case the Fund may realize losses.	✓	✓
Short Sale Risk: The Fund may obtain short exposure by borrowing a security to sell or by trading a derivative instrument, such as a future, forward or swap. The Fund will suffer a loss if it sells a security short and the value of the security rises rather than falls. There is no theoretical ceiling to the price of a shorted security. Therefore, securities sold short have unlimited risk. Short sales also expose the Fund to the risk that it will be required to buy the security sold short (also known as “covering” the short position) at a time when the security has appreciated in value, thus resulting in a loss to the Fund. The Fund’s investment performance may also suffer if it is required to close out a short position earlier than it had intended. In addition, the Fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing. When the Fund sells a security short, it must maintain cash or high-grade	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
securities equal to the margin requirement. As a result, the Fund may maintain high levels of cash or other liquid assets (such as U.S. Treasury bills, money market instruments, certificates of deposit, high quality commercial paper, and long equity positions). The need to maintain cash or other liquid assets could limit the Fund's ability to pursue other opportunities as they arise. Short exposure generally introduces more risk to the Fund than long positions. It is also possible that the Fund's long positions will decline in value at the same time that the value of its short positions increase, thereby increasing potential losses to the Fund.		
Event-Driven Risk: Event-driven investments involve the risk that certain of the events driving the investment may not happen or the market may react differently than expected to the anticipated transaction. In addition, although an event may occur or is announced, it may be renegotiated, terminated, or involve a longer time frame than originally contemplated. Event-driven investment transactions are also subject to the risk of overall market movements. Any one of these risks could cause the Fund to experience investment losses, impacting its shares negatively.	✓	✓
Special Situations Risk: The Fund may seek to benefit from "special situations," such as mergers, acquisitions, consolidations, bankruptcies, liquidations, reorganizations, restructurings, tender or exchange offers, or other unusual events expected to affect a particular issuer. Investing in special situations carries the risk that certain of such situations may not happen as anticipated or the market may react differently than expected to such situations. The securities of companies involved in special situations may be more volatile than other securities, may at times be illiquid, or may be difficult to value. Certain special situations carry the additional risks inherent in difficult corporate transitions and the securities of such companies may be more likely to lose value than the securities of more stable companies.	✓	✓
Active Management Risk: The Fund is an actively managed investment portfolio and is therefore subject to management risk. The Adviser will apply its investment and risk analysis in making investment decisions for the Fund, but there is no guarantee that these decisions will produce the intended results.	✓	✓
Market Risk: The value of the Fund's investments, and the net asset value ("NAV") of the Fund, will fluctuate over time, sometimes rapidly and unpredictably. Market risk may affect a single issuer, an entire industry, or the market as a whole.	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
Securities markets may experience short-term or even extended periods of heightened volatility and turmoil. These events could have an adverse effect on the value of the Fund's investments, and investors could lose money due to this price fluctuation. The value of a security may decline due to factors that are specifically related to a particular company, as well as general market conditions, such as real or perceived adverse economic or political conditions, inflation rates, changes in interest rates, or adverse investor sentiment. Geopolitical risks, including terrorism, war and sanctions, and environmental and public health risks (such as natural disasters, epidemics and pandemics), may add to instability in world economies and markets generally. This uncertainty could lead to corporate events such as mergers, acquisitions, and restructurings breaking, forcing the Fund to allocate assets to other strategies. The extent and duration of such market disruptions cannot be predicted, but could magnify the impact of other risks to the Fund, could have a significant adverse impact on the Fund and its investments, and could result in increased volatility of the Fund's NAV.		
High Portfolio Turnover Risk: The Fund normally expects to engage in active and frequent trading and expects to have a high portfolio turnover rate (over 100%). This may increase the Fund's brokerage commission costs, which would reduce performance. Rapid portfolio turnover also exposes shareholders to a higher current realization of short-term gains which could cause you to pay higher taxes.	✓	✓
Hedging Risk: Instruments used to hedge against an opposite position may offset losses, but they also may offset gains. Hedges may not be perfect or may not work as expected, adversely affecting performance. The success of the Fund's hedging strategies will be subject to the Adviser's ability to assess correctly the degree of correlation between the performance of the instruments used in the hedging strategies and the performance of the investments in the Fund's portfolio being hedged. Hedging transactions involve the risk of imperfect correlation. Imperfect correlation may prevent the Fund from achieving the intended hedge or expose the Fund to risk of loss. Hedging transactions also limit the opportunity for gain if the value of a hedged portfolio position should increase.	✓	✓
Concentration Risk: If a large percentage of mergers or other corporate events taking place within the U.S. are within one		

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
industry over a given period of time, the Fund may invest a large portion of its assets in securities of issuers in a single industry for that period of time. During such a period of concentration, the Fund may be subject to greater volatility with respect to its portfolio securities than a fund that is more broadly diversified.	✓	✓
Sector Risk: The securities of companies in the same or related businesses (“sectors”), if comprising a significant portion of the Fund’s portfolio, may in some circumstances react negatively to market conditions, interest rates and economic, regulatory or financial developments, and may adversely affect the value of the Fund’s portfolio, to a greater extent than if such securities comprised a lesser portion of the Fund’s portfolio or if the Fund’s portfolio was diversified across a greater number of sectors. Some sectors have particular risks that may not affect other sectors.	✓	✓
Equity Risk: Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. Preferred stocks are subject to the risk that the dividend on the stock may be changed or omitted by the issuer, and that participation in the growth of an issuer may be limited.	✓	✓
Derivatives Risk: In general, a derivative instrument typically involves leverage and provides exposure to potential gain or loss from a change in the market price of the underlying asset (or a basket of assets or an index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative instrument. Adverse changes in the value or price of the underlying asset (or basket of assets or index), which the Fund may not directly own, can result in a loss to the Fund substantially greater than the amount invested in the derivative itself. The use of derivative instruments also exposes the Fund to additional risks and transaction costs. Derivative instruments come in many varieties and may include forward contracts, options (both written and purchased), and swap contracts.	✓	✓
Swap Risk: The Fund may enter into total return swaps to gain investment exposure to the underlying security or securities in a more efficient or economically attractive manner than direct ownership. In a standard “swap” transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. The Fund may use swaps for any investment purpose, including as part of a merger arbitrage or event-driven strategy involving	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
pending corporate reorganizations. Certain categories of swap agreements often have terms of greater than seven days and may be considered illiquid. Moreover, the Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The swaps market is subject to extensive regulation under the Dodd-Frank Act and certain Securities and Exchange Commission and Commodity Futures Trading Commission rules promulgated thereunder. It is possible that developments in the swaps market, including new and additional government regulation, could result in higher Fund costs and expenses and could adversely affect the Fund's ability, among other things, to terminate existing swap agreements or to realize amounts to be received under such agreements.		
Credit Risk: Credit risk refers to the possibility that the issuer of the security will not be able to make interest or principal payments when due. The Fund may invest in convertible and non-convertible debt securities, including high yield debt securities, also known as "junk bonds." Investments in junk bonds are subject to greater credit risks than securities with credit ratings above investment grade and have a greater risk of default than investment grade debt securities. Junk bonds are less sensitive to interest rate changes than higher credit quality instruments and generally are more sensitive to adverse economic changes or individual corporate developments.	✓	✓
Counterparty Risk: The Fund may enter into various types of derivative contracts with a counterparty that may be privately negotiated in the over-the-counter market. These contracts involve exposure to credit risk, because contract performance depends, in part, on the financial condition of the counterparty. If a privately negotiated over-the-counter contract calls for payments by the Fund, the Fund must be prepared to make such payments when due. In addition, if the creditworthiness of the counterparty declines, the Fund may not receive payments owed under the contract, or such payments may be delayed and the value of agreements with the counterparty can be expected to decline, potentially resulting in losses to the Fund.	✓	✓
Temporary Investment/Cash Management Risk: The Fund may hold a significant portion of its assets in cash, money market or similar cash management funds, or short-term investments for temporary defensive purposes in response to adverse market,	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
economic, political or other conditions, to preserve the Fund's ability to capitalize quickly on new market opportunities or for other reasons, such as because the Adviser has determined to obtain investment exposure through derivative instruments instead of direct cash investments. These investments may include money market instruments such as Treasury bills, securities issued by the U.S. Government, its agencies or instrumentalities, bankers' acceptances, commercial paper, and repurchase agreements for the above securities, and investment companies that invest primarily in such instruments. To the extent the Fund maintains cash or holds short-term investments, the Fund may not achieve its investment objective and may also be subject to additional risks, including market, interest rate, and credit risk.		
ETF Risk: As an ETF, the Fund is subject to the following risks: Premium-Discount Risk: Shares may trade above or below their NAV. Accordingly, investors may pay more than NAV when purchasing shares or receive less than NAV when selling shares. Secondary Market Trading Risk: Investors buying or selling shares in the secondary market may pay bid-ask spreads, brokerage commissions or other charges, which may be a significant proportional cost for investors seeking to buy or sell shares. There can be no assurance that an active or liquid trading market for shares will develop or be maintained or that the shares will continue to be listed. In addition, trading in shares on the Exchange may be halted. Cash Transactions Risk: The Fund may effect redemptions partly or wholly for cash, rather than through in-kind distributions of securities. Accordingly, the Fund may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds and it may recognize gains on sales of portfolio holdings. As a result, an investment in the Fund may be less tax-efficient than an investment in an ETF that primarily or wholly effects redemptions in-kind. Moreover, cash transactions may have to be carried out over several days if the securities markets are relatively illiquid at the time the Fund must sell securities and may involve considerable brokerage fees and taxes. These brokerage fees and taxes, which will be higher than if the Fund redeemed its shares principally in-kind, may be passed on to Authorized Participants ("APs") in the form of transaction fees. As a result,	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
the spreads between the bid and the offered prices of the Fund's shares may be wider than those of shares of ETFs that primarily or wholly transact in-kind. International Closed Market Trading Risk: Because certain of the Fund's investments trade in markets that are closed when the Fund and Exchange are open, there are likely to be deviations between the current prices of such investments and the prices at which such investments are marked for purposes of the Fund's NAV. As a result, shares may appear to trade at a significant discount or premium to NAV. In addition, shareholders may not be able to purchase or redeem their shares of the Fund, or purchase or sell shares of the Fund on the Exchange, on days when the NAV of the Fund could be significantly affected by events in the relevant non-U.S. markets. Flash Crash Risk: Sharp price declines in securities owned by the Fund may trigger trading halts, which may result in the Fund's shares trading in the market at an increasingly large discount to NAV during part (or all) of a trading day or cause the Fund itself to halt trading.		
Authorized Participants Concentration Risk: The Fund may have a limited number of financial institutions that may act as APs. To the extent that those APs exit the business or are unable to process creation and/or redemption orders, Shares may trade at a discount to NAV like closed-end fund shares and may face delisting from the Exchange.		
Small and Medium Capitalization Securities Risk: Securities issued by small and medium capitalization companies tend to be less liquid and more volatile than stocks of companies with relatively large market capitalizations. These securities may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small and medium sized companies may have limited product lines, markets, and financial resources, and may depend upon a relatively small management group.	✓	✓
Investment Company and ETF Risk: Investing in securities issued by other investment companies, including ETFs, involves risks similar to those of investing directly in the securities and other assets held by the investment company or ETF. The Fund will	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
indirectly bear its pro rata share of the fees and expenses incurred by a fund it invests in, including advisory fees. These expenses are in addition to the advisory and other expenses that the Fund bears directly in connection with its own operations.		
Non-Diversification Risk: The Fund is non-diversified, which means that it may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the Fund's performance may be more vulnerable to changes in market value of a single issuer or group of issuers and more susceptible to risks associated with the occurrence of adverse events affecting a particular issuer than a diversified fund.	✓	✓
Leverage Risk: If the Fund uses leverage through activities such as borrowing, entering into short sales, purchasing securities on margin or on a "when issued" basis or purchasing derivative instruments in an effort to increase its returns, the Fund has the risk of magnified capital losses that occur when losses affect an asset base, enlarged by borrowings or the creation of liabilities, that exceeds the net assets of the Fund. Should the Fund employ leverage, the Fund's NAV may be more volatile and sensitive to market movements. Leverage may involve the creation of a liability that requires the Fund to pay interest.	✓	✓
Foreign Securities Risk: The securities of foreign issuers may be less liquid and more volatile than securities of comparable U.S. issuers. The costs associated with securities transactions may be higher in foreign countries than in the U.S. The U.S. dollar value of foreign securities traded in foreign currencies held by the Fund (and any dividends and interest earned) may be affected favorably or unfavorably by changes in foreign currency exchange rates. An increase in the U.S. dollar relative to these other currencies may adversely affect the Fund. Additionally, investments in foreign securities, even those publicly traded in the U.S., may involve risks which are in addition to those inherent in U.S. investments. Foreign companies may not be subject to the same regulatory requirements of U.S. companies, and as a consequence, there may be less publicly available information about such companies. Also, foreign companies may not be subject to uniform accounting, auditing, and financial reporting standards and requirements comparable to those applicable to U.S. companies.	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
Foreign governments and foreign economies often are less stable than the U.S. Government and the U.S. economy.		
Currency Risk: Fluctuations in exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. Adverse changes in exchange rates may erode or reverse any gains produced by foreign currency denominated investments and may widen any losses. The Fund may, but is not required to, seek to reduce currency risk by hedging part or all of its exposure to various foreign currencies. The return of currency forward and futures contracts utilized for currency hedging may not perfectly offset the actual fluctuations of the foreign currencies relative to the U.S. dollar and may prevent the Fund from realizing gains from an increase in the value of the currency. In addition to currency risk, currency forward/futures contracts, like other derivatives, may be susceptible to credit risk and other risks.	✓	✓
Interest Rate Risk: Prices of debt securities and preferred stocks tend to move inversely with changes in interest rates. When interest rates fall, the market value of the respective debt securities and preferred securities usually increases. Conversely, when interest rates rise, the market value of the respective debt securities and preferred securities usually declines. As such, a change in interest rates may affect prices of the Fund's debt securities and preferred securities and, accordingly, the Fund's share price.	✓	✓
Liquidity Risk: Liquidity risk exists when particular investments are difficult to purchase or sell. Liquidity risk may be the result of, among other things, market turmoil, the reduced number and capacity of traditional market participants to make a market in fixed-income securities, or the lack of an active trading market. Markets for securities or financial instruments could be disrupted by a number of events, including, but not limited to, an economic crisis, natural disasters, new legislation or regulatory changes inside or outside the U.S. Liquid investments may become less liquid after being purchased by the Fund, particularly during periods of market stress. To enhance investment value and/or protect shareholder rights, from time to time, the Fund may participate in various types of litigation, including but not limited to shareholder appraisal rights petitions and class action lawsuits. If the Fund exercises its appraisal rights, it may experience limited liquidity on its investment while the subject securities are being	✓	✓

AltShares Event-Driven ETF		
Principal Risks	**Target Fund**	**Acquiring Fund**
appraised. Illiquid and relatively less liquid investments may be harder to value, especially in turbulent markets, and if the Fund is forced to sell these investments to meet redemption requests or for other cash needs, the Fund may suffer a loss.		
Large Shareholder Risk: Certain shareholders, including the Adviser or an affiliate of the Adviser, may own a substantial amount of the Fund's shares. Redemptions by large shareholders could have a significant negative impact on the Fund and transactions by large shareholders may account for a large percentage of the trading volume on the Exchange and may, therefore, have a material upward or downward effect on the market price of the shares.	✓	✓

Fundamental Investment Policies

The Acquiring Fund will have the same fundamental investment policies as the Target Fund. The table below compares the Funds' fundamental investment policies. A Fund's fundamental investment policies and limitations may be changed only with the consent of a "majority of the outstanding voting securities" of the Fund. The term "majority of the outstanding voting securities" means the lesser of: (1) 67% of the shares of a fund present at a meeting where the holders of more than 50% of the outstanding shares of a fund are present in person or by proxy, or (2) more than 50% of the outstanding shares of a fund. Shares of a Fund will be voted separately on matters affecting only the Fund, including approval of changes in the fundamental investment policies of the Fund. Except for the fundamental investment limitations identified below, each Fund's investment policies and limitations described in this Information Statement/Prospectus are not fundamental and may be changed without shareholder approval.

AltShares Event-Driven ETF	
Target Fund	**Acquiring Fund**
1. The Fund may not issue senior securities other than to evidence borrowings or short sales as permitted under the 1940 Act.	Same.
2. The Fund may not borrow money except that the Fund may borrow: a. from banks to purchase or carry securities or other investments, b. from banks for temporary or emergency purposes, or c. by entering into reverse repurchase agreements, if, immediately after any such borrowing, the value of the Fund's assets, including all borrowings then outstanding less its liabilities, is equal to at least 300% of the aggregate amount of borrowings then outstanding (for the purpose	Same.

of determining the 300% asset coverage, the Fund's liabilities will not include amounts borrowed). Any such borrowings may be secured or unsecured. The Fund may issue securities (including senior securities) appropriate to evidence the indebtedness, including reverse repurchase agreements, which the Fund is permitted to incur.	
3. The Fund may not underwrite or participate in the marketing of securities issued by other persons except to the extent that the Fund may be deemed to be an underwriter under federal securities laws in connection with the disposition of portfolio securities.	Same.
4. The Fund may not concentrate its investments in any industry, with the exception of securities issued or guaranteed by the U.S. government, its agencies, and instrumentalities. Notwithstanding the foregoing, if a large percentage of investment opportunities occurring within the U.S. are within one industry over a given period of time, a large portion of the Fund's assets could be concentrated in that industry for that period of time. Examples of such investment opportunities for the Fund include, but are not limited to: announcements or potential announcements of restructurings (bankruptcies, spinoffs, and asset sales), mergers and acquisitions, management change, institution of shareholder-friendly practices, regulatory changes, litigation, earnings results and outlook, and changes in industry or sector fundamentals.	Same.
5. The Fund may not purchase or sell real estate or real estate mortgage loans as such, but this restriction shall not prevent the Fund from investing in readily marketable interests in real estate investment trusts, readily marketable securities of companies which invest in real estate, or obligations secured by real estate or interests therein.	Same.
6. The Fund may not purchase or sell commodities, except as permitted by the 1940 Act, and as interpreted or modified by the regulatory authority having jurisdiction from time to time.	Same.
7. The Fund may not lend any of its assets, except that the Fund may lend up to 1/3 of its portfolio securities.	Same.
8. The Fund may not purchase securities on margin, except that the Fund may obtain such short-term credits as may be necessary for the clearance of purchases and sales of securities.	Same.
9. The Fund may not pledge, mortgage or hypothecate its assets, except to secure borrowings.	Same.
10. The Fund may not invest in companies for the purpose of exercising control or management.	Same.

Comparison of Portfolio Turnover

Each of the Target Fund and its corresponding Acquiring 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. These costs, which are not reflected in annual fund operating expenses or in the example above, affect a fund's performance. The following table shows the Target Fund's portfolio turnover rate for the six-month fiscal period ended November 30, 2025 and for the fiscal year ended May 31, 2025. No portfolio turnover rate is shown for each corresponding Acquiring Fund because it is not yet operational. The Adviser expects the portfolio turnover rate for the Acquiring Fund to be comparable to the rate for the corresponding Target Fund.

Target Fund	Portfolio Turnover Rate (six-month fiscal period ended November 30, 2025)	Portfolio Turnover Rate (fiscal year ended May 31, 2025)
AltShares Event-Driven ETF	214%	480%

Comparison of Fund Performance

For the Reorganization, the Acquiring Fund will be the surviving legal entity, and the Acquiring Fund will adopt the accounting history of its predecessor Target Fund. As of the date of this Information Statement, the Acquiring Fund has not commenced operations and, therefore, does not have calendar year performance information. As a result, the Acquiring Fund will assume the performance history of the Target Fund when the Reorganization closes.

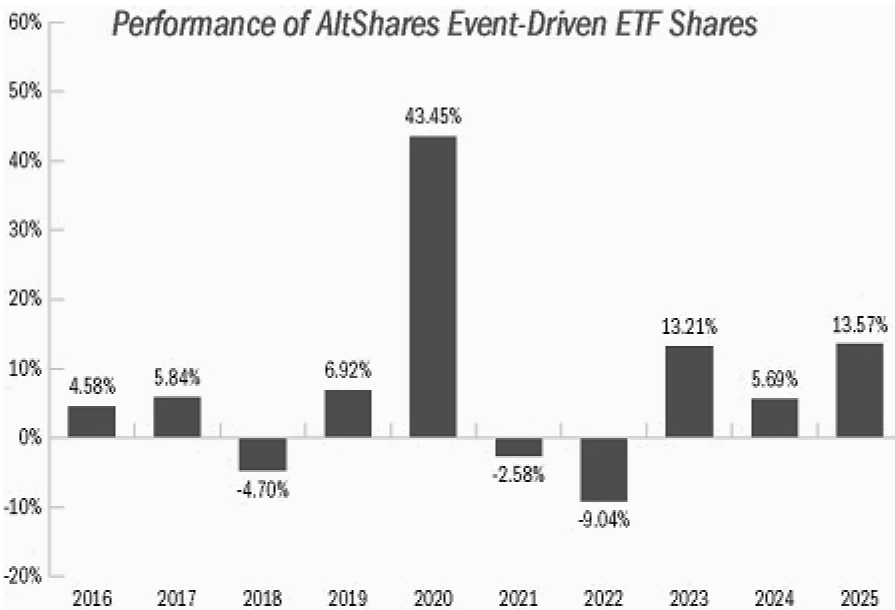
The following performance information indicates some of the risks of investing in the Target Fund through the time periods shown. Because the Acquiring Fund will assume the performance history of the Target Fund in the Reorganization, the following performance information also indicates some of the risks of investing in the Acquiring Fund.

The bar chart shows the Target Fund's performance for the calendar years ended December 31. The annual returns bar chart demonstrates the risks of investing in the Acquiring Fund by showing how the predecessor Target Fund's performance has varied from year to year.

The table illustrates how the Target Fund's average annual returns for the 1-year, 5-year and since inception periods, which include returns of Class I shares of its predecessor mutual fund, the Water Island Long/Short Fund, for periods prior to September 20 2021, compare with those of the Standard & Poor's 500® Index, ICE BofA U.S. 3-Month Treasury Bill Index and the Bloomberg U.S. Aggregate Bond Index. Unlike the Target Fund's returns, these index returns do not reflect any deductions for fees, expenses or taxes.

The table also presents the impact of taxes on the returns of the Fund's shares. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. Return after taxes on distributions measures the effect of taxable distributions, but assumes the underlying shares are held for the entire period. Return after taxes on distributions and sale of Fund shares shows the effect of both taxable distributions and any taxable gain or loss that would be realized if the underlying shares were purchased at the beginning and sold at the end of the period (for purposes of the calculation, it is assumed that income dividends and capital gain distributions are reinvested at net asset value and that the entire account is redeemed at the end of the period, including reinvested amounts). The Fund's return after taxes on distributions and sale of Fund shares may be higher than its returns before taxes or its returns after taxes on distributions because it may include a tax benefit resulting from the capital losses that would have been incurred.

The Target Fund's past performance, before and after taxes, does not necessarily indicate how it will perform in the future. Updated performance information is available on the Fund's Website at www.altsharesetfs.com/evnt or by calling the Fund toll-free at (855) 955-1607.



During the period shown in the bar chart, the best performance for a quarter was 6.75% (for the quarter ended September 30, 2024). The worst performance was (6.94)% (for the quarter ended June 30, 2022. The year-to-date return through March 31, 2026 is 1.47%.

Average Annual Total Returns as of 12/31/2025	One year	Five Years	Since Inception*
AltShares Event-Driven ETF			
Return Before Taxes	13.57%	3.78%	5.51%
Return After Taxes on Distributions	11.57%	1.52%	3.95%
Return After Taxes on Distributions and Sale of Fund Shares	8.16%	1.90%	3.68%
Standard & Poor's 500® Index (reflects no deduction for fees, expenses, or taxes)**	17.88%	14.42%	13.42%
ICE BofA U.S. 3-Month Treasury Bill Index (reflects no deduction for fees, expenses, or taxes)***	4.18%	3.17%	1.98%
Bloomberg U.S. Aggregate Bond Index****	7.30%	(0.36)%	1.88%

* *The Target Fund's inception date is September 20, 2021. Prior to that date, the Target Fund operated as a mutual fund, and the predecessor mutual fund's inception date was December 31, 2014. High, double-digit returns were primarily achieved during favorable market conditions. Such returns are atypical and may not be repeatable.*

** *The Standard and Poor's 500® Index, or simply the S&P 500, is a stock market index tracking the performance of 500 large companies listed on stock exchanges in the U.S.*

*** *The ICE BofA U.S. 3-Month Treasury Bill Index tracks the performance of the U.S. Treasury Bills publicly issued in the U.S. domestic market with a remaining term to final maturity of less than 3 months.*

**** *The Bloomberg U.S. Aggregate Bond Index is a market value-weighted index of investment grade fixed-rated debt issues, including government, corporate, asset-backed and mortgage-backed securities with a maturity of one year or more. The indexes are calculated on a total-return basis, are unmanaged and are not available for direct investment. The indexes reflect no deduction for fees, expenses, or taxes. The Standard & Poor's 500® Index, the ICE BofA U.S. 3-Month Treasury Bill Index and the Bloomberg U.S. Aggregate Bond Index are not intended to, and do not, parallel the risk or investment style of the Fund's investment strategy.*

Capitalization

The following tables set forth, as of November 30, 2025, (a) the unaudited capitalization of the Target Fund's shares and (b) the unaudited *pro forma* combined capitalization of the Acquiring Fund assuming the Reorganization has taken place. The Acquiring Fund is a newly-created shell fund that will commence operations upon the closing of the Reorganization. The Target Fund will be the accounting survivor for financial statement purposes. The capitalizations are likely to be different on the Closing Date as a result of daily Target Fund share purchase, sale and market activity.

	Net Assets	**Shares Outstanding**	**Net Asset Value Per Share**
AltShares Event-Driven ETF (Target Fund)	$8,961,862	749,320	$11.96
New AltShares Event-Driven ETF (Acquiring Fund) (*Pro forma*)*	$8,961,862	749,320	$11.96

* Reflects the estimated *pro forma* capitalization of the Acquiring Fund at November 30, 2025 as though the Reorganization had occurred on November 30, 2025 and is for informational purposes only. No assurance can be given as to how many shares of the Acquiring Fund will be received by the shareholders of the Target Fund on the date the Reorganization takes place, and the foregoing should not be relied upon to reflect the number of shares of the Acquiring Fund that actually will be received on or after such date.

ADDITIONAL INFORMATION ABOUT THE REORGANIZATIONS

Terms of the Reorganization Agreement

The terms and conditions under which each Reorganization will be completed are contained in the Reorganization Agreement. The following is a summary of the Reorganization Agreement. For additional information, please refer to the copy of the Reorganization Agreement, which is attached to this Information Statement as Appendix A.

Each Reorganization is effectuated by merging the Target Fund into the corresponding Acquiring Fund, which is a newly-created shell vehicle created specifically for acquiring the assets and liabilities of the corresponding Target Fund. Under the Reorganization Agreement, each Target Fund will transfer all of its assets to the corresponding Acquiring Fund in exchange for the assumption of all liabilities of the Target Fund by the Acquiring Fund, and shares of the Acquiring Fund having an aggregate NAV equal to the aggregate NAV of the shares of the Target Fund as of the close of trading on the NYSE on the Closing

Date for the Reorganization (currently, the Closing Date is expected to be September 25, 2026, but could be a later date agreed to by the Target Fund and the Acquiring Fund). The shares of the Acquiring Fund will be distributed pro rata to the shareholders of the Target Fund in complete liquidation of the Target Fund. Holders of shares of the Target Fund will receive the number of shares of the corresponding Acquiring Fund equal in value to the aggregate NAV of the shares of the Target Fund held immediately prior to the Reorganization. As a result of the Reorganization, a shareholder of the Target Fund will have approximately the same percentage of ownership in the corresponding Acquiring Fund as such shareholder's percentage of ownership in the Target Fund prior to the Reorganization. No sales charge or fee of any kind will be assessed to Target Fund shareholders in connection with their receipt of shares of the corresponding Acquiring Fund in the Reorganization. Each Acquiring Fund will open for trading on the Exchange on September 28, 2026.

The Reorganization Agreement contains customary representations, warranties, and conditions. The Reorganization Agreement may be terminated with respect to the Reorganization if, on the Closing Date, any of the required conditions have not been met or if the representations and warranties are not true. The Reorganization Agreement may be terminated or amended by the mutual consent of the parties.

The Board of the Target Funds, including the Trustees who are not "interested persons" (as defined in the 1940 Act) of AltShares Trust (the "Independent Trustees"), has determined, with respect to each Target Fund, that the interests of the Target Fund's existing shareholders will not be diluted as a result of the Reorganization and that participation in the Reorganization is in the best interests of the Target Fund. Similarly, the Board of the Acquiring Trust, including the Independent Trustees, has determined, with respect to each Acquiring Fund, that the interests of the Acquiring Fund's existing shareholders will not be diluted as a result of the Reorganization and that participation in the Reorganization is in the best interests of the Acquiring Fund.

Reasons for Reorganizations

The Reorganizations are intended to combine all of the funds that are advised by Water Island into a single, larger trust, which is expected to eliminate redundancies associated with maintaining two separate trusts for these funds and to reduce the costs of administering and operating the funds that comprise the fund complex. While the expected efficiencies and savings will be modest and not likely to materially impact the current expense ratios for the Target Funds at the time of the Reorganizations, it is expected that these efficiencies will result in increased savings over time and will assist in optimizing the structure and operations of the fund complex. Water Island also may realize benefits in connection with the Reorganizations, such as the potential reduction of internal costs associated with maintaining multiple trusts for the portfolios that it advises.

Board Considerations

In approving the Reorganization Agreement, the Board of AltShares Trust, on behalf of each Target Fund, and the Board of Trustees of the Acquiring Trust, on behalf of each Acquiring Fund, including the Independent Trustees of each Board, determined that each Reorganization is in the best interests of each respective Fund and its shareholders and the interests of each respective Fund and its shareholders will not be diluted as a result of the Reorganization. Each Board considered the Reorganizations at meetings held on May 19, 2026.

In determining whether to approve the Reorganization Agreement on behalf of the Target Funds, AltShares Trust's Board, including the Independent Trustees, considered the terms and conditions of the Reorganization Agreement and whether the Reorganization would result in the dilution of shareholder interests. The Board inquired into a number of matters and considered the following factors, among others, in no order of priority in evaluating the Reorganizations:

- The Reorganizations are intended to streamline the Water Island fund family and to promote operating efficiencies. The Reorganizations are intended to combine all of the funds that are advised by Water Island into a single, larger trust, which is expected to eliminate redundancies associated with maintaining two separate trusts for these funds and to reduce the costs of administering and operating the portfolios that comprise the fund complex.

- Each Acquiring Fund is designed to be the same as the corresponding Target Fund with respect to its investment program, and the Adviser will advise the Acquiring Fund after the Reorganization.

- Each Acquiring Fund has the same name, investment objective, policies (including fundamental policies), principal strategies and principal risks as the corresponding Target Fund.

- Each Acquiring Fund, which will commence operations upon the consummation of the Reorganization, will assume and publish the operating history and performance record of the corresponding Target Fund.

- After the Reorganization, each Acquiring Fund will have the same total annual operating expense ratio as that of the corresponding Target Fund as of the date of the Reorganization. Each Acquiring Fund will have the same advisory fee as the corresponding Target Fund, which is structured as a unitary fee, pursuant to which the Adviser pays, subject to certain limitations, substantially all of the Acquiring Fund's operating expenses out of the advisory fee received.

- Shareholders of each Target Fund will receive corresponding Acquiring Fund shares with the same aggregate net asset value as their Target Fund shares.

- After the Reorganization, Acquiring Fund shareholders will continue to be able to purchase and sell shares throughout the trading day at the then-prevailing market price on the Exchange.

- The Reorganization is not expected to result in adverse tax consequences to Target Fund shareholders.

- The Target Funds, their shareholders, and the corresponding Acquiring Funds will not bear the costs of the Reorganization.

Further, in considering whether to approve the Reorganizations, the Board recognized that Water Island also may realize benefits in connection with the Reorganizations, such as the potential reduction of internal costs associated with maintaining multiple trusts for the portfolios that it advises. The Board concluded that the potential benefits of the Reorganizations, including the elimination of certain redundancies associated with maintaining AltShares Trust as a separate legal entity, supported a decision to approve the Reorganizations. With respect to the Target Funds, the Board also considered the differences between the organizational documents of the Trust and the Acquiring Trust, as described in the section below entitled "Shareholder Rights and Description of Securities to Be Issued." The Board and the Acquiring Trust Board, including all of the Independent Trustees, concluded that each Reorganization was in the best interests of each Target Fund and the corresponding Acquiring Fund, as well as each Fund's shareholders, and that the Funds' respective shareholders would not have their interests diluted as a result of the Reorganization. The determinations on behalf of the Target Funds and the Acquiring Funds were made on the basis of each Board member's business judgment after consideration of all of the factors taken as a whole, though individual Board members may have placed different weight on various factors and assigned different degrees of materiality to various conclusions.

The Board of Trustees of AltShares Trust and of the Acquiring Trust is composed of the same six members, five of whom are Independent Trustees. Each Board is represented by independent legal counsel.

Federal Income Taxes

The combination of each Target Fund and the corresponding Acquiring Fund in the Reorganizations is intended to qualify for federal income tax purposes as a tax-free reorganization under Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended (the "Code"). As a non-waivable condition of the closing of each Reorganization, AltShares Trust will receive a legal opinion from K&L Gates LLP to the effect that the Reorganization will qualify as a tax-free reorganization for federal income tax purposes as defined by Section 368(a)(1)(F) of the Code. Accordingly, neither a Target Fund nor its shareholders will recognize gain or loss as a direct result of the Reorganization. For each Reorganization, the tax basis of the Acquiring Fund shares received should be the same as the basis of the corresponding Target Fund shares exchanged and the holding period of the Acquiring Fund shares received should include the holding period of the corresponding Target Fund shares exchanged, provided that the shares exchanged were held as capital assets at the time of the Reorganization. No tax ruling from the Internal Revenue Service regarding the Reorganization has been requested.

To the extent that a portion of a Target Fund's portfolio assets are sold prior to the Reorganization, the federal income tax effect of such sales will depend on the holding periods of the assets sold and the difference between the price at which such portfolio assets were sold and the Target Fund's basis in those assets. Each Target Fund may experience portfolio turnover due to portfolio repositioning prior to the Reorganization.

Portfolio Repositioning

Each Target Fund and its corresponding Acquiring Fund use the same investment strategies. No changes in a Target Fund's portfolio are required to "align" the portfolio with the corresponding Acquiring Fund, because each Acquiring Fund uses the same investment program as the corresponding Target Fund.

However, a Target Fund may hold shares of non-US companies traded on foreign securities markets, including in markets that do not permit the in-kind transfer of securities from one fund to another fund. If a Target Fund still holds a position in such a market as the Closing Date approaches, the Target Fund will have to sell its position, transfer the cash to the corresponding Acquiring Fund in the Reorganization, and the Acquiring Fund could acquire a new position in the same security, if desired, after the Closing Date or establish a position in different securities after the Reorganization.

Currently, the Adviser does not anticipate holding any securities that cannot be transferred "in-kind" to the Acquiring Fund. However, if the Fund holds any securities at the Closing Date that cannot be transferred "in kind" they will have to be sold. This means that the Target Fund will realize and recognize capital gains/losses. These capital gains/losses are added to other capital gains/losses the Target Fund has realized and recognized during the Target Fund's taxable year. The Target Fund would also have to pay brokerage or other transaction costs and local transfer taxes for foreign securities transactions if a portfolio position must be sold because it cannot transfer "in kind." Such costs are not anticipated to be reimbursed by the Adviser, and currently the Adviser expects such costs to be less than $5,000.

Expenses of the Reorganizations

The costs of the Reorganizations will be borne by the Adviser. The costs associated with the Reorganizations are expected to be approximately $100,000, not including the brokerage costs, if any, associated with the sale of security position(s) held by the Target Funds before the closing date of the Reorganization. The Adviser believes that each Acquiring Fund will incur *de minimis* costs, if any, to reposition its investment portfolio after the Reorganization.

Share Certificates

No certificates for shares of the Acquiring Funds will be issued in connection with the Reorganization.

ADDITIONAL INFORMATION ABOUT THE ACQUIRING FUNDS

The Investment Adviser

Water Island Capital, LLC, a Delaware limited liability company (also referred to as the "Adviser"), is registered as an investment adviser with the SEC under the Investment Advisers Act of 1940, as amended, and serves as investment adviser to each Target Fund and its corresponding Acquiring Fund. Water Island has been an investment adviser to each Target Fund since inception. The Adviser is located at 104 Fifth Avenue, 9th Floor, New York, New York 10011. The Adviser was formed in 2000 and as of May 31, 2026 had approximately $1.2 billion in assets under management. The Adviser is responsible for overseeing the management and business affairs of each Fund and has discretion to purchase and sell securities in accordance with each Fund's objectives, policies, and restrictions, subject to the authority of and supervision by the Board. The Adviser continuously reviews, supervises, and administers the Funds' investment programs.

The Acquiring Trust, on behalf of each Acquiring Fund, and the Adviser have entered into an Investment Advisory Agreement ("Advisory Agreement"). Pursuant to that Advisory Agreement, each Acquiring Fund pays the Adviser an annual advisory fee based on its average daily net assets for the services and facilities it provides payable at the annual rates set forth below:

Fund	Advisory Fee
AltShares Merger Arbitrage ETF	0.75%
AltShares Event-Driven ETF	1.25%

The Adviser agrees to pay all expenses of each Fund, except for the (i) the compensation payable to the Adviser under the Advisory Agreement, (ii) payments under the Funds' Rule 12b-1 plan, if applicable, (iii) brokerage and similar portfolio management expenses, (iv) acquired fund fees and expenses, (v) liquidation or termination expenses, (vi) taxes (including, but not limited to, income, excise, transaction, transfer and withholding taxes), (vii) interest (including borrowing costs and dividend interest expenses on securities sold short), (viii) any securities-lending related fees and expenses, and (ix) litigation expenses and other extraordinary expenses (including litigation to which the Trust or a Fund may be a party and indemnification of the Trustees and officers with respect thereto).

A discussion regarding the basis for the Board of Trustees' approval of the Advisory Agreement with respect to each Target Fund is available in AltShares Trust's Annual Financial Statements and Additional Information for the year ended May 31, 2025. A discussion regarding the basis for each Acquiring Fund Board's approval of the advisory agreement between Adviser and the Acquiring Fund will be available in the Semi-Annual Financial Statements and Additional Information for the period ending November 30, 2026, which will be on file with the SEC on the EDGAR system, (1940 Act File No. 811-09815).

The Adviser may from time to time voluntarily waive and/or reimburse fees or expenses of the AltShares Merger Arbitrage ETF in order to limit total annual fund operating expenses (excluding acquired fund fees and expenses, if any). Any such voluntary waiver or reimbursement may be eliminated by the Adviser at any time. Effective September 30, 2022, the Adviser has voluntarily agreed to reduce the advisory fee for the Merger Arbitrage ETF to 0.55% of the Fund's average daily net assets when the Fund's assets are under $100 million, and to reduce the advisory fee to 0.65% of the Fund's average daily net assets when the Fund's assets are $100 million or more but less than $200 million. No waiver will apply once the Fund's net assets reach $200 million. This voluntary arrangement may be eliminated by the Adviser at any time.

The Advisory Agreement provides that it may be terminated at any time, without the payment of any penalty by the Board of Trustees or by a majority of the outstanding shares on 60 days' written notice to the Adviser, and by the Adviser upon 60 days' written notice to the Funds. The Advisory Agreement automatically terminates if it is assigned.

Portfolio Managers

Each Target Fund and the corresponding Acquiring Fund are managed by the following co-portfolio managers, who are jointly and primarily responsible for the day-to-day management of each Fund's portfolio.

Portfolio Managers	Target Fund	Acquiring Fund
Christopher Plunkett, Eric Becker, and John S. Orrico, CFA	AltShares Merger Arbitrage ETF	AltShares Merger Arbitrage ETF
Eric Becker, John S. Orrico, CFA, and Matthew Osowiecki	AltShares Event-Driven ETF	AltShares Event-Driven ETF

Christopher Plunkett, Eric Becker, and John S. Orrico, CFA are portfolio managers of the AltShares Merger Arbitrage ETF. Mr. Plunkett is the lead portfolio manager of the Fund.

Eric Becker, John S. Orrico, CFA, and Matthew Osowiecki are portfolio managers of the AltShares Event-Driven ETF. Mr. Becker is the lead portfolio manager of the Fund.

Eric Becker joined the Adviser in 2010 and serves as portfolio manager of the Merger Arbitrage ETF and the Event-Driven ETF. Prior to becoming a portfolio manager in 2020, Mr. Becker served as a senior investment analyst of the Adviser. Prior to joining the Adviser, Mr. Becker worked for the Electronic Trading and Product Development divisions of Bloomberg Tradebook. Mr. Becker received an Executive MBA from Cornell University and a BS in Business Administration from Bucknell University.

John S. Orrico, CFA serves as Co-Chief Investment Officer of the Adviser and also serves as the President and Chairman of the Board of AltShares Trust and of the Acquiring Trust. Prior to organizing the Adviser in January 2000, Mr. Orrico assisted in the management of private trusts and entities employing merger arbitrage strategies. Mr. Orrico received a bachelor's degree from Georgetown University in 1982, with a double major in Finance and International Management. Mr. Orrico achieved the Chartered Financial Analyst designation in 1988.

Matthew Osowiecki joined the Adviser in 2007 and currently serves as Co-Chief Investment Officer of the Adviser and a portfolio manager of the Event-Driven ETF. Prior to being promoted to portfolio manager of the Adviser in 2016, Mr. Osowiecki served as a senior equity analyst. Before joining the Adviser, Mr. Osowiecki worked in the Investment Product Division of The Hartford and as a project manager in commercial development. Mr. Osowiecki received a BS in Finance from the University of Connecticut.

Christopher Plunkett joined the Adviser in 2012 and serves as portfolio manager of the Merger Arbitrage ETF, and Director of Technology and Quantitative Systems of the Adviser. Prior to joining the Adviser, Mr. Plunkett held roles at Marathon Asset Management in operations and trading. Mr. Plunkett received a BS in Finance from Quinnipiac University.

The Acquiring Funds' Statement of Additional Information dated July 28, 2026, which is incorporated by reference, provides additional information about each portfolio manager's compensation structure, other accounts managed by the portfolio managers, and the portfolio managers' ownership of shares in the Target Funds.

Index Provider

Water Island Indices LLC created the Underlying Index and serves as Index Provider for the AltShares Merger Arbitrage ETF. Water Island Indices LLC has entered into an index licensing agreement with the Adviser to allow the Adviser's use of the Underlying Index for the operation of the AltShares Merger Arbitrage ETF. The Adviser has entered into a sub-licensing agreement to allow the AltShares Merger Arbitrage ETF to utilize the Underlying Index.

Water Island Indices LLC has entered into an agreement with Solactive AG to calculate, publish and disseminate the Underlying Index. The AltShares Merger Arbitrage ETF is not sponsored, promoted, sold or supported in any other manner by Solactive AG nor does Solactive AG offer any express or implicit guarantee or assurance either with regard to the results of using the Underlying Index and/or Index trademark or the Index Price at any time or in any other respect. Solactive AG uses its best efforts to ensure that the Underlying Index is calculated correctly. Irrespective of its obligations towards the Adviser, Solactive AG has no obligation to point out errors in the Underlying Index to third parties including but not limited to investors and/or financial intermediaries of the AltShares Merger Arbitrage ETF. Neither publication of the Underlying Index by Solactive AG nor the licensing of the Underlying Index or Index trademark for the purpose of use in connection with the AltShares Merger Arbitrage ETF constitutes a recommendation by Solactive AG to invest capital in said Fund nor does it in any way represent an assurance or opinion of Solactive AG with regard to any investment in this Fund.

The Adviser does not guarantee the accuracy or the completeness of any Underlying Index or any data included therein, and the Adviser shall have no liability for any errors, omissions or interruptions therein. The Adviser makes no warranty, express or implied, to the owners of shares of the AltShares Merger Arbitrage ETF or to any other person or entity, as to results to be obtained by the AltShares Merger Arbitrage ETF from the use of an Underlying Index or any data included therein. The Adviser makes no express or implied warranties and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to an Underlying Index or any data included therein. Without limiting any of the foregoing, in no event shall the Adviser have any liability for any special, punitive, direct, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

Other Service Providers

Each Acquiring Fund will use the same service providers as currently used by its corresponding Target Fund:

Role	Service Provider
Administrator	State Street Bank and Trust Company, State Street Financial Center, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts 02114-2016
Fund Accounting Agent	State Street Bank and Trust Company, State Street Financial Center, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts 02114-2016

Transfer Agent	State Street Bank and Trust Company, State Street Financial Center, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts 02114-2016
Custodian	State Street Bank and Trust Company, State Street Financial Center, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts 02114-2016
Distributor	Foreside Financial Services, LLC, Three Canal Plaza, Suite 100, Portland, ME 04101
Independent Registered Public Accounting Firm	Cohen & Company, Ltd. 1835 Market Street, Suite 310, Philadelphia, PA 19103

Information about the Acquiring Funds' administrator, fund accountant, transfer agent, and custodian can be found in the Acquiring Funds' Statement of Additional Information relating to the Reorganizations dated July 28, 2026, which is incorporated by reference.

Purchase, Sale and Pricing of Fund Shares

The procedures for purchase and sale of shares of the Target Fund and the Acquiring Fund are the same. Additional information about the purchase, redemption and pricing can be found in the prospectuses for the Target Fund and the Acquiring Fund.

Sales Loads

Neither the Target Fund nor the Acquiring Fund charge a front-end sales load or a deferred sales load.

Rule 12b-1 Plan (or Plan)

Each Acquiring Fund and each Target Fund has adopted a distribution and service plan ("Plan") pursuant to Rule 12b-1 under the 1940 Act. Under the Plan, each Fund is authorized to pay distribution fees to the Funds' Distributor and other firms that provide distribution and shareholder services ("Service Providers"). If a Service Provider provides such services, the Funds may pay fees at an annual rate not to exceed 0.25% of average daily net assets, pursuant to Rule 12b-1 under the 1940 Act.

No distribution or service fees are currently paid by the Funds, however, and there are no current plans to impose these fees. In the event Rule 12b-1 fees are charged, over time they would increase the cost of an investment in the Funds because they would be paid on an ongoing basis.

Purchases and Sales of Fund Shares

Target Funds and Corresponding Acquiring Funds. ETF shares can be bought and sold in the secondary market (the exchange) through a broker or dealer at a market price throughout the trading day, like other shares of publicly traded securities. ETF shares are bought and sold at market prices, rather than the NAV, and shares may trade at a price greater or less than the NAV. There is no minimum investment for purchases made on the listing exchange. When buying or selling ETF shares through a broker, you may incur customary brokerage commissions and charges. When charged, the commission is frequently a fixed amount and may be a significant proportional cost for investors seeking to buy or sell small amounts of shares.

Individual shareholders do not pay a redemption fee to the Funds when selling shares on the exchange. When a shareholder purchases or sells shares on the exchange, the purchase and sale are handled through the shareholder's brokerage account.

In addition to any brokerage commission, you will incur the cost of the "spread," which is the difference between what investors are willing to pay for shares (the "bid" price) and the price at which they are willing to sell the shares (the "ask" price). The spread with respect to an ETF's shares varies over time based on the ETF's trading volume and market liquidity, and is generally lower (or narrow) if the ETF has a lot of trading volume and market liquidity and higher (or wider) if the ETF has little trading volume and market liquidity. When the spread widens, particularly in times of market stress, you may pay significantly more or receive significantly less than the underlying value of the ETF shares when they buy or sell ETF shares in the secondary market.

Because of the costs of buying and selling ETF shares, frequent trading may reduce investment returns.

Only certain large investors that have contractually agreed to be, and have been designated as, Authorized Participants are able to purchase and redeem large blocks of shares directly with the Funds. Purchase and redemption activity conducted by Authorized Participants directly with a Fund will be done in increments of 10,000 share Creation Units. A fee (called a "Transaction Fee") is expected to be charged to Authorized Participants who create or redeem Fund shares in Creation Units. The Funds' standard Transaction Fee is $250, and a Fund may impose a variable Transaction Fee of up 2% of the value of the Creation Unit(s) being purchased. Under normal circumstances, a Fund will issue or redeem Creation Units in return for a basket of assets that the Fund specifies each day and are effected at the NAV as next determined after the receipt of an order in proper form. The value of the minimum initial and subsequent investment by an Authorized Participant varies with the value of this basket of assets specified by the ETF each day. Authorized Participants may only purchase and redeem shares in Creation Units by submitting an order through a Fund's transfer agent to its distributor. More information about the purchase and sale of ETF shares in Creation Units can be found in the Acquiring Funds' Statement of Additional Information relating the Reorganizations under the heading "Transactions in Creation Units."

Purchase and redemption activity conducted by Authorized Participants directly with a Fund is subject to a Transaction Fee. A Transaction Fee is charged on each Creation Unit and is paid by Authorized Participants who create or redeem shares in Creation Units. The amount of the Transaction Fee can change from time to time and the specific amount is announced to Authorized Participants before the fee changes.

No Exchange Privilege. There is no exchange privilege for the Funds. This means that to exit an investment in a Fund, a shareholder will need to sell the shares in the secondary market at the then-current market price and may incur a brokerage commission or other fee to do so.

Pricing

The procedures for calculating the NAV of shares are the same for both the Target Funds and the corresponding Acquiring Funds.

Net Asset Value. The NAV per share of each Fund will be determined on each day the New York Stock Exchange ("NYSE") is open for business and will be computed by determining the aggregate market value of all assets of each Fund less its liabilities, and then dividing by the total number of shares outstanding. The NYSE is closed on weekends and most national holidays. The determination of NAV for a particular day is applicable to all applications for the purchase of shares, as well as all requests for the redemption of shares, received before the close of trading on the NYSE on that day (normally 4:00 p.m. Eastern Time). Each Fund generally values portfolio securities at market value. Swap agreements are valued based on the market value of the underlying reference asset.

Fair Value Pricing. If market quotations are not available or reliable, the Funds will value securities at their fair value as determined in good faith under the supervision of the Board of Trustees. The Board of Trustees has designated the Adviser as each Fund's "valuation designee" responsible for the performance of the Funds' fair valuations determinations. The fair value of a security is the amount which each Fund might reasonably expect to receive upon a current sale. The fair value of a security may differ from the last quoted price and a Fund may not be able to sell a security at the fair value. Market quotations may not be available, for example, if trading in particular securities was halted during the day and not resumed prior to the close of trading on the NYSE. Market quotations of foreign securities from the principal markets in which they trade may not be reliable if events or circumstances that may affect the value of portfolio securities occur between the time of the market quotation and the close of trading on the NYSE. Foreign currency forward contracts are valued at the current day's interpolated foreign exchange rate provided by an independent source. If a significant event that affects the valuation of a foreign security occurs between the close of the foreign security's primary exchange and the time the Fund calculates its NAV, the Funds will fair value the foreign security to account for this discrepancy. In addition, since certain foreign securities may trade on weekends or days when a Fund does not price its shares, the value of these securities may change on days when Fund shares cannot be purchased or redeemed. The usage of fair valuation and the trading of portfolio securities at times when the NYSE is not open may cause the performance of the AltShares Merger Arbitrage ETF, based either on the NAV or market value of its shares, to diverge (materially) from the performance of the Underlying Index.

Active Investors and Market Timing

The Target Funds and the corresponding Acquiring Funds have the same policies regarding frequent trading and market timing.

Unlike frequent trading of shares of a traditional open-end mutual fund, (i.e., not ETF shares), frequent trading of exchange traded shares on the secondary market does not disrupt portfolio management, increase the ETF's trading costs, lead to realization of capital gains, or otherwise harm ETF shareholders.

Also, with regard to transactions in Creation Units, shares can only be purchased and redeemed directly from a Fund in Creation Units and only by Authorized Participants. Further, to the extent that Creation Unit transactions are effected in-kind (i.e., for securities), those trades do not cause the harmful effects to the Fund that may result from frequent cash trades. In addition, to the extent that such trades are effected in whole or in part in cash, which could result in dilution to an Acquiring Fund and increased transaction costs that negatively impact the Acquiring Fund's ability to achieve its investment objective, the Board of Trustees noted that direct trading by Authorized Participants is critical to enabling shares to trade at or close to NAV. The Acquiring Funds may also employ fair valuation pricing, which may minimize potential dilution from market timing.

In addition, each Acquiring Fund imposes Transaction Fees on purchases and redemptions of shares to offset transfer and other costs associated with the purchase and redemption of shares of the Acquiring Fund in Creation Units. The Transaction Fee is charged to the Authorized Participant on the day such Authorized Participant purchases or redeems any Creation Unit(s) and is generally the same regardless of the net number of Creation Units purchased or redeemed by an Authorized Participant on the applicable day. Because each Acquiring Fund will generally transact for Creation Units in kind, Authorized

Participants will also bear the costs of transferring the securities to and from the Acquiring Fund, including any stamp duty or other similar fees and expenses.

Given these considerations, the Acquiring Trust's Board of Trustees determined that it is not necessary to adopt policies and procedures to detect and deter market timing in shares of the Acquiring Funds.

Dividends, Distributions and Taxes

Fund Distributions. Each Fund generally pays out dividends from its net investment income, if any, and distributes its net capital gains, if any, to shareholders at least annually. Each Fund typically earns dividends from stocks in which it invests and may generate net gains from certain foreign currency transactions. These amounts, net of expenses, are distributed to Fund shareholders as "income dividends." Each Fund realizes capital gains or losses whenever it sells securities. Net long-term capital gains are distributed to shareholders as "capital gain dividends."

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

Federal Income Taxes

The following is a summary of the material federal income tax considerations applicable to an investment in shares. This summary is based on the Internal Revenue Code of 1986, as amended (the "Code"), and U.S. Treasury regulations promulgated thereunder as in effect on the date of this Combined Information Statement/Prospectus and judicial and administrative interpretations thereof publicly available at that date, all of which are subject to change, possibly with retroactive effect. In addition, this summary assumes that a shareholder holds shares as "capital assets" (within the meaning of the Code) and does not hold shares in connection with a trade or business. This summary does not address all potential federal income tax considerations possibly applicable to shareholders who hold shares through a partnership (or other pass-through entity) or to shareholders subject to special tax rules. Prospective shareholders are urged to consult their own tax advisors with respect to the specific federal, state, local, and foreign tax consequences of investing in shares based on their particular circumstances. Additional tax information appears in each Fund's Statement of Additional Information.

As with any investment, you should consider how your investment in shares will be taxed. Unless your investment in shares is made through a tax-exempt entity or tax-deferred arrangement, such as an IRA or 401(k) plan, you need to be aware of the possible tax consequences when the Funds make distributions and when you sell your shares.

Federal Income Tax Status of the Funds. Each Fund intends to qualify for its first and each subsequent taxable year, to be treated as a "regulated investment company" under Subchapter M of Chapter 1 of Subtitle A of the Code. As such, a Fund (but not its shareholders) generally pays no federal income tax on the net income and net realized gains it distributes to its shareholders.

Taxes on Distributions. Distributions from a Fund's net investment income (other than "qualified dividend income" ("QDI")), including distributions of the Fund's net realized short-term capital gains and certain foreign currency gains, if any, are taxable to you as ordinary income. Distributions by a Fund of net long-term capital gains in excess of net short-term capital loss ("net capital gain") are taxable to you as long-term capital gains, regardless of how long you have held the Fund's shares. Distributions by a Fund that qualify as QDI are taxable to you at long-term capital gain rates (which are lower than the rates for ordinary income). In order for a distribution to you by a Fund to be treated as QDI, (1) the Fund itself must receive QDI from domestic corporations and certain qualified foreign corporations, (2) the Fund must meet holding period and other requirements with respect to the stocks on which the QDI was paid, and (3) you must meet similar requirements with respect to the Fund's shares. In general, your distributions are subject to federal income tax for the calendar year when they are paid; certain distributions paid in January, however, may be treated as paid on December 31 of the prior year. Income dividends and capital gain distributions paid to an individual, estate, or trust from a Fund will be subject to a 3.8% tax on the lesser of the shareholder's (a) "net investment income" or (b) "modified adjusted gross income" exceeding $200,000 (or $250,000 if married and filing jointly) ("Investment Income Tax").

If you buy shares of a Fund just before a distribution, you will be subject to tax on the entire amount of the taxable distribution you receive. Distributions are taxable to you even if they are paid from income or gain earned by the Fund before your investment (and thus were included in the price you paid for your shares). Any gain resulting from the sale or exchange of shares generally will be taxable as long-term or short-term gain, depending upon how long you have held the shares.

A Fund may be subject to foreign withholding or other foreign taxes, which in some cases can be significant, on any income or gain from investments in foreign stocks or securities. In that case, the Fund's total return on those securities would be decreased. A Fund may generally deduct these taxes in computing its taxable income. Rather than deducting these foreign taxes, if a Fund invests more than 50% of its assets in the stock or securities of foreign corporations at the end of its taxable year it may make an election to treat a proportionate amount of eligible foreign taxes as constituting a taxable distribution to each shareholder, which would, subject to certain limitations, generally allow the shareholders to either (i) credit that proportionate amount of taxes against U.S. federal income tax liability as a foreign tax credit or (ii) take that amount as an itemized deduction.

Although in some cases a Fund may be able to apply for a refund of a portion of such taxes, the ability to successfully obtain such a refund may be uncertain.

If you are a resident or a citizen of the U.S., back-up withholding will apply to your distributions and proceeds of sales of shares if you have not provided a correct Social Security number or other taxpayer identification number and made other required certifications or if otherwise required by the Internal Revenue Service ("IRS").

Taxes on Exchange-Listed Shares Sales. Any capital gain or loss realized upon a sale of shares is generally treated as long-term capital gain or loss if the shares have been held for more than one year and as short-term capital gain or loss if the shares have been held for one year or less. Gains recognized from the sale or exchange of shares will be subject to the Investment Income Tax.

Capital loss realized on the sale or exchange of shares held for six months or less will be treated as long-term capital loss to the extent of any capital gain dividends received by the shareholder. The ability to deduct capital losses may be limited.

Taxes on Purchase and Redemption of Creation Units. An Authorized Participant who exchanges equity securities for one or more Creation Unit(s) 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 Unit(s) at the time and the exchanger's aggregate basis in the securities surrendered and any cash paid. An Authorized Participant who exchanges one or more Creation Unit(s) for equity securities will generally recognize a gain or loss equal to the difference between the exchanger's basis in the Creation Unit(s) and the aggregate market value of the securities received and any cash received on the redemption. 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 grounds that under such a transaction there has been no significant change in economic position. Persons exchanging securities should consult their own tax advisors with respect to whether and when such a loss might be deductible.

The Funds have the right to reject an order for Creation Units if the purchaser (or a group of purchasers) would, upon obtaining the Fund shares so ordered, own 80% or more of the outstanding shares of a Fund and if, pursuant to section 351 of the Code, a Fund would have a basis in the deposit securities different from the market value of such securities on the date of deposit. The Funds also have the right to require information necessary to determine beneficial share ownership for purposes of the 80% determinations.

Any capital gain or loss realized upon redemption of a Creation Unit is generally treated as long-term capital gain or loss if the shares in the Creation Unit have been held for more than one year and as a short-term capital gain or loss if those shares have been held for one year or less.

If you purchase or redeem Creation Units, you will be sent a confirmation statement showing the number of shares and at what price you purchased or redeemed them.

Investment in Underlying ETFs. A Fund will not be able to offset gains distributed by one underlying ETF in which it invests against losses in another underlying ETF in which the Fund invests. Sales of shares in an underlying ETF, including those resulting from changes in the allocation among underlying ETFs, could also cause additional distributable gains to shareholders of the Fund. A portion of any such gains may be short-term capital gains that would be distributable as ordinary income to shareholders of the Fund. Further, a portion of losses on sales of shares in the underlying ETFs may be deferred under the wash sale rules. As a result of these factors, the investment of a Fund in underlying ETFs could affect the amount, timing, and character of distributions to shareholders.

Additional Information. Shareholders that are non-resident aliens or foreign entities will generally be subject to withholding of U.S. federal income tax at the rate of 30% of all ordinary dividends if there is no applicable tax treaty or if they are claiming reduced withholding under a tax treaty and have not properly completed and signed the appropriate IRS Form W-8. Provided that the appropriate IRS Form W-8 is properly completed and provided to the applicable withholding agent, long-term capital gains distributions and proceeds of sales are not subject to withholding for foreign shareholders. An exception from withholding also applies to properly reported "interest-related dividends" and "short-term capital gain dividends."

Withholding of U.S. tax (at a 30% rate) is required on payments of taxable dividends made to certain non-U.S. entities that fail to comply (or be deemed compliant) with extensive reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Shareholders may be requested to provide additional information to enable the applicable withholding agent to determine whether withholding is required.

Distributions from a Fund may also be subject to state, local, and foreign taxes. You should consult your own tax advisor regarding the particular tax consequences of an investment in a Fund.

This section summarizes some of the consequences under current federal tax law of an investment in the Fund. It is not a substitute for personal tax advice. Consult your personal tax advisor about the potential tax consequences of an investment in a Fund under all applicable tax laws.

Investors who hold their Fund shares through an intermediary are subject to the intermediary's policies. Contact your financial intermediary for any questions you may have.

FINANCIAL HIGHLIGHTS

The fiscal year end of each Target Fund and the corresponding Acquiring Fund is May 31. The financial highlights for each Target Fund are included in Appendix B and have been derived from financial statements audited by Cohen & Company, Ltd. except for information provided for the six month-period ended November 30, 2025, which is unaudited.

The financial highlights of each Target Fund are also contained in: (i) the annual financial statements on Form N-CSR of the Target Fund for the fiscal year ended May 31, 2025, which have been audited by Cohen & Company, Ltd., the registered independent public accounting firm for each Target Fund and the corresponding Acquiring Fund; and (ii) the semi-annual financial statements on Form N-CSR of each Target Fund for the six months ended November 30, 2025, which are unaudited. The Annual Report and Semi-Annual Report of each Target Fund, which have previously been sent to shareholders, are available on request and without charge by writing to AltShares Trust, c/o State Street Bank and Trust Company, One Congress Building, One Congress Street, Suite 1, Boston, Massachusetts, 02114 or by calling toll-free at (855) 955-1607, and are incorporated by reference into this Combined Information Statement/Prospectus.

As of the date of this Combined Information Statement/Prospectus, the Acquiring Funds have not commenced operations and have no financial highlights. Each Acquiring Fund will assume the accounting history of the corresponding Target Fund at the closing of the Reorganization.

OTHER INFORMATION

Shareholder Information

As of June 1, 2026, there were a total of 3,494,000 shares outstanding of the AltShares Merger Arbitrage ETF and a total of 1,029,320 shares outstanding of the AltShares Event-Driven ETF.

As of June 1, 2026, no person was known by a Target Fund to own beneficially or of record 5% or more of any class of shares of the Target Fund, except as follows:

AltShares Merger Arbitrage ETF:

Name and Address	% Ownership	Type of Ownership
Charles Schwab & Co. 2423 E. Lincoln Drive Phoenix, AZ 85016-1215	53.96%	Record
BNY Mellon 525 William Penn Place Pittsburgh, PA 15259	11.67%	Record
National Financial Services LLC 499 Washington Blvd. Jersey City, NJ 07310	10.04%	Record
JP Morgan Chase & Co. 4 Chase Metrotech Center Brooklyn, NY 11245	6.55%	Record

AltShares Event-Driven ETF:

Charles Schwab & Co. 2423 E. Lincoln Drive Phoenix, AZ 85016-1215	50.07%	Record
JP Morgan Chase & Co.* 4 Chase Metrotech Center Brooklyn, NY 11245	25.01%	Record
National Financial Services LLC** 499 Washington Blvd. Jersey City, NJ 07310	21.46%	Record

* Includes 18.61% beneficial ownership by the Adviser and 6.40% beneficial ownership by John S. Orrico.

**Includes 14.15% beneficial ownership by John S. Orrico.

As of June 1, 2026, John S. Orrico (or the Adviser, which is under Mr. Orrico's control) beneficially owned 39.17% of the outstanding voting shares of the Event-Driven ETF and is therefore deemed to be a control person of the Fund. Mr. Orrico's address is: Water Island Capital, LLC, Attn: John S. Orrico, Trustee, 104 Fifth Avenue, 9th Floor, New York, NY 10011-6901.

As of June 1, 2026, the Trustees and officers of the Merger Arbitrage ETF (including the Adviser) as a group owned of record 4.97% of the outstanding voting shares of the Fund. As of June 1, 2026, the Trustees and officers of the Event-Driven ETF (including the Adviser) as a group owned of record 39.57% of the outstanding voting shares of the Fund.

A shareholder who owns of record or beneficially more than 25% of the outstanding shares of a Fund or who is otherwise deemed to "control" a Fund may be able to determine or significantly influence the outcome of matters submitted to a vote of the Fund's shareholders.

Shareholder Rights and Description of Securities to Be Issued

Each of The Arbitrage Funds (for purposes of this discussion, the "Acquiring Trust") and AltShares Trust (together with the Acquiring Trust, the "Trusts") is organized as a Delaware statutory trust. Each Trust's operations are governed by its organizational documents and applicable Delaware law. The Acquiring Trust operates in accordance with its Declaration of Trust and By-Laws, as amended from time to time. AltShares Trust operates in accordance with its Trust Instrument and By-Laws, as amended from time to time. The operations of each Trust also are subject to the provisions of the 1940 Act and the rules and regulations thereunder. The Acquiring Trust's Declaration of Trust and AltShares Trust's Trust Instrument are each referred to in this discussion as a "Declaration" and collectively as "Declarations."

While the Trusts are governed by different organizational documents, including separate Declarations, the rights of shareholders of the Acquiring Funds are similar to the rights of shareholders of the Target Funds. Each Trust's Declaration disclaims shareholder liability for acts or obligations of the Trust or its series and provides for indemnification to a shareholder from being held personally liable solely by reason of his or her being or having been a shareholder.

Each Trust's Declaration provides that the Board may establish series (that is, funds) in addition to those currently established and that the Board may determine, in its sole discretion, the rights and preferences, voting powers, and privileges of such series relative to any other series. Similarly, each Declaration provides that the Board may divide the shares of any series into separate classes of shares, which may differ as to certain rights and preferences.

Shareholder voting rights under each Declaration are similar. Each Declaration provides for shareholder voting as required by the 1940 Act or other applicable laws, but otherwise permits, consistent with Delaware law, certain actions by the Trustees without seeking the consent of shareholders. Under each Declaration, shareholders of a series are entitled to one vote for each full share held. Voting rights are not cumulative with respect to the election of the Trustees of each Trust. Each Declaration does not require annual meetings of shareholders to be held. Each Declaration provides that any Trustee may be removed at any meeting of shareholders by a vote of at least two-thirds of the outstanding shares of the respective Trust. Each Declaration further provides for shareholder voting with respect to the election of Trustees, amendments to the Declaration affecting shareholder voting rights, and with respect to such additional matters relating to the Trust as may be required by applicable law, the governing documents, or as the Trustees may consider desirable. The Acquiring Trust's Declaration requires the affirmative vote of a majority of the Trust's or a series' interest holders in order to effectuate a merger of the Trust or a series. AltShares Trust's Declaration permits such action to be taken by a majority of the Trustees and without a shareholder vote.

The primary differences between each Trust's Declaration include the following. AltShares Trust's Declaration includes provisions limiting the scope of the Trustees' fiduciary duties to AltShares Trust, its series or classes, or the shareholders to those imposed by applicable federal law and those included in the Declaration. The Acquiring Trust's Declaration does not include this limitation. However, each Declaration provides that the Declaration shall not protect any Trustee or officer of the Trust against liability to the Trust, a series or to shareholders to which he or she would otherwise be subject by reason of willful misfeasance, bad faith, gross negligence or reckless disregard of the duties involved in the conduct of his or her office. AltShares Trust's Declaration also states that ownership of shares shall not entitle the shareholders to any rights under any contract or agreement entered into by AltShares Trust or any series, including, without limitation, any third-party beneficiary rights, privileges, claims or remedies, unless expressly set forth in such agreement. The Acquiring Trust's Declaration does not include this provision. In addition, AltShares Trust's Declaration provides that, prior to bringing a derivative action, a demand by no fewer than three unrelated shareholders must be made on the Trustees. AltShares Trust's Declaration also provides that no shareholder or group of shareholders have the right to bring a direct action or claim for monetary damages against AltShares Trust or any series or class or the Trustees predicated upon an express or implied right of action under the Declaration or the 1940 Act (excepting rights of action permitted under Section 36(b) of the 1940 Act), nor shall any shareholder, who is similarly situated to one or more other shareholders with respect to the alleged injury, have the right to bring such an action, unless such group of shareholders or such shareholder has obtained authorization from the Trustees to bring the action. The Acquiring Trust's Declaration does not include such provisions regarding shareholder derivative actions. The Acquiring Trust's Declaration permits an action to be brought by a shareholder on behalf of the Acquiring Trust or a series, or a shareholder to request a shareholder meeting, if shareholders owning at least 10% of the outstanding shares of the Acquiring Trust or a series of class thereof, as applicable, join in bringing the action or request the meeting, respectively.

Under AltShares Trust's Declaration, a shareholder bringing a direct claim must be a shareholder of the series or class against which the direct action is brought at the time of the injury complained of, or acquired the shares afterwards by operation of law from a person who was a shareholder at that time. AltShares Trust's Declaration further requires that direct or derivative actions by shareholders against AltShares Trust be brought only in the Court of Chancery of the State of Delaware to the extent there is subject matter jurisdiction in such court for the claims asserted or, if not, then in other courts in the State of Delaware, and that the right to jury trial be waived to the fullest extent permitted by law. The Acquiring Trust's Declaration does not include any corresponding provisions relating to derivative or direct actions.

Under AltShares Trust's Declaration and By-Laws, shareholders may take an action if a majority (or such greater amount as may be required by law) of the outstanding shares entitled to vote on the matter consent to the action in writing and such written consents are filed with the records of shareholders' meetings. The Acquiring Trust's Declaration similarly provides that shareholders may take action that they are permitted to take under the Declaration without a meeting if shareholders holding more than 50% of the total shares entitled to vote (or such larger proportion that is required by an express provision of the Declaration) shall consent to the action in writing and the written consents are filed with the records of shareholders' meetings. In addition, AltShares Trust's Declaration precludes the Trustees from making any changes to outstanding shares that would be materially adverse to shareholders. The Acquiring Trust's Declaration does not include this limitation.

Shareholder Proposals

The Target Funds and the corresponding Acquiring Funds do not hold regular annual meetings of shareholders. As a general matter, the Acquiring Funds do not intend to hold future regular annual or special meetings of their shareholders unless the election of trustees is required by the 1940 Act. Any shareholder who wishes to submit a proposal for consideration at a meeting of shareholders of the Acquiring Funds should send such proposal to The Arbitrage Funds, 104 Fifth Avenue, 9th Floor, New York, NY 10011. To be considered for presentation at a shareholders' meeting, rules promulgated by the SEC require that, among other things, a shareholder's proposal must be received at a fund's offices a reasonable time before a solicitation is made. Timely submission of a proposal does not necessarily mean that such proposal will be included.

APPENDIX A

AGREEMENT AND PLAN OF REORGANIZATION

THIS AGREEMENT AND PLAN OF REORGANIZATION AND TERMINATION ("**Agreement**") is made as of September 25, 2026, among **AltShares Trust**, a Delaware statutory trust ("**Target Trust**"), severally and not jointly on behalf of each segregated portfolio of assets ("**series**") thereof listed under the heading "Target Funds" on Schedule A attached hereto ("**Schedule A**") (each, a "**Target Fund**"); **The Arbitrage Funds**, a Delaware statutory trust ("**Acquiring Trust**"), severally and not jointly on behalf of each series thereof listed under the heading "Acquiring Funds" on Schedule A (each, an "**Acquiring Fund**"); and, solely for purposes of paragraph 6, **Water Island Capital, LLC**, Target Trust's and Acquiring Trust's investment adviser **(**the **"Adviser")**. (Each Target Fund and Acquiring Fund is sometimes referred to herein as a "**Fund**," and each of Target Trust and Acquiring Trust is sometimes referred to herein as an "**Investment Company**.") Notwithstanding anything to the contrary contained herein, (1) all agreements, covenants, representations, warranties, actions, and obligations described herein (collectively, "**Obligations**") of and by each Fund – and of and by the Investment Company of which that Fund is a series, on that Fund's behalf – shall be the Obligations of that Fund only, (2) all rights and benefits created hereunder in favor of a Fund shall inure to and be enforceable by the Investment Company of which that Fund is a series, on that Fund's behalf, and (3) in no event shall any other series of an Investment Company or the assets thereof be liable with respect to the breach or other default by a Fund or the Investment Company of its Obligations set forth herein.

The Investment Companies wish to effect two reorganizations described in section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended ("**Code**") (all "**section**" references are to the Code, unless otherwise noted), and each Investment Company intends this Agreement to be, and adopts it as, a "plan of reorganization" within the meaning of the regulations under the Code ("**Regulations**"). Each reorganization will involve an Target Fund changing its identity, form and place of organization – by converting from a series of Target Trust to a series of Acquiring Trust – by (1) transferring all its assets to the Acquiring Fund listed on Schedule A opposite its name (which is being established solely for the purpose of acquiring those assets and continuing that Target Fund's business) ("**corresponding Acquiring Fund**") in exchange solely for voting shares of beneficial interest ("**shares**") in that Acquiring Fund and that Acquiring Fund's assumption of all of that Target Fund's Liabilities (defined below) (2) distributing those shares *pro rata* to that Target Fund's shareholders in exchange for their shares therein and in complete liquidation thereof (for federal tax purposes), and (3) terminating that Target Fund (all the foregoing transactions involving each Target Fund and its corresponding Acquiring Fund being referred to herein collectively as a "**Reorganization**"), all on the terms and conditions set forth herein.

With respect to each Reorganization, each Investment Company's board of trustees (each, a "**Board**"), in each case including a majority of its members who are not "interested persons" (as that term is defined in the Investment Company Act of 1940, as amended ("**1940 Act**")) ("**Non-Interested Persons**") of either Investment Company, (1) has duly adopted and approved this Agreement and the transactions contemplated hereby and(2) has duly authorized performance hereof on behalf of the Fund that is a series thereof ("its Fund") by all necessary Board action.

Each of the Target Funds listed on Schedule A has issued and outstanding single class of shares ("**Target Fund Shares**"). Commencing at the **Effective Time** (as defined in paragraph 2.1), each Acquiring Fund listed on Schedule A will issue and have outstanding a single class of shares ("**Acquiring Fund Shares**"). The rights and obligations of Target Fund Shares and Acquiring Fund Shares are identical to each other.

For convenience, the balance of this Agreement refers only to a single Reorganization, one Target Fund, and one Acquiring Fund, but the terms and conditions hereof shall apply separately to each Reorganization and the Funds participating therein.

In consideration of the mutual promises contained herein, the Investment Companies agree as follows:

1. PLAN OF REORGANIZATION AND TERMINATION

1.1 Subject to the requisite approval of Target Fund's shareholders and satisfaction of the terms and conditions set forth herein, Target Fund shall assign, sell, convey, transfer, and deliver all of its assets described in paragraph 1.2 ("**Assets**") to Acquiring Fund. In exchange therefor, Acquiring Fund shall:

(a) issue and deliver to Target Fund the number of Acquiring Fund Shares equal to the number of full Target Fund Shares outstanding at the **Effective Time**; and

(b) assume all of Target Fund's liabilities described in paragraph 1.3 ("**Liabilities**").

The transactions described in this Section 1.1 shall take place at the **Closing** (as defined in paragraph 2.1).

1.2 The Assets shall consist of all assets and property of every kind and nature – including, without limitation, all cash, cash equivalents, securities, commodities, warehouse receipts, futures interests, receivables (including interest and dividends receivable), claims and rights of action, rights to register shares under applicable securities laws, and books and records – Target Fund owns at the Effective Time**,** and any deferred and prepaid expenses (other than unamortized organizational expenses) shown as assets on Target Fund's books at that time.

1.3 The Liabilities shall consist of all of Target Fund's known liabilities, debts, obligations, and duties existing at the Effective Time, whether known or unknown, contingent, accrued, or otherwise, excluding **Reorganization Expenses** (as defined in paragraph 3.1(aa)) borne by the Adviser pursuant to paragraph 6. Notwithstanding the foregoing, Target Fund shall endeavor to discharge all its known liabilities, debts, obligations, and duties that are or will become due before the Effective Time, other than those incurred in the ordinary course of business that are associated with assets of the Target Fund to be transferred to the Acquiring Fund, prior to Closing. Any such liabilities incurred prior to Closing in the ordinary course of business that are associated with the assets of the Target Fund to be transferred to the Acquiring Fund not so discharged and existing at Closing, shall be assumed by the Acquiring Fund.

1.4 At or before the Closing, Acquiring Fund shall redeem the **Initial Shares** (as defined in paragraph 5.5) for the price at which they are issued pursuant to that paragraph. At the Effective Time (or as soon thereafter as is reasonably practicable), Target Fund shall distribute all the Acquiring Fund Shares it receives pursuant to paragraph 1.1(a) to its shareholders of record determined at that time (each, a "**Shareholder**"), in proportion to their Target Fund Shares then held of record and in constructive exchange therefor, and shall completely liquidate (which shall be treated as a complete liquidation of Target Fund for federal tax purposes, within the meaning of section 1.368-2(m)(1)(iv) of the Regulations). Such liquidation and distribution will be accomplished by the transfer of the Acquiring Fund Shares then credited to the account of the Target Fund on, as appropriate, the books, share records, or global Depository Trust Company ("**DTC**") certificate (in each case, the "**Global Certificate**") of the Acquiring Fund to open accounts on the Global Certificate of the Acquiring Fund in the names of the Qualifying Accounts of the Shareholders and representing the respective number of Acquiring Fund Shares due to each Shareholder. The Shareholders will be entitled to receive Acquiring Fund Shares equal in number and value to the aggregate net asset value of the then outstanding Target Fund Shares owned by Shareholders at the Effective Time. All issued and outstanding Target Fund Shares will simultaneously be redeemed and canceled.

1.5 DTC will act as securities depositary for the Acquiring Fund Shares. The Acquiring Fund Shares are represented by a global securities certificate registered in the name of DTC or its nominee and deposited with, or on behalf of, DTC. Certificates will not be issued for the Acquiring Fund Shares. Access to DTC system is available to, among others, both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with DTC directly of a participant in DTC ("**DTC Participants**") or indirectly ("**Indirect Participants**"). Beneficial ownership of all Acquiring Fund Shares will be limited to DTC Participants, Indirect Participants, and persons holding interests through DTC Participants and Indirect Participants. Ownership of beneficial interests in Acquiring Fund Shares (owners of such beneficial interests are referred to herein as "**Beneficial Owners**") will be shown on, and the transfer of ownership will be effected only through, records maintained by DTC (with respect to DTC Participants) and on the records of DTC Participants (with respect to Indirect Participants). Beneficial Owners will receive from or through DTC Participants a written confirmation relating to their ownership of the Acquiring Fund Shares.

1.6 Any transfer taxes payable on the issuance and transfer of Acquiring Fund Shares in a name other than that of the registered holder on Target Fund's shareholder records of the Target Fund Shares actually or constructively exchanged therefor shall be paid by the transferee thereof, as a condition of that issuance and transfer.

1.7 Any reporting responsibility of Target Fund to a public authority, including the responsibility for filing regulatory reports, tax returns (for periods ending before the Effective Time), and other documents with the Securities and Exchange Commission ("**Commission**"), any state securities commission, any federal, state, and local tax authorities, and any other relevant regulatory authority, is and shall remain its responsibility up to and including the date on which it is terminated.

1.8 After the Effective Time, Target Fund shall not conduct any business except in connection with its termination and complete liquidation. As soon as reasonably practicable after distribution of the Acquiring Fund Shares pursuant to paragraph 1.4, but in all events within six months after the Effective Time Target Fund shall be terminated as a series of Target Trust.

1.9 With respect to each Reorganization:

(a) The value of the Target Fund's Assets shall be the value of such Assets computed as of immediately after the close of regular trading on the New York Stock Exchange ("**NYSE**"), which shall reflect the declaration of any dividends, and the amount of the Liabilities shall be determined, as of the Effective Time, using the valuation methodologies set forth in the then-current prospectus for the Acquiring Fund and the valuation procedures established by the Acquiring Trust's board of trustees; provided, however, that such computation is materially consistent with the valuation policies and procedures of the Target Trust and in the event of any material inconsistency, the parties hereto shall confer and mutually agree on the valuation.

(b) The number of shares of the Acquiring Fund issued in exchange for the Target Fund's Assets shall equal the number of Target Fund Shares outstanding as of the Effective Time. All Acquiring Fund shares delivered to the Target Fund will be delivered at net asset value without the imposition of a sales load, commission, transaction fee or other similar fee.

(c) The net asset value per share of the Acquiring Fund shares issued in connection with the Reorganization shall be determined by dividing (i) the value of the Assets minus the Liabilities (as described in Section 1.9(a)) by (ii) the number of the Acquiring Fund shares issued in connection with the Reorganization (as described in Section 1.9(b)).

(d) All computations of value shall be made by the Acquiring Fund or its designated recordkeeping agent using the valuation procedures described in this Section 1.9 and shall be subject to review by the Target Fund and/or its recordkeeping agent, and, if requested by either the Target Trust or the Acquiring Trust, by the independent registered public accountant of the requesting party.

2. <u>CLOSING AND EFFECTIVE TIME</u>

2.1 Unless the Investment Companies agree otherwise in writing, all acts necessary to consummate the Reorganization ("**Closing**") shall be deemed to take place simultaneously as of immediately after the close of business (4:00 p.m., Eastern Time) on September 25, 2026 (such date, the "**Closing Date**" and such time, the "**Effective Time**"). The Closing shall be held at Acquiring Trust's offices or at such other place as to which the Investment Companies agree. The Closing may also be held by facsimile, email or such other communication as the Investment Companies agree.

2.2 Target Trust shall cause the custodian of Target Fund's assets ("**Old Custodian**") (a) to make Target Fund's portfolio securities available to Acquiring Trust (or to its custodian ("**New Custodian**"), if Acquiring Trust so directs), for examination, no later than five business days preceding the Effective Time, it being understood that such holdings may change prior to the Effective Time, and (b) to transfer and deliver the Assets as of the Effective Time to the New Custodian for Acquiring Fund's account, as follows: (1) duly endorsed in proper form for transfer in such condition as to constitute good delivery thereof in accordance with the custom of brokers, (2) by book entry, in accordance with the Old Custodian's customary practices and any securities depository (as defined in Rule 17f-4 under the 1940 Act) in which Target Fund's assets are deposited, in the case of Target Fund's portfolio securities and instruments deposited with those depositories, and (3) by wire transfer of federal funds in the case of cash. If Target Fund is unable to make such delivery at the Effective Time in the manner contemplated by this Section for the reason that any of such Assets purchased prior to the Effective Time have not yet been delivered to Target Fund or its broker, then Acquiring Fund may, in its sole discretion, waive the delivery requirements of this Section with respect to such undelivered Assets if Target Fund has, by or at the Effective Time, delivered to Acquiring Fund or the New Custodian executed copies of an agreement of assignment and escrow and due bills executed on behalf of such broker or brokers, together with such other documents as may be required by Acquiring Fund or the New Custodian, such as brokers' confirmation slips. Target Trust shall also direct the Old Custodian to deliver at the Closing a certificate of an authorized officer ("**Certificate**") (a) stating that pursuant to proper instructions provided to the Old Custodian by Target Trust, the Old Custodian has delivered all of Target Fund's portfolio securities, cash, and other Assets to the New Custodian for Acquiring Fund's account and (b) attaching a schedule setting forth information (including adjusted basis and holding period, by lot) concerning the Assets. The New Custodian shall certify to Acquiring Trust that such information, as reflected on Acquiring Fund's books immediately after the Effective Time, does or will conform to that information as so certified by the Old Custodian. The Acquiring Fund hereby agrees to keep any portfolio securities information provided prior to the Effective Time confidential and to share such information only with its service providers that (i) require such information in connection with the consummation of the transaction contemplated herein and (ii) are subject to a duty, contractual or otherwise, to keep such information confidential to the same or greater extent as Acquiring Fund's agreement to keep such information confidential under this Section 2.2.

2.3 By the Closing, the Target Trust shall cause its transfer agent to deliver to the Acquiring Trust, or its designated agent, instructions necessary for the *pro rata* distribution of Acquiring Fund Shares as provided in Section 1.4, all as of the close of business on the Closing Date.

2.4 Target Trust shall deliver to Acquiring Trust, within five days before the Closing, it being understood that such holdings may change prior to the Effective Time, a Certificate listing each security, by name of issuer and number of shares, that is being carried on Target Fund's books at values provided by an authorized pricing vendor for Target Fund.

2.5 If requested by Acquiring Trust, Target Trust shall direct Cohen & Company, Ltd. ("Cohen"), and other applicable service providers to deliver at the Closing all work papers and supporting statements related to financial statements and tax returns, including those related to ASC 740-10-25 (formerly, "Accounting for Uncertainty in Income Taxes," FASB Interpretation No. 48, July 13, 2006), pertaining to Target Fund (collectively, "**Work Papers**") for any of the Target Fund's fiscal and taxable periods from its commencement of operations through the period that ended May 31, 2025 and for the period from May 31, 2026 through the Effective Time.

2.6 At the Closing, the Acquiring Trust on behalf of Acquiring ETF and the Target Trust on behalf of the Target Fund shall deliver to each other, (a) bills of sale, checks, assignments, share certificates, receipts, and/or other documents the other Investment Company or its counsel reasonably requests and (b) a Certificate executed in its name by its President or another authorized officer in form and substance satisfactory to the recipient, and dated as of the Effective Time, to the effect that the representations and warranties it made therein and herein are true and correct at the Effective Time except as they may be affected by the transactions contemplated hereby.

3. REPRESENTATIONS AND WARRANTIES

3.1 Target Trust, on Target Fund's behalf, represents and warrants to Acquiring Trust, on Acquiring Fund's behalf, as follows:

(a) Target Trust (1) is a statutory trust that is duly organized, validly existing, and in good standing under the laws of the State of Delaware, and its Certificate of Trust (as it may be amended from time to time) has been duly filed in the office of the Secretary of State of Delaware ("**State Secretary**"), and (2) has the power to own all its properties and assets and to carry on its business as described its current registration statement on Form N-1A;

(b) Target Fund is a duly established and designated series of Target Trust;

(c) Target Trust's execution, delivery, and performance of this Agreement have been duly authorized at the date hereof by all necessary action on the part of its Board; and this Agreement constitutes a valid and legally binding obligation of Target Trust, with respect to Target Fund, enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, fraudulent transfer, reorganization, receivership, moratorium, and other laws affecting the rights and remedies of creditors generally and general principles of equity;

(d) At the Effective Time, Target Trust, on Target Fund's behalf, will have good and marketable title to the Assets and full right, power, and authority to sell, assign, transfer, and deliver the Assets hereunder free of any liens or other encumbrances (except securities that are subject to "securities loans," as referred to in section 851(b)(2) of the Code, or that are restricted as to resale by their terms); and on delivery and payment for the Assets, Acquiring Trust, on Acquiring Fund's behalf, will acquire good and marketable title thereto, subject to no restrictions on the full transfer thereof, except restrictions that might arise under the Securities Act of 1933, as amended ("**1933 Act**"), provided that Acquiring Fund will acquire Assets that are segregated as collateral for Target Fund's derivative positions, if any, including without limitation, as collateral for swap positions and as margin for futures positions, if any, subject to such segregation and liens that apply to such Assets;

(e) Target Trust, with respect to Target Fund, is not currently engaged in, and its execution, delivery, and performance of this Agreement and consummation of the Reorganization will not result in, (1) a conflict with or a material violation of any provision of its Agreement and Declaration of Trust ("**Target Trust's Declaration**") or By-Laws (each as last amended), Delaware law, or any agreement, indenture, instrument, contract, lease, or other undertaking (each, an "**Undertaking**") to which Target Trust, on Target Fund's behalf, is a party or by which it is bound or (2) the acceleration of any obligation, or the imposition of any penalty, under any Undertaking, judgment, or decree to which Target Trust, on Target Fund's behalf, is a party or by which it is bound;

(f) At or before the Effective Time, either (1) all material contracts and other commitments of or applicable to Target Trust, with respect to Target Fund (other than this Agreement and certain investment contracts, including options, futures, forward contracts and swap agreements), will terminate or (2) provision for discharge and/or Acquiring Fund's assumption of any liabilities of Target Fund thereunder will be made, without either Fund incurring any penalty with respect thereto and without diminishing or releasing any rights Target Trust may have had with respect to actions taken or omitted or to be taken by any other party thereto before the Closing;

(g) No material litigation, administrative proceeding, action, or investigation of or before any court, governmental body, or arbitrator is presently pending or, to Target Trust's best knowledge, threatened against Target Trust, with respect to Target Fund or any of its properties or assets attributable or allocable to Target Fund that, if adversely determined, would materially and adversely affect Target Fund's financial condition or the conduct of its business; and Target Trust, on Target Fund's behalf, knows of no facts that might form the basis for the institution of any such litigation, proceeding, action, or investigation and is not a party to or subject to the provisions of any order, decree, judgment, or award of any court, governmental body, or arbitrator that materially and adversely affects Target Fund's business or Target Trust's ability to consummate the transactions contemplated hereby;

(h) Target Fund has no known liabilities of a material nature, contingent or otherwise, other than those that are shown as belonging to it on its statement of assets and liabilities as of May 31, 2025, and those incurred in the ordinary course of business as an investment company since such date. Target Fund's Statement of Assets and Liabilities, Schedule of Investments, Statement of Operations, and Statement of Changes in Net Assets (each, a "**Statement**") at and for the fiscal year (in the case of the last Statement, for the two fiscal years) ended May 31, 2025, have been audited by Cohen & Company, Ltd., an independent registered public accounting firm that audits Target Fund's books, and are in accordance with generally accepted accounting principles consistently applied in the United States ("**GAAP**"); and those Statements (copies of which Target Trust has furnished to Acquiring Trust), present fairly, in all material respects, Target Fund's financial condition at their respective dates in accordance with GAAP and the results of its operations and changes in its net assets for the periods then ended, and there are no known contingent liabilities of Target Fund required to be reflected on a balance sheet (including the notes thereto) in accordance with GAAP at either such date that are not disclosed therein;

(i) Since May 31, 2025, there has not been any material adverse change in Target Fund's financial condition, assets, liabilities, or business, other than changes occurring in the ordinary course of business, or any incurrence by Target Fund of indebtedness maturing more than one year from the date that indebtedness (other than indebtedness incurred in connection with certain investment contracts including options, futures, forward and swap contracts) was incurred; for purposes of this subparagraph, a decline in net asset value per Target Fund Share due to declines in market values of securities Target Fund holds, the discharge of Target Fund liabilities, distributions of net investment income and net realized capital gains, changes in portfolio securities, or the redemption of Target Fund Shares by its shareholders will not constitute a material adverse change;

(j) All federal and other tax returns, dividend reporting forms, and other tax-related reports (collectively, "**Returns**") of Target Fund required by law to have been filed by the Effective Time (taking into account any properly and timely filed extensions of time to file) have been or will, prior to the Effective Time, be filed and are or will be correct in all material respects, and all federal and other taxes shown as due or required to be shown as due on those Returns will have been paid or provision will have been made for the payment thereof; to the best of Target Trust's knowledge, no such Return is currently under audit and no assessment has been asserted with respect to those Returns;

(k) Target Fund (1) is in compliance in all material respects with all applicable Regulations pertaining to (*a*) the reporting of dividends and other distributions with respect to, and redemptions of, its shares, (*b*) withholding in respect thereof, and (*c*) shareholder basis reporting, (2) has withheld in respect of those dividends and other distributions and paid to the proper taxing authorities all taxes required to be withheld, and (3) is not liable for any material penalties that could be imposed thereunder;

(l) Target Fund is not classified as a partnership, and instead is classified as an association that is taxable as a corporation, for federal tax purposes and either has elected the latter classification by filing Form 8832 with the Internal Revenue Service ("**Service**") or is a "publicly traded partnership" (as defined in section 7704(b)) that is treated as a corporation; Target Fund is a "fund" (as defined in section 851(g)(2), eligible for treatment under section 851(g)(1)); for each taxable year of its operation (including its current taxable year through the Effective Time), Target Fund has met (and for its current taxable year through the Effective Time will meet) the requirements of Part I of Subchapter M of Chapter 1 of Subtitle A of the Code ("**Subchapter M**") for qualification as a "regulated investment company" (as defined in section 851(a)(1)) ("**RIC**") and has been (and for its current taxable year through the Effective Time will be) eligible to and has computed its federal income tax under section 852; and Target Fund has no earnings and profits accumulated in any taxable year in which the provisions of Subchapter M did not apply to it;

(m) All issued and outstanding Target Fund Shares are, and at the Effective Time will be, duly and validly issued and outstanding, fully paid, and non-assessable by Target Trust and have been offered and sold in every state and the District of Columbia in compliance in all material respects with applicable registration requirements of the 1933 Act and state securities laws; and Target Fund does not have outstanding any options, warrants, or other rights to subscribe for or purchase any Target Fund Shares, nor are there outstanding any securities convertible into any Target Fund Shares;

(n) Target Fund incurred the Liabilities, which are associated with the Assets, in the ordinary course of its business;

(o) Target Fund is not under the jurisdiction of a court in a "title 11 or similar case" (as defined in section 368(a)(3)(A));

(p) On the date on which they were issued, on the effective date of the **Registration Statement (**as defined in paragraph 3.3(a)) and at the Effective Time, Target Fund's current prospectus and statement of additional information did and will (1) conform in all material respects to the applicable requirements of the 1933 Act and the 1940 Act and the rules and regulations of the Commission thereunder and (2) not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading ("**Untrue Statement or Omission**");

(q) The information to be furnished by Target Trust for use in no-action letters, applications for orders, the Registration Statement, proxy materials, and other documents filed or to be filed with any federal, state, or local regulatory authority (including the Financial Industry Regulatory Authority, Inc. ("**FINRA**")) that may be necessary in connection with the transactions contemplated hereby will be accurate and complete in all material respects and will comply in all material respects with federal securities laws and other laws and regulations; and the Registration

Statement (other than written information provided by Acquiring Trust for inclusion therein) will, on its effective date, at the Effective Time, not contain any Untrue Statement or Omission;

(r) The Target Trust's Declaration permits Target Trust to vary its shareholders' investment; Target Trust does not have a fixed pool of assets; and each series thereof (including Target Fund) is a managed portfolio of securities, and Target Trust Adviser has the authority to buy and sell securities for Target Fund;

(s) Target Fund's investment operations from inception to the date hereof have been in compliance in all material respects with the investment policies and investment restrictions set forth in its prospectus and statement of additional information, except as previously disclosed in writing to Acquiring Trust;

(t) The Acquiring Fund Shares to be delivered to Target Fund hereunder are not being acquired for the purpose of making any distribution thereof, other than in accordance with the terms hereof;

(u) Target Fund's minute books and similar records made available to Acquiring Trust prior to the execution hereof contain a true and complete record in all material respects of all action taken at all meetings and by all written consents in lieu of meetings of the shareholders and of its Board and any committees of its Board; Target Fund's shareholder records so made available accurately reflect all record transfers in Target Fund's shares prior to the execution of this Agreement; and any other books and records of Target Fund so made available are true and correct in all material respects and contain no material omissions with respect to Target Fund's business and operations;

(v) Target Trust has maintained with respect to Target Fund, in all material respects, all books and records required of a registered investment company in compliance with the requirements of section 31 of the 1940 Act and rules thereunder, and those books and records are true and correct in all material respects;

(w) Target Trust has adopted and implemented written policies and procedures in accordance with Rule 38a-1 under the 1940 Act;

(x) Target Fund does not have any unamortized or unpaid organizational fees or expenses;

(y) Target Fund has not changed its taxable year-end since inception and will not change its taxable year-end prior to the Closing;

(z) None of the compensation received from Target Fund, Target Trust Adviser, or any "affiliated person" (as defined in section 2(a)(3) of the 1940 Act) of or person related to (collectively, an "**Affiliate**") either of them (each, an "**Target Fund Group Member**") by any Shareholder who or that is an employee of or service provider to Target Fund will be separate consideration for, or allocable to, any of the Target Fund Shares that Shareholder holds; none of the Acquiring Fund Shares any such Shareholder receives will be separate consideration for, or allocable to, any employment agreement, investment advisory agreement, or other service agreement with any Target Fund Group Member; and the compensation paid to any such Shareholder by any Target Fund Group Member will be for services actually rendered and will be commensurate with amounts paid to third parties bargaining at arm's-length for similar services;

(aa) No expenses incurred by Target Fund or on its behalf in connection with the Reorganization will be paid or assumed by any Target Fund Group Member (other than Target Fund) or, to Target Trust's knowledge, any other person unless those expenses are solely and directly related to the Reorganization (determined in accordance with the guidelines set forth in Rev. Rul. 73-54, 1973-1 C.B. 187) ("**Reorganization Expenses**"), and no cash or property other than Acquiring Fund Shares will be transferred to Target Fund or any of its shareholders by any Target Fund Group Member or, to Target Trust's knowledge, any other person with the intention that it be used to pay any expenses (even Reorganization Expenses) thereof; and

(bb) Target Trust is undertaking the Reorganization for *bona fide* business purposes (and not a purpose to avoid federal income tax).

3.2 Acquiring Trust, on Acquiring Fund's behalf, represents and warrants to Target Trust, on Target Fund's behalf, as follows:

(a) Acquiring Trust (1) is a statutory trust that is duly organized, validly existing, and in good standing under the laws of the State of Delaware, and its Certificate of Trust (as it may be amended from time to time) has been duly filed in the office of the Secretary of State of Delaware ("**State Secretary**"), and (2) has the power to own all its properties and assets and to carry on its business as described its current registration statement on Form N-1A;

(b) At the Effective Time, Acquiring Fund will be a duly established and designated series of Acquiring Trust; Acquiring Fund has not commenced operations and will not do so until after the Closing; and, immediately before the Closing, Acquiring Fund will be a shell series of Acquiring Trust, without assets (except the amount paid for the Initial Shares if they have not already been redeemed by that time) or liabilities, created for the purpose of acquiring the Assets, assuming the Liabilities, and continuing Target Fund's business;

(c) Acquiring Trust's execution, delivery, and performance of this Agreement have been duly authorized at the date hereof by all necessary action on the part of its Board; and this Agreement constitutes a valid and legally binding obligation of Acquiring Trust, with respect to Acquiring Fund, enforceable in accordance with its terms, subject to the effect of bankruptcy, insolvency, fraudulent transfer, reorganization, receivership, moratorium, and other laws affecting the rights and remedies of creditors generally and general principles of equity;

(d) Before the Closing, there will be no (1) issued and outstanding Acquiring Fund Shares of any class, (2) options, warrants, or other rights to subscribe for or purchase any Acquiring Fund Shares, (3) securities convertible into any Acquiring Fund Shares, or (4) other securities issued by Acquiring Fund, except the Initial Shares;

(e) No consideration other than Acquiring Fund Shares (and Acquiring Fund's assumption of the Liabilities) will be issued in exchange for the Assets in the Reorganization;

(f) Acquiring Trust, with respect to Acquiring Fund, is not currently engaged in, and its execution, delivery, and performance of this Agreement and consummation of the Reorganization will not result in, (1) a conflict with or material violation of any provision of Delaware law, the Acquiring Trust's Declaration or Acquiring Trust's Bylaws, or any Undertaking to which Acquiring Trust, on Acquiring Fund's behalf, is a party or by which it is bound or (2) the acceleration of any obligation, or the imposition of any penalty, under any Undertaking, judgment, or decree to which Acquiring Trust, on Acquiring Fund's behalf, is a party or by which it is bound;

(g) No litigation, administrative proceeding, action, or investigation of or before any court, governmental body, or arbitrator is presently pending or, to Acquiring Trust's knowledge, threatened against Acquiring Trust, with respect to Acquiring Fund or any of its properties or assets attributable or allocable to Acquiring Fund, that, if adversely determined, would materially and adversely affect Acquiring Fund's financial condition or the conduct of its business; and Acquiring Trust, on Acquiring Fund's behalf, knows of no facts that might form the basis for the institution of any such litigation, proceeding, action, or investigation and is not a party to or subject to the provisions of any order, decree, judgment, or award of any court, governmental body, or arbitrator that materially and adversely affects Acquiring Fund's business or Acquiring Trust's ability to consummate the transactions contemplated hereby;

(h) Acquiring Fund is not (and will not be) classified as a partnership, and instead is (and will be) classified as an association that is taxable as a corporation, for federal tax purposes and either has elected (or will timely elect) the latter classification by filing Form 8832 with the Service or is (and will be) a "publicly traded partnership" (as defined in section 7704(b)) that is treated as a corporation; Acquiring Fund has not filed any income tax return and will file its first federal income tax return after the completion of its first taxable year after the Effective Time as a RIC on Form 1120-RIC; until that time, Acquiring Fund will take all steps necessary to ensure that it is eligible and qualifies for taxation as a RIC under Subchapter M; from and after its commencement of operations, Acquiring Fund will be a "fund" (as defined in section 851(g)(2), eligible for treatment under section 851(g)(1)) and has not taken and will not take any steps inconsistent with its qualification as such; assuming that Target Fund will meet the requirements of Subchapter M for qualification as a RIC for the part of its taxable year through the Effective Time, Acquiring Fund will meet those requirements, and will be eligible to and will compute its federal income tax under section 852, for its taxable year in which the Reorganization occurs; and Acquiring Fund intends to continue to meet all those requirements, and to be eligible to and to so compute its federal income tax, for each subsequent taxable year;

(i) The Acquiring Fund Shares to be issued and delivered to Target Fund, for the Shareholders' accounts, pursuant to the terms hereof, (1) will at the Effective Time have been duly authorized and duly registered under the federal securities laws, and appropriate notices respecting them will have been duly filed under applicable state securities laws, and (2) when so issued and delivered, will be duly and validly issued and outstanding Acquiring Fund Shares and will be fully paid and non-assessable by Acquiring Trust;

(j) There is no plan or intention for Acquiring Fund to be terminated, dissolved, or merged into another business or statutory trust or a corporation or any "fund" thereof (as defined in section 851(g)(2)) following the Reorganization;

(k) Immediately after the Effective Time, Acquiring Fund will not be under the jurisdiction of a court in a "title 11 or similar case" (as defined in section 368(a)(3)(A));

(l) The information to be furnished by Acquiring Trust for use in no-action letters, applications for orders, registration statements, proxy materials, and other documents filed or to be filed with any federal, state, or local regulatory authority (including FINRA) that may be necessary in connection with the transactions contemplated hereby will be accurate and complete in all material respects and will comply in all material respects with federal securities laws and other laws and regulations; and the Registration Statement (other than written information provided by Target Trust for inclusion therein) will, on its effective date, at the Effective Time, not contain any Untrue Statement or Omission;

(m) The Acquiring Trust's Declaration permits Acquiring Trust to vary its shareholders' investment; Acquiring Trust does not have a fixed pool of assets; and each series thereof (including Acquiring Fund after it commences operations) is (or will be) a managed portfolio of securities, and Acquiring Trust Adviser and each investment sub-advisor thereof have the authority to buy and sell securities for it;

(n) None of the compensation received from Acquiring Fund, Acquiring Trust Adviser, or any Affiliate of either of them (each, a "**Acquiring Fund Group Member**") by any Shareholder who or that is an employee of or service provider to Target Fund will be separate consideration for, or allocable to, any of the Target Fund Shares that Shareholder holds; none of the Acquiring Fund Shares any such Shareholder receives will be separate consideration for, or allocable to, any employment agreement, investment advisory agreement, or other service agreement with any Acquiring Fund Group Member; and the compensation paid to any such Shareholder by any Acquiring Fund Group Member will be for services actually rendered and will be commensurate with amounts paid to third parties bargaining at arm's-length for similar services;

(o) No expenses incurred by Target Fund or on its behalf in connection with the Reorganization will be paid or assumed by any Acquiring Fund Group Member or, to Acquiring Trust's knowledge, any other person unless those expenses are Reorganization Expenses, and no cash or property other than Acquiring Fund Shares will be transferred to Target Fund or any of its shareholders by any Acquiring Fund Group Member or, to Acquiring Trust's knowledge, any other person with the intention that it be used to pay any expenses (even Reorganization Expenses) thereof;

(p) Immediately following consummation of the Reorganization, the Shareholders will own all the Acquiring Fund Shares and will own those shares solely by reason of their ownership of the Target Fund Shares immediately before the Reorganization;

(q) Acquiring Trust is undertaking the Reorganization for *bona fide* business purposes (and not a purpose to avoid federal income tax); and

(r) On the date of the Registration Statement and at the Effective Time, Acquiring Fund's current prospectus and statement of additional information did and will (1) conform in all material respects to the applicable requirements of the 1933 Act and the 1940 Act and the rules and regulations of the Commission thereunder, and (2) (other than written information provided by Target Trust for inclusion therein) not contain any Untrue Statement or Omission.

3.3 Each Investment Company, on its Fund's behalf, represents and warrants to the other Investment Company, on its Fund's behalf, as follows:

(a) No governmental consents, approvals, authorizations, or filings are required under the 1933 Act, the Securities Exchange Act of 1934, as amended, the 1940 Act, or state securities laws, and no consents, approvals, authorizations, or orders of any court are required, for its execution or performance of this Agreement on its Fund's behalf, except for (1) Acquiring Trust's filing with the Commission of a registration statement on Form N-14 relating to the Acquiring Fund Shares issuable hereunder, and any supplement or amendment thereto, including therein Target Funds' information statement and Acquiring Funds' prospectuses ("**Registration Statement**"), and the effectiveness of the Registration Statement, and (2) consents, approvals, authorizations, and filings that have been made or received or may be required after the Effective Time;

(b) The value of the Acquiring Fund Shares each Shareholder receives will be equal to the value of its Target Fund Shares it actually or constructively surrenders in exchange therefor;

(c) The Shareholders will pay their own expenses (such as fees of personal investment or tax advisers for advice regarding the Reorganization), if any, incurred in connection with the Reorganization; and

(d) The fair market value and "adjusted basis" (within the meaning of section 1011) of the Assets will equal or exceed the Liabilities to be assumed by Acquiring Fund and those to which the Assets are subject.

4. COVENANTS

4.1 Target Trust covenants to operate Target Fund's business in the ordinary course between the date hereof and the Effective Time, it being understood that such ordinary course of business will include purchases and sales of portfolio securities and other instruments, sales and redemptions of Target Fund Shares, and regular and customary periodic dividends and other distributions.

4.2 Target Trust covenants that it will assist Acquiring Trust in obtaining information Acquiring Trust reasonably requests concerning the beneficial ownership of Target Fund Shares.

4.3 Target Trust covenants that it will turn over its books and records pertaining to Target Fund (including all tax books and records and all books and records required to be maintained under the 1940 Act and the rules and regulations thereunder) to Acquiring Trust at the Closing.

4.4 Each Investment Company covenants to cooperate with the other in preparing the Registration Statement in compliance with applicable federal and state securities laws.

4.5 Each Investment Company covenants that it will, from time to time, as and when reasonably requested by the other, execute and deliver or cause to be executed and delivered all assignments and other instruments, and will take or cause to be taken any further action(s), the other Investment Company deems reasonably necessary or desirable in order to vest in, and confirm to, (a) Acquiring Trust, on Acquiring Fund's behalf, title to and possession of all the Assets and assumption of all the Liabilities, and (b) Target Trust, on Target Fund's behalf, title to and possession of the Acquiring Fund Shares to be delivered hereunder, and otherwise to carry out the intent and purpose hereof.

4.6 Acquiring Trust covenants to use all reasonable efforts to obtain the approvals and authorizations required by the 1933 Act, the 1940 Act, and applicable state securities laws it deems appropriate to commence and continue Acquiring Fund's operations after the Effective Time.

4.7 Target Trust covenants that, as promptly as practicable, but in any case within 60 days, after the Effective Time, it will furnish to Acquiring Trust, in a form reasonably satisfactory thereto, a Certificate stating Target Fund's earnings and profits for federal income tax purposes and any capital loss carryovers and other items that will be carried over to Acquiring Fund pursuant to section 381, with such information provided as of the Target Fund's most recently completed taxable year end prior to the Effective Time, together with such information for the Target Fund's current taxable year, through and including the Effective Date, as the Acquiring Fund will need in order to determine such earnings and profits, capital loss carryovers and other items for such taxable year when it ends.

4.8 It is each Investment Company's intention that the Reorganization will qualify as a "reorganization" (as defined in section 368(a)(1)(F)), and in furtherance thereof, each Investment Company covenants that it will not take any action or cause any action to be taken (including the filing of any tax return) that is inconsistent with that treatment or results in the failure of the Reorganization to so qualify.

4.9 Target Trust covenants that it, if requested, will cause Cohen and other applicable service providers to deliver to Acquiring Trust all Work Papers for the prior six fiscal and taxable periods ended on or before May 31, 2026, 60 days after that date and, if relevant, for the period from May 31, 2026 through the Effective Time no later than the earlier of (a) 60 days after the date of the request or (b) 15 days after the Effective Time.

4.10 Target Trust covenants to make a *pro rata* distribution of all the Acquiring Fund Shares it receives in the Reorganization to the Shareholders in complete liquidation of Target Fund.

4.11 Subject to this Agreement, each Investment Company covenants to take or cause to be taken all actions, and to do or cause to be done all things, reasonably necessary, proper, or advisable to consummate and effectuate the transactions contemplated hereby.

5. CONDITIONS PRECEDENT

Each Investment Company's obligations hereunder shall be subject to (a) performance by the other Investment Company of all its obligations to be performed hereunder at or before the Closing, (b) all representations and warranties of the other Investment Company contained herein being true and correct in all material respects at the date hereof and, except as they may be affected by the transactions contemplated hereby, at the Effective Time, with the same force and effect as if made at that time, and (c) the following further conditions that, at or before that time:

5.1 This Agreement and the transactions contemplated hereby shall have been duly adopted and approved by both Boards.

5.2 All necessary filings shall have been made with the Commission and state securities authorities, and no order or directive shall have been received that any other or further action is required to permit the Investment Companies to carry out the transactions contemplated hereby. The Registration Statement shall have become effective under the 1933 Act; no stop order(s) suspending the effectiveness thereof shall have been issued; to each Investment Company's best knowledge, no investigation or proceeding for that purpose shall have been instituted or be pending, threatened, or contemplated under the 1933 Act or the 1940 Act; and the Commission shall not have issued an unfavorable report with respect to the Reorganization under section 25(b) of the 1940 Act nor instituted any proceedings seeking to enjoin consummation of the transactions contemplated hereby under section 25(c) of the 1940 Act. All consents, orders, and permits of federal, state, and local regulatory authorities (including the Commission and state securities authorities) either Investment Company deems necessary to permit consummation, in all material respects, of the transactions contemplated hereby shall have been obtained, except where failure to obtain same would not involve a risk of a material adverse effect on either Fund's assets or properties.

5.3 At the Effective Time, no action, suit, or other proceeding shall be pending (or, to either Investment Company's best knowledge, threatened to be commenced) before any court, governmental agency, or arbitrator in which it is sought to enjoin the performance of, restrain, prohibit, affect the enforceability of, or obtain damages or other relief in connection with, the transactions contemplated hereby.

5.4 The Investment Companies shall have received an opinion of K&L Gates LLP ("**Tax Counsel**") as to the federal income tax consequences mentioned below ("**Tax Opinion**"). In rendering the Tax Opinion, Counsel may rely as to factual matters, exclusively and without independent verification, on the representations and warranties made in this Agreement, which Tax Counsel may treat as representations and warranties made to it (which, notwithstanding paragraph 7, shall survive the Closing), and in separate letters, if Tax Counsel requests, addressed to it (collectively, "**Representations**") and the Certificates delivered pursuant to paragraph 2.6(b). The Tax Opinion shall be substantially to the effect that – based on the facts and assumptions stated therein and conditioned on the Representations' being true and complete at the Effective Time and consummation of the Reorganization in accordance with this Agreement (without the waiver or modification of any terms or conditions hereof and without taking into account any amendment hereof that Tax Counsel has not approved) – for federal income tax purposes:

(a) Acquiring Fund's acquisition of the Assets in exchange solely for Acquiring Fund Shares and its assumption of the Liabilities, followed by Target Fund's distribution of those shares *pro rata* to the Shareholders actually or constructively in exchange for their Target Fund Shares and in complete liquidation of Target Fund, will qualify as a "reorganization" (as defined in section 368(a)(1)(F)), and each Fund will be "a party to a reorganization" (within the meaning of section 368(b));

(b) Target Fund will recognize no gain or loss on the transfer of the Assets to Acquiring Fund in exchange solely for Acquiring Fund Shares and Acquiring Fund's assumption of the Liabilities, or on the subsequent distribution of those shares to the Shareholders in exchange for their Target Fund Shares;

(c) Acquiring Fund will recognize no gain or loss on its receipt of the Assets in exchange solely for Acquiring Fund Shares and its assumption of the Liabilities;

(d) Acquiring Fund's basis in each Asset will be the same as Target Fund's basis therein immediately before the Reorganization, and Acquiring Fund's holding period for each Asset will include Target Fund's holding period therefor (except where Acquiring Fund's investment activities have the effect of reducing or eliminating an Asset's holding period);

(e) A Shareholder will recognize no gain or loss on the exchange of all its Target Fund Shares solely for Acquiring Fund Shares pursuant to the Reorganization;

(f) A Shareholder's aggregate basis in the Acquiring Fund Shares it receives in the Reorganization will be the same as the aggregate basis in its Target Fund Shares it actually or constructively surrenders in exchange for those Acquiring Fund Shares, and its holding period for those Acquiring Fund Shares will include, in each instance, its holding period for those Target Fund Shares, provided the Shareholder holds them as capital assets at the Effective Time; and

(g) For purposes of section 381, Acquiring Fund will be treated just as Target Fund would have been treated if there had been no Reorganization. Accordingly, the Reorganization will not result in the termination of Target Fund's taxable year, Target Fund's tax attributes enumerated in section 381(c) will be taken into account by Acquiring Fund as if there had been no Reorganization, and the part of Target Fund's last taxable year that began before the Reorganization will be included in Acquiring Fund's first taxable year that ends after the Reorganization.

Notwithstanding subparagraphs (b) and (d), the Tax Opinion may state that no opinion is expressed as to the effect of the Reorganization on the Funds or any Shareholder with respect to any Asset as to which any unrealized gain or loss is required to be recognized for federal income tax purposes on the termination or transfer thereof under a mark-to-market system of accounting.

5.5 Before the Closing, Acquiring Trust's Board shall have authorized the issuance of, and Acquiring Trust shall have issued, one Acquiring Fund Share (collectively, "**Initial Share**") to Acquiring Trust Adviser or an affiliate thereof, in consideration of the payment of $10.00 (or other amount Acquiring Trust's officers, pursuant to that Board's delegation of authority, determine) apiece, to take whatever action it may be required to take as Acquiring Fund's sole shareholder pursuant to paragraph 5.6; and

5.6 Acquiring Trust, on Acquiring Fund's behalf, shall have entered into, or adopted, as appropriate, an investment management agreement and other agreements and plans necessary for Acquiring Fund's operation as a series of an open-end management investment company. Each such agreement and plan shall have been approved by Acquiring Trust's Board and, to the extent required by law (as interpreted by Commission staff positions), by its trustees who are Non-Interested Persons thereof and by the Adviser or its affiliate as Acquiring Fund's sole shareholder.

At any time before the Closing, either Investment Company may waive any of the foregoing conditions (except those set forth in paragraphs 5.1, 5.2, and 5.4) if, in the judgment of its Board, that waiver will not have a material adverse effect on its Fund's shareholders' interests.

6. EXPENSES

Subject to complying with the representations and warranties contained in paragraphs 3.1(aa) and 3.2(o), the Adviser shall bear the Reorganization Expenses as set forth herein. The Adviser shall bear all expenses directly incurred in connection with the Reorganizations. The Adviser shall remain liable for the Reorganization Expenses regardless of whether the transactions contemplated hereby occur, and this paragraph 6 shall survive the Closing (notwithstanding anything to the contrary in paragraph 7) and any termination of this Agreement pursuant to paragraph 8. Notwithstanding the foregoing, expenses shall be paid by the Fund directly incurring them if and to the extent that the payment thereof by another person would result in that Fund's disqualification as a RIC or would prevent the Reorganization from qualifying as a tax-free reorganization.

7. ENTIRE AGREEMENT; NO SURVIVAL

Neither Investment Company has made any representation, warranty, agreement, or covenant not set forth herein, and this Agreement constitutes the entire agreement between the Investment Companies. Except for the provisions of paragraph 6 and as provided in paragraph 5.4, the representations, warranties, agreements, and covenants contained herein or in any document delivered pursuant hereto or in connection herewith shall not survive the Closing.

8. TERMINATION

This Agreement may be terminated at any time at or before the Closing:

8.1 By either Investment Company (a) in the event of the other Investment Company's material breach of any representation, warranty, agreement, or covenant contained herein to be performed at or before the Closing, (b) if a condition to its obligations has not been met and it reasonably appears that that condition will not or cannot be met, (c) if a governmental body issues an order, decree, or ruling having the effect of permanently enjoining, restraining, or otherwise prohibiting consummation of the Reorganization, or (d) if the Closing has not occurred on or before September 25, 2026, or another date to which the Investment Companies agree; or

8.2 By the Investment Companies' mutual agreement.

In the event of termination under paragraphs 8.1(c) or (d) or 8.2, neither Investment Company (nor its trustees, officers, or shareholders) shall have any liability to the other Investment Company.

9. AMENDMENTS

The Investment Companies may amend, modify, or supplement this Agreement at any time in any manner they mutually agree on in writing; provided that no such amendment, modification, or supplement shall have a material adverse effect on the Shareholders' interests.

10. SEVERABILITY

Any term or provision hereof that is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of that invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions hereof or affecting the validity or enforceability of any of the terms and provisions hereof in any other jurisdiction.

11. MISCELLANEOUS

11.1 This Agreement shall be governed by and construed in accordance with the internal laws of Delaware, without giving effect to principles of conflicts of laws; provided that, in the case of any conflict between those laws and the federal securities laws, the latter shall govern.

11.2 Nothing expressed or implied herein is intended or shall be construed to confer on or give any person, firm, trust, or corporation other than Acquiring Trust, on each Acquiring Fund's behalf, or Target Trust, on each Target Fund's behalf, and its respective successors and assigns any rights or remedies under or by reason of this Agreement.

11.3 Notice is hereby given that this instrument is executed and delivered on behalf of each Investment Company's trustees solely in their capacities as trustees and not individually, and that each Investment Company's obligations hereunder are not binding on or enforceable against any of its trustees, officers, shareholders, or series other than the applicable Fund but are only binding on and enforceable against its property attributable to and held for the benefit of the applicable Fund ("**Fund's Property**") and not its property attributable to and held for the benefit of any other series thereof. Each Investment Company, in asserting any rights or claims hereunder on its or the applicable Fund's behalf, shall look only to the other applicable Fund's Property in settlement of those rights or claims and not to the property of any other series of the other Investment Company or to those trustees, officers, or shareholders.

11.4 Any notice, report, statement or demand required or permitted by any provisions of this Agreement shall be in writing and shall be given by facsimile, electronic delivery, personal service or prepaid or certified mail addressed to:

Notice to the Target Fund or Target Trust:

AltShares Trust
104 Fifth Avenue, 9th Floor
New York, New York 10011
Attn:
Email:

With a copy to:

K&L Gates LLP
1601 K Street, N.W,
Washington, DC 20006
Attn: Fatima Sulaiman, Esq.
Email: Fatima.Sulaiman@klgates.com

Notice to the Acquiring Fund or Acquiring Trust:

The Arbitrage Funds
104 Fifth Avenue, 9th Floor
New York, New York 10011
Attn:
Email:

With a copy to:

K&L Gates LLP
1601 K Street, N.W,
Washington, DC 20006
Attn: Fatima Sulaiman, Esq.
Email: Fatima.Sulaiman@klgates.com

Notice to Adviser:

Water Island Capital, LLC
104 Fifth Avenue, 9th Floor
New York, New York 10011
Attn:
Email:

11.5 This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been executed by each Investment Company and delivered to the other Investment Company. The headings contained herein are for reference purposes only and shall not affect in any way the meaning or interpretation hereof.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed and delivered by its duly authorized officer as of the day and year first written above.

ALTSHARES TRUST, on behalf of each of its series listed under the heading "Target Funds" on Schedule A

By:____________________________________

Name:

Title:

THE ARBITRAGE FUNDS, on behalf of each of its series listed under the heading "Acquiring Funds" on Schedule A

By:____________________________________

Name:

Title:

<u>For purposes of paragraph 6 only</u>:

Water Island Capital, LLC

By:____________________________________

Name:___________________________________

Title:____________________________________

Schedule A

Target Funds **(each a series of Target Trust)**	**Acquiring Funds** **(each a series of Acquiring Trust)**
AltShares Merger Arbitrage ETF	AltShares Merger Arbitrage ETF
AltShares Event-Driven ETF	AltShares Event-Driven ETF

APPENDIX B

FINANCIAL HIGHLIGHTS

The financial highlights tables are intended to help you understand each Target Fund's financial performance for the past five years. Each Acquiring Fund will adopt the performance history of the corresponding Target Fund. The financial information shown below is for each Target Fund for the periods prior to inception of the corresponding Acquiring Fund. The accounting policies of each Acquiring Fund will be consistent with the accounting policies of the corresponding Target Fund.

The information reflects financial results for each Target Fund. The total returns in the table represent the rate that an investor would have earned or lost on an investment in each Target Fund, which the Adviser believes is an accurate representation of how the corresponding Acquiring Fund would have performed, assuming reinvestment of all dividends and distributions. The information in the financial highlights has been derived from, and should be read in conjunction with, the financial statements of each Target Fund and the notes thereto included in each Target Fund's annual financial statements for the fiscal year ended May 31, 2025 and semi-annual financial statements for the six months ended November 30, 2025, which are incorporated by reference into the SAI, and are available upon request by calling (855) 955-1607. The information for the annual periods in the table was derived from financial statements audited by Cohen & Company, Ltd., whose report is included in the Target Fund's annual financial statements on Form N-CSR for the fiscal year ended May 31, 2025.

AltShares Merger Arbitrage ETF

Selected Per Share Data and Ratios for a Share Outstanding Throughout the Periods Presented:

	Six Months Ended November 30, 2025	Year Ended May 31,				
	(Unaudited)	**2025**	**2024**	**2023**	**2022**	**2021**
Net asset value, beginning of period	$28.28	$26.90	$24.85	$26.12	$25.81	$24.47
Income (loss) from investment operations						
Net investment income (loss)[(a)]	0.11	0.24	0.36	0.15	(0.01)	(0.04)
Net realized and unrealized gains (losses) on investments and foreign currencies	0.64	1.45	1.69	(0.34)	0.32	2.11
Total from investment operations	0.75	1.69	2.05	(0.19)	0.31	2.07
Less distributions						
From net investment income	—	(0.31)	—	(1.08)	—	—
From net realized gains	—	—	—	—	—	(0.73)
Total distributions	—	(0.31)	—	(1.08)	—	(0.73)
Net asset value, end of period	$29.03	$28.28	$26.90	$24.85	$26.12	$25.81
Total return[(b)]	2.65%[(c)]	6.32%	8.25%	(0.88)%	1.20%	8.55%
Net assets, end of period (in 000s)	$98,243	$86,658	$71,129	$59,245	$78,216	$6,555
RATIOS TO AVERAGE NET ASSETS:						
Gross expenses[(d)]	0.75%[(e)]	0.75%	0.83%	0.76%	0.76%	0.86%
Net expenses after advisory fees waived and expenses reimbursed[(d)(f)]	0.55%[(e)]	0.55%	0.63%	0.56%	0.60%[(g)]	0.86%
Net investment income (loss)	0.77%[(e)]	0.85%	1.37%	0.56%	(0.02)%	(0.14)%

Portfolio turnover rate	212%[(c)]	431%	550%	449%	414%	594%

(a) *Per share amounts were calculated using average shares outstanding for the period.*

(b) *Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period and redemption on the last day of the period. Returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.*

(c) *Not annualized.*

(d) *Dividend expense totaled 0.00% (annualized), 0.00%, 0.08%, 0.01%, 0.01% and 0.03% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022, 2021, respectively. Interest rebate expense and line of credit interest expense totaled 0.00% (annualized), 0.00%, 0.00%, 0.00%, 0.00% and 0.08% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022 and 2021, respectively.*

(e) *Annualized.*

(f) *Excluding dividend and interest expenses, the Fund's net expenses after advisory fees waived and expenses reimbursed would have been 0.55% (annualized), 0.55%, 0.55%, 0.55%, 0.59% and 0.75% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022 and 2021, respectively.*

(g) *Reflects the Adviser's contractual advisory fee limit.*

AltShares Event-Driven ETF

Selected Per Share Data and Ratios for a Share Outstanding Throughout the Periods Presented:

	Six Months Ended November 30, 2025 (Unaudited)	Year Ended May 31, 2025	2024	2023	2022[(a)]	2021[(a)]
Net asset value, beginning of period	$11.15	$9.85	$9.26	$9.64	$13.27	$10.45
Income (loss) from investment operations						
Net investment income (loss)[(b)]	0.03	0.07	0.04	0.03	(0.02)	(0.22)
Net realized and unrealized gains (losses) on investments and foreign currencies	0.78[(i)]	1.31	0.61	(0.18)	(1.20)	4.32
Total from investment operations	0.81	1.38	0.65	(0.15)	(1.22)	4.10
Less distributions						
From net investment income	—	(0.07)	(0.06)	(0.01)	—	(0.45)
From net realized gains	—	(0.01)	—	(0.22)	(2.41)	(0.83)
Total distributions	—	(0.08)	(0.06)	(0.23)	(2.41)	(1.28)
Net asset value, end of period	$11.96	$11.15	$9.85	$9.26	$9.64	$13.27
Total return[(c)]	7.26%[(e)(i)]	14.01%	7.01%	(1.47)%	(10.57)%	40.98%[(d)]
Net assets, end of period (in 000s)	$8,962	$5,235	$4,525	$2,772	$2,789	$3,699
RATIOS TO AVERAGE NET ASSETS:						
Gross expenses[(f)]	1.45%[(g)]	1.31%	1.30%	1.28%	3.20%	6.88%
Net expenses after advisory fees waived and expenses reimbursed[(f)(h)]	1.45%[(g)]	1.31%	1.30%	1.28%	1.52%	2.30%
Net investment income (loss)	0.52%[(g)]	0.69%	0.41%	0.31%	(0.20)%	(1.79)%
Portfolio turnover rate	214%[(e)]	480%	407%	400%	231%	329%

(a) *The Fund has adopted the performance history and assumed the financial information of its Predecessor Mutual Fund, the Water Island Long/Short Fund - Class I. The financial information shown is for the Predecessor Mutual Fund for the periods prior to September 20, 2021, the inception date of the Fund. (Note 1)*

(b) *Per share amounts were calculated using average shares outstanding for the period.*

(c) *Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and distributions at net asset value during the period and redemption on the last day of the period. Returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.*

(d) *Total return is a measure of the change in the value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns shown do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.*

(e) *Not annualized.*

(f) *Dividend expense totaled 0.20% (annualized), 0.05%, 0.05%, 0.03%, 0.17% and 0.09% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022 and 2021, respectively. Interest rebate expense and line of credit interest expense totaled 0.00% (annualized), 0.00%, 0.00%, 0.00%, 0.11% and 0.77% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022 and 2021, respectively.*

(g) *Annualized.*

(h) *Excluding dividend and interest expenses, the Fund's net expenses after advisory fees waived and expenses reimbursed would have been 1.25% (annualized), 1.26%, 1.25%, 1.25%, 1.24% and 1.44% of average net assets for the period ended November 30, 2025 and the years ended May 31, 2025, 2024, 2023, 2022 and 2021, respectively.*

(i) *The Adviser has reimbursed the Fund $1,125 for a trading error. The impact was deemed immaterial to net realized and unrealized gain on investments and the Fund's total return, representing less than $0.005 per share.*

APPENDIX C

MORE INFORMATION ABOUT THE ACQUIRING FUNDS' STRATEGIES AND RISK FACTORS

AltShares Merger Arbitrage ETF

Merger arbitrage refers to the investment practice of capturing the difference between the end value of a corporate reorganization and the prevailing market prices of the securities of the companies involved prior to the consummation of the reorganization. This investment approach is designed to profit from the successful completion of such reorganizations. The discrepancy in value is attributable to risks that are inherent in corporate reorganizations, which include the possibility the transaction will not be completed and the time it takes for corporate reorganizations to be completed.

The Underlying Index (and by extension the Fund) follows a rules-based approach to merger arbitrage investing. Transactions which are eligible for inclusion are friendly (rather than hostile) and definitive (rather than speculative) in nature, located in developed markets, with a deal value (i.e., value of the transaction) greater than $200 million and a maximum duration of one year since deal announcement. Eligible transactions are subject to various weighting constraints, including a maximum of approximately 5% of the float (i.e., number of shares available for trading), approximately 33% of the average traded value (i.e., the U.S. dollar value of average share trading volume), and approximately 2% risk to NAV (i.e., change to the shares' NAV) if the deal breaks (i.e., the deal is not completed). Targets are also subject to approximately a 10.00% maximum weight and approximately a 0.50% minimum weight. These weighting constraints may fluctuate over time. Targets are selected if they meet the screening criteria, pass the weighting constraints, and present a positive spread between current price and deal value. Selected targets are divided into quintiles and weighted based on USD 30-day average value traded, subject to the previously calculated weighting constraints.

The Underlying Index is rebalanced and reconstituted twice per month.

AltShares Event-Driven ETF

To achieve its investment objective, the Fund invests in equity and debt and debt-like securities of companies that are impacted by corporate events such as mergers, acquisitions, asset sales, restructurings, refinancings, recapitalizations, reorganizations or other special situations. The Fund predominantly invests in definitive merger arbitrage investments. However, in order to achieve its investment objective, the Fund may also employ investment strategies such as convertible arbitrage, capital structure arbitrage, and special situations in order to profit from event-driven opportunities. The Fund may invest long or short in both U.S. and foreign securities and may invest in securities of companies of any market capitalization and in debt securities of any maturity and credit quality. The Fund may also invest in derivatives, such as options and swaps. Furthermore, the Fund may invest in exchange traded funds ("ETFs").

Merger Arbitrage: Merger arbitrage, also known as risk arbitrage, is a highly specialized investment approach designed to profit from the successful completion of definitive, publicly announced corporate reorganizations such as mergers, acquisitions, takeovers, tender offers, and leveraged buyouts. A merger arbitrage investor attempts to capture the spread, or difference, between the price at which a target company in a merger transaction currently trades and the price at which it will be acquired. The parties to an announced merger or acquisition are bound by a contractual agreement – the definitive merger agreement ("DMA") – which outlines the terms of the deal, the hurdles required for completion (such as regulatory approvals and shareholder votes) and expected timelines. These characteristics make announced M&A one of the most definitive types of hard catalysts in the event-driven landscape. While a DMA is a binding agreement, and historically a high percentage of announced M&A transactions successfully close, there is a chance an announced deal may be terminated or withdrawn – for example, due to failure to secure a required condition (e.g., regulatory approval, financing, shareholder vote) or a material adverse change in the target company's or acquiring company's business prospects. A merger arbitrageur underwrites the risk that the merger may not close on time or at all. Due to this slight uncertainty, the target company's stock will typically trade at a discount to the deal value. This discrepancy or inefficiency is the arbitrageur's profit opportunity. The most common merger arbitrage activity, and the approach the Adviser generally uses, involves purchasing equity or credit securities of the target company in a definitive, publicly announced deal at a discount to their expected value upon completion of the transaction. The Adviser may engage in selling securities short when the terms of a proposed transaction call for the exchange of common stock and/or other securities. In such a case, the securities of the company to be acquired may be purchased and, at approximately the same time, an amount of the acquiring company's common stock and/or other securities may be sold short at a ratio in line with the terms of the deal. Occasionally, the common stock of the acquiring company may be purchased and the common stock of the company to be acquired may be sold short. In pursuing merger arbitrage strategies in the manner described above, the Adviser aims to reduce or eliminate market risk.

Special Situations: Special situations investing is designed to profit from investing in the equity or debt securities of companies currently undergoing, or expected to undertake, a broad range of hard and soft catalysts outside the realm of definitive, publicly announced M&A. The Adviser uses fundamental research to identify mispricings or inefficiencies in these situations and assess the ability of the catalyst to impact security prices. The Adviser may invest long or short in each catalyst-driven opportunity based on the Adviser's assessment of the merits of the event. The Adviser may also implement event-specific or broader portfolio hedges to mitigate market risk or other exposures, particularly in less definitive opportunities. The Adviser seeks to profit by accurately predicting or anticipating the directional move in the equity, debt, or related securities of the company subject to each event.

Other Strategies: In addition to the strategies described above, the Adviser may utilize other strategies. For example, in a convertible arbitrage trade, the Adviser will typically match a long position in a convertible security with a short position in the underlying common stock. The Adviser seeks to purchase convertible securities at discounts to their expected future values and sell shares of the underlying common stock short to hedge against equity market movements. The positions are typically designed to earn income from coupon or dividend payments. In capital structure arbitrage, the Adviser may purchase a senior secured security of an issuer and sell short an unsecured security of the same issuer. In this example, the trade would be profitable if credit quality spreads widened or if the issuer went bankrupt and the recovery rate for the senior debt was higher than anticipated.

In constructing the portfolio, the Adviser favors event opportunities with strong strategic rationale and favorable risk/reward profiles, with a focus on more definitive catalysts, namely publicly announced merger arbitrage opportunities. The Adviser considers various position sizing constraints, including each position's risk impact assessment, which is a measure of the potential loss to assets under management if a catalyst were to fail to occur, based on the Adviser's assessment of the event's potential downside. The Adviser will also monitor macro, structural, and idiosyncratic risks across the Fund and seek to mitigate undesired risk exposures through appropriate hedges, which may include short and long positions in equity securities, credit securities, and derivatives such as options, forward contracts, and swap contracts. The Adviser may, but is not required to, seek to reduce currency risk by hedging part or all of the Fund's exposure to various foreign currencies. Through the Adviser's risk management process and hedging techniques, the Adviser seeks to mitigate volatility and preserve capital during times of market stress.

The Adviser continuously monitors and evaluates each investment's risk versus its anticipated reward relative to its predetermined exit strategy and the availability of other event-driven opportunities. The Adviser may sell or close out an investment when the securities of the companies involved in the transaction no longer meet the expected return threshold considering prevailing market prices and the relative risks of the opportunity, or if the Adviser believes there are better risk-adjusted opportunities available.

The Adviser generally engages in active and frequent trading of portfolio securities to achieve the Fund's principal investment objective. The Adviser generally seeks to maintain a fully invested portfolio; however, for various reasons, there may be times when the Fund may hold a significant portion of its assets in cash or cash equivalents, including money market and similar cash management funds, money market instruments such as Treasury bills, and other short-term or temporary investments. Such instances may occur for defensive purposes in response to adverse market, economic, political, or other conditions; to preserve the Fund's ability to capitalize quickly on new market opportunities; because the Adviser has determined to obtain investment exposure through derivative instruments instead of direct cash investments; or for other reasons, such as after a period in which several catalysts held by the Fund close in a similar timeframe, yet before capital is redeployed to other opportunities.

The Fund is non-diversified, which means that it may invest a greater portion of its assets in one or a limited number of issuers and may invest overall in a smaller number of issuers than a diversified fund.

Additional Information about the Acquiring Funds' Risks

All investments, including those in mutual funds and ETFs, entail risks that could cause a Fund and you to lose money. The risks identified in the table below are the principal risks and certain non-principal risks of investing in each Fund. The risks below are presented in alphabetical order and not in order of importance.

Risk	AltShares Merger Arbitrage ETF	AltShares Event-Driven ETF
Active Management Risk		X
Artificial Intelligence Risk	X	X
Concentration Risk	X	X
Convertible Security Risk		X
Counterparty Risk	X	X
Credit Risk		X
Currency Risk	X	X
Derivatives Risk	X	X
Equity Risk	X	X
ETF Risk	X	X
Event-Driven Risk		X
Foreign Securities Risk	X	X
Hedging Risk	X	X
High Portfolio Turnover Risk	X	X
Interest Rate Risk		X
Investment Company and ETF Risk	X	X
Large Shareholder Risk	X	X
Leverage Risk	X	X
Liquidity Risk	X	X
Market Disruption Risks Related to Armed Conflict	X	X
Market Risk	X	X
Merger Arbitrage Risk	X	X
Non-Diversification Risk	X	X
Options Risk	X	X
Passive Investment Risk	X	
Sector Risk	X	X
Short Sale Risk	X	X
Small and Medium Capitalization Securities Risk	X	X
Special Situations Risk		X
Swap Risk	X	X
Temporary Investment/Cash Management Risk		X
Tracking Error Risk	X	
When-Issued Securities Risk		X

Active Management Risk: The Event-Driven ETF is an actively managed investment portfolio and is therefore subject to management risk. The Adviser will apply its investment and risk analysis in making investment decisions for the Fund, but there is no guarantee that these decisions will produce the intended results.

Artificial Intelligence: Each Fund and its service providers, including the Adviser, may utilize artificial intelligence ("AI") technologies, including machine learning models and generative AI, to improve operational efficiency and in connection with research. In addition, counterparties used by the Funds may utilize AI in their business activities. While the Adviser may restrict certain uses of AI tools, the Funds and the Adviser are not in a position to control the use of AI in third-party products or services. The use of AI introduces numerous potential challenges and the use of AI can lead to reputational damage, legal liabilities, and competitive disadvantages, as well as negatively impact business operations, which may occur with or without mismanagement in the use of the AI. AI requires the collection and processing of substantial amounts of data, which poses risks of data inaccuracies, incompleteness, and inherent biases, and which can degrade the technology's effectiveness and reliability. The complexity of AI systems raise significant accountability and ethical concerns. AI has enhanced the ability of threat actors to amplify the potency, scale, and speed of cybersecurity attacks. AI's role in increasing automation raises concerns about job displacement and may lead to economic and social disruptions. The unpredictable nature of AI's impact on market dynamics complicates traditional risk assessment models, making it challenging to identify risks and opportunities using historical data. Legal and regulatory frameworks governing AI's use, particularly concerning data privacy and protection, are evolving rapidly. These changes could materially alter how AI is used, which may negatively impact the Funds.

Concentration Risk: Because the Merger Arbitrage ETF's assets are expected to be concentrated in an industry or group of industries to the extent that the Underlying Index concentrates in a particular industry or group of industries, the Fund is subject to loss due to adverse occurrences that may affect that industry or group of industries or sector. With respect to both Funds, if a large percentage of corporate events taking place within the U.S. are within one industry over a given period of time, a large portion of the Fund's assets could be concentrated in that industry for that period of time. During such a period of concentration, the Fund may be subject to greater volatility and with respect to portfolio securities than a fund that is more broadly diversified.

Convertible Security Risk: Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. Because convertible securities are higher in the firm's capital structure than equity, convertible securities are generally not as risky as the equity securities of the same issuer. However, convertible securities may gain or lose value due to changes in interest rates and other general economic conditions, industry fundamentals, market sentiment, and changes in the issuer's operating results and credit ratings.

Counterparty Risk: The Funds may enter into various types of derivative contracts with a counterparty that may be privately negotiated in the over-the counter market. These contracts involve exposure to credit risk, because contract performance depends, in part, on the financial condition of the counterparty. If a privately negotiated over-the-counter contract calls for payments by the Funds, the Funds must be prepared to make such payments when due. In addition, if the creditworthiness of the counterparty declines, the Funds may not receive payments owed under the contract, or such payments may be delayed under such circumstances and the value of agreements with such counterparty can be expected to decline, potentially resulting in losses to the Funds.

Credit Risk: Credit risk refers to the possibility that the issuer of the security will not be able to make interest or principal payments when due. The Event-Driven ETF may invest in convertible and non-convertible debt securities, including high yield debt securities, also known as "junk bonds." Investments in junk bonds are subject to greater credit risks than securities with credit ratings above investment grade and have a greater risk of default than investment grade debt securities. Junk bonds are less sensitive to interest rate changes than higher credit quality instruments and generally are more sensitive to adverse economic changes or individual corporate developments.

Currency Risk: Fluctuations in exchange rates between the U.S. dollar and foreign currencies may negatively affect an investment. Adverse changes in exchange rates may erode or reverse any gains produced by foreign currency denominated investments and may widen any losses. The return of the forward currency contracts and currency futures contracts utilized for currency hedging may not perfectly offset the actual fluctuations of the foreign currencies relative to the U.S. dollar and may prevent the Funds from realizing gains from an increase in the value of the currency. In addition to currency risk, currency forward/futures contracts, like other derivatives, may be susceptible to credit risk and other risks. The Funds' strategies associated with currency hedging may not be successful and may not perfectly offset the Funds' foreign currency exposures. Further, in order to minimize transaction costs, or for other reasons, the Funds' exposure to non-U.S. currencies may not be hedged to the extent indicated by market signals.

Derivatives Risk: In general, a derivative instrument typically involves leverage and provides exposure to potential gain or loss from a change in the market price of the underlying asset (or a basket of assets or an index) in a notional amount that exceeds the amount of cash or assets required to establish or maintain the derivative instrument. Adverse changes in the value or level of the underlying asset (or basket of assets or index), which the Funds may not directly own, can result in a loss to the Funds substantially greater than the amount invested in the derivative itself. The use of derivative instruments also exposes the Funds to additional risks and transaction costs. These instruments come in many varieties and may include forward contracts, options (both written and purchased), and swap contracts.

Derivatives may not behave as anticipated by a Fund, and derivatives strategies that are successful under certain market conditions may be less successful or unsuccessful under other market conditions. Derivatives also may be subject to the risk of mispricing or improper valuation, and valuation may be more difficult in times of market turmoil.

A Fund may maintain cash or other liquid assets to cover the funding of its obligations under derivatives contracts or make margin payments when it takes positions in derivatives involving obligations to third parties. If a Fund were unable to close out its position in a derivatives contract, it might continue to maintain such assets or accounts or make such payments until the position expired or matured. These actions might impair a Fund's ability to sell a portfolio security or make an investment at a time when it would otherwise be favorable to do so, or cause a Fund to sell a portfolio security at a disadvantageous time. Also, a Fund would be exposed to loss both on the derivative instruments and on the assets used to cover its obligations.

Additional regulation of derivatives may make derivatives more costly, limit their availability or utility, otherwise adversely affect their performance, or disrupt markets. For derivatives that are required to be cleared by a regulated clearinghouse, a Fund may be exposed to risks arising from its relationship with a brokerage firm through which it would submit derivatives trades for clearing. A Fund would also be exposed to counterparty risk with respect to the clearinghouse. In certain cases, a Fund may incur costs and may be hindered or delayed in enforcing its rights against or closing out derivatives instruments with a counterparty, which may result in additional losses.

ETF Risk: As an ETF, each Fund is subject to the following risks:

Authorized Participants Concentration Risk: The Funds may have a limited number of financial institutions that may act as APs. Only APs who have entered into agreements with the Funds' distributor (the "Distributor") may engage in creation or redemption transactions directly with the Fund. To the extent that those APs exit the business or are unable to process creation and/or redemption orders, and no other AP is able to step forward to create and redeem in either of those cases, Shares may trade like closed-end fund shares at a discount to NAV and possibly face delisting from the Exchange.

Cash Transactions Risk: The Funds may effect creations and redemptions partly or wholly for cash, rather than through in-kind distributions of securities. To the extent a Fund effects creations and redemptions partly or wholly in cash, an investment in a Fund may be less tax-efficient than an investment in an ETF that effects creations and redemptions primarily or wholly in-kind. ETFs generally are able to make in-kind redemptions and thereby avoid being taxed on gains on the distributed portfolio securities at the Fund level. Because a Fund may effect redemptions partly or wholly for cash, rather than in-kind, it may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds, which involves transaction costs. If a Fund realizes a gain on these sales, a Fund generally will be required to recognize a gain it might not otherwise have recognized, or to recognize such gain sooner than would otherwise be required if it were to distribute portfolio securities in-kind. The Funds generally distribute these gains to shareholders to avoid capital gains taxes at a Fund level and the need to otherwise comply with the special tax rules that apply to such gains. This strategy may cause shareholders to be subject to tax on gains to which they would not otherwise be subject, or at an earlier date than if they had made an investment in a different ETF. Moreover, cash transactions may have to be carried out over several days if the securities markets are relatively illiquid at the time a Fund must sell securities and may involve considerable brokerage fees and taxes. These brokerage fees and taxes, which will be higher than if a Fund sold and redeemed its shares principally in-kind, will be passed on to purchasers and redeemers of Creation Units in the form of creation and redemption transaction fees. As a result of these factors, the spreads between the bid and the offered prices of a Fund's shares may be wider than those of shares of ETFs that primarily or wholly transact in-kind.

Flash Crash Risk: Sharp price declines in securities owned by a Fund may trigger trading halts, which may result in the Fund's shares trading in the market at an increasingly large discount to NAV during part (or all) of a trading day or cause a Fund itself to halt trading. In such market conditions, market or stop-loss orders to sell the ETF shares may be executed at market prices that are significantly below NAV or investors might not even be able to transact in Shares if a Fund halts trading.

International Closed Market Trading Risk: Because certain of a Fund's investments trade in markets that are closed when a Fund and Exchange are open, there are likely to be deviations between the current prices of such investments and the prices at which such investments are marked for purposes of a Fund's NAV. As a result, shares may appear to trade at a significant discount or premium to NAV. In addition, shareholders may not be able to purchase or redeem their shares of a Fund, or purchase or sell shares of a Fund on the Exchange, on days when the NAV of a Fund could be significantly affected by events in the relevant non-U.S. markets.

Premium-Discount Risk: The Shares may trade above or below their NAV. Accordingly, investors may pay more than NAV when purchasing Shares or receive less than NAV when selling Shares. The NAV of a Fund will generally fluctuate with changes in the market value of a Fund's holdings. The market prices of Shares, however, will generally fluctuate in accordance with changes in NAV as well as the relative supply of, and demand for, Shares on the Exchange. The trading price of Shares may deviate significantly from NAV during periods of market volatility. Price differences 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 securities held by a Fund. The market price of Shares may also fluctuate in accordance with changes in the liquidity, or the perceived liquidity, of a Fund's holdings, and a decrease, or a perceived decrease, in such liquidity may lead to increased divergence between the Shares' market price and NAV. Such divergence is more likely under stressed market conditions.

Secondary Market Trading Risk: Investors buying or selling Shares in the secondary market will generally 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 that an investor is willing to pay for 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 is generally lower if Shares have more trading volume and market liquidity and higher if Shares have little trading volume and market liquidity. Further, increased market volatility may cause increased bid/ask spreads. Although Shares are listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained or that the Shares will continue to be listed. Market makers are not obligated to make a market, nor are APs obligated to purchase Shares. In times of market stress, market makers and authorized participants can refrain from these activities and any such absences can lead to greater premiums and discounts. In addition, 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. Further, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of a Fund will continue to be met or will remain unchanged.

Event-Driven Risk: Event-driven investments involve the risk that certain of the events driving the investment may not happen or the market may react differently than expected to the anticipated transaction. In addition, although an event may occur or is announced, it may be renegotiated, terminated or involve a longer time frame than originally contemplated. Event-driven investment transactions are also subject to the risk of overall market movements. Any one of these risks could cause the Event-Driven ETF to experience investment losses impacting its shares negatively.

Foreign Securities Risk: The securities of foreign issuers may be less liquid and more volatile than securities of comparable U.S. issuers. The costs associated with securities transactions may be higher in foreign countries than in the U.S. The U.S. dollar value of foreign securities traded in foreign currencies held by the Funds or by mutual funds in which the Funds invest (and any dividends and interest earned) may be affected favorably or unfavorably by changes in foreign currency exchange rates. An increase in the U.S. dollar relative to these other currencies may adversely affect the Funds. Additionally, investments in foreign securities, even those publicly traded in the U.S., may involve risks which are in addition to those inherent in U.S. investments. Foreign companies may not be subject to the same regulatory requirements of U.S. companies, and as a consequence, there may be less publicly available information about such companies. Also, foreign companies may not be subject to uniform accounting, auditing, and financial reporting standards and requirements comparable to those applicable to U.S. companies. Foreign governments and foreign economies often are less stable than the U.S. Government and the U.S. economy. In addition, certain investments in non-U.S. securities may be subject to foreign withholding and other taxes on interest, dividends, capital gains or other income or proceeds. Those taxes will reduce the Funds' yield on any such securities.

Hedging Risk: Hedging is a strategy in which the Funds seek to offset the risks associated with other Fund holdings, typically through the use of derivatives. The success of any hedging strategy will be subject to the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the being hedged in each Fund's portfolio. While hedging can reduce losses, it can also reduce or eliminate gains or cause losses if the market moves in a direction different from that which his intended to be mitigated by the hedge (e.g., if the value of a short hedge on a long position increases) or if the cost of a derivative hedge outweighs the benefit of the hedge. Hedging also involves the risk that changes in the value of a derivative will not match those of the holdings being hedged as expected, in which case any losses on the holdings being hedged may not be reduced and may be increased. Imperfect correlation may prevent a Fund from achieving the intended hedge or expose a Fund to risk of loss. There can be no assurance that a Fund's hedging strategy will reduce risk or that hedging transactions will be either available or cost effective. The Funds are not required to use hedging and may choose not to do so.

High Portfolio Turnover Risk: The Funds normally expects to engage in active and frequent trading and expect to have high portfolio turnover rates (over 100%). This may increase a Fund's brokerage commission costs, which would reduce performance. Rapid portfolio turnover also exposes shareholders to a higher current realization of short-term gains which could cause you to pay higher taxes.

Interest Rate Risk: Prices of debt securities and preferred stocks tend to move inversely with changes in interest rates. When interest rates fall, the market value of the respective debt securities and preferred securities usually increases. Conversely, when interest rates rise, the market value of the respective debt securities and preferred securities usually declines. As such, a change in interest rates may affect prices of the Event-Driven ETF's debt securities and preferred securities and, accordingly, the Fund's NAV and share price.

Investment Company and ETF Risk: Investing in securities issued by other investment companies, including ETFs, involves risks similar to those of investing directly in the securities and other assets held by the investment company or ETF. Each Fund will indirectly bear its pro rata share of the fees and expenses incurred by a fund it invests in, including advisory fees. These expenses are in addition to the advisory and other expenses that the Funds bear directly in connection with their own operations. As a shareholder, the Funds must rely on the other investment company to achieve its investment objective. The Funds' performance may be magnified positively or negatively by virtue of its investment in other investment companies. If the other investment company fails to achieve its investment objective, the value of the Fund's investment will not perform as expected, thus affecting the Fund's performance and, for the Merger Arbitrage ETF, its correlation with the Underlying Index. Unlike shares of typical mutual funds, shares of ETFs are traded on an exchange through a trading day and bought and sold based on market values and not at net asset value. For this reason, shares could trade either at a premium or a discount to net asset value. The trading price of an ETF is expected to closely track the actual net asset value of an ETF, and the Funds will generally gain or lose value consistent with the performance of the ETF's portfolio securities. A Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETFs. An index-based ETF may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held.

Large Shareholder Risk: Certain shareholders, including the Adviser or an affiliate of the Adviser, may own a substantial amount of a Fund's Shares. In addition, a third party investor, an authorized participant, a lead market maker, or another entity may invest in a Fund and hold its investment for a limited period of time solely to facilitate commencement of a Fund or to facilitate the Fund's achieving a specified size or scale. There can be no assurance that any large shareholder would not redeem its investment. Dispositions of a large number of Shares by these shareholders may adversely affect the Fund's liquidity and net assets to the extent such transactions are executed directly with a Fund in the form of redemptions through an authorized participant, rather than executed in the secondary market. These redemptions may also force a Fund to sell portfolio securities when it might not otherwise do so, which may negatively impact the Fund's NAV and increase the Fund's brokerage costs. Similarly, large share purchases may adversely affect the Fund's performance to the extent that a Fund is delayed in investing in new cash and is required to maintain a larger cash position then it ordinarily would. To the extent these large shareholders transact in Shares on the secondary market, such transactions may account for a large percentage of the trading volume on the Exchange and may, therefore, have a material upward or downward effect on the market price of the Fund's Shares.

Leverage Risk: If the Event-Driven ETF uses leverage through activities such as borrowing, entering into short sales, purchasing securities on margin or on a "when issued" basis, or purchasing derivative instruments in an effort to increase its returns, the Fund has the risk of magnified capital losses that occur when losses affect an asset base, enlarged by borrowings or the creation of liabilities, that exceeds the net assets of the Fund. Should the Fund employ leverage, the Fund's NAV may be more volatile and sensitive to market movements. Leverage may involve the creation of a liability that requires the Fund to pay interest. If the interest expense on borrowings were to exceed the net return on the portfolio securities purchased with borrowed funds, the Fund's use of leverage would result in a lower rate of return than if the Fund was not leveraged.

Liquidity Risk: Liquidity risk exists when particular investments are difficult to purchase or sell. Liquidity risk may be the result of, among other things market turmoil, the reduced number and capacity of traditional market participants to make a market in fixed-income securities, or the lack of an active market. Markets for securities or financial instruments could be disrupted by a number of events, including, but not limited to, an economic crisis, natural disasters, new legislation or regulatory changes inside or outside the U.S. Liquid investments may become less liquid after being purchased by the Event-Driven ETF, particularly during periods of market stress. To enhance investment value and/or protect shareholder rights, from time to time, the Fund may participate in various types of litigation, including but not limited to shareholder appraisal rights petitions and class action lawsuits. When exercising appraisal rights the Fund may experience limited liquidity on its investment while the subject securities are being appraised. Illiquid and relatively less liquid investments may be harder to value, especially in turbulent markets and if the Fund is forced to sell these investments to meet redemption requests or for other cash needs, the Fund may suffer a loss.

Market Disruption Risks Related to Armed Conflict: As a result of increasingly interconnected global economies and financial markets has the potential to adversely impact the Fund's investments. Such conflicts, and other corresponding events, have had, and could continue to have, severe negative effects on regional and global economic and financial markets, including increased volatility, reduced liquidity, and overall uncertainty. The negative impacts may be particularly acute in certain sectors. The timing and duration of such conflicts, resulting sanctions, related events and other impacts cannot be predicted. The foregoing may result in a negative impact on Fund performance and the value of an investment in the

Fund, even beyond any direct investment exposure the Fund may have to issuers located in or with significant exposure to an impacted country or geographic regions.

Market Risk: Market risk is the possibility that securities prices will fluctuate over time, sometimes rapidly and unpredictably. This fluctuation includes both increases and decreases in security prices. Each Fund is subject to market risk. The value of a Fund's investments, and the NAV of a Fund, will fluctuate. Investors could lose money due to this price fluctuation. Securities markets may experience long periods of decline in value. The value of a security may decline due to factors that are specifically related to a particular company, as well as general market conditions, such as real or perceived adverse economic or political conditions, inflation rates or investor expectations concerning such rates, changes in interest rates, recessions, or adverse investor sentiment generally. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Changes in the financial condition of a single issuer can impact a market as a whole. Local, regional, or global events such as war, acts of terrorism, sanctions, the spread of infectious illness or other public health issues, natural disasters, or other developments could also have a significant adverse impact on a Fund and its investments.

Policy changes by the U.S. Government or U.S. Federal Reserve and political and other events within the U.S. could cause uncertainty in the markets, may affect investor and consumer confidence, and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. Decisions by the U.S. Federal Reserve regarding interest rate and monetary policy, which can be difficult to predict and sometimes change direction suddenly in response to economic and market events, can have a significant effect on the financial system and could impact a Fund and its investments. Precise interest rate predictions are difficult to make, and interest rates may change unexpectedly and dramatically in response to extreme changes in market or economic conditions. A downgrade of the ratings of, or a default on, U.S. Government debt obligations, or concerns about the U.S. Government's credit quality in general, could have a substantial negative effect on the U.S. and global economies. High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty.

Uncertainty regarding such events and the corresponding governmental responses could lead to corporate events such as mergers, acquisitions, and restructurings breaking or forcing a Fund to allocate assets to other strategies. Such events can be highly disruptive to economies and markets, adversely impacting individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of a Fund's investments. Given the increasing interdependence among global economies and markets, conditions in one country, market, or region are increasingly likely to adversely affect markets, issuers, or foreign exchange rates in other countries. Adverse market conditions may be prolonged and may not have the same impact on all types of securities. These disruptions could prevent a Fund from executing advantageous investment decisions in a timely manner and could negatively impact a Fund's ability to achieve its investment objective. Any such event(s) could have a significant adverse impact on the value or risk profile of a Fund.

Merger Arbitrage Risk: The principal risk associated with each Fund's merger arbitrage investment strategy is that the proposed reorganizations in which the Fund invests may not be completed or may be completed on less favorable terms and originally anticipated, including due to government regulation or intervention, in which case the Fund may realize losses. Such event-driven investment strategies involve the risk that the events driving the investment may not happen or the market may react differently than expected to the anticipated transaction. In addition, although an event may have been announced, its terms may be renegotiated, it may be terminated, or it may involve a longer time frame than originally contemplated. Event-driven investment transactions are also subject to the risk of overall market movements. Any one of these risks could cause the Fund to experience investment losses impacting its shares negatively.

Non-Diversification Risk: Each Fund is non-diversified, which means that the Funds may invest a relatively high percentage of their assets in a limited number of issuers. As a result, the Funds' performance may be more vulnerable to changes in market value of a single issuer or group of issuers and more susceptible to risks associated with the occurrence of adverse events affecting a particular issuer than a diversified fund.

Options Risk: Options transactions involve special risks that may make it difficult or impossible to close a position when the Event-Driven ETF desires. These risks include possible imperfect correlation between the price movements of the option and the underlying security; the potential lack of a liquid secondary market at any particular time; and possible price fluctuation limits. In addition, the option activities of the Fund may affect its portfolio turnover rate and the amount of brokerage commissions paid by the Fund.

Passive Investment Risk: The Merger Arbitrage ETF is not actively managed. Therefore, unless a specific security is removed from the Underlying Index, the Fund generally would not sell a security because the security's issuer was in financial trouble. If a specific security is removed from the Underlying Index, the Fund may be forced to sell such security at an inopportune time or for a price other than the security's current market value. It is anticipated that the value of Fund shares will decline, more or less, in correspondence with any decline in value of the Underlying Index. The Underlying Index may not contain the appropriate mix of securities for any particular economic cycle, and the timing of movements from one type of security to another in seeking to track the Underlying Index could have a negative effect on the Fund. However, the Fund's investment objective and principal investment strategies impose limits on the Fund's ability to invest in securities not included in the Underlying Index. Unlike an actively managed fund, the Fund does not use techniques or defensive strategies designed to lessen the effects of market volatility or to reduce the impact of periods of market decline. This means that, based on market and economic conditions, the Fund's performance could be lower than other types of registered investment companies that may actively shift their portfolio assets to take advantage of market opportunities or to lessen the impact of a market decline. To the extent the Fund employs a representative sampling approach, it will hold a smaller number of securities than are in the Underlying Index. As a result, an adverse development to an issuer of securities that the Fund holds could result in a greater decline in NAV than would be the case if the Fund held more of the securities in the Underlying Index.

Sector Risk: The securities of companies in the same or related businesses ("sectors"), if comprising a significant portion of a Fund's portfolio, may in some circumstances react negatively to market conditions, interest rates and economic, regulatory or financial developments, and adversely affect the value of the Fund's portfolio, to a greater extent than if such securities comprised a lesser portion of the Fund's portfolio or the Fund's portfolio was diversified across a greater number of sectors. Some sectors have particular risks that may not affect other sectors.

Short Sale Risk: The Funds may obtain short exposure by borrowing a security to sell or by trading a derivative instrument, such as a future, forward or swap. A Fund will suffer a loss if it sells a security short and the value of the security rises rather than falls. There is no theoretical ceiling to the price of a shorted security. Therefore, securities sold short have unlimited risk. Short sales also expose a Fund to the risk that it will be required to buy the security sold short (also known as "covering" the short position) at a time when the security has appreciated in value, thus resulting in a loss to the Fund. A Fund's investment performance may also suffer if it is required to close out a short position earlier than it had intended. In addition, a Fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing. When a Fund sells a security short, it must maintain cash or high-grade securities equal to the margin requirement. As a result, a Fund may maintain high levels of cash or other liquid assets (such as U.S. Treasury bills, money market instruments, certificates of deposit, high quality commercial paper and long equity positions). The need to maintain cash or other liquid assets could limit the Fund's ability to pursue other opportunities as they arise. Short exposure generally introduces more risk to a Fund than long positions. It is also possible that a Fund's long positions will decline in value at the same time that the value of its short positions increase, thereby increasing potential losses to the Fund.

Small and Medium Capitalization Securities Risk: Securities issued by small and medium capitalization companies tend to be less liquid and more volatile than stocks of companies with relatively large market capitalizations. Securities of small and medium capitalization companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, these small and medium sized companies may have limited product lines, markets, and financial resources, and may depend upon a relatively small management group. Therefore, small and medium capitalization stock prices may be more volatile than those of larger companies.

Special Situations Risk: The Event-Driven ETF may seek to benefit from "special situations," such as mergers, acquisitions, consolidations, bankruptcies, liquidations, reorganizations, restructurings, tender or exchange offers or other unusual events expected to affect a particular issuer. Investing in special situations carries the risk that certain of such situations may not happen as anticipated or the market may react differently than expected to such situations. The securities of companies involved in special situations may be more volatile than other securities, may at times be illiquid, or may be difficult to value. Certain special situations carry the additional risks inherent in difficult corporate transitions and the securities of such companies may be more likely to lose value than the securities of more stable companies.

Swap Risk: Each Fund may enter into total return swaps to gain investment exposure to the underlying security or securities in a more efficient or economically attractive manner than direct ownership. In a standard "swap" transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. The Event-Driven ETF may use swaps for any investment purpose, including as part of a merger arbitrage or event-driven strategy involving pending corporate reorganizations. Certain categories of swap agreements often have terms of greater than seven days and may be considered illiquid. Moreover, the Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. The swaps market is subject to extensive regulation under the Dodd-Frank Act and certain Securities and Exchange Commission and Commodity Futures Trading Commission rules promulgated thereunder. It is possible that developments in the swaps market, including new and additional government regulation, could result in higher Fund costs and expenses and could adversely affect the Fund's ability, among other things, to terminate existing swap agreements or to realize amounts to be received under such agreements. The value of swaps can be very volatile, and a variance in the degree of volatility or in the direction of securities prices from the Adviser's expectations may produce significant losses in the Fund's investments in swaps. In addition, a perfect correlation between a swap and a reference asset may be impossible to achieve. As a result, the Adviser's use of swaps may not be effective in fulfilling the Adviser's investment strategies and may contribute to losses that would not have been incurred otherwise.

Temporary Investment/Cash Management Risk: The Event-Driven ETF may hold a significant portion of its assets in cash, money market or similar cash management funds, or short-term investments for temporary defensive purposes in response to adverse market, economic, political, or other conditions, to preserve the Fund's ability to capitalize quickly on new market opportunities, or for other reasons, such as because the Adviser has determined to obtain investment exposure through derivative instruments instead of direct cash investments. These investments may include money market instruments such as Treasury bills, securities issued by the U.S. Government, its agencies or instrumentalities, bankers' acceptances, commercial paper, and repurchase agreements for the above securities, and investment companies that invest primarily in such instruments. To the extent the Fund maintains cash or holds short-term investments, the Fund may not achieve its investment objective and may also be subject to additional risks, including market, interest rate, and credit risk.

Tracking Error Risk: Tracking error is the divergence of the Merger Arbitrage ETF's performance from that of the Underlying Index. The performance of the Fund may diverge from that of its Underlying Index because of a number of reasons, such as the use of representative sampling or other differences between the Fund's and Underlying Index's holdings, transaction costs, the Fund's holding of cash, differences in accrual of dividends, changes to the Underlying Index, tax considerations, rebalancing, or the need to meet new or existing regulatory requirements. Unlike the Fund, the returns of the Underlying Index are not reduced by investment and other operating expenses, including the trading costs associated with implementing changes to its portfolio of investments. Tracking error risk may be heightened during times of market volatility or other unusual market conditions. To the extent that the Fund calculates its NAV based on fair value prices and the value of the Underlying Index is based on securities' closing prices (i.e., the value of the Underlying Index is not based on fair value prices), the Fund's ability to track the Underlying Index may be adversely affected. For tax efficiency purposes, the Fund may sell certain securities to realize losses, which will result in a deviation from the Underlying Index. In addition, the Fund may not be fully invested in the securities of the Underlying Index at all times or may hold securities not included in the Underlying Index which may result in greater tracking error than if the Fund used a replication indexing strategy.

When-Issued, Forward Commitments, and Delayed Settlement Risk: Securities issued on a when-issued, forward commitment or delayed delivery basis involve the risk that the security the Event-Driven ETF buys will lose value prior to its delivery. There also is the risk that the security will not be issued or that the other party to the transaction will not meet its obligation. If this occurs, the Fund may lose both the investment opportunity for the assets it set aside to pay for the security and any gain in the security's price.