

# Swan Enhanced Dividend Income ETF

SCLZ

*a series of Northern Lights Fund Trust III*

## PROSPECTUS

**November 1, 2024**

*Adviser:*



[www.ETFS.swanglobalinvestments.com](http://www.ETFS.swanglobalinvestments.com)

1-877-383-7259

This Prospectus provides important information about the Funds that you should know before investing. Please read it carefully and keep it for future reference.

These securities have not been approved or disapproved by the Securities and Exchange Commission nor has the Securities and Exchange Commission passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

Shares of the Fund are listed and traded on the Cboe BZX Exchange, Inc. (the "Exchange").

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## **FUND SUMMARY – SWAN ENHANCED DIVIDEND INCOME ETF**

**Investment Objective:** The Fund primarily seeks income and secondarily seeks modest capital appreciation.

**Fees and Expenses of the Fund:** This table describes the fees and expenses that you may pay if you buy, hold and sell shares of the Fund. **You may pay other fees, such as brokerage commissions and other fees to financial intermediaries, which are not reflected in the tables and examples below.**

<b>Annual Fund Operating Expenses</b> (expenses that you pay each year as a percentage of the value of your investment)	
Management Fees	0.85%
Distribution and Service (12b-1) Fees	None
Other Expenses <sup>(1)</sup>	0.00%
<b>Total Annual Fund Operating Expenses</b>	<b>0.85%</b>

(1) The Fund's adviser, Swan Capital Management, LLC, has agreed to pay all expenses incurred by the Fund except for the brokerage fees and commissions, indirect costs of investing in other investment companies, taxes, borrowing costs (such as (a) interest and (b) dividend expenses on securities sold short), and such extraordinary or non-recurring expenses as may arise, including litigation to which the Fund may be a party and indemnification of the Trust's Trustees and officers with respect thereto. The Fund will also pay expenses that it is authorized to pay pursuant to Rule 12b-1 under the Act.

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

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

<b><u>1 Year</u></b>	<b><u>3 Years</u></b>	<b><u>5 Years</u></b>	<b><u>10 Years</u></b>
\$87	271	\$471	\$1,049

**Portfolio Turnover:** The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal period ended June 30, 2024, the Fund's portfolio turnover rate was 4% of the average value of its portfolio.

**Principal Investment Strategies:** The Fund is an actively managed exchange-traded fund ("ETF") that, under normal circumstances, invests at least 80% of its assets (defined as net assets plus borrowing for investment purposes) in dividend-paying common stocks. The Fund invests primarily in large-cap and mid-cap U.S. companies. Additionally, the Fund seeks to enhance its returns by writing call options against all or a portion of its stock portfolio.

### **Stock Selection Strategy**

The Fund's sub-adviser constructs the Fund's stock portfolio using a quantitative screening process. The sub-adviser begins with companies included in the O'Shares Focused Quality Dividend Index. The index typically consists of approximately 50 common stocks of companies exhibiting quality and growth characteristics as determined by O'Shares Investments. Neither the Fund's adviser nor sub-adviser is affiliated with O'Shares Investments. O'Shares Investments constructs the index using a proprietary, rules-based methodology that scores large-cap and mid-cap publicly traded U.S. stocks, that have exposure to the following factors: 1) quality, 2) dividend growth, 3) dividend coverage, and 4) dividend yield. Generally, the 50 companies with the strongest composite factor scores and the strongest dividend and revenue growth projections are selected for inclusion in the index. At any given time, a majority of the companies in the index may be from the same sector. The index is reconstituted on a quarterly basis if needed.

The sub-adviser then ranks the stocks in the index every quarter based on their historic dividend yields as well as their capital appreciation potential. The sub-adviser also considers the historic pricing of options on the stocks under consideration. Some stocks that might have superior dividend payouts or capital appreciation potential may be screened out because their low historical volatility makes them ill-suited for call-writing. Stocks that have been screened out will be replaced by other stocks that rank highly based on the factors listed. The sub-adviser anticipates that there will be approximately 50 stocks in the Fund's portfolio. The sub-adviser sells a stock when it is no longer listed on the index.

## Option Writing Strategy

The Fund will sell (write) covered call options against all or a portion of the stocks in the Fund's portfolio. When the Fund sells a covered call option, the purchaser of the option has the right to buy that stock at a predetermined price (known as the strike price) up to a certain date in the future (known as the expiration date). If the purchaser exercises the option, the Fund must sell the stock to the purchaser at the strike price. Each option is "covered" because the Fund owns the stock at the time it sells the option. As the seller of the option, the Fund receives a premium from the purchaser of the call option, which may provide gains to the Fund. Selling of covered call options may reduce the volatility of the Fund because the premiums received from selling the options will reduce any losses on the underlying securities, but only by the amount of the premiums.

The sub-adviser has pre-designated exit points for each option where it hopes to close out (buy back) the written option prior to the stock being called away.

**Principal Investment Risks: *As with all funds, there is the risk that you could lose money through your investment in the Fund. The Fund is not intended to be a complete investment program. Many factors affect the Fund's net asset value and performance.***

The following describes the risks of investing in the Fund.

- *Active Management Risk:* The Adviser's judgments about the growth, value or potential appreciation of an investment may prove to be incorrect or fail to have the intended results, which could adversely impact the Fund's performance and cause it to underperform relative to the Index, or not to achieve its investment goal.
- *Cash or Cash Equivalents Risk:* At any time, the Fund may have investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over.
- *Company-Specific Risk:* A particular stock may lose value due to factors specific to the company itself, including deterioration of its fundamental characteristics, an occurrence of adverse events at the company, or a downturn in its business prospects.
- *Covered Call Risk:* Selling covered call options will limit the Fund's gain, if any, on the underlying securities, and the Fund continues to bear the risk of a decline in the value of the underlying stock until the option expires or is closed out.
- *Dividend Paying Risk:* While the Fund may hold stocks of companies that have historically paid a high dividend yield, those companies may reduce or discontinue their dividends, reducing the yield of the Fund. Low priced stocks in the Fund may be more susceptible to these risks. Past dividend payments are not a guarantee of future dividend payments. Also, the market return of high dividend yield stocks, in certain market conditions, may perform worse than other investment strategies or the overall stock market. The Fund's emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend.
- *Early Close/Trading Halt Risk:* An exchange or market may close or impose a market trading halt or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may prevent the Fund from buying or selling certain securities or financial instruments. In these circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.
- *Equity Securities Risk:* Fluctuations in the value of equity securities held by the Fund will cause the NAV of the Fund and the price of its Shares to fluctuate. Equity securities of an issuer in the Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments. Common stocks will be subject to greater dividend risk than preferred stocks or debt instruments of the same issuer. In addition, the returns of common stocks have experienced significantly more volatility than the returns of other asset classes.
- *ETF Structure Risk:* The Fund is structured as an ETF and is subject to the special risks, including:
  - *Not Individually Redeemable:* Shares of the Fund ("Shares") are not individually redeemable and may be redeemed by the Fund at NAV only in Creation Units. You may incur brokerage costs purchasing enough Shares to constitute a Creation Unit. Only an Authorized Participant ("AP") may engage in creation or redemption transactions directly with the Fund. The Fund has a limited number of institutions that may act as APs on an agency basis (i.e., on behalf of other market participants).
  - *Trading Issues:* An active trading market for the Shares may not be developed or maintained. Trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable, such as extraordinary market volatility.

- *Market Price Variance:* The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares and will include a “bid-ask spread” charged by the exchange specialists, market makers or other participants that trade the particular security. There may be times when the market price and the NAV vary significantly. This means that Shares may trade at a discount to NAV. In stressed market conditions, the market for the Shares may become less liquid in response to the deteriorating liquidity of the Fund’s portfolio.
- *Large Capitalization Companies Risk:* The value of investments in larger companies may not rise as much as smaller companies, or larger companies may be unable to respond quickly to competitive challenges, such as changes in technology and consumer tastes.
- *Limited History of Operations:* The Fund is a new fund with a limited history of operations for investors to evaluate.
- *Management Risk:* The adviser’s dependence on its process and judgments about the attractiveness, value and potential appreciation of particular ETFs and options in which the Fund invests or writes may prove to be incorrect and may not produce the desired results.
- *Market and Geopolitical Risk:* The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region or financial market. Securities in the Fund’s portfolio may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, climate change and climate-related events, pandemics, epidemics, terrorism, international conflicts, regulatory events and governmental or quasi-governmental actions. The occurrence of global events similar to those in recent years may result in market volatility and may have long term effects on both the U.S. and global financial markets.
- *Mid-Capitalization Companies Risk:* The earnings and prospects of mid-capitalization sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Mid-capitalization companies normally have a lower trading volume than larger companies, which may cause their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.
- *Option Risk:* Purchased put options may expire worthless and may have imperfect correlation to the value of the Fund’s holdings. Written call and put options may limit the Fund’s participation in equity market gains and may amplify losses in market declines. The Fund’s losses are potentially large in a written put or call transaction. If unhedged, written calls expose the Fund to potentially unlimited losses.
- *Sector Exposure Risk:* At times, the Fund may have a significant portion of its assets invested in securities of companies conducting business in a broadly related group of industries within an economic sector. Companies in the same economic sector may be similarly affected by economic or market events, making the Fund more vulnerable to unfavorable developments in that economic sector than funds that invest more broadly. The more the Fund diversifies its investments, the more it spreads risk and potentially reduces the risks of loss and volatility.
  - *Technology Sector Risk:* Technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Technology companies may have limited product lines, markets, financial resources or personnel. The products of technology companies may face obsolescence due to rapid technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Companies in the technology sector are heavily dependent on patent and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies

**Performance:** Because the Fund has less than a full calendar year of investment operations, no performance information is presented for the Fund at this time. In the future, performance information will be presented in this section of this Prospectus. Also, shareholder reports containing financial and performance information will be mailed to shareholders semi-annually. Updated performance information will be available at no cost by visiting [www.ETFS.swanglobalinvestments.com](http://www.ETFS.swanglobalinvestments.com) or by calling 1-877-383-7259.

**Investment Adviser:** Swan Capital Management, LLC (the “Adviser”).

**Sub-Adviser:** Swan Global Management, LLC (the “Sub-Adviser”). The Sub-Adviser is an affiliate of the Adviser with the same ownership and management as the Adviser.

**Portfolio Managers:** Randy Swan, President of the Adviser and Sub-Adviser, has served the Fund as its Lead Portfolio Manager since it commenced operations in February 2024. Robert Swan, Portfolio Manager and Chief Operating Officer of the Adviser and Sub-Adviser, and Chris Hausman, Senior Portfolio Manager and Managing Director of Risk of the Adviser and Sub-Adviser, have each served the Fund as a Portfolio Manager since February 2024. Each portfolio manager is jointly and primarily responsible for the day-to-day management of the Fund.

**Purchase and Sale of Fund Shares:** Individual Shares may be purchased and sold in secondary market transactions through a broker dealer or at market price. Shares are listed for trading on the Exchange and trade at market prices rather than NAV. Shares may trade at a price that is greater than, at, or less than NAV. An investor may incur costs attributable to the difference between the highest price a buyer is willing to pay to purchase Shares (bid) and the lowest price a seller is willing to accept for Shares (ask) when buying or selling Shares in the second market (the “bid-ask spread”). Information on the Fund’s NAV, market price, premiums and discounts and bid ask spreads is available at [www.ETFS.swanglobalinvestments.com](http://www.ETFS.swanglobalinvestments.com).

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

**Payments to Broker-Dealers and Other Financial Intermediaries:** If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

## **ADDITIONAL INFORMATION ABOUT PRINCIPAL INVESTMENT STRATEGIES AND RELATED RISKS**

**Investment Objective:** The Fund primarily seeks income and secondarily seeks modest capital appreciation.

### **Principal Investment Strategies:**

The Fund is an actively managed exchange-traded fund (“ETF”) that, under normal circumstances, invests at least 80% of its assets (defined as net assets plus borrowing for investment purposes) in dividend-paying common stocks. The Fund invests primarily in large-cap and mid-cap U.S. companies. The Fund defines large-cap companies as those with market capitalizations above \$10 billion at the time of purchase; and defines mid-cap companies as those with market capitalizations between \$3 and \$10 billion at the time of purchase. The Fund defines U.S. companies as those (i) organized in the U.S.; (ii) having a class of securities whose principal securities market is in the U.S.; (iii) deriving 50% or more of total revenues or earnings from goods produced, sales made, or services provided in the U.S.; or (iv) maintaining 50% or more of its employees, assets, investments, operations, or other business activity in the U.S. Under normal circumstances, the Fund’s remaining net assets are in cash and written call options against all or a portion of its stock portfolio.

### **Stock Selection Strategy**

The Fund’s sub-adviser constructs the Fund’s stock portfolio using a quantitative screening process. The sub-adviser begins with companies included in the O’Shares Focused Quality Dividend Index. The index typically consists of approximately 50 common stocks of companies exhibiting Quality and Growth characteristics as determined by O’Shares Investments. Neither the Fund’s adviser nor sub-adviser is affiliated with O’Shares Investments. O’Shares Investments constructs the index using a proprietary, rules-based methodology that scores an initial universe of large-cap and mid-cap publicly traded U.S. stocks on the following factors that characterize companies with strong growth prospectus, solid business models and healthy dividends: 1) quality, 2) dividend growth, 3) dividend coverage, and 4) dividend yield. Generally, the 50 companies with the strongest composite factor scores and the strongest dividend and revenue growth projections are selected for inclusion in the index. At any given time, a majority of the companies in the index may be from the same sector. The index is reconstituted on a quarterly basis if needed.

The sub-adviser then ranks stocks within the index every quarter based upon their historic dividend yields as well as their capital appreciation potential. The sub-adviser selects stocks, in part, based on higher relative dividend yields, dividend growth potential, and anticipated stock price appreciation. The sub-adviser identifies potential for dividend growth by reviewing factors such as a company’s dividend history, stated dividend policy, capital requirements, and free cash flow projections. The sub-adviser identifies potential for stock price appreciation by considering fundamental factors such as expected industry revenue growth, expected company earnings growth, and relative valuation.

The sub-adviser also considers the historic pricing of options on the stocks under consideration. The ability to generate income by writing calls on a stock depends upon the price and volatility of an individual stock. Consequently, some stocks that might have superior dividend payouts or capital appreciation potential may be screened out because their low historical volatility makes them ill-suited for call-writing. Stocks that have been screened out will be replaced by other stocks that rank highly based on the factors. The sub-adviser anticipates that there will be approximately 50 stocks in the Fund’s portfolio. The sub-adviser sells a stock when its dividend or capital appreciation rank falls or when a more attractive stock is identified.

## Option Writing Strategy

The Fund will sell (write) covered call options against all or a portion of the stocks in the Fund's portfolio. When the Fund sells a covered call option, the purchaser of the option has the right to buy that stock at a predetermined price (known as the strike price) up to a certain date in the future (known as the expiration date). If the purchaser exercises the option, the Fund must sell the stock to the purchaser at the strike price. Each option is "covered" because the Fund owns the stock at the time it sells the option. As the seller of the option, the Fund receives a premium from the purchaser of the call option, which may provide gains to the Fund. Selling of covered call options may reduce the volatility of the Fund because the premiums received from selling the options will reduce any losses on the underlying securities, but only by the amount of the premiums.

Calls are written with strike prices out-of-the-money (approximately 5-10% above the current stock price) to provide a bit of "run room" to decrease the risk of the stock being called away as the price of the stock increases. Additionally, written options will have longer expirations cycles (approximately 2-4 months) in order to reduce the risk of rapid price moves near the options expiration date (referred to as "gamma risk"). The sub-adviser has pre-designated exit points for each option where it hopes to close out (buy back) the written option prior to the stock being called away.

### **Principal Investment Risks:**

The following risks apply to the Fund's holdings.

- *Active Management Risk:* The sub-adviser's judgments about the growth, value or potential appreciation of an investment may prove to be incorrect or fail to have the intended results, which could adversely impact the Fund's performance and cause it to underperform relative to other funds with similar investment goals, or not to achieve its investment goal.
- *Cash or Cash Equivalents Risk:* At any time, the Fund may have investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over. There is a risk that the sections of the market in which the Fund invests will begin to rise or fall rapidly and the Fund will not be able to sell stocks quickly enough to avoid losses, or reinvest its cash positions into areas of the advancing market quickly enough to capture the initial returns of changing market conditions.
- *Company-Specific Risk:* A particular stock may lose value due to factors specific to the company itself, including deterioration of its fundamental characteristics, an occurrence of adverse events at the company, or a downturn in its business prospects.
- *Covered Call Risk:* Selling covered call options may limit the Fund's gain, if any, on the underlying stocks, and the Fund continues to bear the risk of a decline in the value of the underlying stock until the option expires or is closed out. In a rapidly rising market, the Fund could significantly underperform the market. Furthermore, if the Fund is not able to close out an options transaction, the Fund may not be able to sell the underlying security until the option expires or is exercised or it arranges to pledge other securities to secure performance of its option obligation.
- *Dividend Paying Risk:* While the Fund may hold stocks of companies that have historically paid a high dividend yield, those companies may reduce or discontinue their dividends, reducing the yield of the Fund. Low priced stocks in the Fund may be more susceptible to these risks. Past dividend payments are not a guarantee of future dividend payments. Also, the market return of high dividend yield stocks, in certain market conditions, may perform worse than other investment strategies or the overall stock market. The Fund's emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend.
- *Early Close/Trading Halt Risk:* The Exchange or market may close or impose a market trading halt or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may prevent the Fund from buying or selling certain securities or financial instruments. In these circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.
- *Equity Securities Risk:* Fluctuations in the value of equity securities held by the Fund will cause the NAV of the Fund and the price of Shares to fluctuate. Common stock of an issuer in the Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments. Equity securities are subject to greater dividend risk than preferred stocks or debt instruments of the same issuer. In addition, common stocks have experienced significantly more volatility in returns than other asset classes.
- *ETF Structures Risk:* The Fund is structured as an ETF and as a result is subject to special risks, including:
  - *Not Individually Redeemable.* Shares are not redeemable by retail investors and may be redeemed only by the Authorized Participants at NAV and only in Creation Units. A retail investor generally incurs brokerage costs when selling shares.

- *Trading Issues.* Trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable, such as extraordinary market volatility. There can be no assurance that Shares will continue to meet the listing requirements of the Exchange, which may result in Shares being delisted. An active trading market for Shares may not be developed or maintained. If Shares are traded outside a collateralized settlement system, the number of financial institutions that can act as Authorized Participants that can post collateral on an agency basis is limited, which may limit the market for Shares.
- *Market Price Variance:* Shares that are listed for trading on the Exchange can be bought and sold in the secondary market at market prices. The market prices of Shares will fluctuate in response to changes in NAV and supply and demand for Shares. There may be times when the market price and the NAV vary significantly and you may pay more than NAV when buying Shares on the secondary market, and you may receive less than NAV when you sell those Shares. The market price of Shares, like the price of any exchange-traded security, includes a “bid-ask spread” charged by the exchange specialists, market makers or other participants that trade the particular security. In times of severe market disruption, the bid-ask spread often increases significantly. This means that Shares may trade at a discount to NAV and the discount is likely to be greatest when the price of Shares is falling fastest, which may be the time that you most want to sell your Shares. The Fund’s investment results are measured based upon the daily NAV of the Fund over a period of time. Investors purchasing and selling Shares in the secondary market may not experience investment results consistent with those experienced by those Authorized Participants creating and redeeming directly with the Fund.
  - In times of market stress, market makers may step away from their role market making in Shares and in executing trades, which can lead to differences between the market value of Shares and the Fund’s NAV.
  - The market price for Shares may deviate from the Fund’s NAV, particularly during times of market stress, with the result that investors may pay significantly more or significantly less for Shares than the Fund’s NAV, which is reflected in the bid and ask price for Fund shares or in the closing price.
  - When all or a portion of the Fund’s underlying securities trade in a market that is closed when the market for Shares is open, there may be changes from the last quote of the closed market and the quote from the Fund’s domestic trading day, which could lead to differences between the market value of Shares and the Fund’s NAV.
  - In stressed market conditions, the market for Shares may become less liquid in response to the deteriorating liquidity of the Fund’s portfolio. This adverse effect on the liquidity of Shares may, in turn, lead to differences between the market value of Shares and the Fund’s NAV.
- *Large Capitalization Risk:* Large-capitalization companies may be less able than smaller capitalization companies to adapt to changing market conditions. Large-capitalization companies may be more mature and subject to more limited growth potential compared with smaller capitalization companies. During different market cycles, the performance of large capitalization companies has trailed the overall performance of the broader securities markets.
- *Limited History of Operations Risk:* *The Fund is a new ETF with limited history of operations for investors to evaluate.*
- *Management Risk:* The sub-adviser’s reliance on its strategy and its judgments about the value and potential appreciation of securities in which the Fund invests may prove to be incorrect, including the sub-adviser’s tactical allocation of the Fund’s portfolio among its investments. The ability of the Fund to meet its investment objective is directly related to the sub-adviser’s proprietary investment process. There is no guarantee that the sub-adviser’s investment strategy will produce the desired results.
- *Market and Geopolitical Risk:* The increasing interconnectivity between global economies and financial markets increases the likelihood that events or conditions in one region or financial market may adversely impact issuers in a different country, region, or financial market. Securities in the Fund’s portfolio may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, climate change and climate-related events, pandemics, epidemics, terrorism, regulatory events and governmental or quasi-governmental actions. The occurrence of global events similar to those in recent years, such as worldwide pandemics, terrorist attacks, natural disasters, social and political discord or debt crises and downgrades, among others, may result in market volatility and may have long term effects on both the U.S. and global financial markets. It is difficult to predict when similar events affecting the U.S. or global financial markets may occur, the effects that such events may have and the duration of those effects. Any such event(s) could have a significant adverse impact on the value and risk profile of the Fund’s portfolio. The COVID-19 pandemic had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may impact your Fund investment. Therefore, the Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. During a general market downturn, multiple asset classes may be negatively affected. Changes in market conditions and interest rates can have the same impact on all types of securities and instruments. In times of severe market disruptions, you could lose your entire investment.



- *Mid-Capitalization Companies Risk:* The stocks of mid-capitalization companies involve substantial risk. These companies may have limited product lines, markets, or financial resources, and they may be dependent on a limited management group. Stocks of these companies may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general.
- *Options Risk:* The Fund may lose the entire put option premium paid if the underlying index does not decrease in value at expiration. Put options may not be an effective hedge because they may have imperfect correlation to the value of the Fund's portfolio securities. Purchased put options may decline in value due to changes in price of the underlying, passage of time and changes in volatility. Written call and put options may limit the Fund's participation in equity market gains and may magnify the losses if the price of the written option instrument increases in value between the date when the Fund writes the option and the date on which the Fund purchases an offsetting position. The Fund will incur a loss as a result of a written options (also known as a short position) if the price of the written option instrument increases in value between the date when the Fund writes the option and the date on which the Fund purchases an offsetting position. The Fund's losses are potentially large in a written put transaction and potentially unlimited in an unhedged written call transaction.
- *Sector Exposure Risk:* At times, the Fund may have a significant portion of its assets invested in securities of companies conducting business in a broadly related group of industries within an economic sector. Companies in the same economic sector may be similarly affected by economic or market events, making the Fund more vulnerable to unfavorable developments in that economic sector than funds that invest more broadly. The more the Fund diversifies its investments, the more it spreads risk and potentially reduces the risks of loss and volatility.
  - *Technology Sector Risk:* Technology companies face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Technology companies may have limited product lines, markets, financial resources or personnel. The products of technology companies may face obsolescence due to rapid technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Companies in the technology sector are heavily dependent on patent and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies

**Temporary Investments:** To respond to adverse market, economic, political or other conditions, the Fund may invest 100% of its total assets, without limitation, in high-quality short-term debt securities and money market instruments. These short-term debt securities and money market instruments include: shares of money market mutual funds, commercial paper, certificates of deposit, bankers' acceptances, U.S. government securities and repurchase agreements. While the Fund is in a defensive position, the opportunity to achieve its investment objective will be limited. Furthermore, to the extent that the Fund invests in money market mutual funds for cash positions, there will be some duplication of expenses because shareholders will pay the fees and expenses of the Fund and, indirectly, the fees and expenses of the underlying money market funds. The Fund may also invest a substantial portion of its assets in such instruments at any time to maintain liquidity or pending selection of investments in accordance with its policies.

**Portfolio Holdings Disclosure:** A description of the Fund's policies regarding the release of portfolio holdings information is available in the Fund's Statement of Additional Information ("SAI").

**Cybersecurity:** The computer systems, networks and devices used by the Fund and its service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized by the Fund and its service providers, systems, networks, or devices potentially can be breached. The Fund and its shareholders could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact the Fund's business operations, potentially resulting in financial losses; interference with the Fund's ability to calculate its NAV; impediments to trading; the inability of the Fund, the Adviser or Sub-Adviser, and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which the Fund invests; counterparties with which the Fund engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions (including financial intermediaries and service providers for the Fund's shareholders); and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## **MANAGEMENT**

**Investment Adviser:** Swan Capital Management, LLC, (the “Adviser”) located at 1099 Main Avenue, Suite 206, Durango, CO 81301, serves as investment adviser to the Funds. The Adviser was established in 2012 for the purpose of managing mutual funds. As of June 30, 2024, it had approximately \$1.1 billion in assets under management.

Subject to the oversight of the Board of Trustees, the Adviser is responsible for managing the Fund’s investments, executing transactions and providing related administrative services and facilities under an Investment Advisory Agreement between the Fund and the Adviser (the “Investment Advisory Agreement”).

The management fee set forth in the Investment Advisory Agreement is 0.85% of the Fund’s average daily net assets to be paid on a monthly basis. Under the Investment Advisory Agreement, the Adviser has agreed to pay all expenses incurred by the Fund except for the brokerage fees and commissions, indirect costs of investing in other investment companies, taxes, borrowing costs (such as (a) interest and (b) dividend expenses on securities sold short), and such extraordinary or non-recurring expenses as may arise, including litigation to which the Fund may be a party and indemnification of the Trust’s Trustees and officers with respect thereto. The Fund will also pay expenses that it is authorized to pay pursuant to Rule 12b-1 under the Act.

**Sub-Adviser:** Swan Global Management, LLC (the “Sub-Adviser”), located at 20 Ridge Top Drive, Humacao, PR 00791, serves as sub-adviser to the Funds. The Sub-Adviser is an affiliate of the Adviser with the same ownership and management as the Adviser. Subject to the oversight of the Adviser, the Sub-Adviser is responsible for management of each Fund’s investment portfolio. The Sub-Adviser is responsible for selecting each Fund’s investments according to each Fund’s investment objective, policies, and restrictions. The Sub-Adviser was established in 2014 for the purpose of managing mutual funds. As of June 30, 2024, it had approximately \$2.2 billion in assets under management.

A discussion regarding the basis for the Board of Trustees’ approval of the advisory agreement and sub-advisory agreement is available in the Fund’s financial statements for the fiscal year ended June 30, 2024.

**Portfolio Managers:** The Fund is managed on a day to day basis by Randy Swan as the Lead Portfolio Manager and by Robert Swan and Chris Hausman as Portfolio Managers of the Adviser and Sub-Adviser (together the “Portfolio Managers”). The Statement of Additional Information provides additional information about the Portfolio Managers’ compensation, other accounts managed by the Portfolio Managers, and the Portfolio Managers’ ownership in the Fund.

Randy Swan is the President and founder of the Adviser and Sub-Adviser and oversees the team that runs all of the firm’s investment activities. Before starting the Sub-Adviser in 2014, the Adviser in 2012 and Swan Global Investments, LLC in 1997, Randy was a Senior Manager for KPMG working in the financial services sector. Randy is a 1990 graduate of University of Texas with a BBA and an MPA (Master’s Degree in Professional Accounting).

Robert Swan serves as the Chief Operating Officer and Portfolio Manager of the Adviser and Sub-Adviser providing daily oversight of operations, investment management, trading, and the development and maintenance of proprietary technologies enabling the firms to scale and execute the DRS strategy across multiple funds and platforms. Prior to joining affiliated Adviser Swan Global Investments, LLC in 2010 and the Adviser in 2012, Robert worked at Boeing Company as a flight testing and aerodynamics engineer. Robert graduated from University of Texas with a BS in Aeronautical and Astronautical Engineering.

Chris Hausman, CMT®, CAIA serves as the Senior Portfolio Manager and Managing Director of Risk for the Adviser and Sub-Adviser. Chris focuses on risk assessment and management for the Defined Risk Strategy investments and positions. He monitors risk across all of the Adviser’s portfolios and as a member of the Investment Management Committee contributes to strategic decision making as well as serving as an additional layer of oversight for the trading team. As a Chartered Market Technician®, he also acts as Chief Technical Strategist at Swan Global Investments.

Earlier in his career, Chris was a Senior Market-Maker for Wolverine Trading and traded on the floor of the Chicago Mercantile Exchange, trading options on the S&P 500 futures index, and on the Pacific Stock Exchange, trading options on Microsoft. He also spent time as lead instructor for the International Trading Institute Ltd., teaching option strategies and risk management techniques to market makers and traders from around the world. In addition, he also spent time in roles as Senior Portfolio Manager, Chief Portfolio Strategist and Director of Trading Operations for Saliba Portfolio Management, a hedge fund specializing in overlay solutions in Chicago, IL.

## **HOW SHARES ARE PRICED**

Shares of the Fund are bought and sold at a price in two different ways depending upon the type of investor.

All investors including retail investors and authorized participants may buy and sell Shares in secondary market transactions through brokers at market prices and the Shares will trade at market prices.

Only authorized participants may buy and redeem Shares from a Fund directly and those transactions are executed at the Fund's NAV. The NAV of the Fund is determined at close of regular trading (normally 4:00 p.m. Eastern Time) on each day the Exchange is open for business. NAV is computed by determining, the aggregate market value of all assets of the applicable Fund, less its liabilities, divided by the total number of shares outstanding ((assets-liabilities)/number of shares = NAV). The Exchange is closed on weekends and New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day ("Exchange Close"). The NAV takes into account the expenses and fees of the Fund, including management, administration, and distribution fees, which are accrued daily. The determination of NAV for the Fund 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 by the Fund (or an authorized broker or agent, or its authorized designee) before the close of trading on the Exchange on that day.

Generally, the Fund's portfolio securities, including securities issued by ETFs, are valued each day at the last quoted sales price on each security's primary exchange. Securities traded or dealt in upon one or more securities exchanges (whether domestic or foreign) for which market quotations are readily available and not subject to restrictions against resale shall be valued at the last quoted sales price on the primary exchange or, in the absence of a sale on the primary exchange, at the mean between the current bid and ask prices on such exchange. Securities primarily traded in the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") National Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price. Securities that are not traded on any securities exchange (whether domestic or foreign) and for which over-the-counter market quotations are readily available generally shall be valued at the last sale price or, in the absence of a sale, at the mean between the current bid and ask price on such over-the-counter market. Debt securities not traded on an exchange may be valued at prices supplied by a pricing agent(s) based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity.

If market quotations are not readily available, securities will be valued at their fair market value as determined using the "fair value" procedures approved by the Board of Trustees. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security may be materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available. The Board has designated the Adviser as its "Valuation Designee" for execution of these procedures. The Valuation Designee may also enlist third party consultants such as an audit firm or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. The Board of Trustees reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

The Fund may use independent pricing services to assist in calculating the value of the Fund's portfolio securities. In addition, market prices for foreign securities are not determined at the same time of day as the NAV for the Fund. Because the Fund may invest in underlying ETFs which hold portfolio securities primarily listed on foreign exchanges, and these exchanges may trade on weekends or other days when the underlying ETFs do not price their shares, the value of some of the Fund's portfolio securities may change on days when you may not be able to buy or sell Fund shares.

In computing the NAV, the Fund values foreign securities held by the Fund at the latest closing price on the exchange in which they are traded immediately prior to closing of the exchange. Prices of foreign securities quoted in foreign currencies are translated into U.S. dollars at current rates. If events materially affecting the value of a security in the Fund's portfolio, particularly foreign securities, occur after the close of trading on a foreign market but before the Fund prices its shares, the security may be priced using alternative market prices provided by a pricing service. For example, if trading in a portfolio security is halted and does not resume before the Fund calculates its NAV, alternative market prices may be used to value the security. Without a fair value price, short-term traders could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Fair valuation of the Fund's portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that fair value pricing policies will prevent dilution of the Fund's NAV by short term traders. The determination of fair value involves subjective judgments. As a result, using fair value to price a security may result in a price materially different from the prices used by other funds to determine NAV, or from the price that may be realized upon the actual sale of the security.

With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies registered under the Investment Company Act of 1940, as amended (the "1940 Act"), the Fund's NAV is calculated based upon the NAVs of those open-end management investment companies, and the prospectuses for these companies explain the circumstances under which those companies will use fair value pricing and the effects of using fair value pricing.

## **Premium/Discount Information**

Most investors will buy and sell Shares in secondary market transactions through brokers at market prices and the Shares will trade at market prices. The market price of Shares may be greater than, equal to, or less than NAV. Market forces of supply and demand, economic conditions and other factors may affect the trading prices of Shares.

Information regarding how often the Shares traded at a price above (at a premium to) or below (at a discount to) the NAV of the Fund during the past four calendar quarters, when available, can be found at [www.ETFS.swanglobalinvestments.com](http://www.ETFS.swanglobalinvestments.com).

## **HOW TO BUY AND SELL SHARES**

Shares will be listed for trading on the Exchange under the symbol SCLZ. Share prices are reported in dollars and cents per Share. Shares can be bought and sold on the secondary market throughout the trading day like other publicly traded shares at their market price, and Shares typically trade in blocks of less than a Creation Unit. There is no minimum investment required. Shares may only be purchased and sold on the secondary market when the Exchange is open for trading. The Exchange is open for trading Monday through Friday and is closed on weekends and the following holidays, as observed: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. When buying or selling Shares through a broker, you will incur customary brokerage commissions and charges, and you may pay some or all of the spread between the bid and the offered price in the secondary market on each leg of a round trip (purchase and sale) transaction.

Only APs may acquire Shares directly from the Fund, and APs may tender their Shares for redemption directly to the Fund, at NAV per Share only in large blocks, or Creation Units, of 25,000 Shares. Purchases and redemptions directly with the Fund must follow the Fund's procedures, which are described in the SAI.

The Fund may liquidate and terminate at any time without shareholder approval.

## **FREQUENT PURCHASES AND REDEMPTIONS OF FUND SHARES**

The Board of Trustees has not adopted a policy of monitoring other frequent activity because Shares are listed for trading on a national securities exchange.

## **DISTRIBUTION AND SERVICE PLAN**

The Fund has adopted a distribution and service plan ("Plan") pursuant to Rule 12b-1 under the 1940 Act. Under the Plan, the Fund is authorized to pay distribution fees to the distributor and other firms that provide distribution and shareholder services ("Service Providers"). If a Service Provider provides these services, the Fund 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 Fund, and there are no current plans to impose these fees. In the event Rule 12b-1 fees were charged, over time they would increase the cost of an investment in the Fund.

## **DIVIDENDS, OTHER DISTRIBUTIONS AND TAXES**

Unlike interests in conventional mutual funds, which typically are bought and sold from and to the fund only at closing NAVs, Shares are traded throughout the day in the secondary market on a national securities exchange on an intra-day basis and are created and redeemed in-kind in Creation Units at each day's next calculated NAV. In-kind arrangements are designed to protect ongoing shareholders from the adverse effects on the Fund's portfolio that could arise from frequent cash redemption transactions. In a conventional mutual fund, redemptions can have an adverse tax impact on taxable shareholders if the mutual fund needs to sell portfolio securities to obtain cash to meet net fund redemptions. These sales may generate taxable gains for the ongoing shareholders of the mutual fund, whereas the Shares' in-kind redemption mechanism generally will not lead to a tax event for the Fund or its ongoing shareholders. Creations Units that are redeemed for cash may cause the Fund to incur brokerage costs or generate taxable gains or losses that may not have occurred with redemptions-in-kind. These costs could be imposed on the Fund and decrease the Fund's NAV if not offset by a transaction fee paid by an AP.

Ordinarily, dividends from net investment income, if any, are declared and paid quarterly by the Fund. The Fund distributes its net realized capital gains, if any, to shareholders annually.

Distributions in cash may be reinvested automatically in additional whole Shares only if the broker through whom you purchased Shares makes such option available.

## **Taxes**

As with any investment, you should consider how your investment in Shares will be taxed. The tax information in this Prospectus is provided as general information. You should consult your own tax professional about the tax consequences of an investment in Shares.

Unless your investment in Shares is made through a tax-exempt entity or tax-deferred retirement account, such as an individual retirement account, you need to be aware of the possible tax consequences when:

- the Fund makes distributions;
- you sell your Shares listed on the Exchange; and
- you purchase or redeem Creation Units.

### **Taxes on Distributions**

As stated above, dividends from net investment income, if any, ordinarily are declared and paid quarterly by the Fund. The Fund may also pay a special distribution at the end of a calendar year to comply with federal tax requirements. Distributions from the Fund's net investment income, including net short-term capital gains, if any, are taxable to you as ordinary income, except that the Fund's dividends attributable to its "qualified dividend income" (*i.e.*, dividends received on stock of most domestic and certain foreign corporations with respect to which the Fund satisfies certain holding period and other restrictions), if any, generally are subject to federal income tax for non-corporate shareholders who satisfy those restrictions with respect to the Shares at the rate for net capital gain. A part of the Fund's dividends also may be eligible for the dividends-received deduction allowed to corporations – the eligible portion may not exceed the aggregate dividends the Fund receives from domestic corporations subject to federal income tax (excluding REITs) and excludes dividends from foreign corporations – subject to similar restrictions. However, dividends a corporate shareholder deducts pursuant to that deduction are subject indirectly to the federal alternative minimum tax.

In general, your distributions are subject to federal income tax when they are paid, whether you take them in cash or reinvest them in the Fund (if that option is available). Distributions reinvested in additional Shares through the means of a dividend reinvestment service, if available, will be taxable to shareholders acquiring the additional Shares to the same extent as if such distributions had been received in cash. Distributions of net long-term capital gains, if any, in excess of net short-term capital losses are taxable as long-term capital gains, regardless of how long you have held the Shares.

Distributions in excess of the Fund's current and accumulated earnings and profits are treated as a tax-free return of capital to the extent of your basis in the Shares and as capital gain thereafter. A distribution will reduce the Fund's NAV per Share and may be taxable to you as ordinary income or capital gain (as described above) even though, from an investment standpoint, the distribution may constitute a return of capital.

By law, the Fund is required to withhold 24% of your distributions and redemption proceeds if you have not provided the Fund with a correct social security number or other taxpayer identification number and in certain other situations.

### **Taxes on Exchange-Listed Share 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. The ability to deduct capital losses from sales of Shares may be limited.

## **Taxes on Purchase and Redemption of Creation Units**

An AP who exchanges securities for Creation Units generally will recognize a gain or a loss equal to the difference between the market value of the Creation Units at the time of the exchange and the sum of the exchanger's aggregate basis in the securities surrendered plus any Cash Component it pays. An AP who exchanges Creation Units for securities will generally recognize a gain or loss equal to the difference between the exchanger's basis in the Creation Units and the sum of the aggregate market value of the securities received plus any cash equal to the difference between the NAV of the Shares being redeemed and the value of the securities. The Internal Revenue Service ("Service"), 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 for other reasons. Persons exchanging securities should consult their own tax advisor with respect to whether wash sale rules apply and when a loss might be deductible.

Any capital gain or loss realized upon redemption of Creation Units 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.

If you purchase or redeem Creation Units, you will be sent a confirmation statement showing how many Shares you purchased or sold and at what price. See "Tax Status" in the SAI for a description of the newly effective requirement regarding basis determination methods applicable to Share redemptions and the Fund's obligation to report basis information to the Service.

The foregoing discussion summarizes some of the possible 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 the Shares under all applicable tax laws. See "Tax Status" in the SAI for more information.

## **FUND SERVICE PROVIDERS**

Ultimus Fund Solutions, LLC is the Fund's administrator and fund accountant. It has its principal office at 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246, and is primarily in the business of providing administrative, fund accounting and transfer agent services to retail and institutional mutual funds. It is an affiliate of the Distributor (as defined below).

Brown Brothers Harriman & Co., 50 Post Office Square, Boston, MA 02110, is the Fund's custodian and transfer agent.

Northern Lights Distributors, LLC (the "Distributor"), 4221 North 203<sup>rd</sup> Street, Suite 100, Elkhorn, NE 68022-3474, is the distributor for the shares of the Fund. The Distributor is a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. ("FINRA").

Thompson Hine LLP, 41 South High Street, 17<sup>th</sup> Floor, Columbus, OH 43215, serves as legal counsel to the Trust.

Deloitte & Touche LLP, 695 Town Center Drive, Suite 1000, Costa Mesa, CA 92626, serves as the Fund's independent registered public accounting firm. The independent registered public accounting firm is responsible for auditing the annual financial statements of the Fund.

## **OTHER INFORMATION**

### **Investments by Investment Companies**

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

### **Continuous Offering**

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

For example, a broker-dealer firm or its client may be deemed a statutory underwriter if it takes Creation Units after placing an order with the Distributor, breaks them down into constituent Shares and sells the Shares directly to customers or if it chooses to couple the creation of a supply of new Shares with an active selling effort involving solicitation of secondary market demand for Shares. A determination of whether one is an underwriter for purposes of the Securities Act must take into account all the facts and circumstances pertaining to the activities of the broker-dealer or its client in the particular case, and the examples mentioned above should not be considered a complete description of all the activities that could lead to a characterization as an underwriter.

Broker-dealer firms should also note that dealers who are not “underwriters” but are effecting transactions in Shares, whether or not participating in the distribution of Shares, are generally required to deliver a prospectus. This is because the prospectus delivery exemption in Section 4(3) of the Securities Act is not available in respect of such transactions as a result of Section 24(d) of the 1940 Act. As a result, broker-dealer firms should note that dealers who are not “underwriters” but are participating in a distribution (as contrasted with engaging in ordinary secondary market transactions) and thus dealing with the Shares that are part of an overallotment within the meaning of Section 4(3)(C) of the Securities Act, will be unable to take advantage of the prospectus delivery exemption provided by Section 4(3) of the Securities Act. For delivery of prospectuses to exchange members, the prospectus delivery mechanism of Rule 153 under the Securities Act is only available with respect to transactions on a national exchange.

**Dealers effecting transactions in the Shares, whether or not participating in this distribution, are generally required to deliver a Prospectus. This is in addition to any obligation of dealers to deliver a Prospectus when acting as underwriters.**

## **FINANCIAL HIGHLIGHTS**

The financial highlights tables are intended to help you understand the Fund's financial performance for the period of the Fund's operations. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been derived from the financial statements audited by Deloitte & Touche, LLP whose report, along with the Fund's financial statements, is available at no charge upon request.

### **SWAN ENHANCED DIVIDEND INCOME ETF FINANCIAL HIGHLIGHTS**

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout the Period

	<b>For the Period Ended June 30, 2024<sup>(1)</sup></b>
Net asset value, beginning of period	\$ <u>50.00</u>
Activity from investment operations:	
Net investment income <sup>(2)</sup>	0.19
Net realized and unrealized gain on investments	<u>1.58</u>
Total from investment operations	<u>1.77</u>
Less distributions from:	
Net investment income	(0.14)
Return of capital	<u>(0.65)</u>
Total distributions	<u>(0.79)</u>
Net asset value, end of period	\$ <u>50.98</u>
Market price, end of period	\$ <u>51.01</u>
Total return <sup>(3)</sup>	<u>3.54%</u> <sup>(4)</sup>
Market Price Total return <sup>(3)</sup>	<u>3.60%</u> <sup>(4)</sup>
Net assets, at end of period (000s)	\$ <u>3,824</u>
Ratio of expenses to average net assets	0.85% <sup>(5)</sup>
Ratio of net investment income to average net assets	1.08% <sup>(5)</sup>
Portfolio Turnover Rate <sup>(6)</sup>	4% <sup>(4)</sup>

(1) The Fund commenced operations on February 26, 2024.

(2) Per share amounts calculated using the average shares method, which more appropriately presents the per share data for the period.

(3) Total returns are historical in nature and assume changes in share price, reinvestment of all dividends and distributions, if any. Had the adviser not waived a portion of its fees or reimbursed other expenses, total returns would have been lower.

(4) Not annualized.

(5) Annualized.

(6) Portfolio turnover rate excludes portfolio securities received or delivered as a result of processing capital share transactions in Creation Units.



## PRIVACY NOTICE

### **FACTS** WHAT DOES NORTHERN LIGHTS FUND TRUST III DO WITH YOUR PERSONAL INFORMATION?

**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Assets
- Retirement Assets
- Transaction History
- Checking Account Information
- Purchase History
- Account Balances
- Account Transactions
- Wire Transfer Instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Northern Lights Fund Trust III chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Northern Lights Fund Trust III share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	No	We don't share
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

**Questions?** Call (631) 490-4300

## Who we are

**Who is providing this notice?** Northern Lights Fund Trust III

## What we do

**How does Northern Lights Fund Trust III protect my personal information?** To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.

**How does Northern Lights Fund Trust III collect my personal information?** We collect your personal information, for example, when you

- Open an account
- Provide account information
- Give us your contact information
- Make deposits or withdrawals from your account
- Make a wire transfer
- Tell us where to send the money
- Tells us who receives the money
- Show your government-issued ID
- Show your driver's license

We also collect your personal information from other companies.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes – information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

## Definitions

**Affiliates** Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Northern Lights Fund Trust III does not share with our affiliates.*

**Nonaffiliates** Companies not related by common ownership or control. They can be financial and nonfinancial companies

- *Northern Lights Fund Trust III does not share with nonaffiliates so they can market to you.*

**Joint marketing** A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Northern Lights Fund Trust III doesn't jointly market.*

## Swan Enhanced Dividend Income ETF

<b>Adviser</b>	<b>Swan Capital Management, LLC</b> 1099 Main Avenue, Unit 206 Durango, CO 81301	<b>Distributor</b>	<b>Northern Lights Distributors, LLC</b> 4221 North 203 <sup>rd</sup> Street, Suite 100 Elkhorn, NE 68022
<b>Sub-Adviser</b>	<b>Swan Global Management, LLC</b> 20 Ridge Top Drive Humacao, PR 00791		
<b>Independent Registered Public Accounting Firm</b>	<b>Deloitte &amp; Touche LLP</b> 695 Town Center Drive, Suite 1000 Costa Mesa, CA 92626	<b>Legal Counsel</b>	<b>Thompson Hine LLP</b> 41 South High Street, Suite 1700 Columbus, OH 43215
<b>Custodian and Transfer Agent</b>	<b>Brown Brothers Harriman &amp; Co.</b> 50 Post Office Square Boston, MA 02110	<b>Administrator</b>	<b>Ultimus Fund Solutions, LLC</b> 225 Pictoria Drive, Suite 450 Cincinnati, OH 45246

Additional information about the Fund is included in the Fund's Statement of Additional Information dated June 30, 2024 (the "SAI"). The SAI is incorporated into this Prospectus by reference (i.e., legally made a part of this Prospectus). The SAI provides more details about the Fund's policies and management. Additional information about the Fund's investments is available in the Fund's Annual and Semi-Annual Reports to Shareholders. In the Fund's Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

To obtain a free copy of the SAI and the Annual and Semi-Annual Reports to Shareholders, or other information about the Fund, or to make shareholder inquiries about the Fund, please call 1-877-383-7259 or visit [www.etfs.swanglobalinvestments.com](http://www.etfs.swanglobalinvestments.com). You may also write to:

**Swan Enhanced Dividend Income ETF**  
c/o Ultimus Fund Solutions, LLC  
225 Pictoria Drive, Suite 450  
Cincinnati, OH 45246

Reports and other information about each Fund are available on the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>. Copies of the information may be obtained, after paying a duplicating fee, by electronic request at the following E-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

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