

PROSPECTUS

October 31, 2018

ABSOLUTE SHARES TRUST



WBI POWER FACTOR™ HIGH DIVIDEND ETF (NYSE Arca Ticker:WBIY)

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Not FDIC Insured

| May Lose Value

| No Bank Guarantee



Absolute Shares Trust (the “Trust”) is a registered investment company that consists of separate investment portfolios called “Funds”. This Prospectus relates to the following Fund:

<u>Name</u>	<u>CUSIP</u>	<u>Symbol</u>
WBI Power Factor™ High Dividend ETF	00400R858	WBIY

In addition to the Fund, the Trust currently has the following separate investment portfolios: WBI BullBear Rising Income 1000 ETF (formerly the WBI Tactical LCGD Shares); WBI BullBear Quality 1000 ETF (formerly the WBI Tactical LCQ Shares); WBI BullBear Value 1000 ETF (formerly the WBI Tactical LCV Shares); WBI BullBear Yield 1000 ETF (formerly the WBI Tactical LCY Shares); WBI BullBear Rising Income 2000 ETF (formerly the WBI Tactical SMGD Shares); WBI BullBear Quality 2000 ETF (formerly the WBI Tactical SMQ Shares); WBI BullBear Value 2000 ETF (formerly the WBI Tactical SMV Shares); WBI BullBear Yield 2000 ETF (formerly the WBI Tactical SMY Shares); WBI BullBear Global High Income ETF (formerly the WBI Tactical High Income Shares); WBI BullBear Global Income ETF (formerly the WBI Tactical Income Shares); and WBI BullBear Global Rotation ETF (formerly the WBI Tactical Rotation Shares).

The Fund is an exchange-traded fund (“**ETF**”). This means that shares of the Fund are listed on a national securities exchange, the NYSE Arca, Inc. (the “**NYSE Arca**” or “**Exchange**”), and trade at market prices. The market price for the Fund’s shares may be different from its net asset value per share (the “**NAV**”). The Fund has its own CUSIP number and exchange trading symbol.

TABLE OF CONTENTS

	Page No.
WBI POWER FACTOR™ HIGH DIVIDEND ETF	1
DESCRIPTION OF THE PRINCIPAL STRATEGIES OF WBI POWER FACTOR™ HIGH DIVIDEND ETF.....	1
ADDITIONAL INVESTMENT STRATEGIES	2
DESCRIPTION OF THE PRINCIPAL RISKS OF THE FUND.....	3
ADDITIONAL RISKS	7
CONTINUOUS OFFERING	10
CREATION AND REDEMPTION OF CREATION UNITS.....	10
BUYING AND SELLING SHARES IN THE SECONDARY MARKET	11
MANAGEMENT.....	12
OTHER SERVICE PROVIDERS	14
FREQUENT TRADING.....	14
DISTRIBUTION AND SERVICE PLAN.....	15
DETERMINATION OF NET ASSET VALUE (NAV)	15
INDICATIVE INTRA-DAY VALUE.....	16
PREMIUM/DISCOUNT INFORMATION.....	16
DIVIDENDS, DISTRIBUTIONS, AND TAXES	16
CODE OF ETHICS.....	21
FUND WEBSITE AND DISCLOSURE OF PORTFOLIO HOLDINGS	21
OTHER INFORMATION	21
FINANCIAL HIGHLIGHTS.....	21
PRIVACY POLICY.....	1
FREQUENTLY USED TERMS.....	2

SUMMARY INFORMATION

WBI POWER FACTOR™ HIGH DIVIDEND ETF

Investment Objective

The WBI Power Factor™ High Dividend ETF (“**WBI Power Factor™ High Dividend ETF**” or the “**Fund**”) seeks to provide investment results that correspond to the price and yield (before fees and expenses) of its underlying index, the Solactive Power Factor™ High Dividend Index (the “**Underlying Index**”).

Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund (“**Shares**”). Investors purchasing Shares on a national securities exchange, national securities association, or over-the-counter trading system where Shares may trade from time to time (each, a “**Secondary Market**”) may be subject to customary brokerage commissions charged by their broker that are not reflected in the table set forth below.

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

Management Fee	0.55%
Distribution and/or Service (12b-1) Fees	0.00%
Other Expenses	0.30%
Total Annual Fund Operating Expenses	0.85%
Less: Fee Waivers and Expense Reimbursements	-0.15%
Net Annual Fund Operating Expenses⁽¹⁾	0.70%

⁽¹⁾ WBI Investments, Inc., the sub-advisor (the “**Sub-Advisor**”), has contractually agreed to waive or reduce its fees and to assume other expenses of the Fund, if necessary, in an amount that limits “Total Annual Fund Operating Expenses” (exclusive of interest, taxes, brokerage commissions, acquired fund fees, dividend payments on short sales, other expenditures which are capitalized in accordance with generally accepted accounting principles, other extraordinary expenses not incurred in the ordinary course of the Fund’s business, and amounts, if any, payable pursuant to a plan adopted in accordance with Rule 12b-1 under the Investment Company Act of 1940) and organizational costs to no more than 0.70% of the Fund’s average daily net assets (the “**Expense Limit**”) until at least October 31, 2019. Expenses reimbursed may be recouped by the Sub-Advisor for a period of three years following the time such reimbursement was made, if such recoupment can be achieved without exceeding the Expense Limit in effect at the time the reimbursement occurred and at the time of the recoupment. This agreement may only be terminated by or with the consent of the Board of Trustees.

Example. This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other funds. Investors may pay brokerage commissions on their purchases and sales of exchange-traded fund shares, which are not reflected in the example.

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 at current levels. The return of 5% and estimated expenses are for illustration purposes only and should not be considered indicators of expected Fund expenses or performance, which may be greater or less than the estimates. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$72	\$256	\$457	\$1,035

Portfolio Turnover. The Fund incurs implicit and explicit transaction costs when it buys and sells securities (or “turns over” its portfolio). Such costs may include, but are not limited to, market impact, which is the effect that a market participant has when it buys or sells an asset, and commissions. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when 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. This rate excludes the value of portfolio securities received or delivered as a result of any in-kind creations or redemptions of the Shares. For the fiscal year ended June 30, 2018, the Fund’s portfolio turnover rate was 171% of the average value of its portfolio.

Principal Investment Strategies

The Fund is an exchange-traded fund (“**ETF**”). The Fund seeks to achieve its investment objective by attempting to track the investment results of the Underlying Index, which is maintained and calculated by Solactive AG (the “**Index Provider**”). The Underlying Index is designed to select securities from the Solactive US Broad Market Index (the “**Parent Index**”) that exhibit certain yield and fundamental value characteristics. The Parent Index includes large, mid- and small-cap securities listed in the U.S., including approximately the 3,000 largest U.S. companies that are selected and weighted according to free float market capitalization. The Parent Index is adjusted semi-annually in May and November. Issuers undergoing initial public offerings may be added to the Parent Index on a quarterly basis, consistent with the Parent Index’s selection methodology.

In particular, the Underlying Index is designed to select equity securities from the Parent Index with an above-average forecasted dividend yield, scored on the basis of three fundamental value characteristics (the “**Power Factors**TM”): Trailing 12-month diluted earnings from continuing operations to price ratio (E/P); Trailing 12-month free cash flow to price ratio (CF/P); and Trailing 12-month sales to price ratio (S/P).

The Underlying Index is constructed by scoring each ordinary dividend paying, common stock constituent from the Parent Index both directly and relative to industry peers using the three Power FactorsTM and ranking those securities in descending order according to their dividend indicated yield. The 50 companies with the largest dividend indicated yield, subject to certain asset diversification and liquidity requirements and a maximum 5% per-company weighting, are chosen as Underlying Index components. Dividend indicated yield is the total prior year dividend payments of a security expressed as a percentage of the current price adjusted for market expectations as to next year dividends indicated by related option premiums and excluding any off-cycle dividend payments. Once a month (five business days before the last trading day of the month) the Underlying Index components are screened for dividend cuts or an overall negative outlook concerning the companies’ dividend policy. If any changes need to be implemented, the Underlying Index will be adjusted at the close of the last trading day of the respective month. The composition of the Underlying Index is adjusted quarterly. The Underlying Index is constructed to limit turnover and excessive exposure to particular sectors, component weights, or other investment style factors, such as recently announced or implemented dividend cuts. The Underlying Index limits component turnover by permitting the retention of securities that were previously among the top 50 highest scoring securities, until they are no longer among the 75 highest scoring securities. The Underlying Index restricts exposure to a particular sector to 20% of the Underlying Index. The Underlying Index only includes long positions (*i.e.*, short positions are impermissible). All component securities of the Underlying Index are dividend-paying securities whose yields are above the median for dividend-paying securities in the Parent Index.

The Underlying Index is maintained and calculated by the Index Provider, which is an organization that is independent of the Fund, Millington Securities, Inc., the advisor for the Fund (“**Advisor**”) and WBI Investments, Inc., the sub-advisor (“**Sub-Advisor**”) to the Fund, and an affiliate of the Advisor. The Index Provider determines the relative weightings of the securities in the Underlying Index and publishes information regarding the market value of the Underlying Index.

Under normal circumstances the Fund will invest at least 80% of its total assets in the securities of the Underlying Index. The Fund's 80% investment policy is non-fundamental and requires 60 days' prior written notice to shareholders before it can be changed.

The Sub-Advisor uses a "passive" or indexing approach to try to achieve the Fund's investment objective. Unlike many investment companies, the Fund does not try to outperform the Underlying Index and does not seek temporary defensive positions when markets decline or appear overvalued.

The Fund generally will use a replication strategy. A replication strategy is an indexing strategy that involves investing in the securities of the Underlying Index in approximately the same proportions as in the Underlying Index. However, the Fund may utilize a representative sampling strategy with respect to the Underlying Index when a replication strategy might be detrimental or disadvantageous to shareholders, such as when there are practical difficulties or substantial costs involved in compiling a portfolio of equity securities to replicate the Underlying Index, in instances in which a security in the Underlying Index becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions or limitations (such as tax diversification requirements) that apply to the Fund but not the Underlying Index.

The Advisor expects that, over time, the correlation between the Fund's performance and that of the Underlying Index, before fees and expenses, will exceed 95%. A correlation percentage of 100% would indicate perfect correlation. If the Fund uses a replication strategy, it can be expected to have greater correlation to the Underlying Index than if it uses a representative sampling strategy.

The Fund concentrates its investments (*i.e.*, holds 25% or more of its total assets) in a particular industry or sector or group of industries or sectors to approximately the same extent that the Underlying Index is concentrated.

Principal Risks

Investors in the Fund should be willing to accept a high degree of volatility in the price of the Shares and the possibility of significant losses. An investment in the Fund involves a substantial degree of risk and the Fund does not represent a complete investment program. As with all investments, you may lose money in the Fund. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Therefore, you should consider carefully the following risks before investing in the Fund. A more complete discussion of Principal Risks is included under "Description of the Principal Risks of the Fund".

Absence of a Prior Active Market — The Fund has recently been approved for listing on the NYSE Arca. There can be no assurance that an active trading market will develop and be maintained for the Shares.

Authorized Participant Concentration Risk — The Fund has a limited number of financial institutions that may act as Authorized Participants ("APs") to create and redeem Fund Shares. To the extent that these APs exit the business or are unable to process creation and redemption orders and no other AP is able to step forward to create and redeem in either of these cases, then Fund Shares may trade at a discount to NAV and possibly face de-listing.

Calculation Methodology Risk — The Index Provider relies on various sources of information to assess the criteria of issuers included in the Underlying Index (or its Parent Index), including information that may be based on assumptions and estimates. Neither the Index Provider, the Advisor, the Sub-Advisor, nor the Fund can offer assurances that the Index Provider's calculation methodology or sources of information will provide an accurate assessment of included issuers.

Concentration Risk — The Fund may be susceptible to an increased risk of loss, including losses due to adverse events that affect the Fund's investments more than the market as a whole, to the extent that the Underlying Index (and, therefore, the Fund's investments) is concentrated in the securities of a particular issuer or issuers, country, region, market, industry, group of industries, sector (including the consumer discretionary sector) or asset class. Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or a group of related industries, and the securities of companies in that industry or group of industries could react similarly to these or other developments. From time to time, the Fund may invest a significant percentage of its assets in issuers in a single industry (or the same group of industries) or sector of the economy.

Consumer Discretionary Risk — The consumer discretionary sector includes companies that sell nonessential goods and services, including the retail, leisure and entertainment, media and automotive industries. These industries are particularly sensitive to changes in consumer spending and preferences. The consumer discretionary sector can be significantly affected by the performance of the overall economy, interest rates, competition and consumer confidence. In addition, companies in the consumer discretionary sector depend heavily on disposable household income and consumer spending, and may be strongly affected by social trends and marketing campaigns. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer discretionary products. The Fund's performance may be affected by such susceptibilities if the Fund invests in this sector.

Cyber Security Risk — Failures or breaches of the electronic systems of the Fund, the Advisor, the Sub-Advisor, and the Fund's other service providers, market makers, APs or the issuers of securities in which the Fund invests have the ability to cause disruptions and negatively impact the Fund's business operations, potentially resulting in financial losses to the Fund and its shareholders. While the Fund has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Fund cannot control the cyber security plans and systems of the Fund's service providers, market makers, APs or issuers of securities in which the Fund invests.

Equity Securities 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. If the Fund holds common stock or common stock equivalents of any given issuer, the Fund will generally be exposed to greater risk than if the Fund held preferred stocks and debt obligations of such issuer.

High Dividend Yield Stocks Risk — High yielding stocks are often speculative, high risk investments. These companies can be paying out more than they can support and may reduce their dividends or stop paying dividends at any time, which could have a material adverse effect on the stock price of these companies and the Fund's performance. Companies with high dividend yields are often sensitive to changes in interest rates. Interest rates may go up resulting in a decrease in the value of the securities held by the Fund.

Index-Related Risk — There is no guarantee that the Fund will achieve a high degree of correlation to the Underlying Index and therefore achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the Fund's ability to adjust its exposure to the required levels in order to track the Underlying Index. Errors in index data, index computations and/or the construction of the Underlying Index in accordance with its methodology may occur from time to time and may not be identified and corrected by the Index Provider for a period of time or at all, which may have an adverse impact on the Fund and its shareholders.

Investable Universe of Companies Risk — The investable universe of companies in which the Fund may invest may be limited. If a company no longer meets the Index Provider's criteria for inclusion in the Underlying Index, the Fund may need to reduce or eliminate its holdings in that company. The reduction or elimination of the Fund's holdings in the company may have an adverse impact on the liquidity of the Fund's overall portfolio holdings and on Fund performance.

Issuer Risk — Fund performance depends on the performance of individual companies in which the Fund invests. Changes to the financial condition of any of those companies may cause the value of their securities to decline and thus have an adverse effect on the Fund's performance.

Large-Capitalization Companies Risk — Large-capitalization companies may trail the returns of the overall stock market. Large-capitalization stocks tend to go through cycles of doing better - or worse - than the stock market in general. These periods have, in the past, lasted for as long as several years.

Management Risk — As the Fund may not fully replicate the Underlying Index or may, in certain circumstances, use a representative sampling strategy, it is subject to the risk that the Sub-Advisor's investment strategy may not produce the intended results.

Market Risk — The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. For example, there is the risk that sharp price declines in securities owned by the Fund, known as flash crash risk, 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.

Passive Investment Risk — The Fund is not actively managed and the Sub-Advisor does not attempt to take defensive positions in declining markets. Unlike many investment companies, the Fund does not utilize an investing strategy that seeks returns in excess of its Underlying Index. Therefore, it would not necessarily buy or sell a security unless that security is added or removed, respectively, from the Underlying Index, even if that security generally is underperforming. Maintaining investments in securities regardless of market conditions or the performance of individual securities could cause the Fund's return to be lower than if the Fund employed an active strategy.

Portfolio Turnover Risk — A high portfolio turnover rate (100% or more) has the potential to result in the realization and distribution to shareholders of higher capital gains, which may subject the shareholders to a higher tax liability. A high portfolio turnover rate also leads to higher transaction costs, which can negatively affect the Fund's performance.

Premium/Discount Risk — Disruptions to creations and redemptions, the existence of extreme market volatility or potential lack of an active trading market for Shares may result in Shares trading at a significant premium or discount to NAV. If a shareholder purchases Shares at a time when the market price is at a premium to the NAV or sells Shares at a time when the market price is at a discount to the NAV, the shareholder may sustain losses.

Risk of Investing in the United States — The Fund has significant exposure to U.S. issuers. Certain changes in the U.S. economy, such as when the U.S. economy weakens, its financial markets decline, or interest rates increase, may have an adverse effect on the securities to which the Fund has exposure.

Small- and Medium-Sized Companies Risk — Investing in securities of small and medium capitalization companies may involve greater volatility than investing in larger and more established companies because small and medium capitalization companies can be subject to more abrupt or erratic share price changes than larger, more established companies.

Secondary Market Trading Risk — Investors buying or selling Shares in the secondary market may pay brokerage commissions, which may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. Although Shares are expected to be listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained. In addition, trading in Shares on the Exchange may be halted.

Shares are Not Individually Redeemable — Shares are only redeemable by the Fund at NAV if they are tendered in large blocks known as “**Creation Units**” which are expected to be worth in excess of \$1 million each. Only Authorized Participants (as defined below) may engage in such creation and redemption transactions directly with the Fund. Individual Shares may be sold on a stock exchange at their current market prices, which may be less, more, or equal to their NAV.

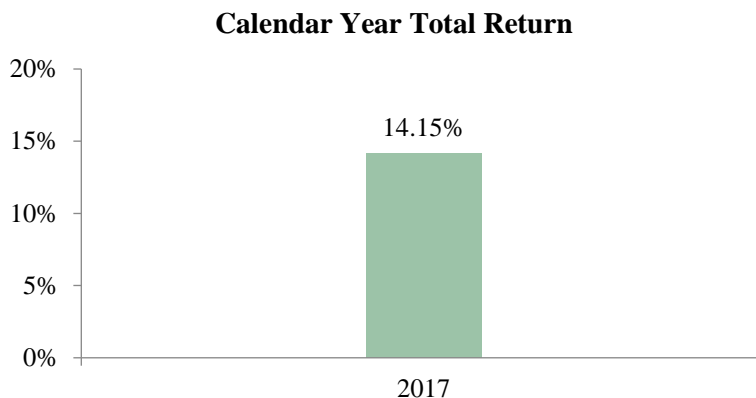
Share Trading Price Risk — Although it is expected that generally the exchange price of the Shares will approximate the Fund’s NAV, there may be times when the market price of Shares in the Secondary Market and the Fund’s NAV vary significantly.

Tracking Error Risk — The Fund’s return may not match the return of the Underlying Index for a number of reasons. For example, the Fund incurs operating expenses not applicable to the Underlying Index, and incurs costs in buying and selling securities, especially when rebalancing the Fund’s securities holdings to reflect changes in the composition of the Underlying Index. In addition, the performance of the Fund and the Underlying Index may vary due to asset valuation differences and differences between the Fund’s portfolio and the Underlying Index resulting from legal restrictions, costs or liquidity constraints.

Valuation Risk — The sales price the Fund could receive for a security may differ from the Fund’s valuation of the security and may differ from the value used by the Underlying Index, particularly for securities that trade in low value or volatile markets or that are valued using a fair value methodology. The value of the securities in the Fund’s portfolio may change on days when shareholders will not be able to purchase or sell the Fund’s Shares.

Performance Information

The following performance information indicates some of the risks of investing in the Fund. The bar chart shows the Fund’s performance for the calendar year ended December 31. The table illustrates how the Fund’s average annual returns for the 1-year and since inception periods compare with those the underlying index and a broad measure of market performance. The 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 www.wbishares.com, the Fund’s “Website”, or by calling the Fund toll-free at (855) WBI-ETFS or (855) 924-3837.



For the year-to-date period ended September 30, 2018, the Fund's total return was 4.49%. During the period of time shown in the bar chart, the Fund's highest quarterly return was 10.65% for the quarter ended December 31, 2017, and the lowest quarterly return was -0.75% for the quarter ended March 31, 2017.

**Average Annual Total Returns
For the Period Ended December 31, 2017**

	1 Year	Since Inception (12/19/2016)
WBI Power Factor™ High Dividend ETF		
Return Before Taxes	14.15%	12.12%
Return After Taxes on Distributions	11.24%	9.35%
Return After Taxes on Distributions and Sale of Fund Shares	7.93%	7.92%
Solactive Power Factor™ High Dividend Index (reflects no deduction for fees, expenses, or taxes)	16.28%	14.14%
Russell 3000® Value Index (reflects no deduction for fees, expenses, or taxes)	13.19%	11.90%

Average annual total returns are shown on a before- and after-tax basis for the Fund. 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. After-tax returns shown are not relevant to investors who hold shares through tax-deferred arrangements, such as 401(k) plans or individual retirement plans. After-tax returns may exceed the return before taxes due to an assumed tax benefit from realizing a capital loss on a sale of shares.

Management

Investment Advisor. Millington Securities, Inc. is the Fund's investment advisor and has selected its affiliate WBI Investments, Inc. to act as the sub-advisor to the Fund and to be responsible for the Fund's day-to-day investment management.

Portfolio Managers. The portfolio managers responsible for the day-to-day management of the Fund are as follows:

- Gary E. Stroik, co-portfolio manager. Mr. Stroik joined the Sub-Advisor in 1990 and is its Co-Chief Investment Officer. He has been a portfolio manager of the Fund since 2016.
- Don Schreiber, Jr., co-portfolio manager. Mr. Schreiber founded the Sub-Advisor in 1984 and is its Founder, Chief Executive Officer and Co-Chief Investment Officer. He has been a portfolio manager of the Fund since 2016.

Purchase and Sale of the Shares

Unlike conventional mutual funds, the Fund issues and redeems Shares on a continuous basis at NAV only in Creation Units comprised of blocks of 50,000 Shares, or whole multiples thereof. Only a broker-dealer ("**Authorized Participant**") that enters into an appropriate agreement with the Fund's Distributor (as defined below) may engage in such creation and redemption transactions directly with the Fund. The Fund's Creation Units generally are issued and redeemed "in-kind", for securities in the Fund, but may also be issued and redeemed in cash. Retail investors may only acquire Shares on the NYSE Arca through a broker-dealer. Shares of the Fund will trade at market price rather than NAV. As such, Shares may trade at a price greater than NAV (premium) or less than NAV (discount).

Tax Information

The Fund's distributions are taxable and will generally be taxed as ordinary income or capital gains.

Financial Intermediary Compensation

If you purchase Shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Sub-Advisor may pay the intermediary for the sale of Shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

OVERVIEW

The Fund is a series of the Absolute Shares Trust, a Delaware statutory trust registered as an investment company under the Investment Company Act of 1940 (the “**1940 Act**”), which consists of separate series, each of which is an exchange-traded fund (“**ETF**”). ETFs are funds whose shares are listed on a stock exchange and trade like equity securities at market prices. ETFs, such as the Fund, allow you to buy or sell shares that represent the collective performance of a selected group of securities. The Fund is designed to track an index. Similar to shares of an index mutual fund, each share of the Fund represents an ownership interest in an underlying portfolio of securities and other instruments intended to track a market index. Unlike shares of a mutual fund, which can be bought and redeemed from the issuing fund by all shareholders at a price based on net asset value (“**NAV**”), shares of the Fund may be purchased or redeemed directly from the Fund at NAV solely by Authorized Participants (“**APs**”). Also unlike shares of a mutual fund, shares of the Fund are listed on a national securities exchange and trade in the secondary market at market prices that change throughout the day.

An index is a financial calculation, based on a grouping of financial instruments, that is not an investment product, while the Fund is an actual investment portfolio. The performance of the Fund and the Solactive Power Factor™ High Dividend Index (the “**Underlying Index**”) may vary for a number of reasons, including transaction costs, asset valuations, corporate actions (such as mergers and spin-offs), timing variances and differences between the Fund’s portfolio and the Underlying Index resulting from the Fund’s use of representative sampling or from legal restrictions (such as diversification requirements) that apply to the Fund but not to the Underlying Index. “Tracking error” is the divergence of the performance (return) of the Fund’s portfolio from that of the Underlying Index. WBI Investments, Inc. (the “**Sub-Advisor**”) expects that, over time, the Fund’s tracking error will not exceed 5%.

This Prospectus provides the information you need to make an informed decision about investing in the Fund. It contains important facts about the Trust and the Fund.

Millington Securities, Inc. (the “**Advisor**”), a wholly-owned subsidiary of WBI Trading Company, Inc., is the investment advisor to the Fund. The Advisor has selected the Sub-Advisor, an affiliate of WBI Trading Company, Inc., to act as investment sub-advisor to the Fund and to be responsible for the day-to-day investment management of the Fund.

DESCRIPTION OF THE PRINCIPAL STRATEGIES OF WBI POWER FACTOR™ HIGH DIVIDEND ETF

The Fund seeks to achieve its investment objective by investing at least 80% of its assets (exclusive of collateral held from securities lending) in securities included in the Underlying Index.

The Sub-Advisor anticipates that, generally, the Fund will hold all of the securities that comprise the Underlying Index in approximate proportion to their respective weightings in the Underlying Index. However, under various circumstances, it may not be possible or practicable to purchase all of those securities in those weightings. In these circumstances, the Fund may purchase a representative sample of securities in the Underlying Index. There also may be instances in which the Sub-Advisor may choose to underweight or overweight a security in the Fund’s Underlying Index, purchase securities not in the Fund’s Underlying Index that the Sub-Advisor believes are appropriate to substitute for certain securities in the Underlying Index or utilize various combinations of other available investment techniques. The Fund may sell securities that are represented in the Underlying Index in anticipation of their removal from the Underlying Index or purchase securities not represented in the Underlying Index in anticipation of their addition to the Underlying Index. The Fund may also, in order to comply with the tax diversification requirements of the Internal Revenue Code of 1986, as amended (the “**Code**”), temporarily invest in securities not included in the Underlying Index that are expected to replicate the performance of securities included in the Underlying Index.

Given the Fund's investment objective of attempting to track its Underlying Index, the Fund does not follow traditional methods of active investment management, which may involve buying and selling securities based upon analysis of economic and market factors. Also, unlike many investment companies, the Fund does not attempt to outperform the Underlying Index and does not seek temporary defensive positions when markets decline or appear overvalued.

The Index Provider maintains and calculates the Underlying Index in accordance with a rules-based methodology that involves selecting equity securities from the Parent Index with an above-average forecasted dividend yield, scored on the basis of three fundamental value characteristics or Power Factors™: Trailing 12-month diluted earnings from continuing operations to price ratio (E/P); Trailing 12-month free cash flow to price ratio (CF/P); and Trailing 12-month sales to price ratio (S/P). The Parent Index includes large, mid- and small-cap securities listed in the U.S., including approximately the 3,000 largest U.S. companies that are selected and weighted according to free float market capitalization. The Parent Index is adjusted semi-annually in May and November. Issuers undergoing initial public offerings may be added to the Parent Index on a quarterly basis, consistent with the Parent Index's selection methodology.

The Underlying Index is constructed by scoring each ordinary dividend paying, common stock constituent from the Parent Index both directly and relative to industry peers using the three Power Factors™ and ranking those securities in descending order according to their dividend indicated yield. The 50 companies with the largest dividend indicated yield, subject to certain asset diversification and liquidity requirements and a maximum 5% per-company weighting, are chosen as Underlying Index components. Dividend indicated yield is the total prior year dividend payments of a security expressed as a percentage of the current price adjusted for market expectations as to next year dividends indicated by related option premiums and excluding any off-cycle dividend payments. Once a month (five business days before the last trading day of the month) the Underlying Index components are screened for dividend cuts or an overall negative outlook concerning the companies' dividend policy. If any changes need to be implemented, the Underlying Index will be adjusted at the close of the last trading day of the respective month. The composition of the Underlying Index is adjusted quarterly. The Underlying Index is constructed to limit turnover and excessive exposure to particular sectors, component weights, or other investment style factors, such as recently announced or implemented dividend cuts. The Underlying Index limits component turnover by permitting the retention of securities that were previously among the top 50 highest scoring securities, until they are no longer among the 75 highest scoring securities. The Underlying Index restricts exposure to a particular sector to 20% of the Underlying Index. The Underlying Index only includes long positions (*i.e.*, short positions are impermissible). All component securities of the Underlying Index are dividend-paying securities whose yields are above the median for dividend-paying securities in the Parent Index.

ADDITIONAL INVESTMENT STRATEGIES

The additional investment strategies outlined below do not represent and are distinct from the principal investment strategies of the Fund.

The Fund may invest in one or more financial instruments, including but not limited to futures contracts, swap agreements and forward contracts, reverse repurchase agreements, and options on securities, indices, and futures contracts.

The Fund may invest up to 20% of its assets in securities and other instruments not included in the Underlying Index but which the Sub-Advisor believes will assist the Fund in replicating the performance of the Underlying Index, such as, among other instruments, futures (including index futures), swaps, other derivatives, investment companies (including ETFs), preferred stocks, warrants and rights, cash and cash equivalents and money market instruments.

Each of the policies described herein, including the investment objective of the Fund, constitutes a non-fundamental policy that may be changed by the Board of Trustees of the Trust (the “**Board**”) without shareholder approval upon 60 days prior written notice to shareholders. Certain fundamental policies of the Fund are set forth in the Fund’s Statement of Additional Information (“**SAI**”) under “Investment Restrictions”.

Securities Lending

The Fund may lend its portfolio securities. In connection with such loans, the Fund receives liquid collateral equal to at least 102% of the value of the portfolio securities being lent (and at least 105% for foreign securities). This collateral is marked to market on a daily basis.

Borrowing Money

The Fund may borrow money from a bank as permitted by the 1940 Act or other governing statute, by the rules thereunder, or by the U.S. Securities and Exchange Commission or other regulatory agency with authority over the Fund, but only for temporary or emergency purposes.

DESCRIPTION OF THE PRINCIPAL RISKS OF THE FUND

Investors in the Fund should carefully consider the risks of investing in the Fund as set forth in the Fund’s Summary Information section under “Principal Risks.”

Principal Risks

The principal risks of investing in the Fund that may adversely affect the Fund’s NAV or total return were previously summarized and are discussed in more detail below. There can be no assurance that the Fund will achieve their investment objectives.

Absence of a Prior Active Market — The Fund has recently been approved for listing on the NYSE Arca. There can be no assurance that an active trading market will develop and be maintained for the Shares.

Asset Class Risk — Securities in the Underlying Index or otherwise held in the Fund’s portfolio may underperform in comparison to the general securities markets or other asset classes.

Authorized Participant Concentration Risk — The Fund has a limited number of financial institutions that may act as APs to create and redeem Fund Shares. To the extent that these APs exit the business or are unable to process creation and redemption orders and no other AP is able to step forward to create and redeem in either of these cases, then Fund Shares may trade at a discount to NAV and possibly face delisting.

Calculation Methodology Risk — The Index Provider relies on various sources of information to assess the criteria of issuers included in the Underlying Index (or its Parent Index), including information that may be based on assumptions and estimates. Neither the Index Provider, the Advisor, the Sub-Advisor, nor the Fund can offer assurances that the Index Provider’s calculation methodology or sources of information will provide an accurate assessment of included issuers.

Concentration Risk — The Fund may be susceptible to an increased risk of loss, including losses due to adverse events that affect the Fund’s investments more than the market as a whole, to the extent that the Underlying Index (and, therefore, the Fund’s investments) is concentrated in the securities of a particular issuer or issuers, country, region, market, industry, group of industries, sector (including the consumer discretionary sector) or asset class. Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or a group of related industries, and the securities of companies in that industry or group of industries could react similarly to these or other developments. From time to time, the Fund may invest a significant percentage of its assets in issuers in a single industry (or the same group of industries) or sector of the economy.

Consumer Discretionary Risk — The consumer discretionary sector includes companies that sell nonessential goods and services, including the retail, leisure and entertainment, media and automotive industries, which are particularly sensitive to changes in consumer spending and preferences. In addition, companies in the consumer discretionary sector depend heavily on disposable household income and consumer spending, and may be strongly affected by social trends and marketing campaigns. The Fund's performance may be affected by such susceptibilities if the Fund invests in this sector.

Cyber Security Risk — Failures or breaches of the electronic systems of the Fund, the Advisor, the Sub-Advisor, and the Fund's other service providers, market makers, APs or the issuers of securities in which the Fund invests have the ability to cause disruptions and negatively impact the Fund's business operations, potentially resulting in financial losses to the Fund and its shareholders. While the Fund has established business continuity plans and risk management systems seeking to address system breaches or failures, there are inherent limitations in such plans and systems. Furthermore, the Fund cannot control the cyber security plans and systems of the Fund's service providers, market makers, APs or issuers of securities in which the Fund invests.

Equity Securities 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. If the Fund holds common stock or common stock equivalents of any given issuer, the Fund will generally be exposed to greater risk than if the Fund held preferred stocks and debt obligations of such issuer.

High Dividend Yield Stocks Risk — High yielding stocks are often speculative, high risk investments. These companies can be paying out more than they can support and may reduce their dividends or stop paying dividends at any time, which could have a material adverse effect on the stock price of these companies and the Fund's performance. Companies with high dividend yields are often sensitive to changes in interest rates. Interest rates may go up resulting in a decrease in the value of the securities held by the Fund.

Index-Related Risk — There is no guarantee that the Fund will achieve a high degree of correlation to the Underlying Index and therefore achieve its investment objective. Market disruptions and regulatory restrictions could have an adverse effect on the Fund's ability to adjust its exposure to the required levels in order to track the Underlying Index. Errors in index data, index computations and/or the construction of the Underlying Index in accordance with its methodology may occur from time to time and may not be identified and corrected by the Index Provider for a period of time or at all, which may have an adverse impact on the Fund and its shareholders.

Investable Universe of Companies Risk — The investable universe of companies in which the Fund may invest may be limited. If a company no longer meets the Index Provider's criteria for inclusion in the Underlying Index, the Fund may need to reduce or eliminate its holdings in that company. The reduction or elimination of the Fund's holdings in the company may have an adverse impact on the liquidity of the Fund's overall portfolio holdings and on Fund performance.

Issuer Risk — Fund performance depends on the performance of individual companies in which the Fund invests. Changes to the financial condition of any of those companies may cause the value of their securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, disruptions in supply, labor problems or shortages, corporate restructurings, fraudulent disclosures or other factors. Issuers may, in times of distress or on their own discretion, decide to reduce or eliminate dividends, which would also cause their stock prices to decline.

Large-Capitalization Companies Risk — Large-capitalization companies may trail the returns of the overall stock market. Large capitalization stocks tend to go through cycles of doing better - or worse - than the stock market in general. These periods have, in the past, lasted for as long as several years.

Management Risk — As the Fund may not fully replicate the Underlying Index or may, in certain circumstances, use a representative sampling strategy, it is subject to the risk that the Sub-Advisor's investment strategy may not produce the intended results. The ability of the Sub-Advisor to successfully implement the Fund's investment strategy will influence the Fund's performance significantly.

Market Risk — The Fund could lose money over short periods due to short-term market movements and over longer periods during more prolonged market downturns. For example, there is the risk that sharp price declines in securities owned by the Fund, known as flash crash risk, 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. Turbulence in the financial markets and reduced market liquidity may negatively affect issuers, which could have an adverse effect on a Fund. In addition, there is a risk that policy changes by the U.S. Government, Federal Reserve, or other government actors, which could include increasing interest rates, could cause increased volatility in financial markets and lead to higher levels of Fund redemptions, which could have a negative impact on a Fund.

Passive Investment Risk — The Fund is not actively managed and the Sub-Advisor does not attempt to take defensive positions in declining markets. Unlike many investment companies, the Fund does not utilize an investing strategy that seeks returns in excess of its Underlying Index. Therefore, it would not necessarily buy or sell a security unless that security is added or removed, respectively, from the Underlying Index, even if that security generally is underperforming. 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. 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. Maintaining investments in securities regardless of market conditions or the performance of individual securities could cause the Fund's return to be lower than if the Fund employed an active strategy.

Portfolio Turnover Risk — A high portfolio turnover rate (100% or more) has the potential to result in the realization and distribution to shareholders of higher capital gains, which may subject you to a higher tax liability. A high portfolio turnover rate also leads to higher transaction costs, which can negatively affect the Fund's performance.

Premium/Discount Risk — Disruptions to creations and redemptions, the existence of extreme market volatility or potential lack of an active trading market for Shares may result in Shares trading at a significant premium or discount to NAV. If a shareholder purchases Shares at a time when the market price is at a premium to the NAV or sells Shares at a time when the market price is at a discount to the NAV, the shareholder may sustain losses.

Risk of Investing in the United States — The Fund has significant exposure to U.S. issuers. Certain changes in the U.S. economy, such as when the U.S. economy weakens, its financial markets decline, or interest rates increase, may have an adverse effect on the securities to which the Fund has exposure.

Small- and Medium-Sized Companies Risk — Investing in securities of small and medium capitalization companies may involve greater volatility than investing in larger and more established companies because small and medium capitalization companies can be subject to more abrupt or erratic share price changes than larger, more established companies.

Secondary Market Trading Risk — Investors buying or selling Shares in the secondary market may pay brokerage commissions, which may be a significant proportional cost for investors seeking to buy or sell relatively small amounts of Shares. Although Shares are expected to be listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained. In addition, trading in Fund Shares on a stock exchange or in any market may be subject to trading halts caused by extraordinary market volatility pursuant to "circuit breaker" rules on the stock exchange or market. There can be no assurance that the requirements necessary to maintain the listing or trading of Fund Shares will continue to be met or will remain unchanged.

Shares are Not Individually Redeemable — Shares are only redeemable by the Fund at NAV if they are tendered in large blocks known as "Creation Units" which are expected to be worth in excess of \$1 million each. Only Authorized Participants may engage in such creation and redemption transactions directly with the Fund. Individual Shares may be sold on a stock exchange at their current market prices, which may be less, more, or equal to their NAV.

Share Trading Price Risk — Although it is expected that generally the exchange price of the Shares will approximate the Fund's NAV, there may be times when the market price of Shares in the Secondary Market and the Fund's NAV vary significantly. Thus, you may pay more than NAV when you buy Shares in the Secondary Market, and you may receive less than NAV when you sell those Shares in the Secondary Market. The market price of Shares during the trading day, like the price of any exchange-traded security, includes a "bid/ask" spread charged by the exchange specialist, market makers, or other participants that trade the Shares. In times of severe market disruption, the bid/ask spread can increase significantly. At those times, Shares are most likely to be traded 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 Sub-Advisor believes that, under normal market conditions, large market price discounts or premiums to NAV will not be sustained because of arbitrage opportunities.

Tracking Error Risk — The Fund's return may not match the return of the Underlying Index for a number of reasons. For example, the Fund incurs operating expenses not applicable to the Underlying Index, and incurs costs in buying and selling securities, especially when rebalancing the Fund's securities holdings to reflect changes in the composition of the Underlying Index. In addition, the performance of the Fund and the Underlying Index may vary due to asset valuation differences and differences between the Fund's portfolio and the Underlying Index resulting from legal restrictions, costs or liquidity constraints.

Valuation Risk — The sales price the Fund could receive for a security may differ from the Fund's valuation of the security and may differ from the value used by the Underlying Index, particularly for securities that trade in low value or volatile markets or that are valued using a fair value methodology. The value of the securities in the Fund's portfolio may change on days when shareholders will not be able to purchase or sell the Fund's Shares.

ADDITIONAL RISKS

Commodities Risk — The Fund may invest in commodity ETPs. Exposure to commodities may subject the Fund to greater volatility than investments in traditional securities. The value of commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or sectors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

Costs of Buying or Selling Shares — Investors buying or selling the Shares in the Secondary Market will 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. In addition, increased market volatility may cause increased bid/ask spreads.

Counterparty Risk — Many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearing house, are not available in connection with OTC derivatives transactions. In those instances, the Fund or an ETP in which the Fund invests will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Fund or such ETP will sustain losses.

Derivatives Risk — A derivative is a financial contract, the value of which depends on, or is derived from, the value of an underlying asset such as a security or an index. The Fund and ETPs may invest in certain types of derivatives contracts, including futures, options, and swaps. Derivatives are subject to a number of risks based on the structure of the underlying instrument and the counterparty to the derivatives transaction. These risks include leveraging risk, liquidity risk, interest rate risk, market risk, credit/default risk, counterparty risk, and management risk.

ETF Risks — The Fund may hold ETFs to gain exposure to certain asset classes. As a result, the Fund may be subject to the same risks as the underlying ETFs. While the risks of owning shares of an underlying ETF generally reflect the risks of owning the underlying securities the ETF is designed to track, lack of liquidity in an underlying ETF can result in its value being more volatile than the underlying portfolio securities. Because the value of other ETF shares depends on the demand in the market, the Sub-Advisor may not be able to liquidate the Fund’s holdings in those shares at the most optimal time, thereby adversely affecting the Fund’s performance. In addition, ETF shares may trade at a premium or discount to net asset value. In addition, investments in the securities of other ETFs, may involve duplication of advisory fees and certain other expenses. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETFs, which could result in greater expenses to the Fund. By investing in another ETF, the Fund becomes a shareholder thereof. As a result, Fund shareholders indirectly bear the Fund’s proportionate share of the fees and expenses indirectly paid by shareholders of the other ETF, in addition to the fees and expenses Fund shareholders indirectly bear in connection with the Fund’s own operations. In addition, certain of the underlying ETFs may hold common portfolio positions, thereby reducing the diversification benefits of an asset allocation style. If the other ETF fails to achieve its investment objective, the value of the Fund’s investment will decline, adversely affecting the Fund’s performance. ETFs that invest in commodities may be, or may become, subject to regulatory trading limits that could hurt the value of their securities and could affect the Fund’s ability to pursue its investment program as described in this Prospectus. Additionally, some ETFs are not registered under the 1940 Act and therefore, are not subject to the regulatory scheme and investor protections of the 1940 Act.

A complete list of each underlying ETF can be found daily on the Trust's website. Each investor should review the complete description of the principal risks of each underlying ETF prior to investing in the Fund.

ETN Risks — The Fund may hold ETNs to gain exposure to certain asset classes. As a result, the Fund may be subject to the same risks as the underlying ETNs. An ETN may trade at a premium or discount to its net asset value. The Fund will indirectly bear its pro rata share of the fees and expenses incurred by an ETN it invests in, including advisory fees, and will pay brokerage commissions in connection with the purchase and sale of shares of ETNs. ETNs that invest in commodities may be, or may become, subject to regulatory trading limits that could hurt the value of their securities and could affect the Fund's ability to pursue its investment program as described in this prospectus. The value of an ETN may also differ from the valuation of its reference market due to changes in the issuer's credit rating. ETNs generally are senior, unsecured, unsubordinated debt securities issued by a sponsor, such as an investment bank. The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in the underlying market, changes in the applicable interest rates, and economic, legal, political or geographic events that affect the referenced market. Because ETNs are debt securities, they are subject to credit risk. If the issuer has financial difficulties or goes bankrupt, a portfolio may not receive the return it was promised and could lose its entire investment. It is expected that an issuer's credit rating will be investment grade at the time of investment, however, the credit rating may be revised or withdrawn at any time and there is no assurance that a credit rating will remain in effect for any given time period. If a rating agency lowers the issuer's credit rating, the value of the ETN may decline and a lower credit rating reflects a greater risk that the issuer will default on its obligation. There may be restrictions on a portfolio's right to redeem its investment in an ETN, which are meant to be held until maturity. There are no periodic interest payments for ETNs, and principal is not protected. As is the case with ETFs, an investor could lose some of or the entire amount invested in ETNs. A portfolio's decision to sell its ETN holdings may be limited by the availability of a secondary market.

ETP Risks — The Fund may hold ETPs to gain exposure to commodities. As a result, the Fund is subject to the same risks as the underlying ETPs. While the risks of owning shares of an underlying ETP generally reflect the risks of owning the underlying commodities contracts and exposure the ETP holds, lack of liquidity in an underlying ETP can result in its value being more volatile than the metal itself. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETPs. ETPs that invest in commodities contracts and exposure may be, or may become, subject to regulatory trading limits that could hurt the value of their securities and could affect the Fund's ability to pursue its investment program as described in this prospectus. Additionally, ETPs are not registered under the 1940 Act and therefore, are not subject to the regulatory scheme and investor protections of the 1940 Act. Income derived from commodities is generally not qualifying income for purposes of the regulated investment company ("RIC") gross income tests under the Code. Although income derived from ETPs that are treated as foreign corporations for U.S. tax purposes is expected to be qualifying income, future legislation or guidance may treat this income as not so qualifying.

Equity Options Risk — Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The successful use of options depends in part on the ability of the Sub-Advisor to manage future price fluctuations and the degree of correlation between the options and securities (or currency) markets. By writing put options on equity securities, the Fund or an ETP in which the Fund invests gives up the opportunity to benefit from potential increases in the value of the common stocks above the strike prices of the written put options, but continues to bear the risk of declines in the value of its common stock portfolio. The Fund or such ETP will receive a premium from writing a covered call option that it retains whether or not the option is exercised. The premium received from the written options may not be sufficient to offset any losses sustained from the volatility of the underlying equity securities over time.

Forward and Futures Contract Risk — The primary risks associated with the use of forward and futures contracts are (a) the imperfect correlation between the change in market value of the instruments held by the Fund and the price of the forward or futures contract; (b) the possible lack of a liquid secondary market for a forward or futures contract and the resulting inability to close a forward or futures contract when desired; (c) the possibility that the counterparty will default in the performance of its obligations; and (d) the possibility that, if the Fund has insufficient cash, the Fund may have to sell securities from its portfolio to meet daily variation margin requirements, and the Fund may have to sell securities at a time when it may be disadvantageous to do so.

Leverage Risk — Leverage, including borrowing, may cause the Fund or an ETP in which the Fund invests to be more volatile by magnifying the Fund's or such ETP's gains or losses than if the Fund or such ETP had not been leveraged. The use of leverage may cause the Fund or an ETP to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet segregation requirements.

Liquidity Risk — Liquidity risk exists when particular investments are difficult to purchase or sell. If the Fund invests in assets that are or become illiquid, it may reduce the returns of the Fund because it may be unable to sell these illiquid securities at advantageous times or prices. Additionally, the market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer. In such cases, the Fund, due to limitations on investments in illiquid securities and/or the difficulty in purchasing and selling such investments, may be unable to achieve its desired level of exposure to a certain market or sector.

Representative Sampling Risk — If, under certain circumstances, the Fund elects to use a representative sampling approach, this will result in its holding a smaller number of securities than are in the Underlying Index. As a result, an adverse development respecting an issuer of securities held by the Fund could result in a greater decline in NAV than would be the case if the Fund held all of the securities in the Underlying Index. Conversely, a positive development relating to an issuer of securities in the Underlying Index that is not held by the Fund could cause the Fund to underperform the Underlying Index. To the extent the assets in the Fund are smaller, these risks will be greater.

Securities Lending Risk — The Fund may engage in securities lending. Securities lending involves the risk that the Fund may lose money because the borrower of the loaned securities fails to return the securities in a timely manner or at all. The Fund could also lose money in the event of a decline in the value of collateral provided for loaned securities or a decline in the value of any investments made with cash collateral. These events could also trigger adverse tax consequences for the Fund.

Tax Risk — The tax treatment of derivatives is unclear for purposes of determining the Fund's tax status. In addition, the Fund's transactions in derivatives may result in the Fund realizing more short-term capital gains and ordinary income that are subject to higher ordinary income tax rates than if the Fund did not engage in such transactions.

Trading Issues — Trading in Shares on the NYSE Arca may be halted due to market conditions or for reasons that, in the view of the NYSE Arca, make trading in Shares inadvisable. In addition, trading in Shares on the NYSE Arca is subject to trading halts caused by extraordinary market volatility pursuant to the NYSE Arca "circuit breaker" rules. There can be no assurance that the requirements of the NYSE Arca necessary to maintain the listing of the Fund will continue to be met or will remain unchanged.

Please refer to the SAI for a more complete discussion of the risks of investing in the Shares.

CONTINUOUS OFFERING

The method by which Creation Units are purchased 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, at any point a “distribution”, as such term is used in the Securities Act, may occur. 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 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 individual Shares, and sells such 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 categorization 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 with respect to 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 ordinary Secondary Market transactions) and thus dealing with Shares that are part of an over-allotment within the meaning of Section 4(3)(a) of the Securities Act would be unable to take advantage of the prospectus delivery exemption provided by Section 4(3) of the Securities Act. Firms that incur a prospectus delivery obligation with respect to Shares of the Fund are reminded that under Rule 153 of the Securities Act, a prospectus delivery obligation under Section 5(b)(2) of the Securities Act owed to an exchange member in connection with a sale on the NYSE Arca is satisfied by the fact that such Fund’s prospectus is available at the NYSE Arca upon request. The prospectus delivery mechanism provided in Rule 153 is only available with respect to transactions on an exchange.

CREATION AND REDEMPTION OF CREATION UNITS

The Fund issues and redeems Shares only in bundles of a specified number of Shares. These bundles are known as “Creation Units”. For the Fund, a Creation Unit is comprised of 50,000 Shares. The number of Shares in a Creation Unit may change in the event of a share split, reverse split, or similar revaluation. The Fund may not issue fractional Creation Units. To purchase or redeem a Creation Unit, you must be an Authorized Participant or you must do so through a broker, dealer, bank, or other entity that is an Authorized Participant. An Authorized Participant is either (1) a “Participating Party”, *i.e.*, a broker-dealer or other participant in the clearing process of the Continuous Net Settlement System of the NSCC (“**Clearing Process**”), or (2) a participant of DTC (a “**DTC Participant**”), and, in each case, must have executed an agreement with the Distributor with respect to creations and redemptions of Creation Units (each a “**Participation Agreement**”). Because Creation Units are likely to cost over one million dollars each, it is expected that only large institutional investors will purchase and redeem Shares directly from the Fund in the form of Creation Units. In turn, it is expected that institutional investors who purchase Creation Units will break up their Creation Units and offer and sell individual Shares in the Secondary Market. Although it is anticipated that most creation and redemption transactions for the Fund will be made on an “in-kind” basis, from time to time they may be made partially or wholly in cash. In determining whether the Fund will sell or redeem Creation Units entirely on a cash or in-kind basis (whether for a given day or a given order) the key consideration will be the benefit that would accrue to the Fund and its investors. Under certain circumstances, tax considerations may warrant in-kind, rather than cash, redemptions.

Retail investors may acquire Shares in the Secondary Market (not from the Fund) through a broker or dealer. Shares are listed on the NYSE Arca and are publicly-traded. For information about acquiring Shares in the Secondary Market, please contact your broker or dealer. If you want to sell Shares in the Secondary Market, you must do so through your broker or dealer.

When you buy or sell Shares in the Secondary Market, your broker or dealer may charge you a commission, market premium or discount, or other transaction charge, and you may pay some or all of the spread between the bid and the offered price for each purchase or sale transaction. Unless imposed by your broker or dealer, there is no minimum dollar amount you must invest and no minimum number of Shares you must buy in the Secondary Market. In addition, because transactions in the Secondary Market occur at market prices, you may pay more than NAV when you buy Shares and receive less than NAV when you sell those Shares.

The creation and redemption processes discussed above are summarized, and such summary only applies to shareholders who purchase or redeem Creation Units (that is, they do not relate to shareholders who purchase or sell Shares in the Secondary Market). Authorized Participants should refer to their Participant Agreements for the precise instructions that must be followed in order to create or redeem Creation Units.

BUYING AND SELLING SHARES IN THE SECONDARY MARKET

Most investors will buy and sell Shares of the Fund in Secondary Market transactions through brokers. Shares of the Fund will be listed for trading on the Secondary Market on the NYSE Arca. Shares can be bought and sold throughout the trading day like other publicly-traded shares. There is no minimum investment. Although Shares are generally purchased and sold in “round lots” of 100 Shares, brokerage firms typically permit investors to purchase or sell Shares in smaller “odd lots” at no per-Share price differential. 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.

Share prices are reported in dollars and cents per Share. For information about buying and selling Shares in the Secondary Market, please contact your broker or dealer.

Book Entry

Shares of the Fund are held in book-entry form and no stock certificates are issued. DTC, through its nominee Cede & Co., is the record owner of all outstanding Shares.

Investors owning Shares are beneficial owners as shown on the records of DTC or its participants. DTC serves as the securities depository for all Shares. Participants in DTC include securities brokers and dealers, banks, trust companies, clearing corporations, and other institutions that directly or indirectly maintain a custodial relationship with DTC. As a beneficial owner of Shares, you are not entitled to receive physical delivery of stock certificates or to have Shares registered in your name, and you are not considered a registered owner of Shares. Therefore, to exercise any right as an owner of Shares, you must rely upon the procedures of DTC and its participants.

These procedures are the same as those that apply to any securities that you hold in book-entry or “street name” form for any publicly-traded company. Specifically, in the case of a shareholder meeting of the Fund, DTC assigns applicable Cede & Co. voting rights to its participants that have Shares credited to their accounts on the record date, issues an omnibus proxy, and forwards the omnibus proxy to the Fund. The omnibus proxy transfers the voting authority from Cede & Co. to the DTC participant. This gives the DTC participant through whom you own Shares (namely, your broker, dealer, bank, trust company, or other nominee) authority to vote the Shares, and, in turn, the DTC participant is obligated to follow the voting instructions you provide.

MANAGEMENT

The Board of Trustees of the Trust is responsible for the general supervision of the Fund. The Board of Trustees of the Trust appoints officers who are responsible for the day-to-day operations of the Fund.

Investment Advisor

Millington Securities, Inc. is the Fund's Advisor and is located at 331 Newman Springs Road, Suite 101, Red Bank, New Jersey 07701. As of September 30, 2018, the Advisor had approximately \$909,113,801 billion in assets under management. The Advisor is an SEC-registered investment advisory firm that is wholly owned by WBI Trading Company, Inc. The Advisor also is a registered broker-dealer.

The Advisor continuously reviews, supervises, and administers the Fund's investment program. In particular, the Advisor provides investment and operational oversight of the Sub-Advisor. The Board supervises the Advisor and establishes policies that the Advisor must follow in its day-to-day management activities.

WBI Investments, Inc., located at 331 Newman Springs Road, Suite 122, Red Bank, New Jersey 07701, is an affiliate of the Advisor and of WBI Trading Company, Inc. and has been appointed by the Advisor to act as Sub-Advisor to the Fund. The Sub-Advisor is an SEC-registered investment advisory firm formed in 1984 and registered with the SEC in 1985, providing investment management services to mutual funds, individuals, high net worth individuals, charitable organizations, corporations, pension and profit sharing plans, family limited partnerships, and fraternities.

The Sub-Advisor is responsible for the day-to-day management of the Fund in accordance with the Fund's investment objectives and policies. The Sub-Advisor also furnishes the Fund with office space and certain administrative services and provides most of the personnel needed to fulfill the obligations of the investment advisory agreement.

As compensation for its services and its assumption of certain expenses, the Fund pays the Sub-Advisor a management fee equal to 0.55% of the Fund's average daily net assets that is calculated daily and paid monthly. The Advisor is paid 0.04% of the Fund's average daily net assets (calculated daily and paid monthly) from the management fees collected by the Sub-Advisor.

The Advisor serves as advisor to the Fund pursuant to an Investment Advisory Agreement ("**Advisory Agreement**"), and appointed the Sub-Advisor to act as such for the Fund pursuant to a sub-advisory agreement ("**Sub-Advisory Agreement**"). Both the Advisory Agreement and the Sub-Advisory Agreement were approved by the Independent Trustees of the Trust at an in-person meeting of the Board of Trustees. The basis for the Independent Trustees' approval of the Advisory Agreement as well as the Sub-Advisory Agreement will be available in the Fund's first annual or semi-annual report to shareholders.

The Sub-Advisor and its affiliates deal, trade, and invest for their own accounts in the types of securities in which the Fund also may invest. The Sub-Advisor does not use inside information in making investment decisions on behalf of the Fund.

The Sub-Advisor provides investment management services to the Fund and also provides management services to other accounts, including separately managed accounts, other Funds in the Trust, and mutual funds, using analysis, research, processes, and systems similar to those used in the management of the Fund. As a result, securities selected for the Fund may also be appropriate for, and owned in, other accounts under the Sub-Advisor's management.

Expense Limitation Agreement

The Sub-Advisor has entered into an Expense Limitation Agreement with the Fund under which it has agreed to contractually waive or reduce its fees and to assume other expenses of the Fund, if necessary, in an amount that limits “Total Annual Fund Operating Expenses” (exclusive of interest, taxes, brokerage commissions, acquired fund fees, dividend payments on short sales, other expenditures which are capitalized in accordance with generally accepted accounting principles, other extraordinary expenses not incurred in the ordinary course of the Fund’s business, and amounts, if any, payable pursuant to a plan adopted in accordance with Rule 12b-1 under the 1940 Act) and organizational costs (“**Operating Expenses**”) to no more than 0.70% of the average daily net assets for the Fund until at least October 31, 2019.

The Sub-Advisor currently expects that the contractual agreement will continue from fiscal year to fiscal year, provided such continuance is approved by the Trust’s Board on behalf of the Fund. The Fund may terminate the Expense Limitation Agreement at any time. The Sub-Advisor may also terminate the Expense Limitation Agreement in respect of the Fund at the end of the then-current term upon not less than 90 days’ notice to the Fund. The terms of the Expense Limitation Agreement may be revised upon renewal. The Sub-Advisor is permitted to recoup from the Fund previously waived fees or reimbursed expenses for three years from the specific time in which fees were waived or expenses reimbursed, as long as such recoupment does not cause such Fund’s Operating Expenses to exceed the expense cap in place either at the time of recoupment or the time such fees were waived or expenses were reimbursed.

Portfolio Management

Co-Portfolio Manager: Gary E. Stroik, Vice President and Co-Chief Investment Officer, WBI Investments, Inc.

Mr. Stroik joined WBI Investments in February 1990, and serves as Vice President, Chief Investment Officer, and Portfolio Manager. He has been a portfolio manager of the Fund since its inception. He has also served as Vice President of Hartshorne Group, Inc., an SEC-registered investment advisory firm, since June 2009. He received a B.A. degree in Honors English and Fine Arts from Georgetown University in 1976. Mr. Stroik has been portfolio manager to the Fund since 2016.

Co-Portfolio Manager: Don Schreiber, Jr., Chief Executive Officer and Co-Chief Investment Officer, WBI Investments, Inc.

Mr. Schreiber founded WBI Investments, Inc. in August 1984, and serves as its Chief Executive Officer. He also serves as Chief Executive Officer of Millington Securities, Inc. and Director, Chief Executive Officer, Treasurer, and Vice President for WBI Trading Company, Inc. He has served as Chief Executive Officer (since April 2013), Director (since 2008), Treasurer (since April 2008), President (from April 2008-April 2013), and Vice President (since 2008) of Hartshorne Group, Inc., an SEC-registered investment advisory firm, and as President of Advisor Toolbox, Inc., a financial services technology and business consulting firm, since July 2005. He received a B.S. degree in Business from Susquehanna University in 1977. Mr. Schreiber has been portfolio manager to the Fund since 2016.

The SAI provides additional information about the portfolio managers’ compensation, other accounts managed by each portfolio manager, and ownership of securities in the Fund.

OTHER SERVICE PROVIDERS

Fund Administrator, Custodian, Transfer Agent, and Securities Lending Agent

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services, 615 East Michigan Street, Milwaukee, Wisconsin 53202, serves as Administrator, Transfer Agent, and Index Receipt Agent. U.S. Bank, National Association, located at 1555 North Rivercenter Drive, Suite 302, Milwaukee, Wisconsin 53212, serves as the Fund's Custodian and Securities Lending Agent.

Distributor

Foreside Fund Services, LLC, Three Canal Plaza, Suite 100, Portland, ME 04101, serves as the Distributor of Creation Units for the Fund on an agency basis. The Distributor does not maintain a Secondary Market in Shares.

Compliance

Pursuant to a Fund CCO Agreement with the Trust, Foreside Fund Officer Services, LLC (f/k/a Foreside Compliance Services, LLC), Three Canal Plaza, Portland, ME 04101, an affiliate of the Distributor, provides a Chief Compliance Officer ("CCO") for the Trust.

Independent Registered Public Accounting Firm

KPMG LLP, 51 JFK Parkway, Short Hills, New Jersey 07078, serves as the independent registered public accounting firm for the Trust.

Legal Counsel

K&L Gates LLP, 599 Lexington Avenue, New York, NY 10022, serves as counsel to the Trust and the Independent Trustees of the Board.

FREQUENT TRADING

The Board has not adopted policies and procedures with respect to frequent purchases and redemptions of Shares by shareholders ("market timing"). In determining not to adopt market timing policies and procedures, the Board noted that the Fund is expected to be attractive to active institutional and retail investors interested in buying and selling Shares on a short-term basis. In addition, the Board considered that, unlike traditional mutual funds, the Shares can only be purchased and redeemed directly from the Fund in Creation Units by Authorized Participants, and that the vast majority of trading in the Shares occurs on the Secondary Market. Because Secondary Market trades do not involve the Fund directly, it is unlikely those trades would cause many of the harmful effects of market timing, including dilution, disruption of portfolio management, increases in the Fund's trading costs, and the realization of capital gains. With respect to trades directly with the Fund, to the extent effected in-kind (namely, for securities), those trades do not cause any of the harmful effects that may result from frequent cash trades. To the extent trades are effected in whole or in part in cash, the Board noted that those trades could result in dilution to the Fund and increased transaction costs (the Fund may impose higher transaction fees to offset these increased costs), which could negatively impact the Fund's ability to achieve its investment objective. However, the Board noted that direct trading on a short-term basis by Authorized Participants is critical to ensuring that the Shares trade at or close to NAV. Given this structure, the Board determined that it is not necessary to adopt market timing policies and procedures. The Fund reserves the right to reject any purchase order at any time and reserves the right to impose restrictions on disruptive or excessive trading in Creation Units.

The Board has instructed the officers of the Trust to review reports of purchases and redemptions of Creation Units on a regular basis to determine if there is any unusual trading in the Fund. The officers of the Trust will report to the Board any such unusual trading in Creation Units that is disruptive to the Fund. In such event, the Board may reconsider its decision not to adopt market timing policies and procedures.

Fund Expenses

The Fund is responsible for its own operating expenses.

DISTRIBUTION AND SERVICE PLAN

The Board has adopted a Distribution and Service Plan pursuant to Rule 12b-1 under the 1940 Act. In accordance with its Rule 12b-1 plan, the Fund is authorized to pay an amount up to 0.25% of its average daily net assets each year to finance activities primarily intended to result in the sale of Creation Units of the Fund or the provision of investor services. No Rule 12b-1 fees are currently paid by the Fund and there are no plans to impose these fees. However, in the event Rule 12b-1 fees are charged in the future, they will be paid out of the Fund's assets, and over time these fees will increase the cost of your investment and they may cost you more than certain other types of sales charges.

The Sub-Advisor and its affiliates may, out of their own resources, pay amounts to third parties for distribution or marketing services on behalf of the Fund. The making of these payments could create a conflict of interest for a financial intermediary receiving such payments.

DETERMINATION OF NET ASSET VALUE (NAV)

The NAV of the Shares for the Fund is equal to the Fund's total assets minus the Fund's total liabilities divided by the total number of Shares outstanding. Interest and investment income on the Trust's assets accrue daily and are included in the Fund's total assets. Expenses and fees (including investment advisory, management, administration, and 12b-1 distribution fees, if any) accrue daily and are included in the Fund's total liabilities. The NAV that is published is rounded to the nearest cent; however, for purposes of determining the price of Creation Units, the NAV is calculated to four decimal places.

In calculating NAV, the Fund's investments are valued using market quotations when available. When market quotations are not readily available, are deemed unreliable, or do not reflect material events occurring between the close of local markets and the time of valuation, investments are valued using fair value pricing as determined in good faith by the Sub-Advisor under procedures established by and under the general supervision and responsibility of the Trust's Board of Trustees. Investments that may be valued using fair value pricing include, but are not limited to: (1) securities that are not actively traded, including "restricted" securities and securities received in private placements for which there is no public market; (2) securities of an issuer that becomes bankrupt or enters into a restructuring; (3) securities whose trading has been halted or suspended; and (4) foreign securities traded on exchanges that close before the Fund's NAV is calculated.

The frequency with which the Fund's investments are valued using fair value pricing is primarily a function of the types of securities and other assets in which the Fund invests pursuant to its investment objective, strategies, and limitations. If the Fund invests in ETPs, the Fund values shares of the ETPs based upon the closing market prices. If the Fund invests in registered money market funds, the Fund values shares of the money market fund based upon the money market fund's stable NAV.

Valuing any of the Fund's investments using fair value pricing results in using prices for those investments that may differ from current market valuations. Accordingly, fair value pricing could result in a difference between the prices used to calculate NAV and the prices used to determine the Fund's Indicative Intra-Day Value ("IIV"), which could result in the market prices for Shares deviating from NAV. In addition, with respect to securities that are primarily listed on foreign exchanges, the value of the Fund's portfolio securities may change on days when you will not be able to purchase or sell your Shares.

The NAV is calculated by the Administrator and determined each Business Day as of the close of regular trading on the NYSE Arca (ordinarily 4:00 p.m. New York time). “**Business Day**” means any day that the Exchange is open for trading. The Exchange is open for trading Monday through Friday except for the following holidays: New Year’s Day, Martin Luther King, Jr. Day, Presidents’ Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day.

INDICATIVE INTRA-DAY VALUE

The approximate value of the Fund’s investments on a per-Share basis, the Indicative Intra-Day Value, or IIV (also known as Indicative Optimized Portfolio Value), is disseminated by the NYSE Arca every 15 seconds during hours of trading on the NYSE Arca. The IIV should not be viewed as a “real-time” update of NAV because the IIV may not be calculated in the same manner as NAV, which is computed once per day.

An independent third-party calculator calculates the IIV for the Fund during hours of trading on the NYSE Arca by dividing the “Estimated Fund Value” as of the time of the calculation by the total number of outstanding Shares of the Fund. “Estimated Fund Value” is the sum of the estimated amount of cash held in the Fund’s portfolio, the estimated amount of accrued interest owed to the Fund, and the estimated value of the securities held in the Fund’s portfolio minus the estimated amount of the Fund’s liabilities. The IIV will be calculated based on the same portfolio holdings disclosed on the Trust’s website.

The Fund provides the independent third-party calculator with information to calculate the IIV, but the Fund is not involved in the actual calculation of the IIV and is not responsible for the calculation or dissemination of the IIV. The Fund makes no warranty as to the accuracy of the IIV.

PREMIUM/DISCOUNT INFORMATION

Information regarding the extent and frequency with which market prices of Shares has tracked the Fund’s NAV for the most recently completed calendar year and the quarters since that year will be available without charge on the Fund’s website at www.wbishares.com.

DIVIDENDS, DISTRIBUTIONS, AND TAXES

Net Investment Income and Capital Gains

As a shareholder, you are entitled to your share of the Fund’s distributions of net investment income and net realized capital gains on its investments. The Fund pays out substantially all of its net earnings to its shareholders as ‘distributions’.

The Fund typically earns income dividends from stocks. These amounts, net of expenses, are typically passed along to shareholders as dividends from net investment income. The Fund realizes capital gains or losses whenever they sell securities. Net capital gains are distributed to shareholders as “capital gain distributions”.

Capital gains of the Fund are normally declared and paid annually. Dividends from net investment income are normally declared and paid quarterly. The amount of distributions may vary and there can be no guarantee that the Fund will pay dividends of investment income in any given month. Dividends also may be declared and paid more frequently to comply with the distribution requirements of the Code. In addition, the Fund may determine to distribute at least annually amounts representing the full dividend yield net of expenses on securities held by the Fund, as if the Fund owned the securities for the entire dividend period, in which case some portion of each distribution may result in a return of capital. You will be notified regarding the portion of the distribution that represents a return of capital. A return of capital is not taxable, but reduces a shareholder’s tax basis in its shares, thus reducing any loss or increasing any gain on a subsequent taxable disposition by the shareholder of its shares.

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

Federal Income Taxes

The following is a summary of the material U.S. federal income tax considerations applicable to an investment in Shares of the Fund. The summary is based on the laws in effect on the date of this Prospectus and existing judicial and administrative interpretations thereof, 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 U.S. federal income tax considerations possibly applicable to an investment in Shares of the Fund to shareholders holding 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.

The Fund has not requested and will not request an advance ruling from the Internal Revenue Service (the “**IRS**”) as to the federal income tax matters described below. The IRS could adopt positions contrary to those discussed below and such positions could be sustained. Prospective investors should consult their own tax advisors with regard to the federal tax consequences of the purchase, ownership, or disposition of Shares, as well as the tax consequences arising under the laws of any state, foreign country, or other taxing jurisdiction.

Tax Treatment of the Fund

The Fund intends to qualify and elect to be treated as a “regulated investment company” under the Code. To qualify and maintain its tax status as a regulated investment company, the Fund must annually meet certain income and asset diversification requirements and must distribute annually at least the sum of 90% of its “investment company taxable income” (which includes dividends, interest, and net short-term capital gains) and 90% of its net exempt interest income.

As a regulated investment company, the Fund generally will not have to pay corporate-level federal income taxes on any ordinary income or capital gains that it distributes to its shareholders. If the Fund fails to qualify as a regulated investment company for any year (subject to certain curative measures allowed by the Code) the Fund will be subject to regular corporate-level income tax in that year on all of its taxable income, regardless of whether the Fund makes any distributions to its shareholders. In addition, distributions will be taxable to shareholders generally as ordinary dividends (or qualified dividend income for individual shareholders if certain holding period requirements are met) to the extent of the Fund’s current and accumulated earnings and profits.

The Fund may be required to recognize taxable income in advance of receiving the related cash payment. For example, if the Fund invests in original issue discount obligations (such as zero coupon debt instruments or debt instruments with payment-in-kind interest), the Fund will be required to include in income each year a portion of the original issue discount that accrues over the term of the obligation, even if the related cash payment is not received by the Fund until a later year. Under the “wash sale” rules, the Fund may not be able to deduct a loss on a disposition of a portfolio security. As a result, the Fund may be required to make an annual income distribution greater than the total cash actually received during the year. Such distribution may be made from the cash assets of the Fund or by selling portfolio securities. The Fund may realize gains or losses from such sales, in which event its shareholders may receive a larger capital gain distribution than they would in the absence of such transactions.

The Fund will be subject to a 4% excise tax on certain undistributed income if the Fund does not distribute to its shareholders in each calendar year at least 98% of its ordinary income for the calendar year plus 98.2% of its capital gain net income for the twelve months ended October 31 of such year. The Fund intends to make distributions necessary to avoid the 4% excise tax.

Tax Treatment of the Shareholders

Fund Distributions — In general, Fund distributions are subject to federal income tax when paid, regardless of whether they consist of cash or property or are re-invested in Shares. However, any Fund distribution declared in October, November, or December of any calendar year and payable to shareholders of record on a specified date during such month will be deemed to have been received by each shareholder on December 31 of such calendar year, provided such dividend is actually paid during January of the following calendar year.

Distributions of the Fund's net investment income (except, as discussed below, qualifying dividend income) and net short-term capital gains are taxable as ordinary income to the extent of the Fund's current or accumulated earnings and profits. Distributions of the Fund's net long-term capital gains in excess of net short-term capital losses are taxable as long-term capital gain to the extent of the Fund's current or accumulated earnings and profits, regardless of a shareholder's holding period in the Shares. Distributions of qualifying dividend income are taxable as long-term capital gain to the extent of the Fund's current or accumulated earnings and profits, provided that the shareholder meets certain holding period and other requirements with respect to its Shares and the Fund meets certain holding period and other requirements with respect to its dividend-paying stocks.

The Fund intends to distribute its long-term capital gains at least annually. However, by providing written notice to its shareholders no later than 60 days after its year-end, the Fund may elect to retain some or all of its long-term capital gains and designate the retained amount as a "deemed distribution". In that event, the Fund pays income tax on the retained long-term capital gain, and each shareholder recognizes a proportionate share of the Fund's undistributed long-term capital gain. In addition, each shareholder can claim a refundable tax credit for the shareholder's proportionate share of the Fund's income taxes paid on the undistributed long-term capital gain and increase the tax basis of the Shares by an amount equal to the shareholder's proportionate share of the Fund's undistributed long-term capital gains, reduced by the amount of the shareholder's tax credit.

Long-term capital gains of non-corporate shareholders (*i.e.*, individuals, trusts, and estates) are taxed at a maximum rate of 20%.

In addition, high-income individuals (and certain other trusts and estates) are subject to a 3.8% Medicare contribution tax on net investment income (which generally includes all Fund distributions and gains from the sale of Shares) in addition to otherwise applicable federal income tax. Please consult your tax advisor regarding this tax.

Investors considering buying Shares just prior to a distribution should be aware that, although the price of the Shares purchased at such time may reflect the forthcoming distribution, such distribution nevertheless may be taxable (as opposed to a non-taxable return of capital).

Sales of Shares — Any capital gain or loss realized upon a sale of Shares is treated generally as a long-term gain or loss if the Shares have been held for more than one year. Any capital gain or loss realized upon a sale of Shares held for one year or less is generally treated as a short-term gain or loss, except that any capital loss on the sale of Shares held for six months or less is treated as long-term capital loss to the extent that capital gain dividends were paid with respect to the Shares.

Creation Unit Issues and Redemptions — On an issue of Shares of the Fund as part of a Creation Unit where the creation is conducted in-kind, an Authorized Participant recognizes capital gain or loss equal to the difference between (1) the fair market value (at issue) of the issued Shares (plus any cash received by the Authorized Participant as part of the issue) and (2) the Authorized Participant’s aggregate basis in the exchanged securities (plus any cash paid by the Authorized Participant as part of the issue). On a redemption of Shares as part of a Creation Unit where the redemption is conducted in-kind, an Authorized Participant recognizes capital gain or loss equal to the difference between (1) the fair market value (at redemption) of the securities received (plus any cash received by the Authorized Participant as part of the redemption) and (2) the Authorized Participant’s basis in the redeemed Shares (plus any cash paid by the Authorized Participant as part of the redemption). However, the IRS may assert, under the “wash sale” rules or on the basis that there has been no significant change in the Authorized Participant’s economic position, that any loss on creation or redemption of Creation Units cannot be deducted currently.

In general, any capital gain or loss recognized upon the issue or redemption of Shares (as components of a Creation Unit) is treated either as long-term capital gain or loss if the deposited securities (in the case of an issue) or the Shares (in the case of a redemption) have been held for more than one year, or otherwise as short-term capital gain or loss. However, any capital loss on a redemption of Shares held for six months or less is treated as long-term capital loss to the extent that capital gain dividends were paid with respect to such Shares.

Back-Up Withholding — The Fund may be required to report certain information on a shareholder to the IRS and withhold federal income tax (“backup withholding”) at a 24% rate from all taxable distributions and redemption proceeds payable to the shareholder if the shareholder fails to provide the Fund with a correct taxpayer identification number (in the case of a U.S. individual, a social security number) or a completed exemption certificate (e.g., an IRS Form W-8BEN or W-8BEN-E, as applicable, in the case of a foreign shareholder) or if the IRS notifies the Fund that the shareholder is otherwise subject to backup withholding. Backup withholding is not an additional tax and any amount withheld may be credited against a shareholder’s federal income tax liability.

Special Issues for Foreign Shareholders — If a shareholder is not a U.S. citizen or resident or if a shareholder is a foreign entity, the Fund’s ordinary income dividends (including distributions of amounts that would not be subject to U.S. withholding tax if paid directly to foreign shareholders) will be subject, in general, to withholding tax at a rate of 30% (or at a lower rate established under an applicable tax treaty). However, interest-related dividends and short-term capital gain dividends generally will not be subject to withholding tax; provided that the foreign shareholder furnishes the Fund with a completed IRS Form W-8BEN or W-8BEN-E, as applicable, (or acceptable substitute documentation) establishing the shareholder’s status as foreign and the Fund does not have actual knowledge or reason to know that the foreign shareholder would be subject to withholding tax if the foreign shareholder were to receive the related amounts directly rather than as dividends from the Fund. There can be no assurance that these rules, which have expired, will be extended.

The provisions of FATCA will subject certain foreign entities to U.S. withholding tax of 30% on U.S. source investment income (including all dividends from the Fund), and, beginning in 2019, on the gross proceeds from the sale of U.S. stocks and securities (including the sale of Shares), unless they comply with or demonstrate their exemption from certain reporting requirements. Complying with such requirements may require the shareholder to provide and certify certain information about itself and (where applicable) its beneficial owners, and foreign financial institutions may be required to enter in an agreement with the U.S. Internal Revenue Service or a government agency in their own country to provide certain information regarding such shareholder’s account holders. Please consult your tax advisor regarding this tax.

To claim a credit or refund for any Fund-level taxes on any undistributed long-term capital gains (as discussed above) or any taxes collected through back-up withholding, a foreign shareholder must obtain a U.S. taxpayer identification number and file a federal income tax return even if the foreign shareholder would not otherwise be required to obtain a U.S. taxpayer identification number or file a U.S. income tax return.

For a more detailed tax discussion regarding an investment in the Fund, please see the section of the SAI entitled “Taxation”.

Material Conflicts of Interest

The activities in the management of, or interest in, the Sub-Advisor’s own accounts and the other accounts it manages, may give rise to conflicts of interest or the appearance of conflicts of interest and these activities may present conflicts of interest that could disadvantage the Fund and its shareholders. For example, the Sub-Advisor currently provides investment management services to other accounts, including separately managed accounts, other Funds in the Trust, and mutual funds, and in the future may service accounts of other affiliates and their respective clients, using analysis, research, processes, and systems similar to those used in the management of the Fund. Some of these portfolios may have fee structures that are or have the potential to be higher than the advisory fees paid by the Fund, which can cause potential conflicts in the allocation of investment opportunities between the Fund and the other accounts. However, the compensation structure for portfolio managers does not generally provide incentive to favor one account over another because that part of a manager’s bonus based on performance is not based on the performance of one account to the exclusion of others. There are many other factors considered in determining the portfolio managers’ bonus and there is no formula that is applied to weight the factors listed.

In connection with allocation of trades, the Sub-Advisor faces a potential conflict because it manages separately managed accounts (“**SMA Clients**”) and multiple registered investment companies. These conflicts may arise because of similarities between the investment strategies. The intention of the Sub-Advisor is to treat the various accounts fairly. The Sub-Advisor frequently combines or aggregates orders for SMA Clients and the Funds, in an effort to obtain best execution, to negotiate more favorable commission rates, or to equitably allocate among the Sub-Advisor’s SMA Clients and the Funds improvements in price and transaction fees or other transaction costs that might not have been obtained had such orders been placed independently. If the Sub-Advisor combines or aggregates client orders, for those client accounts included in the combined or aggregated orders, transactions for the relevant client accounts will be averaged as to price and will be allocated among the relevant client accounts in proportion to the purchase (or sale) of orders placed for each relevant client account on any given day. This can also lead to a conflict of interest for the Sub-Advisor in allocating its own limited resources among different clients and potential future business ventures. Although the Sub-Advisor and its professional staff cannot and will not devote all of its time or resources to the management of the business and affairs of the Fund, the Sub-Advisor intends to devote, and to cause its professional staff to devote, sufficient time and resources to properly manage the business and affairs of the Fund.

Broker-dealers selected for execution by the Sub-Advisor may receive a brokerage commission or other compensation for transactions effected for the Fund. The broker-dealers, who may maintain securities, commodity, options, and foreign exchange-trading accounts, may pay commissions at negotiated rates, which are greater or less than the rate paid by the Fund. All executions of Fund trades are subject to best execution regulations through the executing broker and are reviewed by the Board annually and may be reviewed more frequently as deemed necessary by the Board. The Advisor, which is a registered broker-dealer, may be selected as broker-dealer by the Sub-Advisor for transactions effected for the Fund.

CODE OF ETHICS

The Trust, the Advisor, the Sub-Advisor, and the Distributor each have adopted a code of ethics under Rule 17j-1 of the 1940 Act that is designed to prevent affiliated persons of the Trust, the Advisor, the Sub-Advisor, and the Distributor from engaging in deceptive, manipulative, or fraudulent activities in connection with securities held or to be acquired by the Fund (which may also be held by persons subject to a code). There can be no assurance that the codes will be effective in preventing such activities. The codes permit personnel subject to them to invest in securities, including securities that may be held or purchased by the Fund. The codes are on file with the SEC and are available to the public.

FUND WEBSITE AND DISCLOSURE OF PORTFOLIO HOLDINGS

The Sub-Advisor maintains a website for the Fund at www.wbishares.com. The website for the Fund contains the following information, on a per-Share basis, for the Fund: (1) the prior Business Day's NAV; (2) the reported mid-point of the bid-ask spread at the time of NAV calculation (the "Bid-Ask Price"); (3) a calculation of the premium or discount of the Bid-Ask Price against such NAV; and (4) data in chart format displaying the frequency distribution of discounts and premiums of the Bid-Ask Price against the NAV, within appropriate ranges, for each of the four previous calendar quarters (or for the life of the Fund, if shorter). In addition, on each Business Day, before the commencement of trading in Shares on the NYSE Arca, the Fund will disclose on its website www.wbishares.com the identities and quantities of the portfolio securities and other assets held by the Fund that will form the basis for the calculation of NAV at the end of the Business Day.

A description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the SAI.

OTHER INFORMATION

For purposes of the 1940 Act, the Fund is a registered investment company, and the acquisition of its Shares by other registered investment companies and companies relying on exemption from registration as investment companies under Section 3(c)(1) or 3(c)(7) of the 1940 Act is subject to the restrictions of Section 12(d)(1) of the 1940 Act, except as may be permitted by an exemptive order granted by the SEC that permits registered investment companies to invest in the Fund beyond those limitations.

The SEC has granted exemptive relief to the Trust under Section 12(d)(1)(J) of the 1940 Act permitting the Fund to operate as a "fund of funds" and invest in other investment companies without complying with the limitations set forth in Section 12(d)(1) of the 1940 Act, subject to certain terms and limitations that are contained in the SEC's exemptive order. In addition, the Fund may enter into Participation Agreements with unaffiliated investment companies to enable the Fund to invest in unaffiliated investment companies in excess of the limits in Section 12(d)(1) pursuant to exemptive orders granted to other fund complexes on which the Fund is allowed to rely.

Shareholder inquiries may be made by writing to the Trust, c/o Millington Securities, Inc., 331 Newman Springs Road, Suite 101, Red Bank, New Jersey 07701.

FINANCIAL HIGHLIGHTS

The financial highlights table that follows is 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). The

financial highlights below have been derived from the Fund's financial statements. This information has been audited by KPMG LLP, the Fund's independent registered public accounting firm, whose report, along with the Fund's financial statements, is included in the Fund's annual report to shareholders for the fiscal year ended June 30, 2018, which is available upon request.

For capital share outstanding throughout the period

WBI Power Factor™ High Dividend ETF		
	Year Ended June 30, 2018	Period Ended June 30, 2017¹
Net Asset Value, Beginning of Year/Period	\$24.22	\$25.00
Income (Loss) from Investment Operations:		
Net investment income (loss) ²	1.21	0.53
Net gain (loss) on investments (realized and unrealized) ⁶	3.19	(0.94)
Total from investment operations	4.40	(0.41)
Less Distributions:		
Distributions from net investment income	(1.15)	(0.37)
Tax return of capital to shareholders	—	—
Distributions from net realized gain	(0.60)	—
Total Distributions	(1.75)	(0.37)
Net asset value, end of year/period	\$26.87	\$24.22
Market price, end of year/period	\$26.87	\$24.34
Net Assets Total Return⁷	18.51%	(1.64)% ³
Supplemental Data:		
Net assets, end of year/period(000's)	\$52,402	\$33,903
Ratios to Average Net Assets:		
Expenses before fees (waived)/recouped	0.85%	1.37% ⁴
Expenses after fees (waived)/recouped	0.70%	0.70% ⁴
Net investment income (loss) to average net assets	4.73%	3.81% ⁴
Portfolio turnover rate ⁵	171%	78% ³

¹ Fund commenced operations on December 19, 2016. The information presented is for the period from December 19, 2016 to June 30, 2017.

² Calculated based on average shares outstanding during the period.

³ Not annualized

⁴ Annualized

⁵ Excludes securities received or delivered as a result of processing capital share transactions in creation units.

⁶ The amount for a share outstanding throughout the period may not be in accordance with the aggregate net realized and unrealized gain (loss) on investments for the period because of the timing of capital share transactions in relation to fluctuating market values of the Fund's underlying securities.

⁷ Net asset value 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 the redemption on the last day of the period. Net asset value total return includes adjustments in accordance with accounting principles generally accepted in the United States of America and as such, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

PRIVACY POLICY

Absolute Shares Trust is committed to respecting the privacy of personal information you entrust to us in the course of doing business with us.

The Fund collects non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us orally; and/or
- Information about your transactions with us or others.

We do not disclose any non-public personal information about our customers or former customers without the customer's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated and unaffiliated third parties with whom we have contracts for servicing the Fund. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibilities. We maintain physical, electronic, and procedural safeguards to guard your non-public personal information and require third parties to treat your personal information with the same high degree of confidentiality.

In the event that you hold Shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared by those entities with unaffiliated third parties.

ABSOLUTE

S H A R E S T R U S T

FREQUENTLY USED TERMS

Trust	Absolute Shares Trust, a registered open-end investment company
Fund	WBI Power Factor™ High Dividend ETF, an investment portfolio of the Trust
Shares	Shares of the Fund offered to investors
Advisor	Millington Securities, Inc.
Sub-Advisor	WBI Investments, Inc.
Custodian	U.S. Bank National Association, the custodian of the Fund's assets
Distributor	Foreside Fund Services, LLC, the distributor to the Fund
AP or Authorized Participant	Certain large institutional investors such as brokers, dealers, banks, or other entities that have entered into authorized participant agreements with the Distributor
NYSE Arca	NYSE Arca, Inc., the primary market on which Shares are expected to be listed for trading
IIV	The Indicative Intra-Day Value (also known as Indicative Optimized Portfolio Value), an appropriate per-Share value based on the Fund's portfolio
1940 Act	Investment Company Act of 1940, as amended
NAV	Net Asset Value
SAI	Statement of Additional Information
SEC	Securities and Exchange Commission
Secondary Market	A national securities exchange, national securities association, or over-the-counter trading system where Shares may trade from time to time
Securities Act	Securities Act of 1933, as amended

Absolute Shares Trust

Mailing Address

c/o Millington Securities, Inc.
331 Newman Springs Road, Suite 101
Red Bank, New Jersey 07701
Website: www.wbishares.com

ABSOLUTE SHARES TRUST



FOR MORE INFORMATION

If you would like more information about the Trust, the Fund, and the Shares, the following documents are available free upon request:

Statement of Additional Information

The SAI provides additional details about the investments and techniques of the Fund and certain other additional information. A current SAI is on file with the SEC and is incorporated into this Prospectus by reference. This means that the SAI is legally considered a part of this Prospectus even though it is not physically within this Prospectus.

Annual and Semi-Annual Reports

The Fund's Annual and Semi-Annual Reports (collectively, the "Shareholder Reports") will provide the most recent financial reports and portfolio listings. The Annual Report will contain a discussion of the market conditions and investment strategies that affected the Fund's performance during the Fund's previous fiscal year.

The SAI and Shareholder Reports will be available free of charge on the Fund's website at www.wbishares.com.

You can obtain a free copy of the SAI and Shareholder Reports, request other information, or make general inquiries about the Fund by calling the Fund (toll-free) at (855) 924-3837 or by writing to:

Absolute Shares Trust
c/o Millington Securities, Inc.
331 Newman Springs Road, Suite 101
Red Bank, New Jersey 07701
Website: www.wbishares.com

You may review and copy information about the Fund, including the SAI and Shareholder Reports, at the Public Reference Room of the SEC in Washington, D.C. You can obtain information on the operation of the Public Reference Room by calling (202) 551-8090. Reports and other information about the Funds are also available:

- Free of charge from the SEC's EDGAR database on the SEC's website at <http://www.sec.gov>;
- For a fee, by writing to the Public Reference Section of the SEC, Washington, D.C. 20549-1520; or
- For a fee, by electronic request at the following e-mail address: publicinfo@sec.gov

No person is authorized to give any information or to make any representations about the Fund and Shares not contained in this Prospectus and you should not rely on any other information. This Prospectus does not constitute an offering by the Fund in any jurisdiction where such an offering is not lawful. Read and keep the Prospectus for future reference.

The Trust may enter into contractual arrangements with various parties, including among others, the Fund's investment adviser, sub-adviser, distributor, custodian, and transfer agent who provide services to the Fund. Shareholders are not parties to any such contractual arrangements or intended beneficiaries of those contractual arrangements, and those contractual arrangements are not intended to create in any shareholder any right to enforce them against the service providers or to seek any remedy under them against the service providers, either directly or on behalf of the Trust.

This Prospectus provides information concerning the Fund that you should consider in determining whether to purchase Shares. Neither this Prospectus nor the SAI is intended, or should be read, to be or give rise to an agreement or contract between the Trust or the Fund and any investor, or to give rise to any rights in any shareholder or other person other than any rights under federal or state law that may not be waived.

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

WBI is a registered service mark of WBI Investments, Inc.

The Fund's investment company registration number is 811-22917.