

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
for the fiscal year ended June 30, 2020.

or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

for the transition period from                      to                      .

Commission file number: 001-36851

ETF Managers Group Commodity Trust I  
(Exact name of registrant as specified in its charter)

Delaware

36-4793446

(State or other jurisdiction of  
incorporation or organization)

(I.R.S. Employer  
Identification No.)

30 Maple Street – Suite 2  
Summit, NJ 07901

(Address of principal executive offices) (Zip code)

(908) 897-0518

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class                       | Trading Symbol(s) | Name Of Each Exchange On Which Registered |
|---|-------------------|---|
| Shares of Sit Rising Rate ETF             | RISE              | NYSE Arca, Inc.                           |
| Shares of Breakwave Dry Bulk Shipping ETF | BDRY              | NYSE Arca, Inc.                           |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  
 Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.  Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   
Non-accelerated filer

Accelerated filer   
Smaller reporting company   
Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected to not use the extend transition period for complying with any new or revised financial reporting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).   
Yes  No

The aggregate market value of the registrant's shares held by non-affiliates of the registrant as of June 30, 2020 was: \$5,065,810. (RISE)

The aggregate market value of the registrant's shares held by non-affiliates of the registrant as of June 30, 2020 was: \$42,492,795. (BDRY)

The registrant had 250,040 outstanding shares as of September 1, 2020. (RISE)

The registrant had 5,750,040 outstanding shares as of September 1, 2020. (BDRY)

**ETF MANAGERS GROUP COMMODITY TRUST I**  
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## **Part I**

### **Item 1. Business**

#### **The Trust and the Funds**

ETF Managers Group Commodity Trust I (the “Trust”) was organized as a Delaware statutory trust on July 23, 2014. The Trust is a series trust formed pursuant to the Delaware Statutory Trust Act and currently includes two separate series. Sit Rising Rate ETF (“RISE”) is the first series of the Trust and is a commodity pool that continuously issues common shares of beneficial interest that may be purchased and sold on the NYSE Arca, Inc. stock exchange (“NYSE Arca”). The second series of the Trust, Breakwave Dry Bulk Shipping ETF (“BDRY,” and together with RISE, each, a “Fund” and collectively, the “Funds”), is also a commodity pool that continuously issues shares of beneficial interest that may be purchased and sold on NYSE Arca.

RISE commenced investment operations on February 19, 2015. RISE commenced trading on NYSE Arca on February 19, 2015 and trades under the symbol “RISE.” BDRY commenced investment operations on March 22, 2018. BDRY commenced trading on NYSE Arca on March 22, 2018 and trades under the symbol “BDRY.”

The principal office of the Trust and the Funds is located at 30 Maple Street, Suite 2, Summit, NJ 07901. The telephone number is (844) 383-6477.

#### **The Sponsor**

The Funds are each managed and controlled by ETF Managers Capital LLC (the “Sponsor”), a single member limited liability company that was formed in the state of Delaware on June 12, 2014. Each Fund pays the Sponsor a management fee. The Sponsor maintains its main business office at 30 Maple Street, Suite 2, Summit, NJ 07901. The Sponsor’s telephone number is (844) 383-6477.

The Funds are each a “commodity pool” as defined by the Commodity Exchange Act (“CEA”). Consequently, the Sponsor has registered as a commodity pool operator (“CPO”) with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”).

The Sponsor is a wholly-owned subsidiary of Exchange Traded Managers Group LLC (“ETFMG”), a limited liability company domiciled and headquartered in New Jersey.

#### **Sit Rising Rate ETF**

#### **RISE Investment Objective**

RISE’s investment objective is to profit from rising interest rates by tracking the performance of a portfolio (the “RISE Benchmark Portfolio”) consisting of exchange traded futures contracts and options on futures on 2, 5 and 10 year U.S. Treasury securities (“Treasury Instruments”) weighted to achieve a targeted negative 10 year average effective portfolio duration (the “RISE Benchmark Component Instruments”). RISE seeks to achieve its investment objective by investing in the RISE Benchmark Component Instruments currently constituting the RISE Benchmark Portfolio. The RISE Benchmark Portfolio is maintained by Sit Fixed Income Advisors II, LLC (“Sit”), which also serves as RISE’s commodity trading advisor (“CTA”). The RISE Benchmark Portfolio will be rebalanced, reconstituted, or both, monthly (typically on the 15<sup>th</sup> of each month, or on the next business day if the 15<sup>th</sup> is a holiday, weekend, or other day on which the national stock exchanges are closed) to maintain a negative 10 year average effective duration. The RISE Benchmark Portfolio and RISE will each maintain a short position in Treasury Instruments. RISE does not use futures contracts or options to obtain leveraged investment results. RISE will not invest in swaps or other over-the-counter derivative instruments.

#### **RISE Commodity Trading Advisor**

Sit serves as RISE's CTA. Sit is a Delaware limited liability company and a subsidiary of Sit Investment Associates, Inc. Sit Investment Associates, Inc. was founded in July 1981 by Eugene C. Sit and is a Minnesota corporation.

Sit is registered as a CTA with the CFTC and is a member of the NFA.

Sit provides its services to RISE under a Licensing and Services Agreement with the Sponsor. Under this agreement, Sit has agreed to compose and maintain the RISE Benchmark Portfolio and license to the Sponsor the use of the RISE Benchmark Portfolio.

### **RISE Significant Shareholders**

Prior to RISE commencing operations, SIT made an initial investment of \$5,000,000 in exchange for 200,000 shares of RISE. By June 30, 2020, Sit had redeemed 138,800 shares, thereby reducing its investment in RISE to 61,200 shares.

## **RISE Investing Strategy**

RISE seeks to achieve its investment objective by investing in the RISE Benchmark Component Instruments currently constituting the RISE Benchmark Portfolio. The weighting of the Treasury Instruments constituting the RISE Benchmark Component Instruments will be based on each maturity's duration contribution. The expected range for the duration weighted percentage of the 2 year and 5 year maturity Treasury Instruments will be from 30% to 70%. The expected range for the duration weighted percentage of the 10 year maturity Treasury Instruments will be from 5% to 25%.

The relative weightings of the RISE Benchmark Component Instruments will be shifted between maturities when there are material changes in the shape of the yield curve, for example, if the Federal Reserve began raising short term interest rates more than long term interest rates. In such an instance, Sit, which maintains the RISE Benchmark Portfolio, will increase the weightings of the 2 year and reduce the weighting in the 10 year maturity Treasury Instruments. Conversely, Sit will do the opposite if the Federal Reserve began raising long term interest rates more than short term interest rates. Reconstitution, rebalancing, or both, each will occur monthly as discussed above or if there are radical changes in the yield curve such that effective duration is outside of a range from negative nine to negative 11-year average effective duration, in which case Sit will adjust the maturities of the Treasury Instruments before the next expected monthly reconstitution.

The Sponsor anticipates that approximately 5% to 15% of RISE's assets will be used as payment for or collateral for Treasury Instruments. RISE will post margin from such assets to its futures commission merchant ("FCM"), SG Americas Securities, LLC ("SGAS"), in an amount equal to the margin required by the relevant exchange, and transfer to its FCM any additional amounts that may be separately required by the FCM. When establishing positions in Treasury Instruments, RISE will be required to deposit initial margin with a value of approximately 3% to 10% of the value of each Treasury Instrument position at the time it is established. These margin requirements are subject to change from time to time by the exchange or the FCM. On a daily basis, RISE will be obligated to pay, or entitled to receive, variation margin in an amount equal to the change in the daily settlement level of its Treasury Instruments positions. Any assets not required to be posted as margin with RISE's FCM will be held at RISE's custodian in cash or cash equivalents.

The RISE Benchmark Portfolio will consist of the RISE Benchmark Component Instruments and rebalanced, reconstituted, or both to maintain a negative average effective portfolio duration of approximately 10 years. Duration is a measure of estimated price sensitivity relative to changes in interest rates. Portfolios with longer durations are typically more sensitive to changes in interest rates. For example, if interest rates rise by 1%, the market value of a security with an effective duration of 5 years would decrease by 5%, with all other factors being constant, and likewise, if interest rates decline by 1%, the market value of a security with an effective duration of negative 5 years would increase by 5%, with all other factors being constant. Duration estimates are based on assumptions by Sit and are subject to a number of limitations. Duration is a more accurate estimate of price sensitivity provided interest rate changes are small and occur equally in short-term and long-term securities. Investments in debt securities typically decrease in value when interest rates rise. The risk of a decrease in value is usually greater for longer-term debt securities.

RISE will incur certain expenses in connection with its operations. RISE will hold cash or cash equivalents such as U.S. Treasuries or other high credit quality, short-term fixed-income or similar securities for direct investment or as collateral for the Treasury Instruments and for other liquidity purposes and to meet redemptions that may be necessary on an ongoing basis. These expenses and income from the cash and cash equivalent holdings may cause imperfect correlation between changes in RISE's net asset value ("NAV") and changes in the RISE Benchmark Portfolio, because the RISE Benchmark Portfolio does not reflect expenses or income.

Sit expects that it will generally seek to close out its positions in Treasury futures contracts prior to such contracts maturing and enter into new positions in Treasury futures contracts. In connection with this process, natural market forces may affect RISE's NAV positively or negatively. This is because each time RISE seeks to rebalance or reconstitute its positions, even absent movement in the underlying Treasury Instruments, the prices of new futures and

option prices may be higher or lower than the prices of those that were closed out. Such differences in price, barring a movement in the price of the underlying security, will constitute “roll yield” and may inhibit RISE’s ability to achieve its investment objective.

Several factors may determine the total return from investing in a futures contract position. One factor that impacts the total return, which will result from investing in near month futures contracts and “rolling” those contracts forward each month, is the price relationship between the current near month contract and the next month contract. Among other such factors, when RISE purchases an option that expires “out of the money,” RISE will realize a loss. Additionally, RISE may not be able to invest its assets in futures and options contracts having an aggregate notional amount exactly equal to that which is required to achieve a negative 10 year average effective duration. For example, as standardized contracts, Treasury futures contracts are denominated in specific dollar amounts, and RISE’s NAV and the proceeds from the sale of a creation basket (a “Creation Basket”) are unlikely to be an exact multiple of the amounts of those contracts. As a result, in such circumstances, RISE may be better able to achieve the exact amount of exposure desired through the use of other investments.

Sit will close existing positions when it determines it would be appropriate to do so and reinvest the proceeds in other positions. Positions may also be closed out to meet orders for a redemption basket (a “Redemption Basket”).



## **RISE Benchmark Portfolio**

The RISE Benchmark Portfolio is maintained by Sit and will be rebalanced, reconstituted, or both, monthly (typically on the 15th of each month or on the next business day if the 15th is a holiday, weekend, or other day on which the national exchanges are closed) to maintain a negative 10 year average effective duration. The RISE Benchmark Portfolio and RISE will each maintain a short position in Treasury Instruments. RISE does not use futures contracts or options to obtain leveraged investment results. The RISE Benchmark Component Instruments currently constituting the RISE Benchmark Portfolio as of June 30, 2020 include:

| <b>Name</b>                           | <b>Ticker</b> | <b>Market Value (USD)</b> |
|---------------------------------------|---------------|---------------------------|
| UNITED STATES TREASURY BILLS          | 912796WX3     | \$ 4,849,667              |
| U.S. 5 YR FUTR OPTN SEP 20 C \$125.50 | FVU0C 125.5   | (4,148)                   |
| U.S. 5 YR NOTE (CBT) SEP 20           | FVU0          | (4,652,461)               |
| U.S. 2 YR NOTE (CBT) SEP 20           | TUU0          | (10,158,094)              |
| U.S. 10 YR FUT OPTN SEP 20 P \$139.50 | TYU0P 139.5   | 14,296                    |

The RISE Benchmark Component Instruments currently constituting the RISE Benchmark Portfolio and anticipated rebalancing dates, as well as the daily holdings of RISE, are available on RISE's website at [www.risingrateetf.com](http://www.risingrateetf.com).

## **RISE Trading Policies**

### ***Liquidity***

RISE invests principally in exchange traded futures and options on futures on U.S. Treasuries that, in the opinion of the Sponsor, are traded in sufficient volume to permit the ready taking of orders and liquidation of positions in these financial instruments.

### ***Borrowings***

Borrowings are not undertaken by RISE.

### **Breakwave Dry Bulk Shipping ETF**

#### **BDRY Investment Objective**

BDRY's investment objective is to provide investors with exposure to the daily change in the price of dry bulk freight futures by tracking the performance of a portfolio (the "BDRY Benchmark Portfolio" and, collectively with the RISE Benchmark Portfolio, the "Benchmark Portfolios") consisting of exchange-cleared futures contracts on the cost of shipping dry bulk freight ("Freight Futures"). BDRY seeks to achieve its investment objective by investing substantially all of its assets in the Freight Futures currently constituting the BDRY Benchmark Portfolio.

The BDRY Benchmark Portfolio is maintained by Breakwave Advisors LLC ("Breakwave"), which also serves as BDRY's CTA. The BDRY Benchmark Portfolio is maintained by Breakwave and will be rebalanced annually.

#### **BDRY Commodity Trading Advisor**

Breakwave serves as BDRY's CTA. Breakwave is a Delaware limited liability company.

Breakwave is registered as a CTA with the CFTC and is a member of the NFA.

Breakwave provides its services to BDRY under a Services Agreement with the Sponsor. Under this agreement, Breakwave has agreed to compose and maintain the BDRY Benchmark Portfolio and license to the Sponsor the use of the BDRY Benchmark Portfolio.

## **BDRY Investing Strategy**

BDRY seeks to achieve its investment objective by investing substantially all of its assets in the Freight Futures currently constituting the BDRY Benchmark Portfolio. The BDRY Benchmark Portfolio will include all existing positions to maturity and settle them in cash. During any given calendar quarter, the BDRY Benchmark Portfolio will progressively increase its position to the next calendar quarter three-month strip, thus maintaining constant exposure to the Freight Futures market as positions mature.

The BDRY Benchmark Portfolio will maintain long-only positions in Freight Futures. The BDRY Benchmark Portfolio will include a combination of Capesize, Panamax and Supramax Freight Futures. More specifically, the BDRY Benchmark Portfolio will include 50% exposure in Capesize Freight Futures contracts, 40% exposure in Panamax Freight Futures contracts and 10% exposure in Supramax Freight Futures contracts. The BDRY Benchmark Portfolio will not include and BDRY will not invest in swaps, non-cleared dry bulk freight forwards or other over-the-counter derivative instruments that are not cleared through exchanges or clearing houses. BDRY may hold exchange-traded options on Freight Futures. The BDRY Benchmark Portfolio is maintained by Breakwave and will be rebalanced annually. The Freight Futures currently constituting the BDRY Benchmark Portfolio, as well as the daily holdings of BDRY will be available on BDRY's website at [www.drybulkETF.com](http://www.drybulkETF.com).

When establishing positions in Freight Futures, BDRY will be required to deposit initial margin with a value of approximately 10% to 40% of the notional value of each Freight Futures position at the time it is established. These margin requirements are established and subject to change from time to time by the relevant exchanges, clearing houses or BDRY's FCM. On a daily basis, BDRY will be obligated to pay, or entitled to receive, variation margin in an amount equal to the change in the daily settlement level of its Freight Futures positions. Any assets not required to be posted as margin with BDRY's FCM will generally be held at BDRY's custodian in cash or cash equivalents, as discussed below.

BDRY will hold cash or cash equivalents such as U.S. Treasuries or other high credit quality, short-term fixed-income or similar securities for direct investment or as collateral for the U.S. Treasuries and for other liquidity purposes and to meet redemptions that may be necessary on an ongoing basis. BDRY may also realize interest income from its holdings in U.S. Treasuries or other market rate instruments.

### **BDRY Benchmark Portfolio**

The BDRY Benchmark Portfolio is maintained by Breakwave, which also serves as BDRY's CTA. The BDRY Benchmark Portfolio consists of the Freight Futures, which are a three-month strip of the nearest calendar quarter of futures contracts on specified indexes (each a "Reference Index") that measure rates for shipping dry bulk freight. Each Reference Index is published each United Kingdom business day by the London-based Baltic Exchange Ltd. (the "Baltic Exchange") and measures the charter rate for shipping dry bulk freight in a specific size category of cargo ship – Capesize, Panamax or Supramax. The three Reference Indexes are as follows:

- **Capesize:** the Capesize 5TC Index;
- **Panamax:** the Panamax 4TC Index; and
- **Supramax:** the Supramax 6TC Index.

The Freight Futures currently constituting the BDRY Benchmark Portfolio as of June 30, 2020 include:

| <b>Name</b>  | <b>Ticker</b>    | <b>Market Value USD</b> |
|--|------------------|-------------------------|
| BALTIC EXCHANGE PANAMAX T/C AVERAGE SHIPPING ROUTE INDEX - JUL 20  | BFFAP N20 Index  | \$ 3,799,600            |
| BALTIC EXCHANGE PANAMAX T/C AVERAGE SHIPPING ROUTE INDEX - AUG 20  | BFFAP Q20 Index  | 3,768,100               |
| BALTIC EXCHANGE PANAMAX T/C AVERAGE SHIPPING ROUTE INDEX - SEP 20  | BFFAP U20 Index  | 3,753,750               |
| BALTIC EXCHANGE SUPRAMAX T/C AVERAGE SHIPPING ROUTE INDEX - JUL 20 | S58FM N20 Index  | 1,536,480               |
| BALTIC EXCHANGE SUPRAMAX T/C AVERAGE SHIPPING ROUTE INDEX - AUG 20 | S58FM Q20        | 1,746,000               |
| BALTIC EXCHANGE SUPRAMAX T/C AVERAGE SHIPPING ROUTE INDEX - SEP 20 | S58FM U20        | 1,769,220               |
| BALTIC CAPE SIZE TIME CHARTER - JUL 20                             | BFFATC N20 Index | 9,431,220               |
| BALTIC CAPE SIZE TIME CHARTER - AUG 20                             | BFFATC Q20 Index | 8,851,050               |
| BALTIC CAPE SIZE TIME CHARTER - SEP 20                             | BFFATC U20 Index | 9,041,760               |

The value of the Capesize 5TC Index is disseminated at 11:00 a.m., London Time and the value of the Panamax 4TC Index and the Supramax 6TC Index are each disseminated at 1:00 p.m., London Time. The Reference Index information disseminated by the Baltic Exchange also includes the components and value of each component in each Reference Index. Such Reference Index information also is widely disseminated by Reuters and/or other major market data vendors.

## **BDRY Trading Policies**

### ***Liquidity***

BDRY invests principally in exchange cleared futures that, in the opinion of the Sponsor, are traded in sufficient volume to permit the ready taking of orders in these financial interests.

### ***Leverage***

The Sponsor endeavors to have the value of the Fund's Treasury Securities, cash and cash equivalents, whether held by the Fund or posted as margin or collateral, at all times approximate the aggregate market value of its obligations under the Fund's Freight Futures interests, adjusted for the proportion of the current month's Freight Futures contracts whose value has already been assessed.

### ***Borrowings***

BDRY does not intend to or foresee the need to borrow money or establish lines of credit.

### ***Pyramiding***

BDRY does not and will not employ the technique, commonly known as pyramiding, in which the speculator uses unrealized profits on existing positions as variation margin for the purchase of additional positions in the same commodity interest.

### ***No Distributions***

The Sponsor has discretionary authority over all distributions made by BDRY. In view of BDRY's objective of seeking significant capital appreciation, the Sponsor currently does not intend to make any distributions, but, has the sole discretion to do so from time to time.

### ***Margin Requirements and Marking-to-Market Futures Positions***

"Initial margin" is an amount of funds that must be deposited by a commodity trader with the trader's broker to initiate an open position in futures contracts. A margin deposit is like a cash performance bond. It helps assure the trader's performance of the futures contracts that he or she purchases or sells. Futures contracts are customarily bought and sold on initial margin that represents a small percentage of the aggregate purchase or sales price of the contract. The amount of margin required in connection with a particular futures contract is set by the exchange on which the contract is traded. Brokerage firms, such as BDRY's clearing broker, carrying accounts for traders in commodity interest contracts may require higher amounts of margin as a matter of policy to further protect themselves.

Futures contracts are marked to market at the end of each trading day and the margin required with respect to such contracts is adjusted accordingly. This process of marking-to-market is designed to prevent losses from accumulating in any futures account. Therefore, if BDRY's futures positions have declined in value, BDRY may be required to post "variation margin" to cover this decline. Alternatively, if BDRY's futures positions have increased in value, this increase will be credited to BDRY's account.

### ***Futures Contracts***

The Funds enter into futures contracts to gain exposure to changes in the value of the Benchmark Portfolios. A futures contract obligates the seller to deliver (and the purchaser to accept) the future cash settlement of a specified quantity and type of a treasury futures contract at a specified time and place. The contractual obligations of a buyer or seller of a treasury futures contract may generally be satisfied by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery.

Upon entering into a futures contract, the Funds are each required to deposit and maintain as collateral at least such initial margin as required by the exchange on which the transaction is affected. The initial margin is segregated as cash held by broker, as disclosed in the Combined Statements of Assets and Liabilities, and is restricted as to its use. Pursuant to the futures contract, the Funds each agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the futures contract. Such receipts or payments are known as variation margin and are recorded by the Funds as unrealized gains or losses. The Funds will realize a gain or loss upon closing a futures transaction.

Futures contracts involve, to varying degrees, elements of market risk (specifically treasury price risk) and exposure to loss in excess of the amount of variation margin. The face or contract amounts reflect the extent of the total exposure the Funds have in the particular classes of instruments. Additional risks associated with the use of futures contracts include imperfect correlation between movements in the price of the futures contracts and the market value of the underlying securities and the possibility of an illiquid market for a futures contract. With futures contracts, there is minimal counterparty risk to the Funds since futures contracts are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures contracts, guarantees the futures contracts against default.

### ***The Funds' Service Providers***

***Administrator, Custodian, Fund Accountant, and Transfer Agent***

The Funds have each appointed U.S. Bank, a national banking association, with its principal office in Milwaukee, Wisconsin, as the custodian (the “Custodian”). Its affiliate, U.S. Bancorp Fund Services, is the Fund accountant (the “Fund Accountant”) of the Funds, transfer agent (the “Transfer Agent”) for the Funds’ shares and administrator for the Funds (the “Administrator”). It performs certain administrative and accounting services for the Funds and prepares certain SEC, NFA and CFTC reports on behalf of the Funds. (U.S. Bank and U.S. Bancorp Fund Services are referred to collectively hereinafter as “U.S. Bank”).

***Distributor***

ETFMG Financial LLC, a wholly-owned subsidiary of ETFMG (the “Distributor”), provides statutory and wholesaling distribution services to RISE. The Distributor has provided statutory and wholesaling distribution services to BDRY since it commenced trading on NYSE Arca on March 22, 2018.

The Funds pay the Distributor an annual fee for statutory and wholesaling distribution services and related administrative services equal to the greater of \$15,000 or 0.02% of the Funds' average daily net assets, payable monthly. Pursuant to the respective Marketing Agent Agreement between the Sponsor, each Fund and the Distributor, the Distributor assists the Sponsor and the applicable Fund with certain functions and duties relating to distribution and marketing services to the applicable Fund, including reviewing and approving marketing materials and certain regulatory compliance matters. The Distributor also assists with the processing of creation and redemption orders.

In no event will the aggregate compensation paid to the Distributor and any affiliate of the Sponsor for distribution-related services in connection with the offering of shares exceed ten percent (10%) of the gross proceeds of the offering. The Distributor's principal business address is 30 Maple Street, Suite 2, Summit, New Jersey, 07901.

### ***Trustee***

Under the respective Amended and Restated Declaration of Trust and Trust Agreement (each, a "Trust Agreement") for each Fund, Wilmington Trust Company, the Trustee of each of the Funds (the "Trustee") serves as the sole trustee of each Fund in the State of Delaware. The Trustee will accept service of legal process on the Funds in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. Under the respective Trust Agreement for each Fund, the Sponsor has the exclusive management and control of all aspects of the business of the Fund. The Trustee does not owe any other duties to the Funds, the Sponsor or the Shareholders of the Funds. The Trustee has no duty or liability to supervise or monitor the performance of the Sponsor, nor does the Trustee have any liability for the acts or omissions of the Sponsor.

### ***RISE Futures Commission Merchant***

Currently, SG Americas Securities, LLC, a Delaware limited liability company, serves as RISE's clearing broker to execute and clear RISE's futures and options transactions and provide other brokerage-related services. SGAS is an FCM and broker dealer registered with the CFTC and the U.S. Securities and Exchange Commission (the "SEC"), and is a member of the Financial Industry Regulatory Authority ("FINRA"). SGAS is a clearing member of all principal futures exchanges located in the United States as well as a member of the Chicago Board Options Exchange, International Securities Exchange, New York Stock Exchange, Options Clearing Corporation, and Government Securities Clearing Corporation. RISE has estimated that it will pay 0.08% of RISE's NAV annually in brokerage fees for execution and clearing services on behalf of RISE.

SGAS is headquartered at 245 Park Avenue, New York, NY 10167 with a branch office in Chicago and, as securities only branches, in Houston, Boston and Dallas.

On January 2, 2015, Newedge USA, LLC ("Newedge USA" or "NUSA") merged with and into SGAS, with the latter as the surviving entity.

The following disclosure is intended to provide information that may be material to an FCM customer regarding administrative, civil, or criminal actions filed against SGAS or Newedge USA during the last five years. Only material items have been included and the below is not a comprehensive list of all proceedings to which either entity is or has been a party. Additional information on regulatory, civil and arbitration proceedings involving SGAS or legacy Newedge USA is available through FINRA's BrokerCheck (which can be accessed electronically at [www.finra.org](http://www.finra.org)), the National Futures Association's Background Affiliation Status Information Center (which can be accessed electronically at [www.nfa.futures.org/basicnet](http://www.nfa.futures.org/basicnet)). In addition, proceedings that are material to SGAS's ultimate corporate parent Societe Generale are described under the caption "Compliance, Reputational and Legal Risks" in Societe Generale's annual Registration Document and associated updates (which are available through the Societe Generale website at [www.societegenerale.com](http://www.societegenerale.com)).

### **Regulatory Proceedings**

In October 2015, SGAS, as successor to Newedge USA, settled, without admitting or denying the allegations, a matter brought by ICE Futures U.S. that was based on alleged failures by Newedge USA to report an open interest in three energy futures contracts in accordance with the rules of the exchange over a period of approximately twenty-two business days in May and June 2014. In connection with this matter, SGAS paid a fine of \$100,000.

In October 2015, SGAS, as successor to Newedge USA, settled, without admitting or denying the allegations, a matter brought by FINRA for failing to report certain short interest positions in 2010-2012. In connection with this matter, SGAS paid a fine in the amount of \$120,000.

Beginning in late 2013, the SEC reviewed transactions by SGAS's Non-Agency Mortgage Desk in which SGAS bought baskets of securities from a counterparty and sold the securities back to the same counterparty, and also reviewed communications with counterparties regarding certain riskless principal trades. The SEC reviewed transactions that occurred between approximately December 2011 and June 2013. SGAS cooperated with the investigation and disciplined the trader involved and her supervisor. In December 2015, SGAS paid \$1,011,093 to settle the matter, consisting of a \$800,000 fine and \$211,093 in disgorgement including interest.



In December 2015, SGAS, as successor to Newedge USA, settled, without admitting or denying the allegations, a matter brought by the Chicago Board Options Exchange (Cboe) concerning Newedge USA's large option position reporting (LOPR) errors from 2010-2012. In connection with this settlement, SGAS paid a fine of \$650,000.

In June 2016, SGAS, as successor to Newedge USA, settled, without admitting or denying the allegations, a matter brought by the Chicago Board of Trade (CBOT) alleging that on six days between November 2013 and January 2014, three traders for Newedge (one employed by Newedge and two by its Canadian affiliate) entered into separate transactions with third parties prior to consummating the block trade with the counterparty in violation of CBOT Rules 432.W. and 526. The settlement included a fine in the amount of \$100,000 and a disgorgement of profits in the amount of \$19,502.50.

In September 2016, SGAS, as successor to Newedge USA, settled, without admitting or denying the allegations, a matter brought by the CFTC alleging Newedge USA violated Section 4C(A) of the Commodity Exchange Act and Regulations 1.38 and 166.3 by executed and confirming numerous exchange for physical transactions in agricultural and soft commodities for and on behalf of its clients that were for the same contract, quantity and same or similar price with the buyer and seller for each transaction under the same common control and ownership. The settlement includes a \$750,000 civil penalty and an undertaking to implement policies, procedures and training programs reasonably designed to prevent the execution, clearing and reporting to an exchange of non-bona fide exchange of futures for physical transactions.

In April 2017, SGAS settled, without admitting or denying the allegations, a matter brought by the Chicago Board of Options Exchange and NYSE ARCA, Inc. for failing to report, or accurately report, "reportable positions" on its large option position report in violation of Exchange Rules 4.2 and 4.13. In connection with this matter, SGAS paid a fine of \$100,000 to each of the Cboe and NYSE ARCA, Inc.

In April 2017, SGAS, as successor to Newedge USA settled, without admitting or denying the findings, a matter brought by FINRA for failing to establish and maintain a supervisory system reasonably designed to ensure that customers were sent account statements, notified of availability of statements on its customer portal, agreed to receive statements and confirmations electronically, and were sent confirmations which contained all of the required information. The settlement included payment of a fine in the amount of \$100,000.

In July 2017, SGAS settled, without admitting or denying the findings, a matter with the CME Group where the CME alleged SGAS violated CME Rules 9.70.A., 971.A.2.A., B. and C., 980.A. and 980.B.1 and 2. The settlement related to two separate CME exam findings: 1) balances were not consistently identifiable in the general ledger and 2) procedures for resolving the general ledger suspense balances were not sufficient. In connection with this matter, SGAS paid a fine of \$150,000.

In January 2018, SGAS, without admitting or denying the findings, settled a matter with FINRA in which FINRA alleged SGAS failed to meet certain FINRA trade reporting requirements and also disclosed the incorrect capacity on certain customer confirmations, in violation of various FINRA and NASD rules. In connection with this matter, SGAS paid a fine of \$200,000 and also undertook to re-report certain trades, pay associated transaction fees not previously paid due to the reporting issues, and revise certain of its written supervisory procedures.

In March 2018, SGAS settled, without admitting or denying the findings, a matter brought by FINRA in connection with SGAS's over-submissions of shares in certain tender offers. The settlement included payment of a fine in the amount of \$50,000 plus disgorgement of profits in the amount of \$469,130.

In September 2018, SGAS settled, without admitting or denying the findings, a matter brought by the SEC alleging that in 2012-2015 Newedge USA (and then SGAS) engaged in transactions in pre-released American Depositary Receipts (ADRs) without complying with certain obligations of the Securities Act of 1933, and failed to supervise borrowing and lending of pre-released ADRs by its personnel in violation of certain provisions of the Exchange Act of 1934. The settlement included payment of a \$250,000 fine, \$486,672 in disgorgement, and \$82,657 in pre-judgment interest.

In October 2018, SGAS settled, without admitting or denying the findings, a matter brought by FINRA on behalf of Cboe BZX, Cboe EDGA, Cboe EDGX, Nasdaq and Nasdaq PHLX regarding incorrect use of capacity codes on exchange orders in 2014-2016. The settlement included payment of fines totaling \$175,000.

In April 2019, SGAS settled, without admitting or denying the findings, a matter brought by FINRA on behalf of NYSE Arca and Cboe regarding deficiencies in large option position reporting at NUSA. The settlement included payment of a fine totaling \$600,000.

In April 2019, SGAS settled, without admitting or denying the findings, a matter brought by NYSE Regulation Enforcement which concerned an equity trade error in 2015 allegedly improperly offset by an affiliate trade. The settlement also alleged inadequate market access controls, testing, and supervisory failures associated with the cause of the trade error. The settlement included payment of a fine in the amount of \$380,000.

In May 2019, SGAS settled, without admitting or denying the findings, a matter brought by FINRA on behalf of Cboe, Nasdaq PHLX, NYSE American, and NYSE Arca concerning inaccurate capturing and recording of order receipt time and order route time for certain manual options orders sent to floor brokers. The settlement included payment of fines totaling \$115,000.

In July 2019, SGAS settled, without admitting or denying the findings, two matters brought by the CBOT and the New York Mercantile Exchange (“NYMEX”), which alleged impermissible pre-hedging of block trades as well as late and inaccurate block trade reporting in 2014-2016. The settlement included payment of fines totaling \$350,000 and disgorgement of profits totaling \$152,625.

In October 2019, SGAS settled, without admitting or denying the findings, a matter brought by NYSE Regulation Enforcement regarding alleged violations of SEC Regulation SHO and trading through National Best Bid or Offer in two instances, as well as a locate latency issue. The settlement included payment of a fine of \$325,000.

In December 2019, SGAS settled, without admitting or denying the findings, a matter brought by FINRA on behalf of Cboe Exchange, Inc. concerning late submissions of options orders into Cboe’s monthly pricing process for its volatility index (VIX). The settlement included payment of a fine totaling \$135,000.

In December 2019, SGAS settled, without admitting or denying the findings, a matter brought by NYSE Regulation Enforcement regarding alleged violations of NYSE Rules 132 and 7.33, by transmitting orders with discontinued account type indicators between 2016 and 2019. The settlement included payment of a fine totaling \$100,000.

### Litigations

*The Official Committee of Unsecured Creditors of Tribune Company, et al. v. Dennis J. Fitzsimmons, et al.; Deutsche Bank Trust Company Americas, et al. v. Adaly Opportunity Fund TD Securities Inc., et al.; and Williams A. Niese, et al. v. AllianceBernstein L.P., et al.* are lawsuits arising from the bankruptcy of the Tribune Company, which was the subject of a leveraged buyout in 2007. The suits generally allege that the LBO left the company overleveraged, thus leading to its bankruptcy, and seek to recover payments made to holders of Tribune shares under various federal and state law theories of liability. The lawsuits have been dismissed and are now on appeal. SGAS is defending the cases.

*Vega Opportunity Fund LLC v. Newedge USA, LLC* is a FINRA arbitration filed by a former NUSA customer alleging claims of fraud, deceptive trade practices, breach of fiduciary duty, breach of contract, and violation of Illinois Securities Law. NUSA is alleged to be responsible for capital losses due to false representations of risk management by NUSA. This matter has been settled and the matter is now over.

*Allianz Global Investors GmbH, et al. v. Bank of America Corporation, et al.* is a litigation filed on behalf of entities that decided to opt out of the class action settlement in the action *In re Foreign Exchange Benchmark Rates Antitrust Litigation*, which alleged conspiracy to fix prices in the FX market beginning in 2003. SGAS is defending the case.

*In re ProShares Trust II Securities Litigation* is a putative class action brought by investors in ProShares Short VIX Short-Term Futures ETFs, which lost significant value in February 2018. In addition to claims against the issuer, the action asserts claims under the Securities Act of 1933 against SGAS, Newedge, and other “Authorized Participants” who are alleged to be underwriters of ETF shares, based upon purported misstatements or omissions by the issuer in the offering documents. The complaint was dismissed in January 2020 and the matter is now on appeal. SGAS is defending the case.

*Putnam Bank v. Intercontinental Exchange, Inc., et al., City of Livonia Employees' Retirement System and City of Livonia Retiree Health and Disability Benefits Plan v. Intercontinental Exchange, Inc., et al., and Hawaii Sheet Metal Workers Health & Welfare Fund, et al. v. Intercontinental Exchange, Inc., et al.* are putative class actions concerning purported manipulation of Libor rates from February 2014 to the present brought against several financial institutions, including SG and SGAS. SG and SGAS are defending the cases.

*In re GSE Bonds Antitrust Litigation* is a putative class action asserting antitrust claims under the Sherman Act against SGAS and other financial institutions based upon alleged anti-competitive behavior in the trading of bonds issued by U.S. Government Sponsored Enterprises (GSEs), i.e., Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae). In January 2020, a global class action settlement involving multiple banks, including SGAS, was preliminarily approved by the court. *State of Louisiana v. Bank of America, N.A., et al.*; *City of Baton Rouge v. Bank of America, N.A., et al.*; and *Louisiana Asset Management Pool v. Bank of America Corporation, et al.* are pending individual lawsuits containing similar allegations. SGAS is defending the cases.

SGAS has also been named in purported class and individual actions in connection with its role in underwriting various debt and equity securities offerings. Currently pending matters relate to the offerings of Southwestern Energy and Altice USA. Claims in these cases are asserted under the Securities Act of 1933 against SGAS in its role as a member of the underwriting syndicate and are based upon purported misstatements or omissions by the issuers in the offering documents. SGAS is defending the cases.

Neither SGAS nor any affiliate, officer, director or employee thereof have passed on the merits of this Memorandum or offering, or give any guarantee as to the performance or any other aspect of the Fund.

### ***BDRY Futures Commission Merchant***

Macquarie Futures USA LLC (“Macquarie”) serves as BDRY’s broker clearing broker to execute and clear BDRY’s futures and options transactions and provide other brokerage-related services. Macquarie is an FCM registered with the CFTC. BDRY has estimated that, on an annual basis, it will pay approximately 0.40% (excluding the impact on the Fund of creation and/or redemption activity) of BDRY’s NAV in brokerage fees for execution and clearing services on behalf of BDRY.

Macquarie’s head office is at 125 West 55th Street, New York, NY 10019.

There have been no material administrative, civil or criminal actions brought, pending or concluded against Macquarie or its principals in the past five years.

Neither Macquarie nor any affiliate, officer, director or employee thereof have passed on the merits of this prospectus or offering, or give any guarantee as to the performance or any other aspect of BDRY.

Macquarie is not affiliated with either BDRY or the Sponsor. Therefore, the Sponsor and BDRY do not believe that BDRY has any conflicts of interest with Macquarie or its trading principals arising from their acting as BDRY’s FCM.

### ***Legal Counsel***

Sullivan & Worcester LLP serves as legal counsel to the Trust and the Funds.

### **Fees of the Funds**

#### ***Management and CTA Fees***

RISE and BDRY each pay the Sponsor a management fee (the “Sponsor Fee”) in consideration of the Sponsor’s advisory services to the Funds. Additionally, RISE and BDRY each pays its respective commodity trading advisor a license and service fee (the “CTA Fee”).

RISE pays the Sponsor Fee monthly in arrears, in an amount equal to the greater of 0.15% per annum of the value of RISE’s average daily net assets or \$75,000. The Sponsor Fee is paid in consideration of the Sponsor’s management services to RISE. RISE also pays its CTA Fee monthly in arrears, for the use of the RISE Benchmark Portfolio in an amount equal to 0.20% per annum of RISE’s average daily net assets.

The Sponsor has contractually agreed to waive RISE’s Sponsor Fee and/or assume RISE’s remaining expenses so that RISE’s expenses do not exceed an annual rate of 1.00%, excluding brokerage commissions, interest expense, and extraordinary expenses, of the value of RISE’s average daily net assets (the “RISE Expense Cap”). The assumption of expenses and waiver of RISE’s Sponsor fee are contractual on the part of the Sponsor, through September 30, 2021. If after that date, the Sponsor no longer assumed expenses or waived RISE’s Sponsor Fee, RISE could be adversely impacted, including in its ability to achieve its investment objective.

RISE currently accrues its daily expenses up to the RISE Expense Cap. At the end of each month, the accrued amount is remitted to the Sponsor as the Sponsor is responsible for the payment of the routine operational, administrative and other ordinary expenses of RISE. RISE’s total expenses amounted to \$456,460 and \$693,783, for the years ended June 30, 2020 and 2019, respectively, of which \$389,041 and \$184,268, respectively, was absorbed by the Sponsor pursuant to the RISE Expense Cap.

BDRY pays the Sponsor Fee, monthly in arrears, in an amount equal to the greater of 0.15% per year of BDRY’s average daily net assets, or \$125,000. BDRY’s Sponsor Fee is paid in consideration of the Sponsor’s management services to BDRY. BDRY also pays its CTA Fee monthly in arrears, for the use of BDRY’s Benchmark Portfolio in an amount equal to 1.45% per annum of BDRY’s average daily net assets.

Breakwave has agreed to waive its CTA Fee and the Sponsor has agreed to correspondingly assume the remaining expenses of BDRY so that BDRY's expenses do not exceed an annual rate of 3.50%, excluding brokerage commissions, interest expense, and extraordinary expenses, of the value of BDRY's average daily net assets (the "BDRY Expense Cap"). The assumption of expenses and waiver of BDRY's CTA Fee are contractual on the part of the Sponsor and Breakwave, respectively, through September 30, 2021. If after that date, the Sponsor and/or Breakwave no longer assumed expenses or waived the CTA Fee, respectively, BDRY could be adversely impacted, including in its ability to achieve its investment objective.

The assumption of expenses by the Sponsor for BDRY, pursuant to the BDRY Expense Cap, amounted to \$284,850 and \$477,429 for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations. The waiver of Breakwave's CTA fees, pursuant to the undertaking, amounted to \$60,769 and \$45,460 for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations. BDRY currently accrues its daily expenses up to the BDRY Expense Cap. At the end of each month, the accrued amount is remitted to the Sponsor as the Sponsor is responsible for the payment of the routine operational, administrative and other ordinary expenses of the Fund. BDRY's total expenses amounted to \$847,729 and \$667,238 for the year ended June 30, 2020 and 2019, respectively.

### ***Administrator, Custodian, Fund Accountant, and Transfer Agent Fees***

RISE has agreed to pay U.S. Bank 0.05% of assets under management (“AUM”), with a \$50,000 minimum annual fee payable for its administrative, accounting and transfer agent services and 0.01% of AUM, with an annual minimum of \$4,800 for custody services.

BDRY has agreed to pay U.S. Bank 0.05% of AUM, with a \$45,000 minimum annual fee payable for its administrative, accounting and transfer agent services and 0.01% of AUM, with an annual minimum of \$4,800 for custody services.

### ***Distribution Fees***

RISE and BDRY each pay the Distributor an annual fee for statutory and wholesaling distribution services and related administrative services equal to the greater of \$15,000 or 0.02% of RISE and BDRY’s, respectively, average daily net assets, payable monthly. Pursuant to the applicable Marketing Agent Agreement between the Sponsor, each Fund and the Distributor, the Distributor assists the Sponsor and the applicable Fund with certain functions and duties relating to distribution and marketing services to the applicable Fund, including reviewing and approving marketing materials and certain regulatory compliance matters. The Distributor also assists with the processing of creation and redemption orders.

RISE incurred \$15,539 and \$17,496 in distribution and related administrative services for the year ended June 30, 2020 and 2019, respectively. BDRY incurred \$15,821 and \$16,497 in distribution and related administrative services for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

RISE also pays the Sponsor an annual fee for wholesale support services equal to 0.1% of RISE’s average daily net assets, payable monthly. BDRY pays the Sponsor for wholesale support services at an annual rate of \$25,000 plus 0.12% of BDRY’s average daily net assets, payable monthly.

RISE incurred \$6,223 and \$45,717 in wholesale support fees for the year ended June 30, 2020 and 2019, respectively. BDRY incurred \$35,622 and \$28,762 in wholesale support fees for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

### ***Futures Commission Merchant Fees***

RISE and BDRY each pay respective brokerage commissions, including applicable exchange fees, NFA fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with trading activities in CFTC regulated investments. Brokerage commissions on futures contracts are recognized on a half-turn basis.

The Sponsor does not expect brokerage commissions and fees, on an annual basis, to exceed 0.08% for RISE, and 0.40% (excluding the impact on the Fund of creation and/or redemption activity) for BDRY, of the NAV of the applicable Fund for execution and clearing services on behalf of the applicable Fund, although the actual amount of brokerage commissions and fees in any year or any part of any year may be greater. The effects of trading spreads, financing costs associated with financial instruments, and costs relating to the purchase of Treasury Instruments or similar high credit quality short-term fixed-income or similar securities are not included in the foregoing analysis. RISE incurred \$4,961 and \$52,348 in brokerage commissions and fees for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations. BDRY incurred \$208,650 and \$34,610 in brokerage commissions and fees for the year ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

### ***Other Fees***

RISE and BDRY are each responsible for certain other expenses, including professional services (e.g., outside auditor’s fees and legal fees and expenses), shareholder Form K-1’s, tax return preparation, regulatory compliance,

and other services provided by affiliated and non-affiliated service providers. The fees for Principal Financial Officer and Chief Compliance Officer services provided to the Funds by the Sponsor amount to \$25,000 per annum. Certain additional fees paid to the Sponsor by the Funds for tax return preparation and regulatory reporting fees amount to \$30,000 and \$50,000, respectively, per annum.

### ***Extraordinary fees***

RISE and BDRY each pay all of their extraordinary fees and expenses, if any. Extraordinary fees and expenses are fees and expenses which are non-recurring and unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other unanticipated expenses. Extraordinary fees and expenses are fees and expenses which are nonrecurring and unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other unanticipated expenses. Such extraordinary fees and expenses, by their nature, are unpredictable in terms of timing and amount.

### **Form of Shares**

#### ***Registered Form***

Shares of the Funds are issued in registered form in accordance with the respective Trust Agreement for each Fund. U.S. Bank has been appointed registrar and transfer agent for the purpose of transferring shares in certificated form. U.S. Bank keeps a record of all limited partners and holders of the shares in certificated form in the registry (the "Register"). The Sponsor recognizes transfers of shares in certificated form only if done in accordance with the respective Trust Agreement for each Fund. The beneficial interests in such shares are held in book-entry form through participants and/or accountholders in the Depository Trust Company ("DTC").



### ***Book Entry***

Individual certificates are not issued for the shares. Instead, shares are represented by one or more global certificates, which are deposited by the Administrator with, or on behalf of, DTC and registered in the name of Cede & Co., as nominee for DTC. The global certificates evidence all of the shares outstanding at any time. Shareholders are limited to (1) participants in DTC such as banks, brokers, dealers and trust companies (“DTC Participants”), (2) banks, brokers, dealers and trust companies who maintain, either directly or indirectly, a custodial relationship with, or clear through, a DTC Participant (“Indirect Participants”), and (3) persons holding interests in the shares through DTC Participants or Indirect Participants, in each case who satisfy the requirements for transfers of shares.

Shareholders will be shown on, and the transfer of Shares will be effected only through, in the case of DTC Participants, the records maintained by the Depository and, in the case of Indirect Participants and Shareholders holding through a DTC Participant or an Indirect participant, through those records or the records of the relevant DTC Participants or Indirect participants. Shareholders are expected to receive, from or through which the Shareholder has purchased Shares, a written confirmation relating to their purchase of Shares.

### ***DTC***

DTC is a limited purpose trust company organized under the laws of the State of New York and is a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code and a “clearing agency” registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds securities for DTC Participants and facilitates the clearance and settlement of transactions between DTC Participants through electronic book-entry changes in accounts of DTC Participants.

### **Calculating NAV**

Each of the Funds’ NAV is calculated by:

- Taking the current market value of its total assets;
- Subtracting any liabilities; and
- Dividing that total by the total number of outstanding shares.

The Administrator calculates the NAV of the Funds once each NYSE Arca trading day. The NAV for a particular trading day is released after 4:00 p.m. E.T. Regular trading on the NYSE Arca typically closes at 4:00 p.m. E.T. In the case of RISE, the Administrator uses the CME closing price (determined at the earlier of the close of the CME or 2:30 p.m. E.T.) for the contracts traded on the CME. In the case of BDRY, the Administrator uses the Baltic Exchange settlement price for the Freight Futures and option contracts. The Administrator calculates or determines the value of all other RISE and BDRY investments using market quotations, if available, or other information customarily used to determine the fair value of such investments as of the earlier of the close of the NYSE Arca or 4.00 p.m New York time, in the case of RISE, and as of the close of the NYSE Arca (typically 4:00 p.m. E.T.), in the case of BDRY, in accordance with the current applicable Administrative Agency Agreement among U.S. Bancorp Fund Services, the Sponsor and RISE or BDRY, respectively. For purposes of calculating the NAV of RISE, “other information” customarily used in determining fair value includes information consisting of market data in the relevant market supplied by one or more third parties including, without limitation, relevant rates, prices, yields, yield curves, volatilities, spreads, correlations or other market data in the relevant market; or information of the types described above from internal sources if that information is of the same type used by RISE in the regular course of its business for the valuation of similar transactions. The information may include costs of funding, to the extent costs of funding are not and would not be a component of the other information being utilized. Third parties supplying quotations or market data may include, without limitation, dealers in the relevant markets, end-users of the relevant product, information vendors, brokers and other sources of market information.

In addition, in order to provide updated information relating to the Funds for use by investors and market professionals, an updated indicative fund value (“IFV”) is made available through on-line information services throughout the trading hours of 9:30 a.m. E.T. to 4:00 p.m. E.T. on each trading day. In the case of RISE, IFV is calculated by using the prior day’s closing NAV per share of RISE as a base and updating that value throughout the trading day to reflect changes in the most recently reported trade price for the futures and options held by RISE traded on the CME. In the case of BDRY, the IFV is calculated by using the prior day’s closing NAV per share of BDRY as a base and updating that value throughout the trading day to reflect changes in the most recently reported trade price for the futures and/or options held by BDRY. Certain Freight Futures brokers provide real time pricing information to the general public either through their websites or through data vendors such as Bloomberg or Reuters. The IFV disseminated during NYSE Arca regular trading hours should not be viewed as an actual real time update of the NAV, because the NAV is calculated only once at the end of each trading day based upon the relevant end of day values of the Funds’ investments.

The IFV is disseminated on a per share basis every 15 seconds during NYSE Arca regular trading hours. The normal trading hours of the CME are 10:00 a.m. E.T. to 2:30 p.m. E.T. The customary trading hours of the Freight Futures trading are 3:00 a.m. E.T. to 12:00 p.m. E.T. This means that there is a gap in time at the beginning and/or the end of each day during which a Fund’s shares are traded on the NYSE Arca, but real-time trading prices for contracts are not available. During such gaps in time the IFV will be calculated based on the end of day price of such contracts from the CME’s or Baltic Exchange’s immediately preceding trading session, as applicable. In addition, other investments and U.S. Treasuries held by the Funds will be valued by the Administrator, using rates and points received from client-approved third party vendors (such as Reuters and WM Company) and advisor or broker-dealer quotes. These investments will not be included in the IFV.

The NYSE Arca disseminates the IFV through the facilities of CTA/CQ High Speed Lines. In addition, the IFV is published on the NYSE Arca’s website and is available through on-line information services such as Bloomberg and Reuters.

Dissemination of the IFV provides additional information that is not otherwise available to the public and is useful to investors and market professionals in connection with the trading of a Fund's shares on the NYSE Arca. Investors and market professionals are able throughout the trading day to compare the market price of a Fund's shares and the IFV. If the market price of a Fund's shares diverges significantly from the IFV, market professionals will have an incentive to execute arbitrage trades. For example, if RISE's or BDRY's shares appear to be trading at a discount compared to the IFV, a market professional could buy RISE's or BDRY's shares on the NYSE Arca and take the opposite position in Treasury Instruments or Freight Futures, as applicable. Such arbitrage trades can tighten the tracking between the market price of a Fund's shares and the IFV and thus can be beneficial to all market participants.

### **Creation and Redemption of Shares**

The Funds create and redeem shares from time to time, but only in one or more Creation Baskets or Redemption Baskets. The creation and redemption of baskets are only made in exchange for delivery to the Funds or the distribution by the Funds of the amount of U.S. Treasuries and/or any cash represented by the baskets being created or redeemed, the amount of which is based on the combined NAV of the number of shares included in the baskets being created or redeemed determined as of 4:00 p.m. E.T. on the day the order to create or redeem baskets is properly received.

Authorized Participants are the only persons that may place orders to create and redeem baskets. Authorized Participants must be (1) registered broker-dealers or other securities market participants, such as banks and other financial institutions, that are not required to register as broker-dealers to engage in securities transactions described below, and (2) DTC Participants. To become an Authorized Participant, a person must enter into an Authorized Participant Agreement with the Sponsor. The Authorized Participant Agreement provides the procedures for the creation and redemption of baskets and for the delivery of the U.S. Treasuries and any cash required for such creation and redemptions. The Authorized Participant Agreement and the related procedures attached thereto may be amended by the respective Funds, without the consent of any limited partner or shareholder or Authorized Participant. Authorized Participants will pay a transaction fee of \$500 to the Custodian for each order they place to create or redeem one or more baskets. Authorized Participants who make deposits with a Fund in exchange for baskets receive no fees, commissions or other form of compensation or inducement of any kind from either the respective Fund or the Sponsor, and no such person will have any obligation or responsibility to the Sponsor or the respective Fund to effect any sale or resale of shares.

With respect to RISE, certain Authorized Participants are expected to be capable of participating directly in the Treasury market and the related derivatives market. In some cases, Authorized Participants or their affiliates may from time to time buy or sell Treasuries and related derivatives and may profit in these instances. The Sponsor believes that the size and operation of the Treasury market make it unlikely that an Authorized Participant's direct activities in such markets will significantly affect the price of Treasuries, related derivatives or the price of the shares.

Each Authorized Participant is required to be registered as a broker-dealer under the Exchange Act and be a member in good standing with FINRA, or exempt from being or otherwise not required to be registered as a broker-dealer or a member of FINRA, and qualified to act as a broker or dealer in the states or other jurisdictions where the nature of its business so requires. Certain Authorized Participants may also be regulated under federal and state banking laws and regulations. Each Authorized Participant has its own set of rules and procedures, internal controls and information barriers as it determines is appropriate in light of its own regulatory regime.

Under the Authorized Participant Agreements, the Sponsor has agreed to indemnify the Authorized Participants against certain liabilities, including liabilities under the 1933 Act, and to contribute to the payments the Authorized Participants may be required to make in respect of those liabilities.

### ***Creation Procedures***

On any business day, an Authorized Participant may place an order with the Transfer Agent, and accepted by the Distributor, to create one or more baskets. For purposes of processing purchase and redemption orders, a "business day" means any day other than a day when any of the NYSE Arca, the New York Stock Exchange or the CME, in the

case of RISE, or the Baltic Exchange, in the case of BDRY, is closed for regular trading. Purchase orders must be placed by 12:00 p.m. E.T. or the close of the NYSE Arca core trading session, whichever is earlier. The day on which a valid purchase order is received in accordance with the terms of the applicable “Authorized Participant Agreement” is referred to as the purchase order date. Purchase orders are irrevocable. Prior to the delivery of baskets for a purchase order, the Authorized Participant will be charged a non-refundable transaction fee due for the purchase order.

The manner by which creations are made is dictated by the terms of the applicable Authorized Participant Agreement. By placing a purchase order for Creation Baskets of RISE, an Authorized Participant agrees to deposit U.S. Treasuries, cash, or a combination of U.S. Treasuries and cash with the Custodian of RISE. If an Authorized Participant fails to so deposit, the order shall be cancelled.

***Determination of Required Deposits (RISE only)***

The total deposit required to create each basket (“Creation Basket Deposit”) is the amount of U.S. Treasuries and/or cash that is in the same proportion to the total assets of the Fund (net of estimated accrued but unpaid fees, expenses and other liabilities) on the purchase order date as the number of shares to be created under the purchase order is in proportion to the total number of shares outstanding on the purchase order date. The Sponsor determines, directly in its sole discretion or in consultation with the Administrator, the requirements for U.S. Treasuries and the amount of cash, including the maximum permitted remaining maturity of a Treasury and proportions of each Treasury and cash that may be included in deposits to create baskets. The Distributor will publish such requirements at the beginning of each business day. The amount of cash deposit required is the difference between the aggregate market value of the U.S. Treasuries required to be included in a Creation Basket Deposit as of 4:00 p.m. E.T. on the date the order to purchase is properly received and the total required deposit.

### ***Determination of Required Payment (BDRY only)***

The Creation Basket Deposit for BDRY is the NAV of 25,000 shares on the purchase order date, but only if the required payment is timely received. To calculate the NAV, the Administrator will use the Baltic Exchange settlement price (typically determined after 2:00 p.m. E.T.) for the Freight Futures.

Because orders to purchase Creation Baskets must be placed no later than 12:00 p.m. E.T., but the total payment required to create a Creation Basket typically will not be determined until after 2:00 p.m. E.T., on the date the purchase order is received, Authorized Participants will not know the total amount of the payment required to create a Creation Basket at the time they submit an irrevocable purchase order. The NAV and the total amount of the payment required to create a Creation Basket could rise or fall substantially between the time an irrevocable purchase order is submitted and the time the amount of the purchase price in respect thereof is determined.

### ***Delivery of Required Deposits (RISE only)***

An Authorized Participant who places a purchase order is responsible for transferring to the Fund's account with the Custodian the required amount of U.S. Treasuries and cash by the end of the second business day following the purchase order date. Upon receipt of the deposit amount, the Administrator directs DTC to credit the number of shares represented by the baskets ordered to the Authorized Participant's DTC account on the second business day following the purchase order date. The expense and risk of delivery and ownership of U.S. Treasuries until such U.S. Treasuries have been received by the Custodian on behalf of the Fund is borne solely by the Authorized Participant.

Because orders to purchase baskets must be placed by 12:00 p.m., E.T., but the total payment required to create a basket during the continuous offering period will not be determined until after 4:00 p.m., E.T., on the date the purchase order is received, Authorized Participants will not know the total amount of the payment required to create a basket at the time they submit an irrevocable purchase order for the basket. The Fund's NAV and the total amount of the payment required to create a basket could rise or fall substantially between the time a purchase order is submitted and the time the amount of the purchase price in respect thereof is determined.

### ***Delivery of Required Payment (BDRY only)***

An Authorized Participant who places a purchase order shall transfer to the Administrator the required amount of U.S. Treasuries and/or cash, by the end of the next business day following the purchase order date. Upon receipt of the deposit amount, the Administrator will direct DTC to credit the number of Creation Baskets ordered to the Authorized Participant's DTC account on the next business day following the purchase order date.

### ***Suspension of Purchase Orders***

The Sponsor acting by itself or through the Administrator or the Distributor may suspend the right of purchase, or postpone the purchase settlement date, for any period during which the NYSE Arca or other exchange on which the shares are listed is closed, other than for customary holidays or weekends, or when trading is restricted or suspended. None of the Sponsor, the Marketing Agent or the Administrator will be liable to any person or in any way for any loss or damages that may result from any such suspension or postponement.

### ***Rejection of Purchase Orders***

The Sponsor acting by itself or through the Distributor shall have the absolute right but no obligation to reject a purchase order or a Creation Basket Deposit if:

- it determines that the investment alternative available to the Fund at that time will not enable it to meet its investment objective (RISE only);
- it determines that the purchase order or the purchase order or Creation Basket Deposit is not in proper form;

- it believes that the purchase order or the Creation Basket Deposit would have adverse tax consequences to the Fund, the limited partners or its shareholders (RISE only);
- the acceptance or receipt of the purchase order or Creation Basket Deposit would, in the opinion of counsel to the Sponsor, be unlawful; or
- circumstances outside the control of the Sponsor, Distributor or Custodian make it, for all practical purposes, not feasible to process creations of baskets.

None of the Sponsor, Distributor or Custodian will be liable for the rejection of any purchase order or Creation Basket Deposit.

### ***Redemption Procedures***

The procedures by which an Authorized Participant can redeem one or more baskets mirror the procedures for the creation of baskets. On any business day, an Authorized Participant may place an order with the Distributor to redeem one or more baskets. Redemption orders must be placed by 12:00 p.m. E.T. or the close of the core trading session on the NYSE Arca, whichever is earlier. A redemption order so received will be effective on the date it is received in satisfactory form by the Distributor. The redemption procedures allow Authorized Participants to redeem baskets and do not entitle an individual shareholder to redeem any shares in an amount less than a Redemption Basket, or to redeem baskets other than through an Authorized Participant. Redemption orders are irrevocable.

The manner by which redemptions are made is dictated by the terms of the Authorized Participant Agreement. By placing an order for Redemption Baskets of RISE, an Authorized Participant agrees to (1) deliver the Redemption Basket to be redeemed through DTC's book-entry system to the Fund's account with the Custodian not later than 3:00 p.m. E.T. on the second business day following the effective date of the redemption order, and (2) if required by the Sponsor in its sole discretion, enter into or arrange for a block trade, an exchange for related position, or any other transaction (through itself or a designated acceptable broker) with the Fund for the sale of a number and type of futures contracts at the closing settlement price for such contracts on the redemption order date. If an Authorized Participant fails to consummate (1) and (2) above, the order shall be cancelled. The number and type of contracts specified shall be determined by the Sponsor, in its sole discretion, to meet the Fund's investment objective and shall be sold as a result of the Authorized Participant's redemption of shares. By placing an order for Redemption Baskets of BDRY, an Authorized Participant agrees to deliver the Redemption Baskets to be redeemed through DTC's book-entry system to the Fund not later than 12:00 p.m. E.T., on the next business day immediately following the redemption order date. Prior to the delivery of redemption distribution or proceeds, the Authorized Participant will be charged a non-refundable transaction fee due for the redemption order.

***Determination of Redemption Distribution (RISE only)***

The redemption distribution from the Fund consists of a transfer to the redeeming Authorized Participant of an amount of U.S. Treasuries and/or cash that is in the same proportion to the total assets of the Fund (net of estimated accrued but unpaid fees, expenses and other liabilities) on the date the order to redeem is properly received as the number of shares to be redeemed under the redemption order is in proportion to the total number of shares outstanding on the date the order is received. The Sponsor, directly or in consultation with the Administrator, determines the requirements for U.S. Treasuries and the amounts of cash, including the maximum permitted remaining maturity of a Treasury, and the proportions of U.S. Treasuries and cash that may be included in distributions to Redeem Baskets. The Distributor will publish an estimate of the redemption distribution per basket as of the beginning of each business day.

***Determination of Redemption Proceeds (BDRY only)***

The redemption proceeds from the Fund consist of a cash redemption amount equal to the NAV of the number of Baskets requested in the Authorized Participant's redemption order on the redemption order date. To calculate the NAV, the Administrator will use the Baltic Exchange settlement price (typically determined after 2:00 p.m. E.T.) for the Freight Futures.

Because orders to redeem baskets must be placed no later than 12:00 p.m. E.T., but the total amount of redemption proceeds typically will not be determined until after 2:00 p.m. E.T., on the date the redemption order is received, Authorized Participants will not know the total amount of the redemption proceeds at the time they submit an irrevocable redemption order. The NAV and the total amount of redemption proceeds could rise or fall substantially between the time an irrevocable redemption order is submitted and the time the amount of redemption proceeds in respect thereof is determined.

***Delivery of Redemption Distribution (RISE only)***

The redemption distribution due from the Fund will be delivered to the Authorized Participant by 3:00 p.m. E.T. on the second business day following the redemption order date if, by 3:00 p.m. E.T. on such second business day, the Fund's DTC account has been credited with the shares represented by the baskets to be redeemed. If the Fund's DTC account has not been credited with all of the shares represented by the baskets to be redeemed by such time, the redemption distribution will be delivered to the extent of whole baskets received. Any remainder of the redemption distribution will be delivered on the next business day to the extent of remaining shares represented by the whole baskets received if the Fund receives the fee applicable to the extension of the redemption distribution date which the Sponsor may, from time to time, determine and the remaining baskets to be redeemed are credited to the Fund's DTC account by 3:00 p.m. E.T. on such next business day. Any further outstanding amount of the redemption order will be cancelled. Pursuant to information from the Sponsor, the Custodian will also be authorized to deliver the redemption distribution notwithstanding that the baskets to be redeemed are not credited to the Fund's DTC account by 3:00 p.m.

E.T. on the second business day following the redemption order date if the Authorized Participant has collateralized its obligation to deliver the baskets through DTC's book entry-system on such terms as the Sponsor may from time to time determine.

***Delivery of Redemption Proceeds (BDRY only)***

The redemption proceeds due from the Fund will be delivered to the Authorized Participant at 1:00 p.m. E.T., on the next business day immediately following the redemption order date if, by such time, the Fund's DTC account has been credited with the baskets to be redeemed. If the Fund's DTC account has not been credited with all of the baskets to be redeemed by such time, the redemption distribution is delivered to the extent of whole baskets received. Any remainder of the redemption distribution is delivered on the next business day to the extent of remaining whole baskets received if the Fund receives the fee applicable to the extension of the redemption distribution date which the Sponsor may, from time to time, determine and the remaining baskets to be redeemed are credited to the Fund's DTC account by 1:00 p.m. E.T., on such next business day. Any further outstanding amount of the redemption order shall be cancelled. The Sponsor may cause the redemption distribution to be delivered notwithstanding that the baskets to be redeemed are not credited to the Fund's DTC account by 12:00 p.m. E.T., on the next business day immediately following the redemption order date if the Authorized Participant has collateralized its obligation to deliver the Baskets through DTC's book entry system on such terms as the Sponsor may from time to time determine.



### ***Suspension or Rejection of Redemption Orders***

The Sponsor may, in its discretion, suspend the right of redemption, or postpone the redemption settlement date, (1) for any period during which the NYSE Arca, or the CME in the case of RISE, is closed other than customary weekend or holiday closings, or trading on the NYSE Arca, or the CME, in the case of RISE, is suspended or restricted, (2) for any period during which an emergency exists as a result of which delivery, disposal or evaluation of the redemption distribution or redemption proceeds, as applicable, is not reasonably practicable, or (3) for such other period as the Sponsor determines to be necessary for the protection of the limited partners or shareholders. For example, the Sponsor may determine that it is necessary to suspend redemptions to allow for the orderly liquidation of a Fund's assets at an appropriate value to fund a redemption. If the Sponsor has difficulty liquidating its positions, e.g., because of a market disruption event in the futures markets or a suspension of trading by the exchange where the futures contracts are listed, it may be appropriate to suspend redemptions until such time as such circumstances are rectified. None of the Sponsor, the Distributor, the Transfer Agent, the Administrator, or the Custodian will be liable to any person or in any way for any loss or damages that may result from any such suspension or postponement.

Redemption orders must be made in whole baskets. The Sponsor will reject a redemption order if the order is not in proper form as described in the applicable Authorized Participant Agreement or if the fulfillment of the order, in the opinion of its counsel, might be unlawful. The Sponsor may also reject a redemption order if the number of shares being redeemed would reduce the remaining outstanding shares to 50,000 shares (minimum NYSE Arca maintenance listing requirement) or less, unless the Sponsor has reason to believe that the placer of the redemption order does in fact possess all the outstanding shares and can deliver them.

### ***Creation and Redemption Transaction Fee***

To compensate the Funds for their expenses in connection with the creation and redemption of baskets, an Authorized Participant is required to pay a transaction fee to the Custodian of \$250 per order to create or redeem baskets, regardless of the number of baskets in such order. An order may include multiple baskets. The transaction fee may be reduced, increased or otherwise changed by the Sponsor. The Sponsor will notify DTC of any change in the transaction fee and will not implement any increase in the fee for the redemption of baskets until 30 days after the date of the notice.

### ***Tax Responsibility***

Authorized Participants are responsible for any transfer tax, sales or use tax, stamp tax, recording tax, value added tax or similar tax or governmental charge applicable to the creation or redemption of baskets, regardless of whether or not such tax or charge is imposed directly on the Authorized Participant, and agree to indemnify the Sponsor and the Fund if they are required by law to pay any such tax, together with any applicable penalties, additions to tax and interest thereon.

### ***Secondary Market Transactions***

As noted, the Funds create and redeem shares from time to time, but only in one or more Creation Baskets or Redemption Baskets. The creation and redemption of baskets are only made in exchange for delivery to the Funds or the distribution by the Funds of the amount of U.S. Treasuries and cash, in the case of RISE, and cash, in the case of BDRY, represented by the baskets being created or redeemed, the amount of which will be based on the aggregate NAV of the number of shares included in the baskets being created or redeemed determined on the day the order to create or redeem baskets is properly received.

As discussed above, Authorized Participants are the only persons that may place orders to create and redeem baskets. Authorized Participants must be registered broker-dealers or other securities market participants, such as banks and other financial institutions that are not required to register as broker-dealers to engage in securities transactions. An Authorized Participant is under no obligation to create or redeem baskets, and an Authorized Participant is under no obligation to offer to the public shares of any baskets it does create. Authorized Participants that do offer to the public

shares from the baskets they create will do so at per share offering prices that are expected to reflect, among other factors, the trading price of the shares on the NYSE Arca, the NAV of the Fund at the time the Authorized Participant purchased the Creation Baskets and the NAV of the shares at the time of the offer of the shares to the public, the supply of and demand for shares at the time of sale, and the liquidity of the futures contract market and the market for Treasury Instruments or U.S. Treasuries, as applicable. The prices of shares offered by Authorized Participants are expected to fall between the Fund's NAV and the trading price of the shares on the NYSE Arca at the time of sale.

Shares initially comprising the same basket but offered by Authorized Participants to the public at different times may have different offering prices. An order for one or more baskets may be placed by an Authorized Participant on behalf of multiple clients. Authorized Participants that make deposits with the Fund in exchange for baskets receive no fees, commissions or other form of compensation or inducement of any kind from either the Fund or the Sponsor, and no such person has any obligation or responsibility to the Sponsor or the Fund to effect any sale or resale of shares.

Shares trade in the secondary market on the NYSE Arca. Shares may trade in the secondary market at prices that are lower or higher relative to their NAV per share. The amount of the discount or premium in the trading price relative to the NAV per share may be influenced by various factors, including the number of investors who seek to purchase or sell shares in the secondary market and the liquidity of the futures contracts market and the market for Treasury Instruments or U.S. Treasuries, as applicable. While the shares trade during regular trading hours on the NYSE Arca until 4:00 p.m. E.T., liquidity in the market for Treasury Instruments or Freight Futures, as applicable, may be reduced after the close of the CME at 2:30 p.m. E.T. or the Freight Futures market at approximately 12:00 p.m. E.T. As a result, during this time, trading spreads, and the resulting premium or discount, on the shares may widen.

In the case of BDRY, there are a minimum number of specified baskets and associated shares. Once the minimum number of baskets is reached, there can be no more basket redemptions until there has been a Creation Basket. In such case, market makers may be less willing to purchase shares from investors in the secondary market, which may in turn limit the ability of shareholders of the Fund to sell their shares in the secondary market. As of the date of this annual report the minimum level for BDRY is 50,000 shares, representing one basket.

In the case of BDRY, all proceeds from the sale of Creation Baskets will be invested as quickly as practicable in the investments described in this prospectus. BDRY's cash and investments are held through the Custodian, in accounts with BDRY's commodity futures brokers or in demand deposits with highly-rated financial institutions. There is no stated maximum time period for BDRY's operations and BDRY will continue its operations until all shares are redeemed or BDRY is liquidated pursuant to the terms of BDRY's Trust Agreement.

There is no specified limit on the maximum number of Creation Baskets that can be sold, although the Funds may not sell shares in Creation Baskets if such shares have not been registered with the SEC under an effective registration statement.

### **Regulatory Environment**

The regulation of futures markets, futures contracts, and futures exchanges has historically been comprehensive. The CFTC and the exchanges are authorized to take extraordinary actions in the event of a market emergency including, for example, the retroactive implementation of speculative position limits, increased margin requirements, the establishment of daily price limits and the suspension of trading.

The regulation of commodity interest transactions in the United States is an evolving area of law and is subject to ongoing modification by governmental and judicial action. Considerable regulatory attention has been focused on non-traditional investment pools that are publicly distributed in the United States. There is a possibility of future regulatory changes within the United States altering, perhaps to a material extent, the nature of an investment in the Funds, or the ability of the Funds to continue to implement its investment strategy. In addition, various national governments outside of the United States have expressed concern regarding the disruptive effects of speculative trading in the commodities markets and the need to regulate the derivatives markets in general. The effect of any future regulatory change on the Funds is impossible to predict but could be substantial and adverse.

The CFTC possesses exclusive jurisdiction to regulate the activities of commodity pool operators and commodity trading advisors with respect to "commodity interests," such as futures, swaps and options, and has adopted regulations with respect to the activities of those persons and/or entities. Under the CEA, a registered CPO, such as the Sponsor, is required to make annual filings with the CFTC and NFA describing its organization, capital structure, management and controlling persons. In addition, the CEA authorizes the CFTC to require and review books and records of, and documents prepared by, registered CPOs. Pursuant to this authority, the CFTC requires CPOs to keep accurate, current and orderly records for each pool that they operate. The CFTC may suspend the registration of a commodity pool operator (1) if the CFTC finds that the operator's trading practices tend to disrupt orderly market conditions, (2) if any controlling person of the operator is subject to an order of the CFTC denying such person trading privileges on any exchange, and (3) in certain other circumstances. Suspension, restriction or termination of the Sponsor's registration as a commodity pool operator would prevent it, until that registration were to be reinstated, from managing the Funds, and might result in the termination of the Funds if a successor sponsor is not elected pursuant to the Trust Agreement.

The Funds' investors are afforded prescribed rights for reparations under the CEA. Investors may also be able to maintain a private right of action for violations of the CEA. The CFTC has adopted rules implementing the reparation provisions of the CEA, which provide that any person may file a complaint for a reparations award with the CFTC for violation of the CEA against a floor broker or an FCM, introducing broker, commodity trading advisor, CPO, and their respective associated persons.

Pursuant to authority in the CEA, the NFA has been formed and registered with the CFTC as a registered futures association. At the present time, the NFA is the only self-regulatory organization for commodity interest professionals, other than futures exchanges. The CFTC has delegated to the NFA responsibility for the registration of CPOs and FCMs and their respective associated persons. The Sponsor and the Funds' clearing broker are members of the NFA. As such, they will be subject to NFA standards relating to fair trade practices, financial condition and consumer

protection. The NFA also arbitrates disputes between members and their customers and conducts registration and fitness screening of applicants for membership and audits of its existing members. Neither the Trust nor the Funds are required to become a member of the NFA.

The regulations of the CFTC and the NFA prohibit any representation by a person registered with the CFTC or by any member of the NFA, that registration with the CFTC, or membership in the NFA, in any respect indicates that the CFTC or the NFA has approved or endorsed that person or that person's trading program or objectives. The registrations and memberships of the parties described in this summary must not be considered as constituting any such approval or endorsement. Likewise, no futures exchange has given or will give any similar approval or endorsement.

Futures exchanges in the United States are subject to varying degrees of regulation under the CEA depending on whether such exchange is a designated contract market, exempt board of trade or electronic trading facility. Clearing organizations are also subject to the CEA and the rules and regulations adopted thereunder as administered by the CFTC. The CFTC's function is to implement the CEA's objectives of preventing price manipulation and excessive speculation and promoting orderly and efficient commodity interest markets. In addition, the various exchanges and clearing organizations themselves exercise regulatory and supervisory authority over their member firms.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") was enacted in response to the economic crisis of 2008 and 2009 and it significantly altered the regulatory regime to which the securities and commodities markets are subject. To date, the CFTC has issued proposed or final versions of almost all of the rules it is required to promulgate under the Dodd-Frank Act. The provisions of the new law include the requirement that position limits be established on a wide range of commodity interests, including agricultural, energy, and metal-based commodity futures contracts, options on such futures contracts and cleared and uncleared swaps that are economically equivalent to such futures contracts and options; new registration and recordkeeping requirements for swap market participants; capital and margin requirements for "swap dealers" and "major swap participants," as determined by the new law and applicable regulations; reporting of all swap transactions to swap data repositories; and the mandatory use of clearinghouse mechanisms for sufficiently standardized swap transactions that were historically entered into in the over-the-counter market, but are now designated as subject to the clearing requirement; and margin requirements for over-the-counter swaps that are not subject to the clearing requirements.

The Dodd-Frank Act was intended to reduce systemic risks that may have contributed to the 2008/2009 financial crisis. Since the first draft of what became the Dodd-Frank Act, supporters and opponents have debated the scope of the legislation. As the administrations of the U.S. change, the interpretation and implementation will change along with them. Nevertheless, regulatory reform of any kind may have a significant impact on U.S. regulated entities.

Current rules and regulations under the Dodd-Frank Act require enhanced customer protections, risk management programs, internal monitoring and controls, capital and liquidity standards, customer disclosures and auditing and examination programs for FCMs. The rules are intended to afford greater assurances to market participants that customer segregated funds and secured amounts are protected, customers are provided with appropriate notice of the risks of futures trading and of the FCMs with which they may choose to do business, FCMs are monitoring and managing risks in a robust manner, the capital and liquidity of FCMs are strengthened to safeguard the continued operations and the auditing and examination programs of the CFTC and the self-regulatory organizations are monitoring the activities of FCMs in a thorough manner.

Regulatory bodies outside the U.S. have also passed or proposed, or may propose in the future, legislation similar to that proposed by the Dodd-Frank Act or other legislation containing other restrictions that could adversely impact the liquidity of and increase costs of participating in the commodities markets. For example, the European Union Markets in Financial Instruments Directive (Directive 2014/65/EU) and Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014) (together “MiFID II”), which has applied since January 3, 2018, governs the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. In particular, MiFID II requires EU Member States to apply position limits to the size of a net position which a person can hold at any time in commodity derivatives traded on EU trading venues and in “economically equivalent” over-the-counter (“OTC”) contracts. By way of further example, the European Market Infrastructure Regulation (Regulation (EU) No 648/2012, as amended) (“EMIR”) introduced certain requirements in respect of OTC derivatives including: (i) the mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of un-cleared OTC derivative contracts, including the mandatory margining of un-cleared OTC derivative contracts; and (iii) reporting and recordkeeping requirements in respect of all derivatives contracts. In the event that the requirements under EMIR and MiFID II apply, these are expected to increase the cost of transacting derivatives.

In addition, considerable regulatory attention has been focused on non-traditional publicly distributed investment pools such as the Funds. Furthermore, various national governments have expressed concern regarding the disruptive effects of speculative trading in certain commodity markets and the need to regulate the derivatives markets in general. The effect of any future regulatory change on the Funds is impossible to predict, but could be substantial and adverse.

Management believes that as of June 30, 2020, it had fulfilled in a timely manner all Dodd-Frank or other regulatory requirements to which it is subject.

### **SEC Reports**

Each Fund makes available, free of charge, on its website ([www.risingrateetf.com](http://www.risingrateetf.com). for RISE and [www.drybulketf.com](http://www.drybulketf.com). for BDRY), its annual reports on Form 10-K, its quarterly reports on Form 10-Q, its current reports on Form 8-K and amendments to these reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after these forms are filed with, or furnished to, the SEC. These reports are also available from the SEC through its website at: [www.sec.gov](http://www.sec.gov).

### **CFTC Reports**

The Trust also makes available, on its website, its monthly reports and its annual reports required to be prepared and filed with the NFA under the CFTC regulations.

### **Item 1A. Risk Factors**

Not required for smaller reporting companies.

### **Item 1B. Unresolved Staff Comments.**

Not applicable.

**Item 2. Properties.**

Not applicable.

**Item 3. Legal Proceedings**

Although the Funds may, from time to time, be involved in litigation arising out of its operations in the normal course of business or otherwise, neither of the Funds is currently a party to any pending material legal proceedings.

**Item 4. Mine Safety Disclosures.**

Not applicable.

## **Part II**

### **Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

Shares of RISE have traded on the NYSE Arca under the symbol “RISE” since February 19, 2015.

As of June 30, 2020, RISE had approximately 100 holders of its shares.

Shares of BDRY have traded on the NYSE Arca under the symbol “BDRY” since March 22, 2018.

As of June 30, 2020, BDRY had approximately 1,325 holders of its shares.

#### **Dividends**

The Funds have not made and do not currently intend to make cash distributions to their shareholders.

#### **Issuer Purchases of Equity Securities**

The Funds do not purchase shares directly from their shareholders.

Authorized Participant redemption activity for each Fund during the period from April 1, 2020 through June 30, 2020 and the period from April 1, 2019 through June 30, 2019 was as follows:

| <b>RISE</b>                                     |  |                                     |
|---|--|-------------------------------------|
| <b>Period of Redemption</b>                     | <b>Total Number of Shares Redeemed</b> | <b>Average Price Paid per Share</b> |
| Period from April 1, 2020 through June 30, 2020 | —                                      | \$ —                                |
| Period from April 1, 2019 through June 30, 2019 | 750,000                                | \$ 23.69                            |

| <b>BDRY</b>                                     |  |                                     |
|---|--|-------------------------------------|
| <b>Period of Redemption</b>                     | <b>Total Number of Shares Redeemed</b> | <b>Average Price Paid per Share</b> |
| Period from April 1, 2020 through June 30, 2020 | 200,000                                | \$ 7.63                             |
| Period from April 1, 2019 through June 30, 2019 | —                                      | \$ —                                |

**Item 6. Selected Financial Data.**

Not required for small reporting companies.

**Item 7 . Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

The following discussion should be read in conjunction with the financial statements and the notes thereto of the Trust and the Fund included elsewhere in this annual report on Form 10-K.

*This information should be read in conjunction with the financial statements and notes included in Item 8 of this Annual Report (the “Report”). The discussion and analysis which follows may contain trend analysis and other forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934 which reflect our current views with respect to future events and financial results. Words such as “anticipate,” “expect,” “intend,” “plan,” “believe,” “seek,” “outlook” and “estimate,” as well as similar words and phrases, signify forward-looking statements. ETF Managers Group Commodity Trust I’s forward-looking statements are not guarantees of future results and conditions, and important factors, risks and uncertainties may cause our actual results to differ materially from those expressed in our forward-looking statements.*

*You should not place undue reliance on any forward-looking statements. Except as expressly required by the Federal securities laws, ETF Managers Capital, LLC undertakes no obligation to publicly update or revise any forward-looking statements or the risks, uncertainties or other factors described in this Report, as a result of new information, future events or changed circumstances or for any other reason after the date of this Report.*

**Overview**

The Trust is a Delaware statutory trust formed on July 23, 2014. It is a series trust currently consisting of two publicly listed series: Sit Rising Rate ETF (“RISE”) and Breakwave Dry Bulk Shipping ETF (“BDRY”). All of the series of the Trust are collectively referred to as the “Funds” and singularly as the “Fund.” Each Fund issues common units, called the “Shares,” representing fractional undivided beneficial interests in the respective Fund. The Trust and the Funds operate pursuant to the Trust’s Amended and Restated Declaration of Trust and Trust Agreement (the “Trust Agreement”).



The Sponsor has the power and authority to establish and designate one or more series and to issue shares thereof, from time to time as it deems necessary or desirable. The Sponsor has exclusive power to fix and determine the relative rights and preferences as between the shares of any series as to the right of redemption, special and relative rights as to dividends and other distributions and on liquidation, conversion rights, and conditions under which the series shall have separate voting rights or no voting rights. The term for which the Trust is to exist commenced on the date of the filing of the Certificate of Trust, and the Trust, the Funds, and any additional series created in the future will exist in perpetuity, unless earlier terminated in accordance with the provisions of the Trust Agreement. Separate and distinct records shall be maintained for each Fund and the assets associated with a Fund shall be held in such separate and distinct records (directly or indirectly, including a nominee or otherwise) and accounted for in such separate and distinct records separately from the assets of any other series. The Funds and each future series will be separate from all such series in respect of the assets and liabilities allocated to a Fund and each separate series and will represent a separate investment portfolio of the Trust.

The sole Trustee of the Trust is Wilmington Trust, N.A. (the "Trustee"), and the Trustee serves as the Trust's corporate trustee as required under the Delaware Statutory Trust Act ("DSTA"). The Trustee's principal offices are located at 1100 North Market Street, Wilmington, Delaware 19890. The Trustee is unaffiliated with the Sponsor. The rights and duties of the Trustee and the Sponsor with respect to the offering of the Shares and Fund management and the shareholders are governed by the provisions of the DSTA and by the Trust Agreement.

On January 29, 2015, the initial Form S-1 for the Fund was declared effective by the U.S. Securities and Exchange Commission (“SEC”). On January 8, 2015, 4 Creation Baskets for the Fund were issued representing 200,000 shares and \$5,000,000. The Fund began trading on the New York Stock Exchange (“NYSE”) Arca on February 19, 2015.

On March 9, 2018, the initial Forms S-1 for BDRY was declared effective by the SEC. On March 21, 2018, two Creation Baskets were issued for the Fund, representing 100,000 shares and \$2,500,000. The Fund began trading on the New York Stock Exchange (“NYSE”) Arca on March 22, 2018.

Each Fund is designed and managed to track the performance of a portfolio (a “Benchmark Portfolio”) consisting of futures contracts and options on futures contracts (the “Benchmark Component Instruments”).

### **Results of Operations**

RISE commenced investment operations on February 19, 2015 at \$25.00 per Share. The Shares have been trading on the NYSE Arca since February 19, 2015 under the symbol “RISE”.

BDRY commenced investment operations on March 22, 2018 at \$25.00 per Share. The Shares have been trading on the NYSE Arca since March 22, 2018 under the symbol “BDRY.”

Each Fund seeks to track the daily return of the applicable Benchmark Portfolio, over time, plus the excess, if any, of the Fund’s interest income from its holdings of United States Treasury Obligations, options and futures, and, if applicable, other high credit quality short-term fixed income securities over the expenses of the Fund.

The following graphs illustrate changes in (i) the price of each Fund’s Shares (reflected, as applicable, by the graphs “Comparison of Per Share RISE NAV to RISE Market Value for the Three Months Ended June 30, 2020 and 2019” and “Comparison of Per Share RISE NAV to RISE Market Value for the Year Ended June 30, 2020 and 2019 and (ii) the Fund’s NAV (as reflected by the graphs “Comparison of RISE NAV to Benchmark Index for the Three Months Ended June 30, 2020 and 2019” and “Comparison of RISE NAV to Benchmark Index for the Year Ended June 30, 2020 and 2019”).

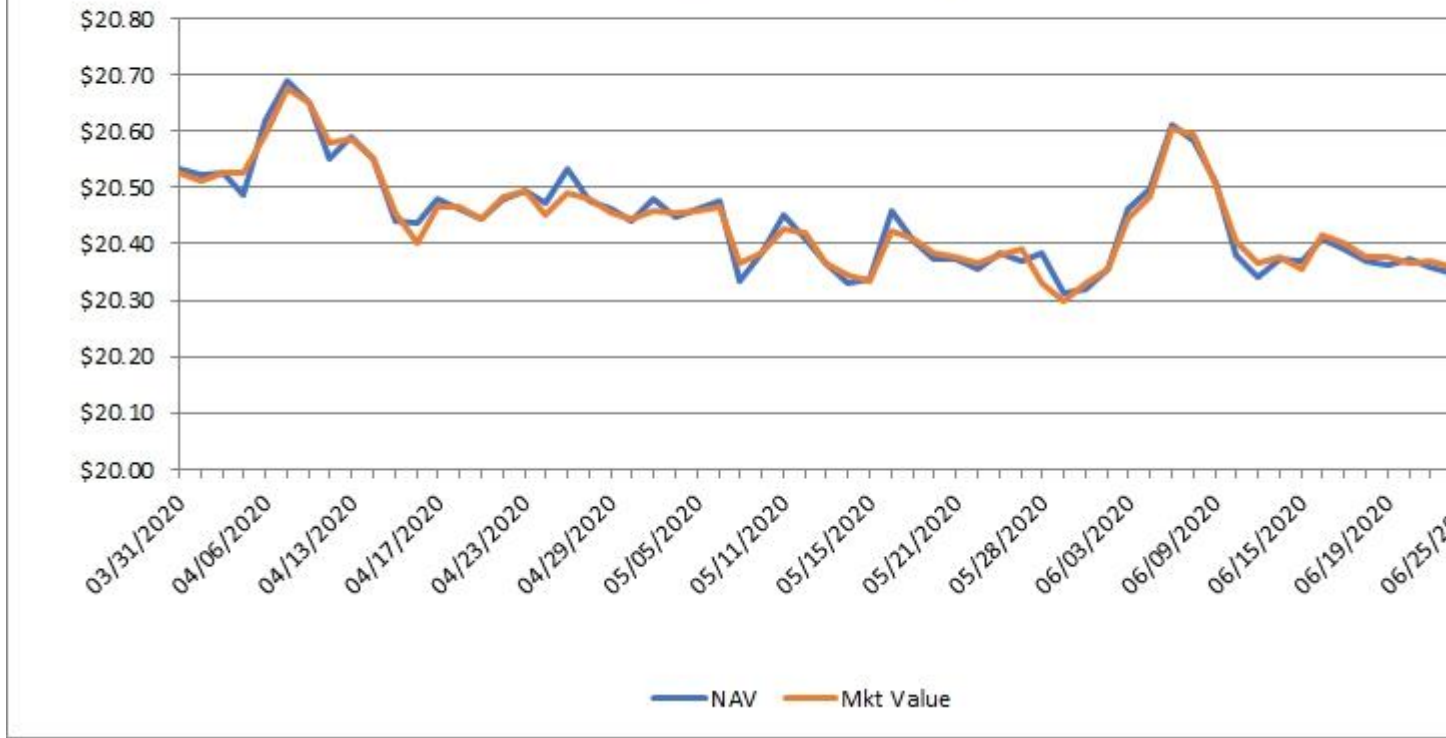
Each Benchmark Portfolio is frictionless, in that it does not take into account fees or expenses associated with investing in the applicable Fund. The performance of the Funds involves friction, in that fees and expenses impose a drag on performance.

### ***Sit Rising Rate ETF***

During the year ended June 30, 2020, interest rates went from being stable to declining sharply due to a flight to quality sparked by the COVID-19 pandemic. RISE is particularly sensitive to the impact of changes in the Fed funds rate which declined from 1.50% to nearly zero in March 2020. As a result, this decline in the Fed funds rate drove up treasury bond prices. Since the RISE portfolio is short bond futures, this caused the net asset value per share of RISE to decline.

The Federal Reserve reduced interest rates drastically to try to help off-set some of the economic decline from the economy shutting down in an attempt to slow the spread of the virus. The Fed also pursued other policies in an attempt to stabilize financial markets. While financial markets have stabilized, interest rates remain low as investors expect the Fed to keep interest rates low until economic activity returns to a more normalized level, which could be sometime in 2021 once a vaccine has been widely distributed.

COMPARISON OF PER SHARE RISE NAV TO RISE MARKET VALUE FOR THE THREE MONTHS ENDED JUNE 30, 2020



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The per Share market value of RISE and its NAV tracked closely for the three months ended June 30, 2020.

### COMPARISON OF PER SHARE RISE NAV TO RISE MARKET VALUE FOR THE YEAR ENDED JUNE 30, 2020



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

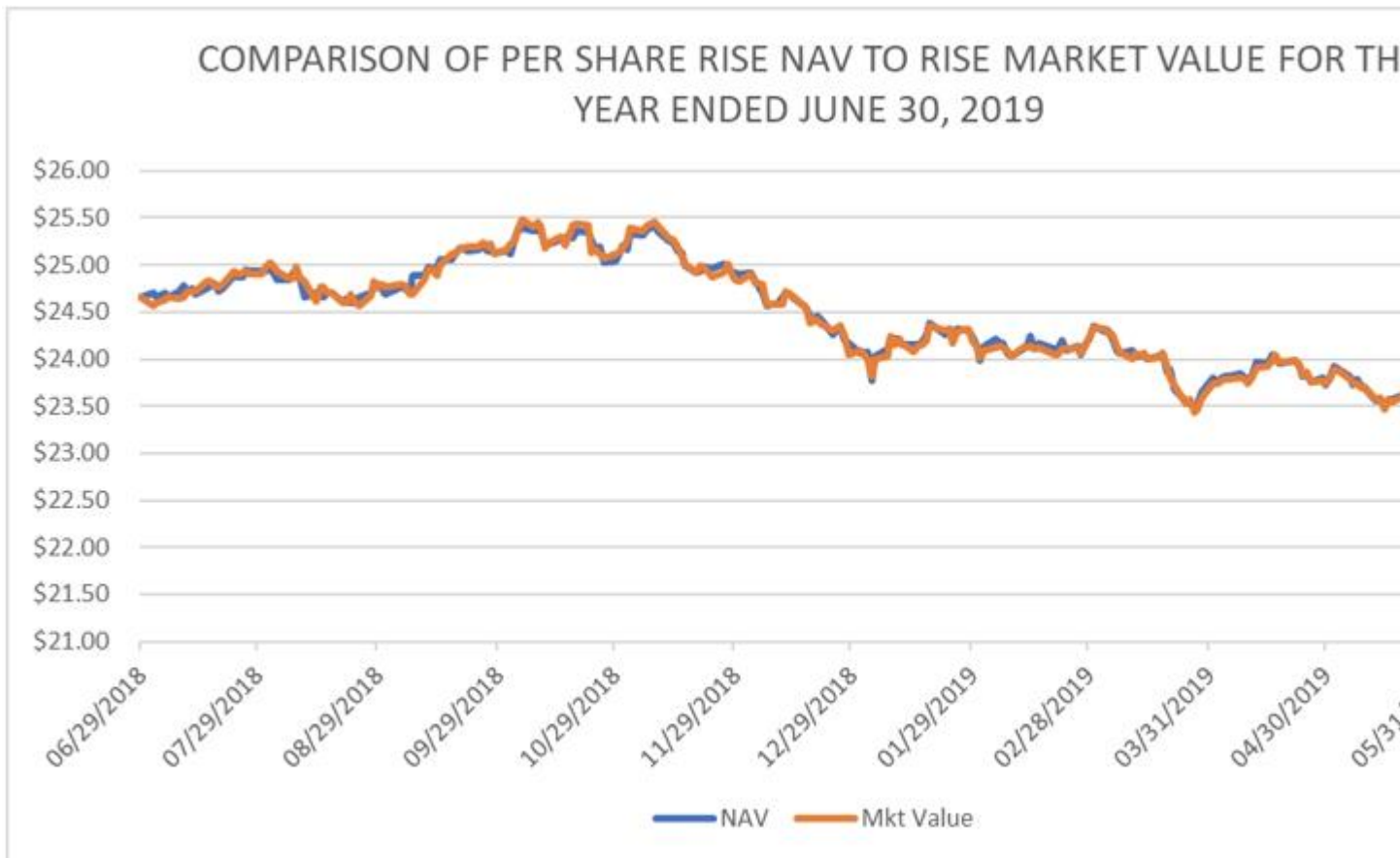
The per Share market value of RISE and its NAV tracked closely for the year ended June 30, 2020.

COMPARISON OF PER SHARE RISE NAV TO RISE MARKET VALUE FOR THE THREE MONTHS ENDED JUNE 30, 2019



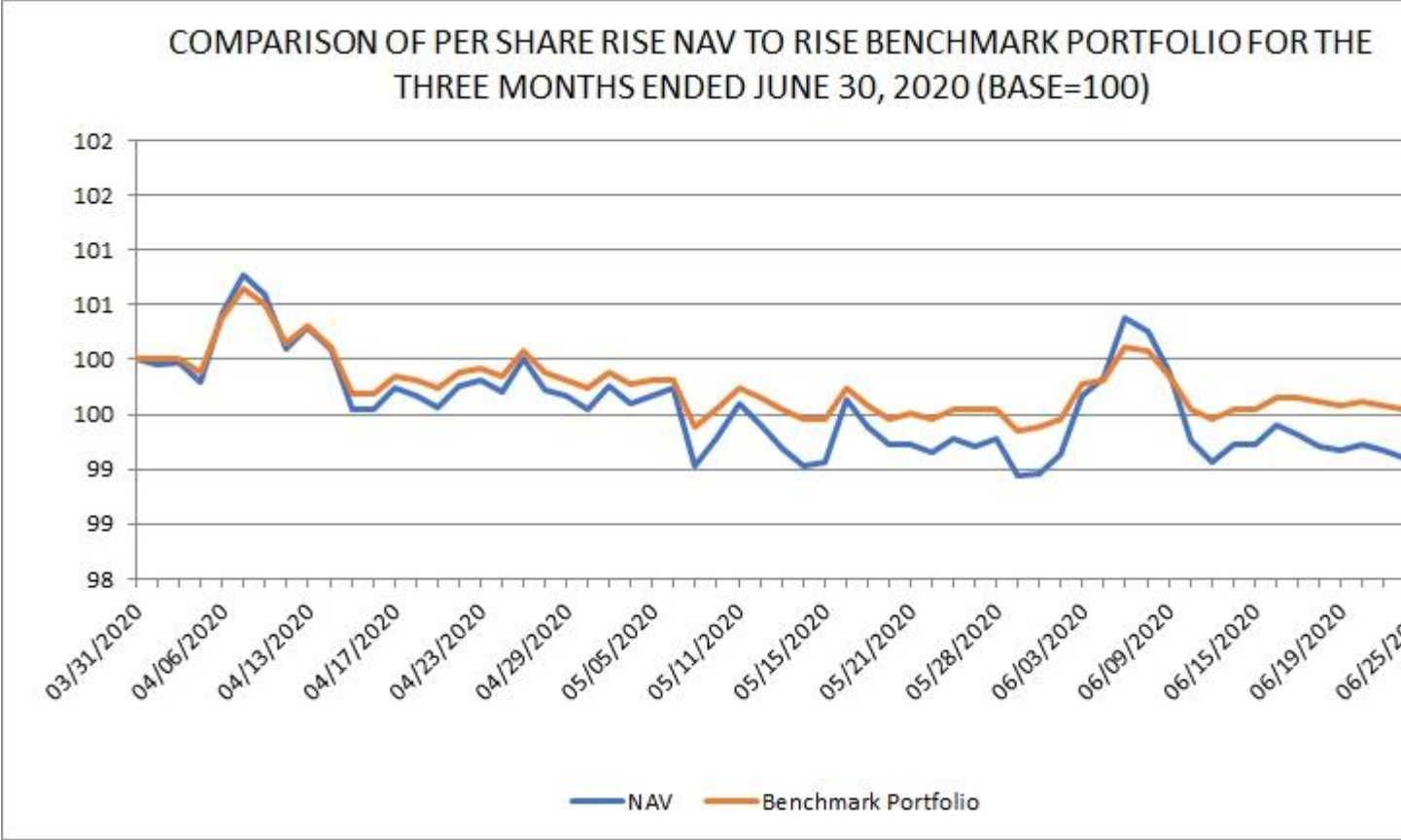
***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The per Share market value of RISE and its NAV tracked closely for the three months ended June 30, 2019.



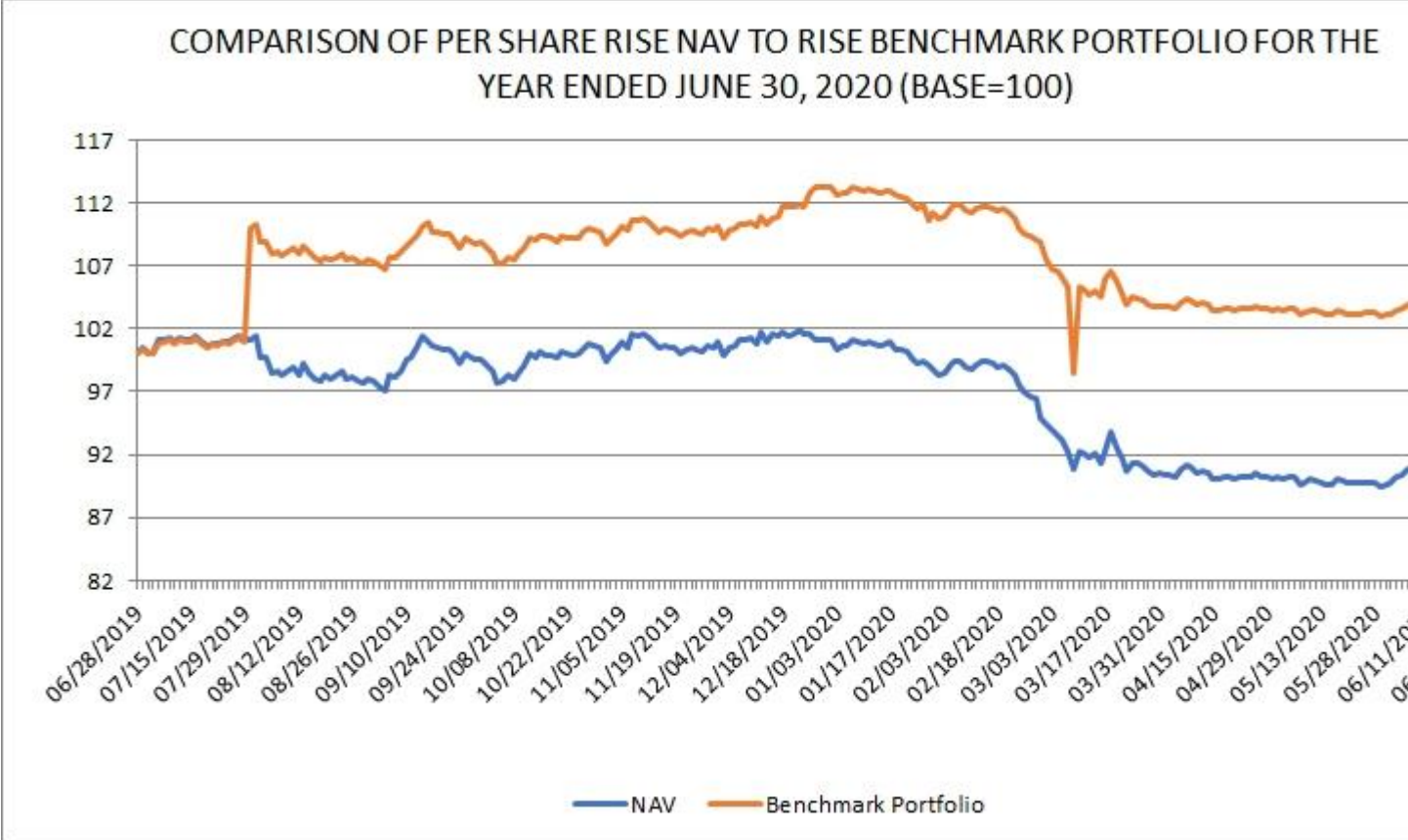
***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The per Share market value of RISE and its NAV tracked closely for the year ended June 30, 2019.



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR BENCHMARK PORTFOLIO LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

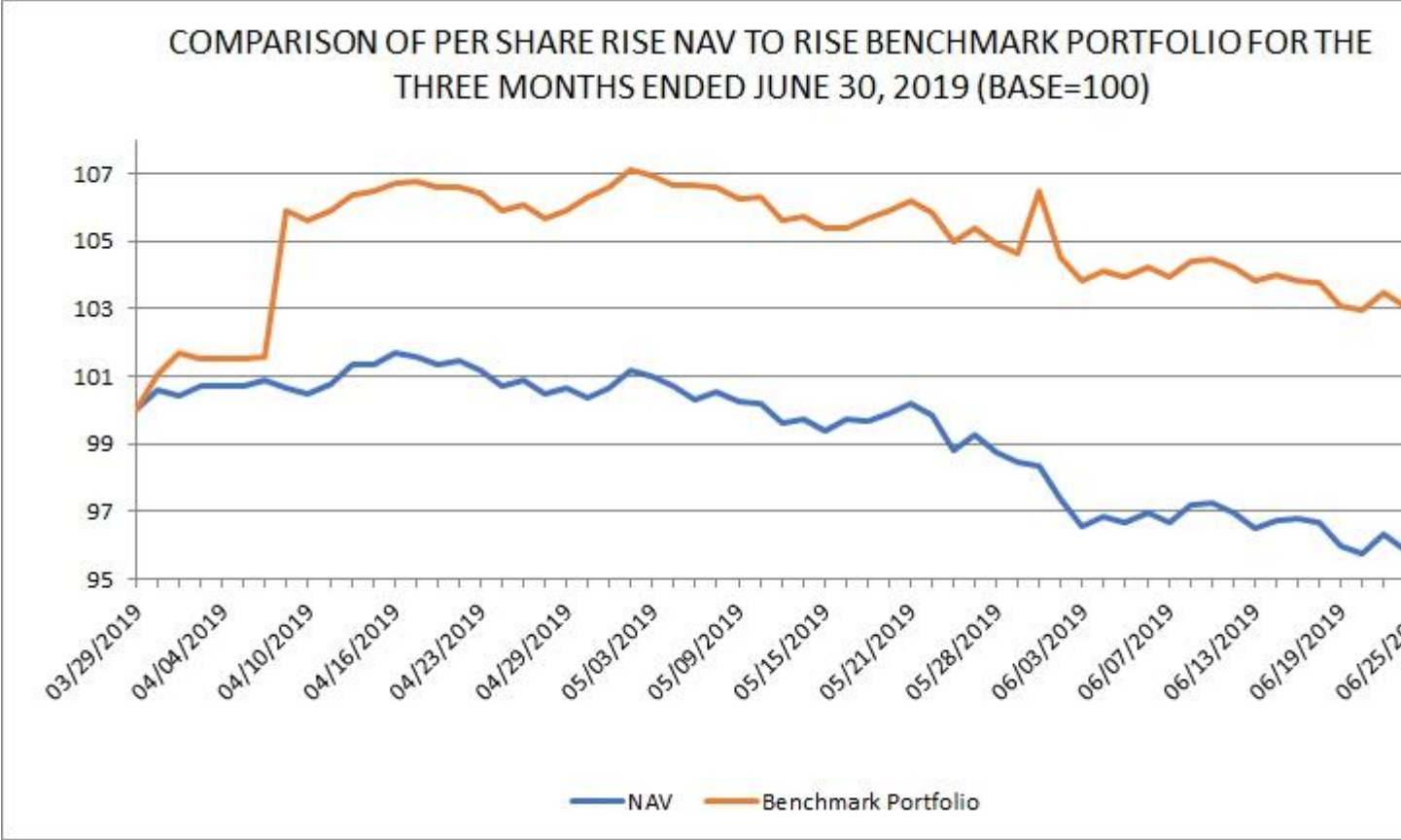
The graph above compares the return of RISE with the benchmark portfolio returns for the three months ended June 30, 2020. The difference in the NAV price and the benchmark value often results in the appearance of a NAV premium or discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's income and expenses during the period presented in the chart above.



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR BENCHMARK PORTFOLIO LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

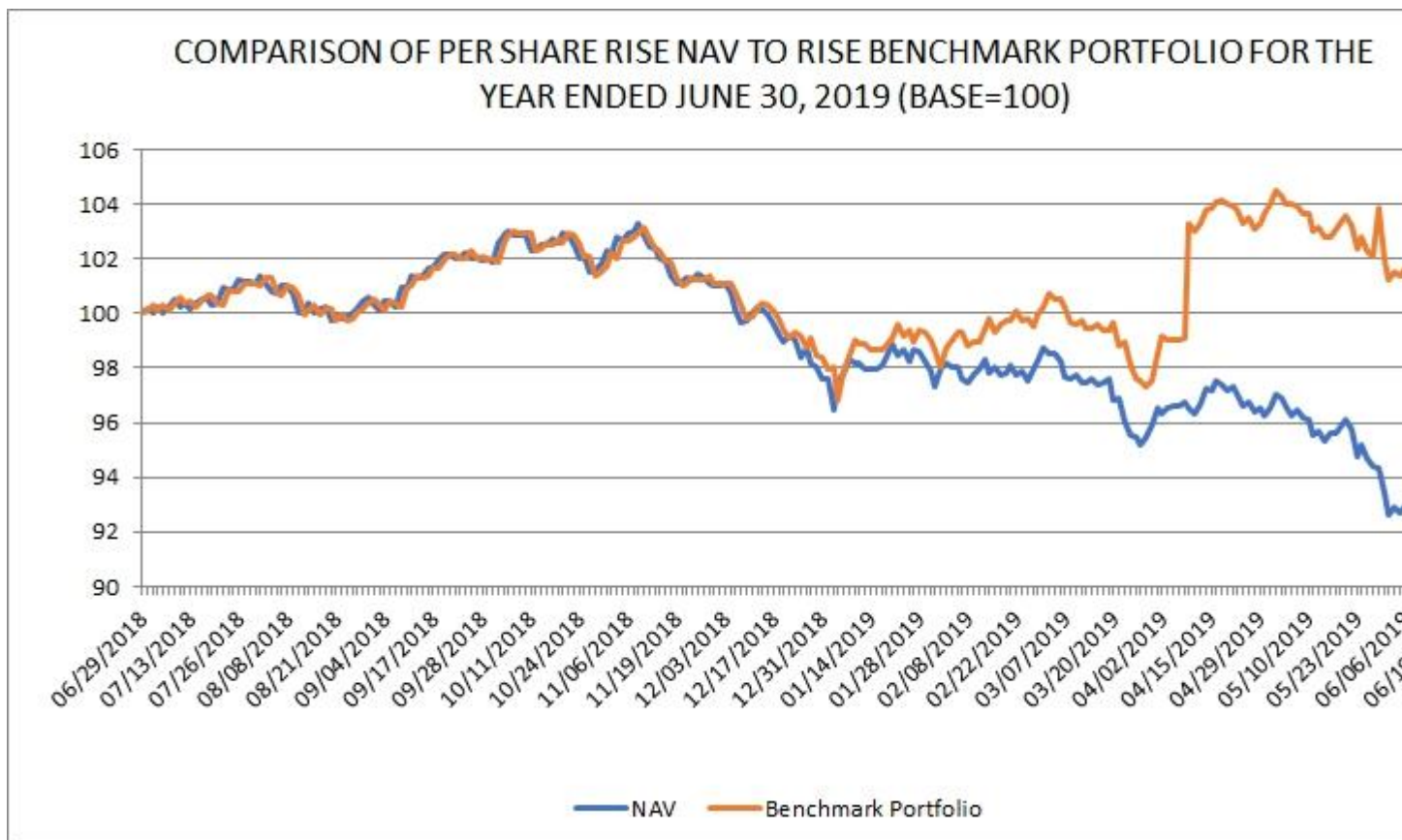
The graph above compares the return of RISE with the benchmark portfolio returns for the year ended June 30, 2020. The difference in the NAV price and the benchmark value often results in the appearance of a NAV discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's expenses during the period presented in the chart above.





***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR BENCHMARK PORTFOLIO LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The graph above compares the return of RISE with the benchmark portfolio returns for the three months ended June 30, 2019. The difference in the NAV price and the benchmark value often results in the appearance of a NAV discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's expenses during the period presented in the chart above.



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR BENCHMARK PORTFOLIO LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The graph above compares the return of RISE with the benchmark portfolio returns for the year ended June 30, 2019. The difference in the NAV price and the benchmark value often results in the appearance of a NAV discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's expenses.

**FOR THE YEAR ENDED JUNE 30, 2020**

*Fund Share Price Performance*

During the year ended June 30, 2020, the NYSE Arca market value of each share decreased (-10.87%) from \$22.73 per share, representing the closing price on June 28, 2019, to \$20.26 per share, representing the closing price on June 30, 2020. The share price high and low for the year ended June 30, 2020 and related change from the closing share price on June 30, 2019 was as follows: shares traded from a high of \$23.10 per share (+1.63%) on December 18, 2019 to a low of \$19.93 per share (-12.32%) on April 16, 2020.

*Fund Share Net Asset Value Performance*

For the year ended June 30, 2020, the net asset value of each share decreased (-10.70%) from \$22.70 per share to \$20.27 per share. Net losses in the futures and options contracts more than offset Fund net investment income resulting in the overall decrease in the NAV per share during the year ended June 30, 2020.

Net loss for the year ended June 30, 2020, was \$520,302, resulting from net realized losses on investments, futures and options contracts of \$903,915, net unrealized gains on investments, futures and options contracts of \$336,740, and the net investment income of \$46,873.

#### **FOR THE YEAR ENDED JUNE 30, 2019**

##### *Fund Share Price Performance*

During the year ended June 30, 2019, the NYSE Arca market value of each share decreased (-7.83%) from \$24.66 per share, representing the closing price on June 29, 2018, to \$22.73 per share, representing the closing price on June 28, 2019. The share price high and low for the year ended June 30, 2019 and related change from the closing share price on June 29, 2018 was as follows: shares traded from a high of \$25.50 per share (+3.41%) on October 5, 2018 and November 8, 2018 to a low of \$22.635 per share (-8.21%) on June 25, 2019.

##### *Fund Share Net Asset Value Performance*

For the year ended June 30, 2019, the net asset value of each share decreased (-7.91%) from \$24.65 per share to \$22.70 per share. Net losses in the futures and options contracts more than offset Fund net investment income resulting in the overall decrease in the NAV per share during the year ended June 30, 2019.

Net loss for the year ended June 30, 2019, was \$2,753,749, resulting from net realized losses on investments, futures and options contracts of \$3,673,921, net unrealized gains on investments, futures and options contracts of \$443,911, and the net investment income of \$476,261.

## **FOR THE THREE MONTHS ENDED JUNE 30, 2020**

### *Fund Share Price Performance*

During the three months ended June 30, 2020, the NYSE Arca market value of each Share decreased (-1.32%) from \$20.53 per Share, representing the closing price on March 31, 2020, to \$20.26 per Share, representing the closing price on June 30, 2020. The Share price high and low for the three months ended June 30, 2020 and related change from the closing Share price on March 31, 2020 was as follows: Shares traded from a high of \$20.75 per Share (+1.07%) on June 5, 2020 to a low of \$19.93 per Share (-2.92%) on April 16, 2020.

### *Fund Share Net Asset Performance*

For the three months ended June 30, 2020, the net asset value of each Share decreased (-1.27%) from \$20.53 per Share to \$20.27 per Share. For the three months ended June 30, 2020, losses in the investments, futures and options contracts more than offset Fund net investment income resulting in the overall decrease in the NAV per Share during the period.

Net loss for the three months ended June 30, 2020, was \$65,490, resulting from net realized losses on investments, futures and options contracts of \$483,292, net unrealized gains on investments, futures and options contracts of \$413,306, and the net investment income of \$4,496.

## **FOR THE THREE MONTHS ENDED JUNE 30, 2019**

### *Fund Share Price Performance*

During the three months ended June 30, 2019, the NYSE Arca market value of each Share decreased (-3.65%) from \$23.59 per Share, representing the closing price on March 29, 2019, to \$22.73 per Share, representing the closing price on June 28, 2019. The Share price high and low for the three months ended June 30, 2019 and related change from the closing Share price on March 29, 2019 was as follows: Shares traded from a high of \$24.045 per Share (+1.93%) on April 17, 2019 to a low of \$22.635 per Share (-4.05%) on June 25, 2019.

### *Fund Share Net Asset Performance*

For the three months ended June 30, 2019, the net asset value of each Share decreased (-4.02%) from \$23.65 per Share to \$22.70 per Share. For the three months ended June 30, 2019, losses in the investments, futures and options contracts more than offset Fund net investment income resulting in the overall decrease in the NAV per Share during the period.

Net loss for the three months ended June 30, 2019, was \$439,961, resulting from net realized losses on investments, futures and options contracts of \$759,399, net unrealized gains on investments, futures and options contracts of \$276,630, and the net investment income of \$42,808.

### ***Breakwave Dry Bulk Shipping ETF***

During the year ended June 30, 2020, dry bulk spot rates experienced considerable volatility for the second year in a row, as the disruption of iron ore exports out of Brazil following the 2019 Brumadinho dam rupture combined with the extreme economic and trade disruption caused by the COVID-19 virus outbreak, dominated shipping market fundamentals. Brazil iron ore exports, a major commodity shipped by dry bulk vessels, ended the 2019 calendar year lower by about 10% as Vale's exports were severely impacted by the rupture of the aforementioned tailings dam in January of 2019. Although freight rates enjoyed a strong summer and autumn due to imbalances in ship supply between the Atlantic and the Pacific regions, once such imbalances normalized, rates declined towards the end of 2019 as trade volumes remained weak. In early 2020, the COVID-19 outbreak caused a severe disruption in trade and global economies came to a virtual halt leading to a collapse in demand for commodities. China was the first major economy to see some gradual recovery toward the second calendar quarter of 2020, which led to a slight uptick in dry bulk freight rates.

An ongoing economic recovery and considerable stimulus efforts by the major economies around the globe because of COVID-19 should benefit the shipping markets, which was also evident by strong realized freight rates during the summer of 2020. Although the global economic recovery seems strong, it is also highly fragile as the persistence of the COVID-19 virus remains a major risk globally. If the global economy remains on the path of growth, then shipping

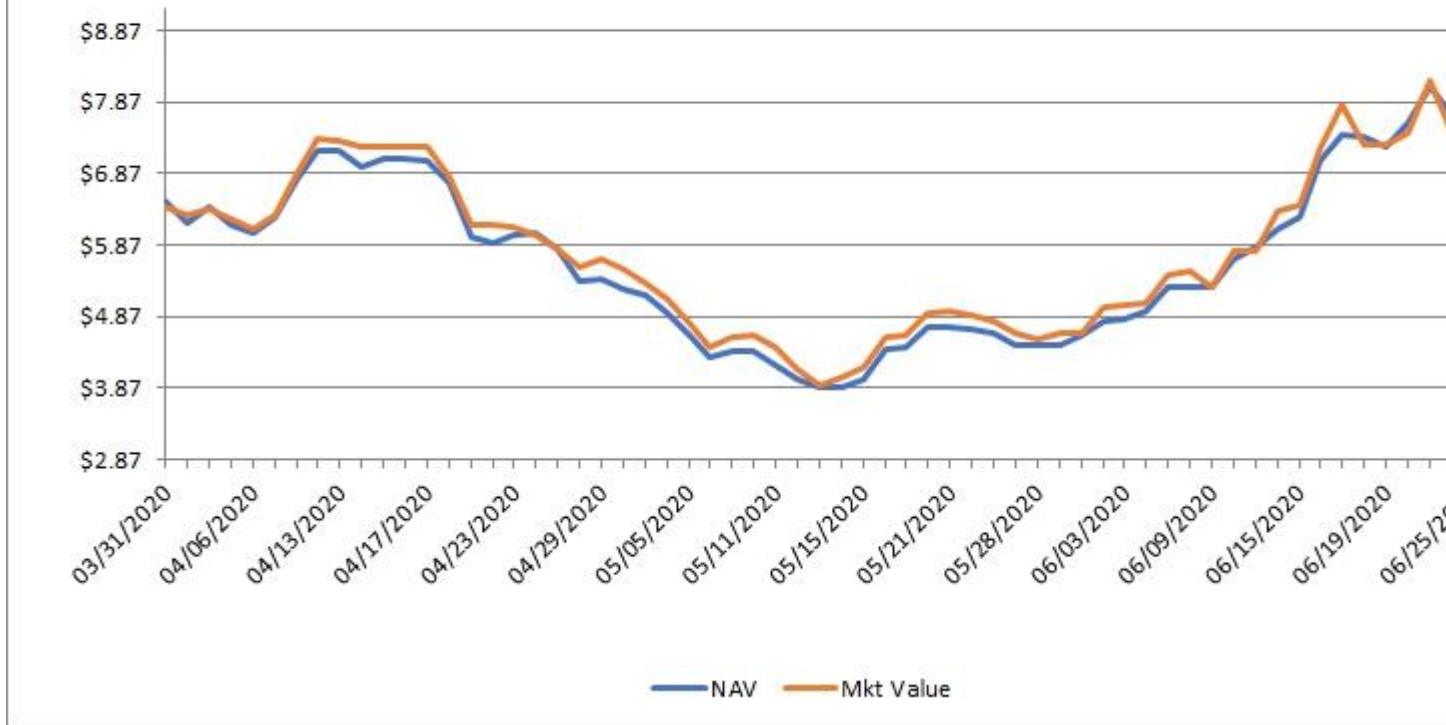
should benefit as trade flows should continue to increase. Dry bulk should also see increasing demand due to high iron ore flows into China, as local steel demand remains robust supporting strong imports.

Differences in the benchmark return and BDRY net asset value per share are due primarily to the following factors:

- Benchmark portfolio uses settlement prices of freight futures vs. closing share price for BDRY.
- Benchmark portfolio roll methodology assumes rolls that happen even at fractions of lots vs. BDRY that transacts at real minimum lot size available pursuant to market practice (5 lots minimum)
- Benchmark portfolio assumes rolls that are happening at settlement prices vs. BDRY that transacts at prevailing prices during the day that might or might not be equal to settlement prices.
- Benchmark portfolio assumes no trading commissions vs. BDRY that pays 10bps of nominal value in commissions per transaction.
- Benchmark portfolio assumes no clearing fees vs BDRY that pays approximately \$10 per lot in clearing fees per transaction.
- Benchmark portfolio assumes no management fees vs. BDRY fee structure.
- Creations and redemptions that lead to transactions in the freight futures market might occur at prices that might be different versus the settlement prices of that day.

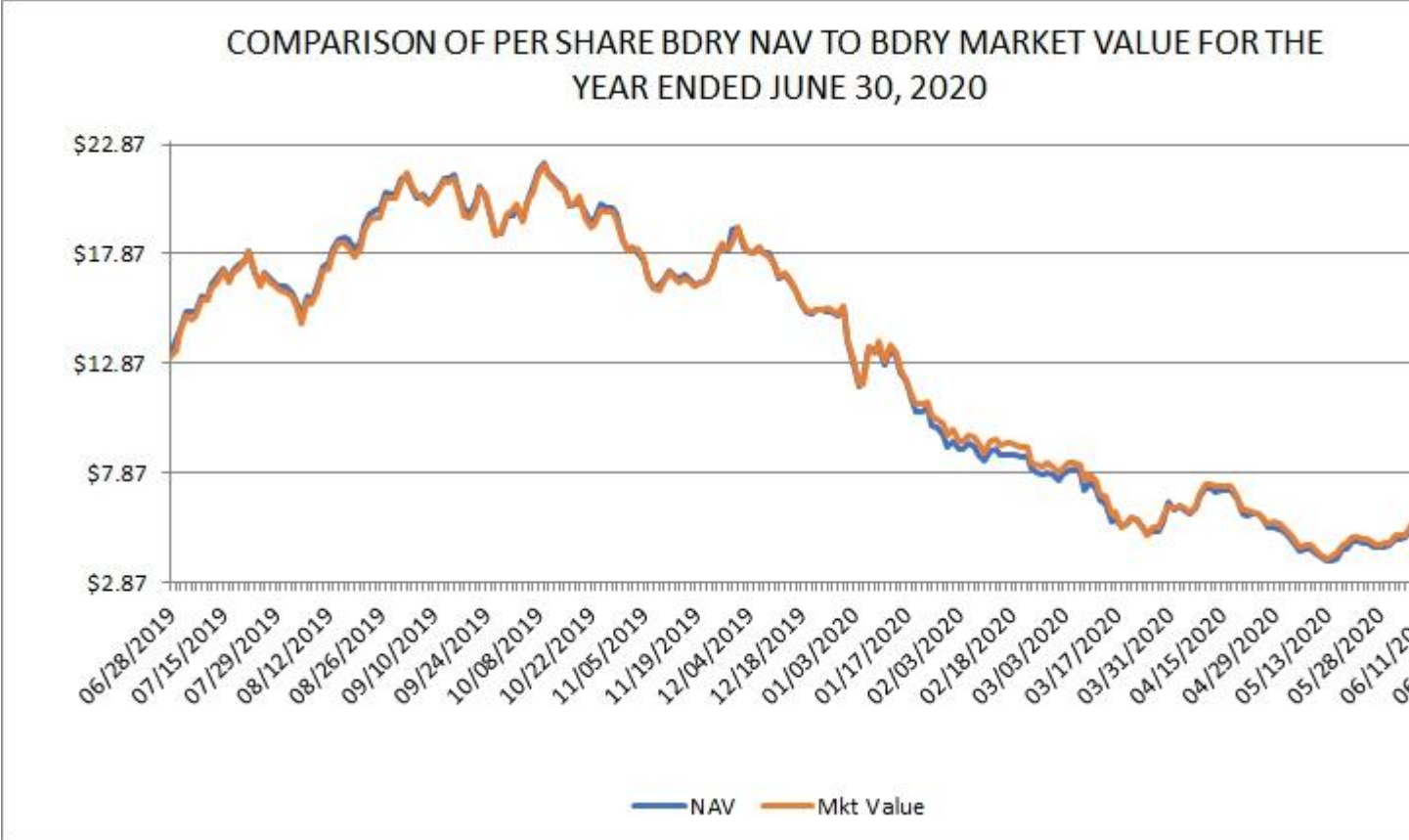
There are no known competitors. BDRY is the only freight futures ETF globally.

COMPARISON OF PER SHARE BDRY NAV TO BDRY MARKET VALUE FOR THE THREE MONTHS ENDED JUNE 30, 2020



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

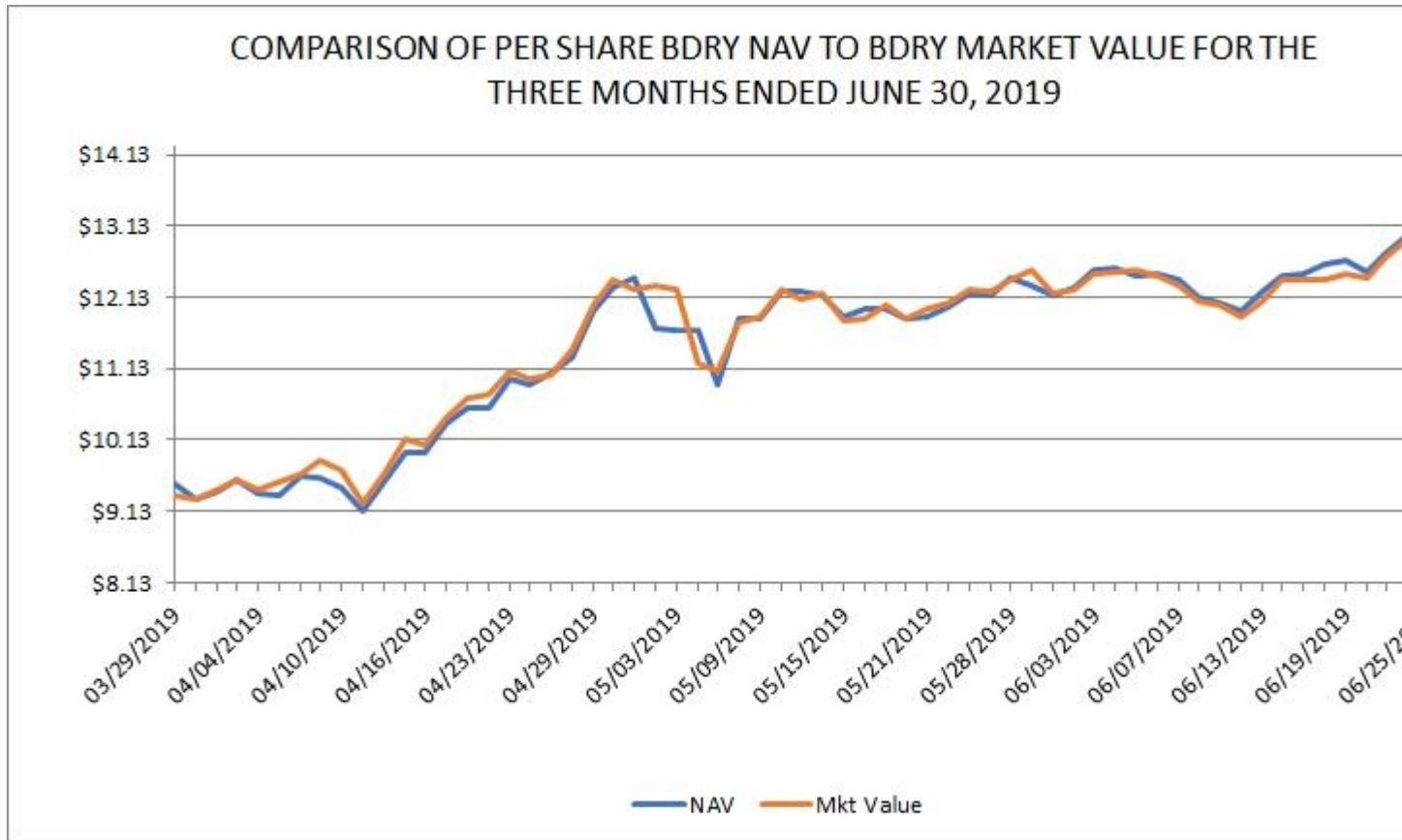
The per Share market value of BDRY and its NAV tracked closely for the three months ended June 30, 2020.



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The per Share market value of BDRY and its NAV tracked closely for the year ended June 30, 2020.

COMPARISON OF PER SHARE BDRY NAV TO BDRY MARKET VALUE FOR THE THREE MONTHS ENDED JUNE 30, 2019



***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR INDEX LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The per Share market value of BDRY and its NAV tracked closely for the three months ended June 30, 2019.

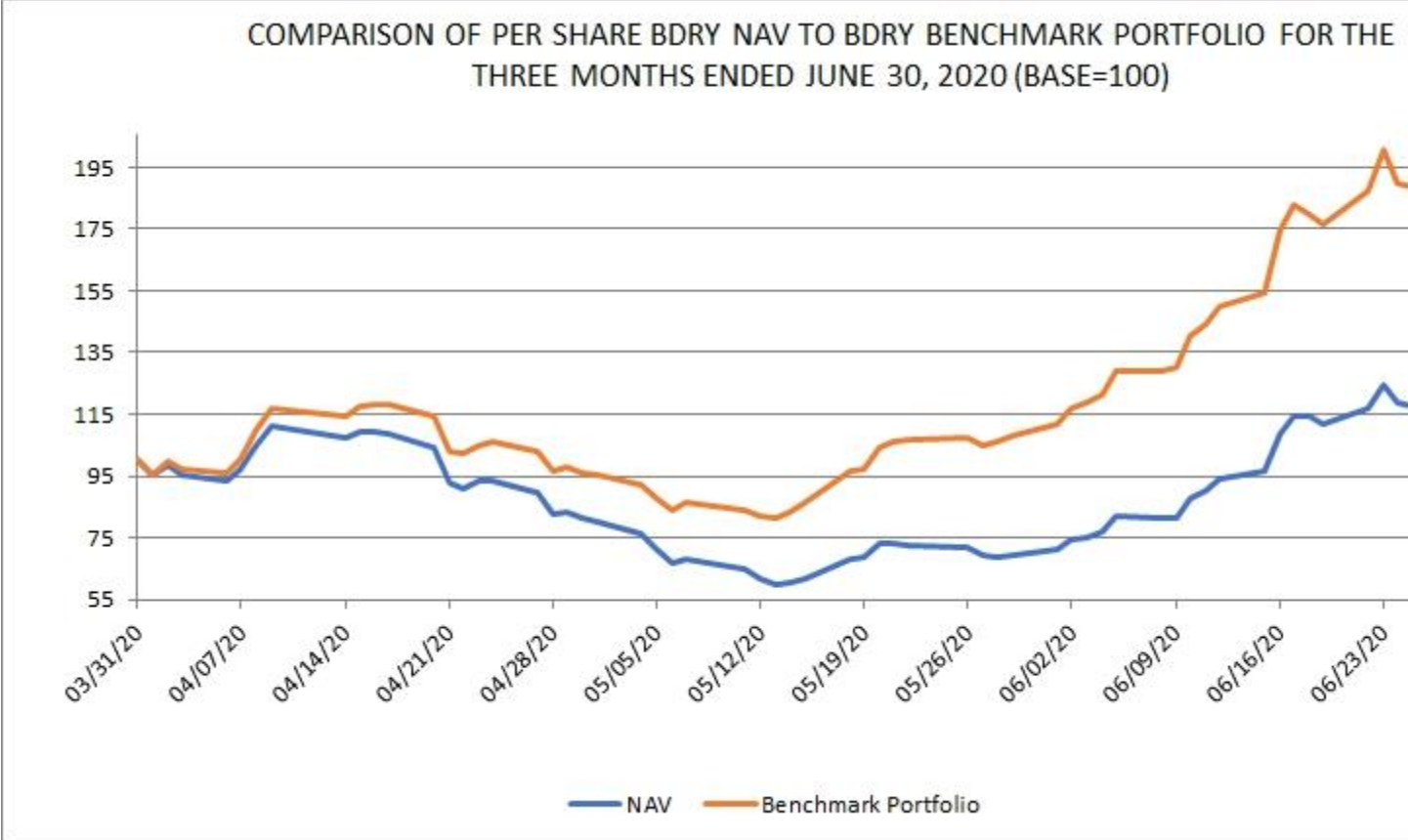


COMPARISON OF PER SHARE BDRY NAV TO BDRY MARKET VALUE FOR THE YEAR ENDED JUNE 30, 2019



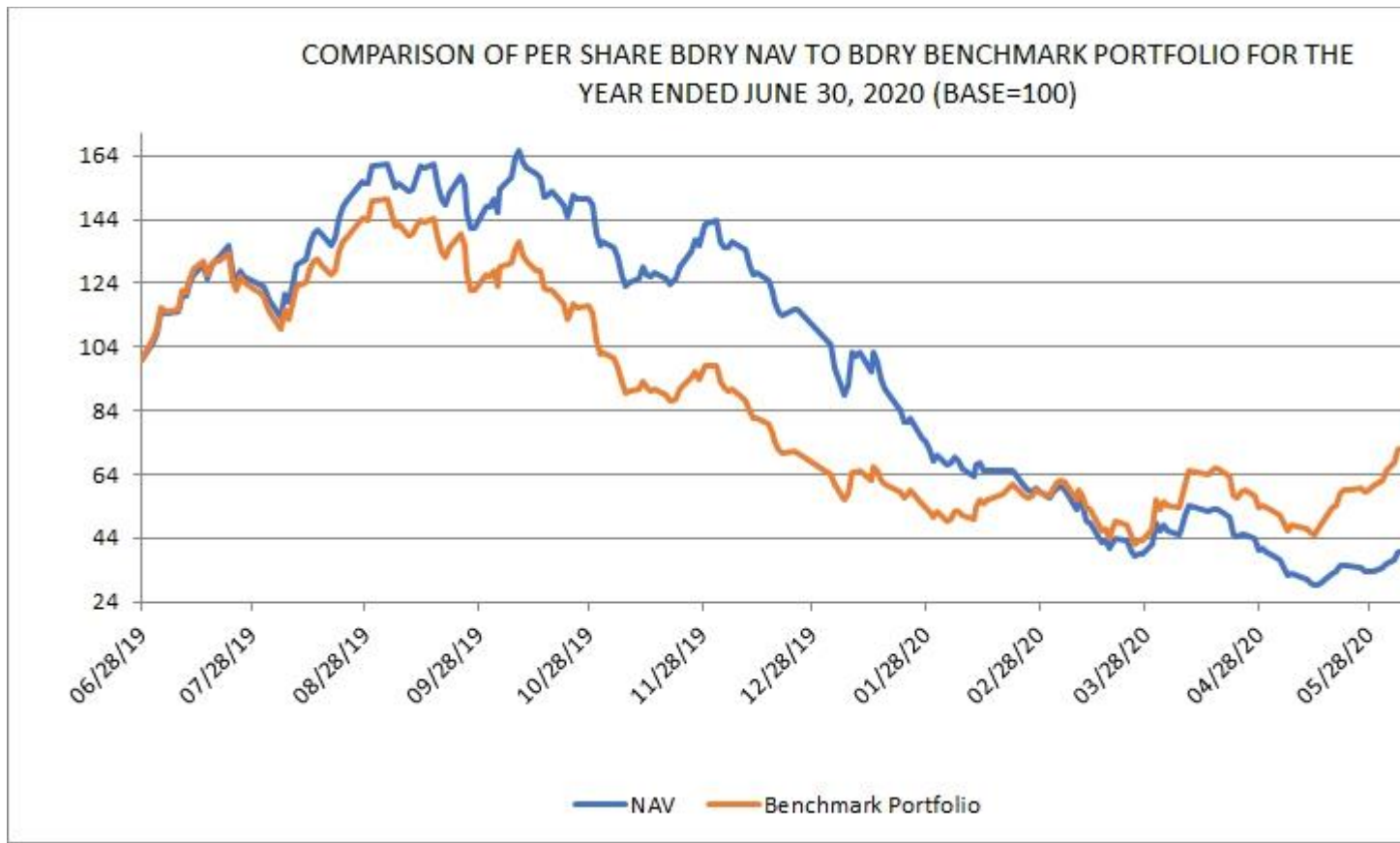
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The per Share market value of BDRY and its NAV tracked closely for the year ended June 30, 2019.



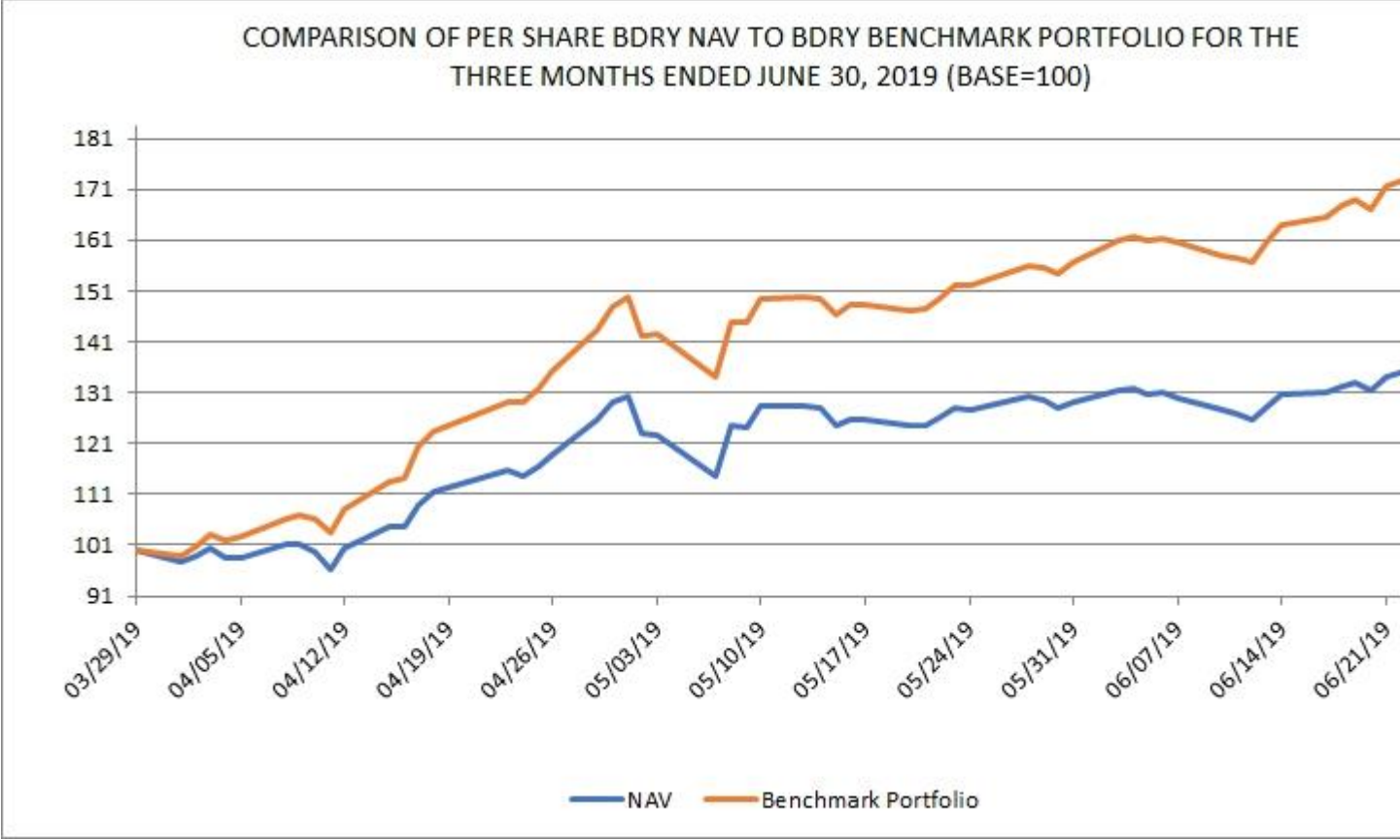
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The graph above compares the return of BDRY with the benchmark portfolio returns for the three months ended June 30, 2020. The difference in the NAV price and the benchmark value often results in the appearance of a NAV premium or discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's income and expenses during the period presented in the chart above.



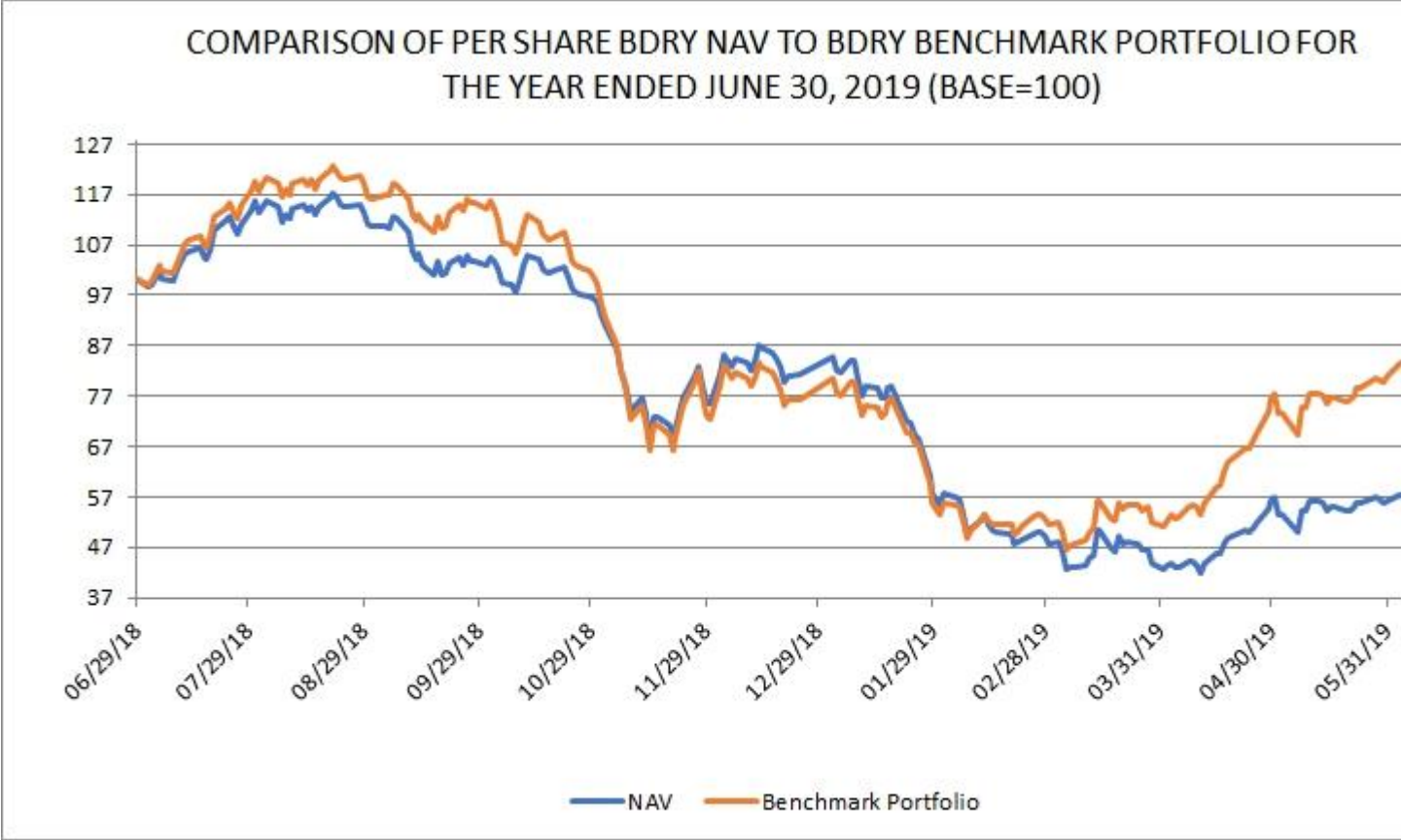
***NEITHER THE PAST PERFORMANCE OF THE FUND NOR THE PRIOR BENCHMARK PORTFOLIO LEVELS AND CHANGES, POSITIVE OR NEGATIVE, SHOULD BE TAKEN AS AN INDICATION OF THE FUND'S FUTURE PERFORMANCE.***

The graph above compares the return of BDRY with the benchmark portfolio returns for the year ended June 30, 2020. The difference in the NAV price and the benchmark value often results in the appearance of a NAV discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's expenses during the period presented in the chart above.



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The graph above compares the return of BDRY with the benchmark portfolio returns for the year ended June 30, 2019. The difference in the NAV price and the benchmark value often results in the appearance of a NAV premium or discount to the benchmark. The difference is related to the cumulative impact on NAV of the Fund's income and expenses during the period presented in the chart above.

## **FOR THE YEAR ENDED JUNE 30, 2020**

### *Fund Share Price Performance*

During the year ended June 30, 2020, the NYSE Arca market value of each share decreased (-43.80%) from \$13.15 per share, representing the closing price on June 28, 2019, to \$7.39 per share, representing the closing price on June 30, 2020. The share price high and low for the year ended June 30, 2020 and related change from the closing share price on June 28, 2019 was as follows: shares traded from a high of \$22.19 per share (+68.75%) on October 9, 2019 to a low of \$3.75 per share (-71.48%) on May 13, 2020.

### *Fund Share Net Asset Value Performance*

For the year ended June 30, 2020, the net asset value of each share decreased (-41.89%) from \$13.25 per share to \$7.70 per share. Net gains in the futures and options contracts, the impact of the timing of Fund share purchases in the fourth quarter of the year, and Fund expenses resulted in the overall decrease in the NAV per share during the year ended June 30, 2020.

Net income for the year ended June 30, 2020, was \$6,159,382, resulting from net realized losses on investments and futures contracts of \$1,565,921, net unrealized gains on investments and futures contracts of \$8,190,140, and the net investment loss of \$464,837.

## **FOR THE YEAR ENDED JUNE 30, 2019**

### *Fund Share Price Performance*

During the year ended June 30, 2019, the NYSE Arca market value of each share decreased (-40.34%) from \$22.04 per share, representing the closing price on June 29, 2018, to \$13.15 per share, representing the closing price on June 28, 2019. The share price high and low for the year ended June 30, 2019 and related change from the closing share price on June 29, 2018 was as follows: shares traded from a high of \$25.60 per share (+16.15%) on August 21, 2018 and August 22, 2018 to a low of \$9.20 per share (-58.26%) on April 11, 2019.

### *Fund Share Net Asset Value Performance*

For the year ended June 30, 2019, the net asset value of each share decreased (-39.72%) from \$21.98 per share to \$13.25 per share. Net losses in the futures and options contracts and Fund expenses resulted in the overall decrease in the NAV per share during the year ended June 30, 2019.

Net loss for the year ended June 30, 2019, was \$785,330, resulting from net realized losses on investments, futures and options contracts of \$1,006,844, net unrealized gains on investments, futures and options contracts of \$309,735, and the net investment loss of \$88,221.

## **FOR THE THREE MONTHS ENDED JUNE 30, 2020**

### *Fund Share Price Performance*

During the three months ended June 30, 2020, the NYSE Arca market value of each Share increased (+15.65%) from \$6.39 per Share, representing the closing price on March 31, 2020, to \$7.39 per Share, representing the closing price on June 30, 2020. The Share price high and low for the three months ended June 30, 2020 and related change from the closing Share price on March 31, 2020 was as follows: Shares traded from a high of \$8.24 per Share (+28.95%) on June 25, 2020 to a low of \$3.75 per Share (-41.31%) on April 8, 2020.

### *Fund Share Net Asset Value Performance*

For the three months ended June 30, 2020, the net asset value of each Share increased (+18.46%) from \$6.50 per Share to \$7.70 per Share. For the three months ended June 30, 2020, gains in the investments, futures and options contracts more than offset Fund expenses resulting in the overall increase in the NAV per Share during the period.

Net income for the three months ended June 30, 2020, was \$9,894,451, resulting from net realized losses on investments and futures contracts of \$340,186, net unrealized gains on investments and futures contracts of \$10,557,850, and the net investment loss of \$323,213.

**FOR THE THREE MONTHS ENDED JUNE 30, 2019**

*Fund Share Price Performance*

During the three months ended June 30, 2019, the NYSE Arca market value of each Share increased (+40.49%) from \$9.36 per Share, representing the closing price on March 29, 2019, to \$13.15 per Share, representing the closing price on June 28, 2019. The Share price high and low for the three months ended June 30, 2019 and related change from the closing Share price on March 29, 2019 was as follows: Shares traded from a high of \$13.15 per Share (+40.49%) on June 28, 2019 to a low of \$9.20 per Share (-1.71%) on April 11, 2019.

*Fund Share Net Asset Performance*

For the three months ended June 30, 2019, the net asset value of each Share increased (+39.18%) from \$9.52 per Share to \$13.25 per Share. For the three months ended June 30, 2019, gains in the investments, futures and options contracts more than offset Fund expenses resulting in the overall increase in the NAV per Share during the period.

Net income for the three months ended June 30, 2019, was \$1,214,187, resulting from net realized gains on investments, futures and options contracts of \$854,695, net unrealized gains on investments, futures and options contracts of \$384,282, and the net investment loss of \$24,790.

## **Critical Accounting Policies**

Each Fund's critical accounting policies are as follows:

Preparation of the financial statements and related disclosures in accordance with U.S. generally accepted accounting principles requires the application of appropriate accounting rules and guidance, as well as the use of estimates. The Funds' application of these policies involves judgments and the use of estimates. Actual results may differ from the estimates used and such differences could be material. Each Fund holds a significant portion of its assets in futures contracts and money market funds, which are held at fair value.

Each Fund calculates its net asset value as of the NAV Calculation Time as described above.

The values which are used by the Funds for their Treasury Instruments and Freight Futures, as applicable, are provided by the applicable Fund's commodity broker, which uses market prices when available. In addition, the Funds estimate interest income on a daily basis using prevailing rates earned on their cash and cash equivalents. These estimates are adjusted to the actual amount received on a monthly basis and the difference, if any, is not considered material.

## **Credit Risk**

When a Fund enters into Benchmark Component Instruments, it will be exposed to the credit risk that the counterparty will not be able to meet its obligations. For purposes of credit risk, the counterparty for the Benchmark Component Instruments traded on or cleared by the CME and other futures exchanges is the clearinghouse associated with those exchanges. In general, clearinghouses are backed by their members who may be required to share in the financial burden resulting from the nonperformance of one of their members, which should significantly reduce credit risk. There can be no assurance that any counterparty, clearinghouse, or their financial backers will satisfy their obligations to the Funds.

The Sponsor will attempt to minimize certain of these market and credit risks by normally:

- executing and clearing trades with creditworthy counterparties, as determined by the Sponsor;
- limiting the outstanding amounts due from counterparties of the Funds;
- not posting margin directly with a counterparty;
- limiting the amount of margin or premium posted at the FCM; and
- ensuring that deliverable contracts are not held to such a date when delivery of an underlying asset could be called for.

The Commodity Exchange Act ("CEA") requires all FCMs, such as the Fund's clearing brokers, to meet and maintain specified fitness and financial requirements, to segregate customer funds from proprietary funds and account separately for all customers' funds and positions, and to maintain specified books and records open to inspection by the staff of the CFTC. The CFTC has similar authority over introducing brokers, or persons who solicit or accept orders for commodity interest trades but who do not accept margin deposits for the execution of trades. The CEA authorizes the CFTC to regulate trading by FCMs and by their officers and directors, permits the CFTC to require action by exchanges in the event of market emergencies, and establishes an administrative procedure under which customers may institute complaints for damages arising from alleged violations of the CEA. The CEA also gives the states powers to enforce its provisions and the regulations of the CFTC.

On November 14, 2013, the CFTC published final regulations that require enhanced customer protections, risk management programs, internal monitoring and controls, capital and liquidity standards, customer disclosures and auditing and examination programs for FCMs. The rules are intended to afford greater assurances to market participants that customer segregated funds and secured amounts are protected, customers are provided with appropriate notice of the risks of futures trading and of the FCMs with which they may choose to do business, FCMs



are monitoring and managing risks in a robust manner, the capital and liquidity of FCMs are strengthened to safeguard the continued operations and the auditing and examination programs of the CFTC and the self-regulatory organizations are monitoring the activities of FCMs in a thorough manner.

### **Liquidity and Capital Resources**

The Funds do not anticipate making use of borrowings or other lines of credit to meet their obligations. The Funds meet their liquidity needs in the normal course of business from the proceeds of the sale of their investments or from the cash, cash equivalents and/or the collateralizing Treasury Securities that they hold. The Funds' liquidity needs include: redeeming their shares, providing margin deposits for existing Benchmark Component Instruments, the purchase of additional Benchmark Component Instruments, and paying expenses.

The Funds generate cash primarily from (i) the sale of Creation Baskets and (ii) interest earned on cash, cash equivalents and their investments in collateralizing Treasury Securities. Generally, all of the net assets of the Funds are allocated to trading in Benchmark Component Instruments. Most of the assets of the Funds are held in Treasury Instruments, cash and/or cash equivalents that could or are used as margin or collateral for trading in Benchmark Component Instruments. The percentage that such assets bear to the total net assets will vary from period to period as the market values of the Benchmark Component Instruments change. Interests earned on interest-bearing assets of the Funds are paid to the Funds. Due to the economic uncertainty due to the impact of the COVID-19 pandemic, the Funds have experienced a significant decrease in interest rates, and as such the Funds are experiencing a higher breakeven year over year.

The investments of the Funds in Benchmark Component Instruments could be subject to periods of illiquidity because of market conditions, regulatory considerations and other reasons. Such conditions could prevent the Funds from promptly liquidating a position in Benchmark Component Instruments.

## **Market Risk**

Trading in Benchmark Component Instruments such as futures contracts will involve the Funds entering into contractual commitments to purchase or sell specific amounts of instruments at a specified date in the future. The gross or face amount of the contracts is expected to significantly exceed the future cash requirements of the Funds as the Funds intend to close out any open positions prior to the contractual expiration date. As a result, the Funds' market risk is the risk of loss arising from the decline in value of the contracts, not from the need to make delivery under the contracts. The Funds consider the "fair value" of derivative instruments to be the unrealized gain or loss on the contracts. The market risk associated with the commitment by the Funds to purchase a specific contract will be limited to the aggregate face amount of the contracts held.

The exposure of the Funds to market risk will depend on a number of factors including the markets for the specific instrument, the volatility of interest rates and foreign exchange rates, the liquidity of the instrument-specific market and the relationships among the contracts held by the Funds.

## **Off Balance Sheet Financing**

As of June 30, 2020, neither the Trust nor the Funds have any loan guarantees, credit support or other off-balance sheet arrangements of any kind other than agreements entered into in the normal course of business, which may include indemnification provisions relating to certain risks service providers undertake in performing services which are in the best interests of the Funds. While the exposure of the Funds under these indemnification provisions cannot be estimated, they are not expected to have a material impact on the financial position of the Funds.

## **Redemption Basket Obligation**

Other than as necessary to meet the investment objective of the Funds and pay the contractual obligations described below, the Funds will require liquidity to redeem Redemption Baskets. The Funds intend to satisfy this obligation through the transfer of cash of a Fund (generated, if necessary, through the sale of Treasury Instruments or Freight Futures, as applicable) in an amount proportionate to the number of Shares being redeemed.

## **Contractual Obligations**

The primary contractual obligations of each Fund will be with the Sponsor and certain other service providers.

### ***Sit Rising Rate ETF***

RISE pays the Sponsor a management fee (the "Sponsor Fee"), monthly in arrears, in an amount equal to the greater of 0.15% per annum of the value of the Fund's average daily net assets or \$75,000. The Sponsor Fee is paid in consideration of the Sponsor's management services to the Fund. RISE also pays Sit a license and service fee (the "CTA Fee") monthly in arrears, for the use of RISE's Benchmark Portfolio in an amount equal to 0.20% per annum of the Fund's average daily net assets.

The Sponsor has contractually agreed to waive the Sponsor Fee and/or assume RISE's remaining expenses so that the Fund's expenses do not exceed an annual rate of 1.00%, excluding brokerage commissions, interest expense, and extraordinary expenses, of the value of the Fund's average daily net assets (the "Expense Cap"). The assumption of expenses and waiver of the Sponsor fee are contractual on the part of the Sponsor, through September 30, 2021. If after that date, the Sponsor no longer assumed expenses or waived the Sponsor Fee, RISE could be adversely impacted, including in its ability to achieve its investment objective.

The Fund currently accrues its daily expenses up to the Expense Cap. At the end of each month, the accrued amount is remitted to the Sponsor as the Sponsor has assumed, and is responsible for the payment of, the routine operational, administrative and other ordinary expenses of the Fund which aggregated \$105,143 and \$121,296, of which \$91,188 and \$82,026 was absorbed by the Sponsor, for the three months ended June 30, 2020 and 2019, respectively.

The Fund's ongoing fees, costs and expenses of its operation, not subject to the Expense Cap include brokerage and other fees and commissions incurred in connection with the trading activities of the Fund, and extraordinary expenses (including, but not limited to, legal claims and liabilities and litigation costs and any indemnification related thereto). Expenses subject to the Expense Cap include (i) expenses incurred in connection with registering additional Shares of the Fund or offering Shares of the Fund; (ii) the routine expenses associated with the preparation and, if required, the printing and mailing of monthly, quarterly, annual and other reports required by applicable U.S. federal and state regulatory authorities, Trust meetings and preparing, printing and mailing proxy statements to Shareholders; (iii) the routine services of the Trustee, legal counsel and independent accountants; (iv) routine accounting, bookkeeping, custodial and transfer agency services, whether performed by an outside service provider or by affiliates of the Sponsor; (v) postage and insurance; (vi) costs and expenses associated with client relations and services; (vii) costs of preparation of all federal, state, local and foreign tax returns and any taxes payable on the income, assets or operations of the Fund.

While the Sponsor has agreed to pay registration fees to the SEC and any other regulatory agency in connection with the offer and sale of the Shares offered through the Fund's prospectus, the legal, printing, accounting and other expenses associated with such registration, and the initial fee of \$7,500 for listing the Shares on the NYSE Arca, the Fund will be responsible for any registration fees and related expenses incurred in connection with any future offer and sale of Shares of the Fund in excess of those offered through its prospectus.

Any general expenses of the Trust will be allocated among the Fund and any other series of the Trust as determined by the Sponsor in its sole and absolute discretion. The Trust is also responsible for extraordinary expenses, including, but not limited to, legal claims and liabilities and litigation costs and any indemnification related thereto. The Trust and/or the Sponsor may be required to indemnify the Trustee, Distributor or Administrator under certain circumstances.

The parties cannot anticipate the amount of payments that will be required under these arrangements for future periods as the NAV and trading levels to meet investment objectives for the Fund will not be known until a future date. These agreements are effective for a specific term agreed upon by the parties with an option to renew, or, in some cases, are in effect for the duration of the Fund's existence. The parties may terminate these agreements earlier for certain reasons listed in the agreements.

#### ***Breakwave Dry Bulk Shipping ETF***

BDRY pays a Sponsor Fee, monthly in arrears, in an amount equal to the greater of (i) 0.15% per year of the Fund's average daily net assets; or (ii) \$125,000. The Sponsor Fee is paid in consideration of the Sponsor's management services to the Fund. BDRY also pays Breakwave a license and service fee (the "CTA Fee") monthly in arrears, for the use of BDRY's Benchmark Portfolio in an amount equal to 1.45% per annum of the Fund's average daily net assets.

Breakwave has agreed to waive its license and services fee and the Sponsor has agreed to correspondingly assume the remaining expenses of the Fund so that Fund expenses do not exceed an annual rate of 3.50%, excluding brokerage commissions, interest expense, and extraordinary expenses, of the value of the Fund's average daily net assets (the "Expense Cap"). The assumption of expenses and waiver of the license and services fee are contractual on the part of the Sponsor and Breakwave, respectively, through September 30, 2021. If after that date, the Sponsor and/or Breakwave no longer assumed expenses or waived the CTA Fee, respectively, BDRY could be adversely impacted, including in its ability to achieve its investment objective.

The Fund currently accrues its daily expenses based on accrued expense amounts established and monitored by the Sponsor, subject to the Expense Cap. At the end of each month, the accrued amount is remitted to the Sponsor as the Sponsor has assumed, and is responsible for the payment of, the routine operational, administrative and other ordinary expenses of the Fund which aggregated \$344,625 and \$151,627, of which \$19,366 and \$13,534 was waived by Breakwave for the three months ended June 30, 2020 and 2019, respectively. No absorption of expenses was required by the Sponsor for the three months ended June 30, 2020 and \$95,357 was absorbed by the Sponsor for the three months ended June 30, 2019.

#### ***Both Funds***

Each Fund's ongoing fees, costs and expenses of its operation, not subject to the applicable Expense Cap include brokerage and other fees and commissions incurred in connection with the trading activities of the Fund, and extraordinary expenses (including, but not limited to, legal claims and liabilities and litigation costs and any indemnification related thereto). Expenses subject to an Expense Cap include (i) expenses incurred in connection with registering additional Shares of a Fund or offering Shares of a Fund; (ii) the routine expenses associated with the preparation and, if required, the printing and mailing of monthly, quarterly, annual and other reports required by applicable U.S. federal and state regulatory authorities, Trust meetings and preparing, printing and mailing proxy statements to Shareholders; (iii) the routine services of the Trustee, legal counsel and independent accountants; (iv) routine accounting, bookkeeping, custodial and transfer agency services, whether performed by an outside service

provider or by affiliates of the Sponsor; (v) postage and insurance; (vi) costs and expenses associated with client relations and services; (vii) costs of preparation of all federal, state, local and foreign tax returns and any taxes payable on the income, assets or operations of a Fund.

While the Sponsor has agreed to pay registration fees to the SEC and any other regulatory agency in connection with the offer and sale of the Shares offered through each Fund's prospectus, the legal, printing, accounting and other expenses associated with such registration, and the initial fee of \$7,500 for listing the Shares on the NYSE Arca, each Fund will be responsible for any registration fees and related expenses incurred in connection with any future offer and sale of Shares of the Fund in excess of those offered through its prospectus.

Any general expenses of the Trust will be allocated among the Funds and any other series of the Trust as determined by the Sponsor in its sole and absolute discretion. The Trust is also responsible for extraordinary expenses, including, but not limited to, legal claims and liabilities and litigation costs and any indemnification related thereto. The Trust and/or the Sponsor may be required to indemnify the Trustee, Distributor or Administrator under certain circumstances.

The parties cannot anticipate the amount of payments that will be required under these arrangements for future periods as the NAV and trading levels to meet investment objectives for the Funds will not be known until a future date. These agreements are effective for a specific term agreed upon by the parties with an option to renew, or, in some cases, are in effect for the duration of a Fund's existence. The parties may terminate these agreements earlier for certain reasons listed in the agreements.

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

*Not applicable to Smaller Reporting Companies.*

**Item 8. Financial Statements and Supplemental Data.**

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Assets and Liabilities**  
**June 30, 2020**

|  | <b>SIT<br/>RISING<br/>RATE<br/>ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|--|--|--|----------------------|
| <b>Assets</b>  |  |  |                      |
| Investment in securities, at fair value (cost \$4,883,666 and \$7,986,862, respectively) | \$4,879,769                            | \$ 7,986,862                                       | \$ 12,866,631        |
| Interest receivable  | -                                      | 545  | 545                  |
| Receivable on open futures contracts   | -                                      | 8,581,555  | 8,581,555            |
| Segregated cash held by broker   | 201,883                                | 28,020,391   | 28,222,274           |
| Total assets   | <u>5,081,652</u>                       | <u>44,589,353</u>                                  | <u>49,671,005</u>    |
| <b>Liabilities</b>   |  |  |                      |
| Options written, at fair value (premiums received \$3,204 and \$-0-, respectively)       | 4,148                                  | -  | 4,148                |
| Payable on open futures contracts  | 5,144                                  | -  | 5,144                |
| Payable for Fund shares redeemed   | -                                      | 192,533  | 192,533              |
| Due to Sponsor   | 4,179                                  | 84,280   | 88,459               |
| Other accrued expenses   | -                                      | 37,053   | 37,053               |
| Total liabilities  | <u>13,471</u>                          | <u>313,866</u>                                     | <u>327,337</u>       |
| <b>Net Assets</b>  | <u>\$5,068,181</u>                     | <u>\$ 44,275,487</u>                               | <u>\$ 49,343,668</u> |
| Shares outstanding (unlimited authorized)  | <u>250,040</u>                         | <u>5,750,040</u>                                   |                      |
| Net asset value per share  | <u>\$ 20.27</u>                        | <u>\$ 7.70</u>                                     |                      |
| Market value per share   | <u>\$ 20.26</u>                        | <u>\$ 7.39</u>                                     |                      |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Assets and Liabilities**  
**June 30, 2019**

|   | <b>SIT RISING<br/>RATE ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|---|--------------------------------|--|----------------------|
| <b>Assets</b>   |                                |  |                      |
| Investment in securities, at fair value (cost \$11,928,143 and \$1,095,625, respectively) | \$ 11,909,897                  | \$ 1,095,625                                       | \$ 13,005,522        |
| Interest receivable   | 436                            | 5,821  | 6,257                |
| Segregated cash held by broker  | 365,460                        | 2,831,566  | 3,197,026            |
| Receivable on open futures contracts  | -                              | 391,415  | 391,415              |
| <b>Total assets</b>   | <b>12,275,793</b>              | <b>4,324,427</b>                                   | <b>16,600,220</b>    |
| <b>Liabilities</b>  |                                |  |                      |
| Options written, at fair value (premiums received \$16,128 and \$0-, respectively)        | 19,336                         | -  | 19,336               |
| Payable on open futures contracts   | 326,457                        | -  | 326,457              |
| Due to Sponsor  | 9,851                          | 11,699   | 21,550               |
| Other Liabilities   | -                              | 4,466  | 4,466                |
| <b>Total liabilities</b>  | <b>355,644</b>                 | <b>16,165</b>                                      | <b>371,809</b>       |
| <b>Net Assets</b>   | <b>\$ 11,920,149</b>           | <b>\$ 4,308,262</b>                                | <b>\$ 16,228,411</b> |
| Shares outstanding (unlimited authorized)   | 525,040                        | 325,040  |                      |
| Net asset value per share   | \$ 22.70                       | \$ 13.25   |                      |
| Market value per share  | \$ 22.73                       | 13.15  |                      |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Schedule of Investments**  
**June 30, 2020**

|   | <b>SIT<br/>RISING<br/>RATE<br/>ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|---|--|--|----------------------|
| <b>PURCHASED PUT OPTIONS - 0.3% and 0.0%, respectively</b>  |  |  |                      |
| US Treasury 10 Year Note, Strike Price \$139.50 Expiring 08/21/20<br>(15 contracts)                           | \$ 14,296                              | \$ -   | \$ 14,296            |
| <b>TOTAL PURCHASED PUT OPTIONS (Cost \$22,316)</b>  | <b>14,296</b>                          | <b>-</b>   | <b>14,296</b>        |
| <b>SHORT-TERM INVESTMENTS - 95.7% and 0.0%, respectively</b>  |  |  |                      |
| <b>US TREASURY BILLS - 95.7% and 0.0%, respectively</b>   |  |  |                      |
| United States Treasury Bills 0.1200%, 07/23/2020 (\$4,850,000<br>principal amount) (a)                        | 4,849,667                              | -  | 4,849,667            |
| <b>TOTAL US TREASURY BILLS (Cost \$4,845,544)</b>   | <b>4,849,667</b>                       | <b>-</b>   | <b>4,849,667</b>     |
| <b>MONEY MARKET FUNDS - 0.3% and 18.0%, respectively</b>  |  |  |                      |
| First American US Treasury Money Market Fund, Class Z, 0.04% (b)<br>(15,806 shares)                           | 15,806                                 | -  | 15,806               |
| First American US Treasury Obligations Fund, Class X, 0.08% (b)<br>(7,986,862 shares)                         | -                                      | 7,986,862  | 7,986,862            |
| <b>TOTAL MONEY MARKET FUNDS (Cost \$15,806 and \$7,986,862,<br/>respectively)</b>                             | <b>15,806</b>                          | <b>7,986,862</b>                                   | <b>8,002,668</b>     |
| <b>Total Investments (Cost \$4,883,666 and \$7,986,862, respectively) -<br/>96.3% and 18.0%, respectively</b> | <b>4,879,769</b>                       | <b>7,986,862</b>                                   | <b>12,866,631</b>    |
| <b>Other Assets in Excess of Liabilities - 3.7% and 82.0%,<br/>respectively (a)</b>                           | <b>188,412</b>                         | <b>36,288,625</b>                                  | <b>36,477,037</b>    |
| <b>TOTAL NET ASSETS - 100.0% and 100.0%, respectively</b>   | <b>\$5,068,181</b>                     | <b>\$ 44,275,487</b>                               | <b>\$ 49,343,668</b> |

(a) \$4,849,667 and \$27,827,859, respectively, of cash is pledged as collateral for futures contracts and written options  
(b) Annualized seven-day yield as of June 30, 2020

| <b>BREAKWAVE DRY BULK SHIPPING ETF<br/>Futures Contracts<br/>June 30, 2020</b>  | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> |
|---|--|--|--|
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring July 31, 2020 (Underlying Face Amount at Market<br>Value - \$3,799,600) (350 contracts)      | \$ -   | \$ 556,225   | \$ 556,225   |
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring August 28, 2020 (Underlying Face Amount at Market<br>Value - \$3,768,100) (350 contracts)    | -  | 512,475  | 512,475  |
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring September 25, 2020 (Underlying Face Amount at<br>Market Value - \$3,753,750) (350 contracts) | -  | 492,625  | 492,625  |
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring July 31, 2020 (Underlying Face Amount at Market<br>Value - \$1,536,480) (180 contracts)           | -  | (5,020)  | (5,020)  |
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring August 28, 2020 (Underlying Face Amount at Market<br>Value - \$1,746,000) (180 contracts)         | -  | 199,250  | 199,250  |



|  |           |           |           |
|--|-----------|-----------|-----------|
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring September 25, 2020 (Underlying Face Amount at<br>Market Value - \$1,769,220) (180 contracts) | -         | 222,470   | 222,470   |
| Baltic Capesize Time Charter Expiring July 31, 2020 (Underlying<br>Face Amount at Market Value - \$9,431,220) (380 contracts)                                | -         | 3,644,720 | 3,644,720 |
| Baltic Capesize Time Charter Expiring August 28, 2020<br>(Underlying Face Amount at Market Value - \$8,851,050) (450<br>contracts)                           | -         | 1,977,550 | 1,977,550 |
| Baltic Capesize Time Charter Expiring September 25, 2020<br>(Underlying Face Amount at Market Value - \$9,041,760) (520<br>contracts)                        | -         | 981,260   | 981,260   |
|  | <u>\$</u> | <u>\$</u> | <u>\$</u> |
|  | -         | 8,581,555 | 8,581,555 |

**SIT RISING RATE ETF**  
**Written Call Option Contracts**  
**June 30, 2020**

|  |           |                |           |          |           |                |
|--|-----------|----------------|-----------|----------|-----------|----------------|
| US 5 Year Note, Strike Price \$125.50 Expiring 08/21/2020 (9<br>contracts) (Premiums received \$3,204) | <u>\$</u> | <u>(4,148)</u> | <u>\$</u> | <u>-</u> | <u>\$</u> | <u>(4,148)</u> |
|--|-----------|----------------|-----------|----------|-----------|----------------|

**SIT RISING RATE ETF**  
**Short Futures Contracts**  
**June 30, 2020**

|   |           |                |           |          |           |                |
|---|-----------|----------------|-----------|----------|-----------|----------------|
| US Treasury 5 Year Note Expiring September 2020 (Underlying<br>Face Amount at Market Value - \$4,652,461) (37 contracts)  | \$        | (5,899)        | \$        | -        | \$        | (5,899)        |
| US Treasury 2 Year Note Expiring September 2020 (Underlying<br>Face Amount at Market Value - \$10,158,094) (46 contracts) |           | 755            |           | -        |           | 755            |
|   | <u>\$</u> | <u>(5,144)</u> | <u>\$</u> | <u>-</u> | <u>\$</u> | <u>(5,144)</u> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Schedule of Investments**  
**June 30, 2019**

|  | <b>SIT<br/>RISING<br/>RATE ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|--|------------------------------------|--|----------------------|
| <b>PURCHASED OPTIONS - 0.3% and 0.0%, respectively</b>   |                                    |  |                      |
| US Treasury 10 Year Note, Strike Price \$123.50 Expiring 08/23/19<br>(40 contracts)                            | \$ 35,625                          | \$ -   | \$ 35,625            |
| <b>TOTAL PURCHASED OPTIONS (Cost \$58,883)</b>   | <b>35,625</b>                      | <b>-</b>   | <b>35,625</b>        |
| <b>SHORT-TERM INVESTMENTS - 97.2% and 0.0%, respectively</b>   |                                    |  |                      |
| <b>US TREASURY BILLS - 97.2% and 0.0%, respectively</b>  |                                    |  |                      |
| United States Treasury Bills 2.082%, 12/12/2019 (\$11,700,000<br>principal amount) (a)                         | 11,591,734                         | -  | 11,591,734           |
| <b>TOTAL US TREASURY BILLS (Cost \$11,586,722)</b>   | <b>11,591,734</b>                  | <b>-</b>   | <b>11,591,734</b>    |
| <b>MONEY MARKET FUNDS - 1.4% and 25.4%, respectively</b>   |                                    |  |                      |
| First American US Treasury Money Market Fund, Class Z, 2.40%<br>(b) (282,538 shares)                           | 282,538                            | -  | 282,538              |
| First American US Treasury Obligations Fund, Class X, 2.27% (b)<br>(1,095,625 shares)                          | -                                  | 1,095,625  | 1,095,625            |
| <b>TOTAL MONEY MARKET FUNDS (Cost \$282,538 and<br/>\$1,095,625, respectively)</b>                             | <b>282,538</b>                     | <b>1,095,625</b>                                   | <b>1,378,163</b>     |
| <b>Total Investments (Cost \$11,928,143 and \$1,095,625, respectively)<br/>- 99.9% and 25.4%, respectively</b> | <b>11,909,897</b>                  | <b>1,095,625</b>                                   | <b>13,005,522</b>    |
| <b>Other Assets in Excess of Liabilities - 0.1% and 74.6%,<br/>respectively (a)</b>                            | <b>10,252</b>                      | <b>3,212,637</b>                                   | <b>3,222,889</b>     |
| <b>TOTAL NET ASSETS - 100.0% and 100.0%, respectively</b>  | <b>\$11,920,149</b>                | <b>\$ 4,308,262</b>                                | <b>\$ 16,228,411</b> |

(a) All or a portion of this security is held as collateral for futures contracts and written options.

(b) Annualized seven-day yield as of June 30, 2019.

| <b>BREAKWAVE DRY BULK SHIPPING ETF<br/>Futures Contracts<br/>June 30, 2019</b>   | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> | <b>Unrealized<br/>Appreciation/<br/>(Depreciation)</b> |
|--|--|--|--|
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring July 26, 2019 (Underlying Face Amount at Market<br>Value - \$489,015) (45 contracts)      | \$ -   | \$ 25,015  | \$ 25,015  |
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring August 30, 2019 (Underlying Face Amount at Market<br>Value - \$497,835) (45 contracts)    | -  | 33,835   | 33,835   |
| Baltic Exchange Panamax T/C Average Shipping Route Index<br>Expiring September 27, 2019 (Underlying Face Amount at<br>Market Value - \$495,945) (45 contracts) | -  | 31,945   | 31,945   |
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring July 26, 2019 (Underlying Face Amount at Market<br>Value - \$147,435) (15 contracts)           | -  | (5,565)  | (5,565)  |
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring August 30, 2019 (Underlying Face Amount at Market<br>Value - \$158,250) (15 contracts)         | -  | 5,250  | 5,250  |

|   |           |                |                |
|---|-----------|----------------|----------------|
| Baltic Exchange Supramax T/C Average Shipping Route<br>Expiring September 27, 2019 (Underlying Face Amount at<br>Market Value - \$161,505) (15 contracts) | -         | 8,505          | 8,505          |
| Baltic Capesize Time Charter Expiring July 26, 2019 (Underlying<br>Face Amount at Market Value - \$732,680) (40 contracts)                                | -         | 104,930        | 104,930        |
| Baltic Capesize Time Charter Expiring August 30, 2019<br>(Underlying Face Amount at Market Value - \$719,840) (40<br>contracts)                           | -         | 92,090         | 92,090         |
| Baltic Capesize Time Charter Expiring September 27, 2019<br>(Underlying Face Amount at Market Value - \$723,160) (40<br>contracts)                        | -         | 95,410         | 95,410         |
|   | <u>\$</u> | <u>-</u>       | <u>\$</u>      |
|   |           | <u>391,415</u> | <u>\$</u>      |
|   |           |                | <u>391,415</u> |

**SIT RISING RATE ETF**  
**Written Option Contracts**  
**June 30, 2019**

|  |           |               |           |          |           |               |
|--|-----------|---------------|-----------|----------|-----------|---------------|
| US 5 Year Note, Strike Price \$117.75 Expiring 08/23/2019 (25<br>contracts) (Premiums received \$16,128) | <u>\$</u> | <u>19,336</u> | <u>\$</u> | <u>-</u> | <u>\$</u> | <u>19,336</u> |
|--|-----------|---------------|-----------|----------|-----------|---------------|

**SIT RISING RATE ETF**  
**Short Futures Contracts**  
**June 30, 2019**

|  |           |                  |           |          |           |                  |
|--|-----------|------------------|-----------|----------|-----------|------------------|
| US Treasury 5 Year Note Expiring September 2019 (Underlying<br>Face Amount at Market Value - \$12,051,938) (102 contracts) | \$        | (182,361)        | \$        | -        | \$        | (182,361)        |
| US Treasury 2 Year Note Expiring September 2019 (Underlying<br>Face Amount at Market Value - \$22,809,047) (106 contracts) |           | (144,096)        |           | -        |           | (144,096)        |
|  | <u>\$</u> | <u>(326,457)</u> | <u>\$</u> | <u>-</u> | <u>\$</u> | <u>(326,457)</u> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Operations**  
**Year Ended June 30, 2020**

|   | <b>SIT<br/>RISING<br/>RATE<br/>ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>     |
|---|--|--|---------------------|
| <b>Investment Income</b>  |  |  |                     |
| Interest  | \$ 114,292                             | \$ 37,273  | \$ 151,565          |
| <b>Expenses</b>   |  |  |                     |
| Sponsor fee   | 74,999                                 | 124,997  | 199,996             |
| CTA fee   | 12,445                                 | 128,338  | 140,783             |
| Audit fees  | 77,102                                 | 47,500   | 124,602             |
| Tax preparation fees  | 49,999                                 | 49,999   | 99,998              |
| Admin/accounting/custodian/transfer agent fees                        | 57,601                                 | 61,854   | 119,455             |
| Legal fees  | 34,997                                 | 44,999   | 79,996              |
| Printing and postage expenses   | 10,499                                 | 10,602   | 21,101              |
| Chief Compliance Officer fees   | 24,969                                 | 24,996   | 49,965              |
| Principal Financial Officer fees                                      | 24,969                                 | 24,996   | 49,965              |
| Regulatory reporting fees   | 24,969                                 | 24,996   | 49,965              |
| Brokerage commissions   | 4,961                                  | 208,650  | 213,611             |
| Distribution fees   | 15,539                                 | 15,821   | 31,360              |
| Insurance expense   | 14,999                                 | 14,999   | 29,998              |
| Listing & calculation agent fees                                      | 12,599                                 | 12,599   | 25,198              |
| Other expenses  | 9,361                                  | 16,752   | 26,113              |
| Wholesale support fees  | 6,223                                  | 35,622   | 41,845              |
| Interest expense  | 229                                    | 9  | 238                 |
| <b>Total Expenses</b>   | <b>456,460</b>                         | <b>847,729</b>                                     | <b>1,304,189</b>    |
| Less: Waiver of CTA fee   | -                                      | (60,769)   | (60,769)            |
| Less: Expenses absorbed by Sponsor                                    | (389,041)                              | (284,850)  | (673,891)           |
| <b>Net Expenses</b>   | <b>67,419</b>                          | <b>502,110</b>                                     | <b>569,529</b>      |
| <b>Net Investment Income (Loss)</b>                                   | <b>46,873</b>                          | <b>(464,837)</b>                                   | <b>(417,964)</b>    |
| <b>Net Realized and Unrealized Gain (Loss) on Investment Activity</b> |  |  |                     |
| <b>Net Realized Gain (Loss) on</b>                                    |  |  |                     |
| Investments, futures and options contracts                            | (903,915)                              | (1,565,921)  | (2,469,836)         |
| <b>Change in Unrealized Gain (Loss) on</b>                            |  |  |                     |
| Investments, futures and options contracts                            | 336,740                                | 8,190,140  | 8,526,880           |
| <b>Net realized and unrealized gain (loss)</b>                        | <b>(567,175)</b>                       | <b>6,624,219</b>                                   | <b>6,057,044</b>    |
| <b>Net income (loss)</b>  | <b>\$(520,302)</b>                     | <b>\$ 6,159,382</b>                                | <b>\$ 5,639,080</b> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Operations**  
**Year Ended June 30, 2019**

|   | <b>SIT<br/>RISING<br/>RATE<br/>ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|---|--|--|----------------------|
| <b>Investment Income</b>  |  |  |                      |
| Interest  | \$ 985,776                             | \$ 56,128  | \$ 1,041,904         |
| <b>Expenses</b>   |  |  |                      |
| Sponsor fee   | 85,187                                 | 124,997  | 210,184              |
| CTA fee   | 91,433                                 | 45,460   | 136,893              |
| Audit fees  | 75,098                                 | 57,501   | 132,599              |
| Tax preparation fees  | 87,534                                 | 101,910  | 189,444              |
| Admin/accounting/custodian/transfer agent fees                        | 56,301                                 | 61,399   | 117,700              |
| Legal fees  | 35,004                                 | 45,002   | 80,006               |
| Printing and postage expenses   | 25,999                                 | 25,999   | 51,998               |
| Chief Compliance Officer fees   | 25,000                                 | 25,000   | 50,000               |
| Principal Financial Officer fees                                      | 25,000                                 | 25,000   | 50,000               |
| Regulatory reporting fees   | 25,000                                 | 25,000   | 50,000               |
| Brokerage commissions   | 52,348                                 | 34,610   | 86,958               |
| Distribution fees   | 17,496                                 | 16,497   | 33,993               |
| Insurance expense   | 15,001                                 | 15,001   | 30,002               |
| Listing & calculation agent fees                                      | 12,601                                 | 12,601   | 25,202               |
| Other expenses  | 19,064                                 | 22,499   | 41,563               |
| Wholesale support fees  | 45,717                                 | 28,762   | 74,479               |
| <b>Total Expenses</b>   | <b>693,783</b>                         | <b>667,238</b>                                     | <b>1,361,021</b>     |
| Less: Waiver of CTA fee   | -                                      | (45,460)   | (45,460)             |
| Less: Expenses absorbed by Sponsor                                    | (184,268)                              | (477,429)  | (661,697)            |
| <b>Net Expenses</b>   | <b>509,515</b>                         | <b>144,349</b>                                     | <b>653,864</b>       |
| <b>Net Investment Income (Loss)</b>                                   | <b>476,261</b>                         | <b>(88,221)</b>                                    | <b>388,040</b>       |
| <b>Net Realized and Unrealized Gain (Loss) on Investment Activity</b> |  |  |                      |
| <b>Net Realized Gain (Loss) on</b>                                    |  |  |                      |
| Investments, futures and options contracts                            | (3,673,921)                            | (1,006,844)  | (4,680,765)          |
| <b>Change in Unrealized Gain (Loss) on</b>                            |  |  |                      |
| Investments, futures and options contracts                            | 443,911                                | 309,735  | 753,646              |
| <b>Net realized and unrealized gain (loss)</b>                        | <b>(3,230,010)</b>                     | <b>(697,109)</b>                                   | <b>(3,927,119)</b>   |
| <b>Net income (loss)</b>  | <b>\$(2,753,749)</b>                   | <b>\$(785,330)</b>                                 | <b>\$(3,539,079)</b> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Changes in Net Assets**  
**Year Ended June 30, 2020**

|  | <b>SIT<br/>RISING<br/>RATE ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|--|------------------------------------|--|----------------------|
| <b>Net Assets at Beginning of Year</b>                               | \$11,920,149                       | \$ 4,308,262                                       | \$ 16,228,411        |
| <b>Increase (decrease) in Net Assets from share transactions</b>     |                                    |  |                      |
| Addition of -0- and 5,950,000 shares, respectively                   | -                                  | 40,151,470   | 40,151,470           |
| Redemption of 275,000 and 500,000 shares, respectively               | (6,331,666)                        | (6,343,627)  | (12,675,293)         |
| <b>Net Increase (decrease) in Net Assets from share transactions</b> | <u>(6,331,666)</u>                 | <u>33,807,843</u>                                  | <u>27,476,177</u>    |
| <b>Increase (decrease) in Net Assets from operations</b>             |                                    |  |                      |
| Net investment income (loss)   | 46,873                             | (464,837)  | (417,964)            |
| Net realized gain (loss)   | (903,915)                          | (1,565,921)  | (2,469,836)          |
| Change in net unrealized gain (loss)                                 | 336,740                            | 8,190,140  | 8,526,880            |
| <b>Net increase (decrease) in Net Assets from operations</b>         | <u>(520,302)</u>                   | <u>6,159,382</u>                                   | <u>5,639,080</u>     |
| <b>Net Assets at End of Year</b>                                     | <u>\$ 5,068,181</u>                | <u>\$ 44,275,487</u>                               | <u>\$ 49,343,668</u> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Changes in Net Assets**  
**Year Ended June 30, 2019**

|  | <b>SIT<br/>RISING<br/>RATE ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>      |
|--|------------------------------------|--|----------------------|
| <b>Net Assets at Beginning of Year</b>                               | \$ 51,774,988                      | \$ 3,297,789                                       | \$ 55,072,777        |
| <b>Increase (decrease) in Net Assets from share transactions</b>     |                                    |  |                      |
| Addition of 1,025,000 and 175,000 shares, respectively               | 25,460,920                         | 1,795,803  | 27,256,723           |
| Redemption of 2,600,000 and -0- shares, respectively                 | (62,562,010)                       | -  | (62,562,010)         |
| <b>Net Increase (decrease) in Net Assets from share transactions</b> | <u>(37,101,090)</u>                | <u>1,795,803</u>                                   | <u>(35,305,287)</u>  |
| <b>Increase (decrease) in Net Assets from operations</b>             |                                    |  |                      |
| Net investment income (loss)   | 476,261                            | (88,221)   | 388,040              |
| Net realized gain (loss)   | (3,673,921)                        | (1,006,844)  | (4,680,765)          |
| Change in net unrealized gain (loss)                                 | 443,911                            | 309,735  | 753,646              |
| <b>Net increase (decrease) in Net Assets from operations</b>         | <u>(2,753,749)</u>                 | <u>(785,330)</u>                                   | <u>(3,539,079)</u>   |
| <b>Net Assets at End of Year</b>                                     | <u>\$ 11,920,149</u>               | <u>\$ 4,308,262</u>                                | <u>\$ 16,228,411</u> |

See accompanying notes to combined financial statements.

**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Cash Flows**  
**Year Ended June 30, 2020**

|  | <b>SIT<br/>RISING<br/>RATE<br/>ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b> |
|--|--|--|-----------------|
| Cash flows provided by/used in operating activities  |  |  |                 |
| Net income (loss)  | \$ (520,302)                           | \$ 6,159,382                                       | \$ 5,639,080    |
| Adjustments to reconcile net income (loss) to net cash provided by/used in operating activities: |  |  |                 |
| Net realized loss (gain) on investments  | 903,915                                | 1,565,921  | 2,469,836       |
| Change in net unrealized loss (gain) on investments  | (336,740)                              | (8,190,140)  | (8,526,880)     |
| Change in operating assets and liabilities:  |  |  |                 |
| Sale (Purchase) of investments - net   | 6,462,953                              | (267,018)  | 6,195,935       |
| Decrease in interest receivable  | 436                                    | 5,276  | 5,712           |
| Decrease (Increase) in receivable on open futures contracts                                      | -                                      | (8,190,140)  | (8,190,140)     |
| Increase in payable for Fund shares sold   | -                                      | 192,533  | 192,533         |
| Decrease in options written, at fair value   | (15,188)                               | -  | (15,188)        |
| Increase in payable on open futures contracts  | (321,313)                              | -  | (321,313)       |
| Increase (Decrease) in due to Sponsor  | (5,672)                                | 72,581   | 66,909          |
| Increase in other accrued expenses   | -                                      | 32,587   | 32,587          |
| Net cash provided by/used in operating activities  | 6,168,089                              | (8,619,018)  | (2,450,929)     |
| Cash flows from financing activities   |  |  |                 |
| Proceeds from sale of shares   | -                                      | 40,151,470   | 40,151,470      |
| Paid on redemption of shares   | (6,331,666)                            | (6,343,627)  | (12,675,293)    |
| Net cash provided by/used in financing activities  | (6,331,666)                            | 33,807,843   | 27,476,177      |
| Net increase (decrease) in cash and restricted cash  | (163,577)                              | 25,188,825   | 25,025,248      |
| Cash and restricted cash, beginning of the year  | 365,460                                | 2,831,566  | 3,197,026       |
| Cash and restricted cash, end of the year  | \$ 201,883                             | \$ 28,020,391                                      | \$ 28,222,274   |

The following table provides a reconciliation of cash and restricted cash reported within the Combined Statement of Assets and Liabilities that sum to the total of such amounts shown on the Combined Statement of Cash Flows.

|  |            |              |              |
|--|------------|--------------|--------------|
| Cash   | \$ -       | \$ -         | \$ -         |
| Segregated cash held by broker   | 201,883    | 28,020,391   | 28,222,274   |
| Total cash and restricted cash as shown on the statement of cash flows | \$ 201,883 | \$28,020,391 | \$28,222,274 |

See accompanying notes to combined financial statements.



**ETF MANAGERS GROUP COMMODITY TRUST I**  
**Combined Statements of Cash Flows**  
**Year Ended June 30, 2019**

|  | <b>SIT<br/>RISING<br/>RATE ETF</b> | <b>BREAKWAVE<br/>DRY BULK<br/>SHIPPING<br/>ETF</b> | <b>COMBINED</b>     |
|--|------------------------------------|--|---------------------|
| Cash flows provided by/used in operating activities  |                                    |  |                     |
| Net income (loss)  | \$ (2,753,749)                     | \$ (785,330)                                       | \$ (3,539,079)      |
| Adjustments to reconcile net income (loss) to net cash provided by/used in operating activities: |                                    |  |                     |
| Net realized loss on investments   | (3,673,921)                        | (1,006,844)  | (4,680,765)         |
| Change in net unrealized loss (gain) on investments  | 443,911                            | 309,735  | 753,646             |
| Change in operating assets and liabilities:  |                                    |  |                     |
| Sale of investments - net  | 42,518,476                         | 850,493  | 43,368,969          |
| Decrease (increase) in interest receivable   | 371                                | (1,379)  | (1,008)             |
| Decrease (Increase) in receivable on open futures contracts                                      | -                                  | (309,735)  | (309,735)           |
| Decrease (Increase) in options written, at fair value  | (51,328)                           | -  | (51,328)            |
| Decrease in payable on open futures contracts  | (371,969)                          | -  | (371,969)           |
| Increase (decrease) in due to Sponsor  | (31,979)                           | 2,392  | (29,587)            |
| Increase in other accrued expenses   | -                                  | 1,277  | 1,277               |
| Net cash provided by/used in operating activities  | 36,079,812                         | (939,391)  | 35,140,421          |
| Cash flows from financing activities   |                                    |  |                     |
| Proceeds from sale of shares   | 25,460,920                         | 1,795,803  | 27,256,723          |
| Paid on redemption of shares   | (62,562,010)                       | -  | (62,562,010)        |
| Net cash provided by/used in financing activities  | (37,101,090)                       | 1,795,803  | (35,305,287)        |
| Net increase (decrease) in cash and restricted cash  | (1,021,278)                        | 856,412  | (164,866)           |
| Cash and restricted cash, beginning of the year  | 1,386,738                          | 1,975,154  | 3,361,892           |
| Cash and restricted cash, end of the year  | <u>\$ 365,460</u>                  | <u>\$ 2,831,566</u>                                | <u>\$ 3,197,026</u> |

The following table provides a reconciliation of cash and restricted cash reported within the Combined Statement of Assets and Liabilities that sum to the total of such amounts shown on the Combined Statement of Cash Flows.

|  |                   |                     |                     |
|--|-------------------|---------------------|---------------------|
| Cash   | \$ -              | \$ -                | \$ -                |
| Segregated cash held by broker   | <u>365,460</u>    | <u>2,831,566</u>    | <u>3,197,026</u>    |
| Total cash and restricted cash as shown on the statement of cash flows | <u>\$ 365,460</u> | <u>\$ 2,831,566</u> | <u>\$ 3,197,026</u> |

See accompanying notes to combined financial statements.

**ETF Managers Group Commodity Trust I**  
**Notes to Combined Financial Statements**  
**June 30, 2020 and 2019**

**(1) Organization**

ETF Managers Group Commodity Trust I (the “Trust”) was organized as a Delaware statutory trust on July 23, 2014. The Trust is a series trust formed pursuant to the Delaware Statutory Trust Act and currently includes two separate series. SIT RISING RATE ETF (“RISE”) is the first series of the Trust and is a commodity pool that continuously issues common shares of beneficial interest that may be purchased and sold on the NYSE Arca, Inc. stock exchange (“NYSE Arca”). The second series of the Trust, Breakwave Dry Bulk Shipping ETF (“BDRY,” and together with RISE, the “Funds”), is also a commodity pool that continuously issues shares of beneficial interest that may be purchased and sold on NYSE Arca. The Funds are managed and controlled by ETF Managers Capital LLC (the “Sponsor”), a Delaware limited liability company. The Sponsor is registered with the Commodity Futures Trading Commission (“CFTC”) as a “commodity pool operator” (“CPO”) and is a member of the National Futures Trading Association (“NFA”). Sit Fixed Income Advisors II, LLC (“Sit”), a subsidiary of Sit Investment Associates, Inc., is registered as a “commodity trading advisor” (“CTA”) with the CFTC and serves as RISE’s commodity trading advisor. Breakwave Advisors, LLC (“Breakwave”) is registered as a CTA with the CFTC and serves as BDRY’s commodity trading advisor.

RISE commenced investment operations on February 19, 2015. RISE commenced trading on NYSE Arca on February 19, 2015 and trades under the symbol “RISE.” BDRY commenced investment operations on March 22, 2018. BDRY commenced trading on NYSE Arca on March 22, 2018 and trades under the symbol “BDRY.”

For the years ended June 30, 2020 and 2019, RISE paid Sit a fee equal to 0.20% per annum of the value of RISE’s average daily net assets for Sit’s services as the commodity trading advisor to RISE.

RISE’s investment objective is to profit from rising interest rates by tracking the performance of a portfolio (the “RISE Benchmark Portfolio”) consisting of exchange traded futures contracts and options on futures on 2, 5 and 10 year U.S. Treasury securities (“Treasury Instruments”) weighted to achieve a targeted negative 10-year average effective portfolio duration (the “Benchmark Component Instruments”). RISE seeks to achieve its investment objective by investing in the Benchmark Component Instruments currently constituting the RISE Benchmark Portfolio. The RISE Benchmark Portfolio is maintained by Sit and will be rebalanced, reconstituted, or both, monthly (typically on the 15<sup>th</sup> of each month and on the next business day if the 15<sup>th</sup> is a holiday, weekend, or other day on which the national exchanges are closed) to maintain a negative 10-year average effective duration. The RISE Benchmark Portfolio and RISE will each maintain a short position in Treasury Instruments. RISE does not use futures contracts or options to obtain leveraged investment results. RISE will not invest in swaps or other over the counter derivative instruments.

The weighting of the Treasury Instruments constituting the Benchmark Component Instruments will be based on each maturity’s duration contribution. The expected range for the duration weighted percentage of the 2 year and 5 year maturity Treasury Instruments will be from 30% to 70%. The expected range for the duration weighted percentage of the 10-year maturity Treasury Instruments will be from 5% to 25%. The relative weightings of the Benchmark Component Instruments will be shifted between maturities when there are material changes in the shape of the yield curve, for example, if the Federal Reserve began raising short term interest rates more than long term interest rates. In such an instance, Sit, which maintains the RISE Benchmark Portfolio, will elect to increase the weightings of the 2 year and reduce the weighting in the 10-year maturity. Conversely, Sit will do the opposite if the Federal Reserve began raising long term interest rates more than short term interest rates. Reconstitution and rebalancing each will occur monthly, on the 15<sup>th</sup>, except for as noted above or if there are radical changes in the yield curve such that effective duration is outside of a range from negative nine to negative 11-year average effective duration, in which case Sit will adjust the maturities of the Treasury Instruments before the next expected monthly reconstitution.

The Sponsor anticipates that approximately 5% to 15% of RISE’s assets will be used as payment for or collateral for Treasury Instruments. In order to collateralize its Treasury Instrument positions, RISE will hold such assets, from

which it will post margin to its futures commission merchant (“FCM”), SG Americas Securities, LLC, in an amount equal to the margin required by the relevant exchange, and transfer to its FCM any additional amounts that may be separately required by the FCM. When establishing positions in Treasury Instruments, RISE will be required to deposit initial margin with a value of approximately 3% to 10% of the value of each Treasury Instrument position at the time it is established. These margin requirements are subject to change from time to time by the exchange or the FCM. On a daily basis, RISE will be obligated to pay, or entitled to receive, variation margin in an amount equal to the change in the daily settlement level of its Treasury Instruments positions. Any assets not required to be posted as margin with the FCM will be held at RISE’s custodian in cash or cash equivalents, as discussed below.

The RISE Benchmark Portfolio will be invested in Benchmark Component Instruments and rebalanced, as noted above to maintain a negative average effective portfolio duration of approximately 10 years. Duration is a measure of estimated price sensitivity relative to changes in interest rates. Portfolios with longer durations are typically more sensitive to changes in interest rates. For example, if interest rates rise by 1%, the market value of a security with an effective duration of 5 years would decrease by 5%, with all other factors being constant, and likewise the market value of a security with an effective duration of negative 5 years would increase by 5%, with all other factors being constant. The correlation between duration and price sensitivity is greater for securities rated investment-grade than it is for securities rated below investment-grade.

Duration estimates are based on assumptions by Sit and are subject to a number of limitations. Effective duration is calculated based on historical price changes of U.S. Treasuries and Treasury Instruments held by the RISE Benchmark Portfolio, and therefore is a more accurate estimate of price sensitivity provided interest rates remain within their historical range. Investments in debt securities typically decrease in value when interest rates rise. The risk is usually greater for longer-term debt securities.

When RISE purchases an option that expires “out of the money,” RISE will realize a loss. RISE may not be able to invest its assets in futures and options contracts having an aggregate notional amount exactly equal to that which is required to achieve a negative 10-year average effective duration. For example, as standardized contracts, U.S. Treasury futures contracts are denominated in specific dollar amounts, and RISE’s NAV and the proceeds from the sale of a Creation Basket are unlikely to be an exact multiple of the amounts of those contracts. As a result, in such circumstances, RISE may be better able to achieve the exact amount of exposure desired through the use of other investments.

BDRY’s investment objective is to provide investors with exposure to the daily change in the price of dry bulk freight futures, before expenses and liabilities of BDRY, by tracking the performance of a portfolio (the “BDRY Benchmark Portfolio”, and together with the RISE Benchmark Portfolio, the “Benchmark Portfolios”) consisting of a three-month strip of the nearest calendar quarter of futures contracts on specified indexes (each a “Reference Index”) that measure rates for shipping dry bulk freight (“Freight Futures”). Each Reference Index is published each United Kingdom business day by the London-based Baltic Exchange Ltd. (the “Baltic Exchange”) and measures the charter rate for shipping dry bulk freight in a specific size category of cargo ship – Capesize, Panamax or Supramax. The three Reference Indexes are as follows:

- **Capesize:** the Capesize 5TC Index;
- **Panamax:** the Panamax 4TC Index; and
- **Supramax:** the Supramax 6TC Index.

The value of the Capesize 5TC Index is disseminated at 11:00 a.m., London Time and the value of the Panamax 4TC Index and the Supramax 6TC Index each is disseminated at 1:00 p.m., London Time. The Reference Index information disseminated by the Baltic Exchange also includes the components and value of each component in each Reference Index. Such Reference Index information also is widely disseminated by Reuters and/or other major market data vendors.

BDRY seeks to achieve its investment objective by investing substantially all of its assets in the Freight Futures currently constituting the BDRY Benchmark Portfolio. The BDRY Benchmark Portfolio includes all existing positions to maturity and settles them in cash. During any given calendar quarter, the BDRY Benchmark Portfolio progressively increases its positions to the next calendar quarter three-month strip, thus maintaining constant exposure to the Freight Futures market as positions mature.

The BDRY Benchmark Portfolio maintains long-only positions in Freight Futures. The BDRY Benchmark Portfolio includes a combination of Capesize, Panamax and Supramax Freight Futures. More specifically, the BDRY Benchmark Portfolio includes 50% exposure in Capesize Freight Futures contracts, 40% exposure in Panamax Freight Futures contracts and 10% exposure in Supramax Freight Futures contracts. The BDRY Benchmark Portfolio does not include and BDRY does not invest in swaps, non-cleared dry bulk freight forwards or other over-the-counter derivative instruments that are not cleared through exchanges or clearing houses. BDRY may hold exchange-traded options on Freight Futures. The BDRY Benchmark Portfolio is maintained by Breakwave and will be rebalanced annually. The Freight Futures currently constituting the BDRY Benchmark Portfolio, as well as the daily holdings of BDRY are available on BDRY’s website at [www.drybulketf.com](http://www.drybulketf.com).

When establishing positions in Freight Futures, BDRY will be required to deposit initial margin with a value of approximately 10% to 40% of the notional value of each Freight Futures position at the time it is established. These margin requirements are established and subject to change from time to time by the relevant exchanges, clearing houses or BDRY’s FCM, MacQuarie Futures USA LLC. On a daily basis, BDRY is obligated to pay, or entitled to receive, variation margin in an amount equal to the change in the daily settlement level of its Freight Futures positions. Any assets not required to be posted as margin with the FCM may be held at BDRY’s custodian or remain with the FCM in cash or cash equivalents, as discussed below.

BDRY was created to provide investors with a cost-effective and convenient way to gain exposure to daily changes in the price of Freight Futures. BDRY is intended to be used as a diversification opportunity as part of a complete portfolio, not a complete investment program.

The Funds will incur certain expenses in connection with their operations. The Funds will hold cash or cash equivalents such as U.S. Treasuries or other high credit quality, short-term fixed-income or similar securities for direct investment or as collateral for the Treasury Instruments and for other liquidity purposes and to meet redemptions that may be necessary on an ongoing basis. These expenses and income from the cash and cash equivalent holdings may cause imperfect correlation between changes in the Funds' net asset value ("NAV") and changes in the Benchmark Portfolios, because the Benchmark Portfolios do not reflect expenses or income.

The Funds seek to trade their positions prior to maturity; accordingly, natural market forces may cost the Funds while rebalancing. Each time the Funds seek to reconstitute their positions, barring movement in the underlying securities, the futures and option prices may be higher or lower. Such differences in price, barring a movement in the price of the underlying security, will constitute "roll yield" and may inhibit the Funds' ability to achieve their respective investment objective.

Several factors determine the total return from investing in a futures contract position. One factor that impacts the total return that will result from investing in near month futures contracts and "rolling" those contracts forward each month is the price relationship between the current near month contract and the next month contract.

The CTA will close existing positions when it determines it would be appropriate to do so and reinvest the proceeds in other positions. Positions may also be closed out to meet orders for redemption baskets.

## **(2) Summary of Significant Accounting Policies**

### **(a) Basis of Accounting**

The accompanying combined financial statements of the Funds have been prepared in conformity with U.S. generally accepted accounting principles (“U.S. GAAP”). Each Fund qualifies as an investment company for financial reporting purposes under Topic 946 of the Accounting Standard Codification of U.S. GAAP.

### **(b) Use of Estimates**

The preparation of the combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and accompanying notes. Actual results could differ from those estimates. There were no significant estimates used in the preparation of the combined financial statements.

### **(c) Cash**

Cash, when shown in the Combined Statements of Assets and Liabilities, represents non-segregated cash with the custodian and does not include short-term investments.

### **(d) Cash Held by Broker**

Sit is registered as a “commodity trading advisor” and acts as such for RISE. Breakwave is registered as a “commodity trading advisor” and acts as such for BDRY. Each Fund’s arrangement with its respective FCM requires the Fund to meet its variation margin requirement related to the price movements, both positive and negative, on futures contracts held by the Fund by keeping cash on deposit with the Commodity Brokers (as defined below). These amounts are shown as Segregated cash held by broker in the Statements of Assets and Liabilities. The Funds deposit cash or United States Treasury Obligations, as applicable, with their respective FCM subject to the CFTC regulations and various exchange and broker requirements. The combination of the Funds’ deposits with their respective FCM of cash and United States Treasury Obligations, as applicable, and the unrealized gain or loss on open futures contracts (variation margin) represents the Funds’ overall equity in their respective brokerage trading account. The Funds use their cash held by their respective FCM to satisfy variation margin requirements. The Funds earn interest on their cash deposited with their respective FCM and interest income is recorded on the accrual basis.

### **(e) Final Net Asset Value for Fiscal Period**

The calculation time of each Fund’s final net asset value for creation and redemption of Fund shares for the years ended June 30, 2020 and 2019 was at 4:00 p.m. Eastern Time on June 30, 2020 and June 28, 2019, respectively.

Although the Funds’ shares may continue to trade on secondary markets subsequent to the calculation of the final NAV, the 4:00 p.m. Eastern Time represented the final opportunity to transact in creation or redemption baskets for the years ended June 30, 2020 and 2019.

Fair value per share is determined at the close of the NYSE Arca.

For financial reporting purposes, each Fund values its investment positions based upon the final closing price in their primary markets. Accordingly, the investment valuations in these combined financial statements differ from those used in the calculations of the Funds’ final creation/redemption NAVs at June 30, 2020 and June 30, 2019.

### **(f) Investment Valuation**

Short-term investments, excluding U.S. Treasury Bills, are carried at amortized cost, which approximates fair value. U.S. Treasury Bills are valued as determined by an independent pricing service based on methods which include

consideration of yields or prices of securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions.

Futures and options contracts are valued at the last settled price on the applicable exchange on which that futures and/or options contract trades.

**(g) Financial Instruments and Fair Value**

Each Fund discloses the fair value of its investments in accordance with the Financial Accounting Standards Board (“FASB”) fair value measurement and disclosure guidance which requires a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The disclosure requirements establish a fair value hierarchy that distinguishes between: (1) market participant assumptions developed based on market data obtained from sources independent to the Fund (observable inputs); and (2) the Fund’s own assumptions about market participant assumptions developed based on the best information available under the circumstances (unobservable inputs). The three levels defined by the disclosure requirements hierarchy are as follows:

Level I: Quoted prices (unadjusted) in active markets for identical assets and liabilities that the reporting entity has the ability to access at the measurement date.

Level II: Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly or indirectly. Level II inputs include the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level III: Unobservable pricing input at the measurement date for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available.

In some instances, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls shall be determined based on the lowest input level that is significant to the fair value measurement in its entirety.

Fair value measurements also require additional disclosure when the volume and level of activity for the asset or liability have significantly decreased, as well as when circumstances indicate that a transaction is not orderly.

The following tables summarize RISE’s valuation of investments at June 30, 2020 and at June 30, 2019 using the fair value hierarchy:

|                         | June 30, 2020             |                             |                           |                         |             |
|-------------------------|---------------------------|-----------------------------|---------------------------|-------------------------|-------------|
|                         | Short-Term Investments    | Purchased Options Contracts | Written Options Contracts | Futures Contracts       | Total       |
| Level I – Quoted Prices | \$ 4,849,667 <sup>a</sup> | \$ 14,296 <sup>a</sup>      | \$ (4,148) <sup>b</sup>   | \$ (5,144) <sup>c</sup> | \$4,854,671 |

a – Included in Investments in securities in the Combined Statements of Assets and Liabilities.

b – Included in Options Written, at fair value in the Combined Statements of Assets and Liabilities.

c – Included in Payable on open futures contracts in the Combined Statements of Assets and Liabilities.

|                         | June 30, 2019              |                             |                           |                           |               |
|-------------------------|----------------------------|-----------------------------|---------------------------|---------------------------|---------------|
|                         | Short-Term Investments     | Purchased Options Contracts | Written Options Contracts | Futures Contracts         | Total         |
| Level I – Quoted Prices | \$ 11,874,272 <sup>a</sup> | \$ 35,625 <sup>a</sup>      | \$ (19,336) <sup>b</sup>  | \$ (326,457) <sup>c</sup> | \$ 11,564,104 |

a – Included in Investments in securities in the Combined Statements of Assets and Liabilities.

b – Included in Options Written, at fair value in the Combined Statements of Assets and Liabilities.

c – Included in Payable on open futures contracts in the Combined Statements of Assets and Liabilities.



Transfers between levels are recognized at the end of the reporting period. During the years ended June 30, 2020 and 2019, RISE recognized no transfers from Level 1, Level 2 or Level 3.

The following tables summarize BDRY's valuation of investments at June 30, 2020 and at June 30, 2019 using the fair value hierarchy:

|                         | June 30, 2020             |                          |              |
|-------------------------|---------------------------|--------------------------|--------------|
|                         | Short-Term Investments    | Futures Contracts        | Total        |
| Level I – Quoted Prices | \$ 7,986,862 <sup>a</sup> | \$8,581,555 <sup>b</sup> | \$16,568,417 |

a – Included in Investments in securities in the Combined Statements of Assets and Liabilities.

b – Included in Receivable on open futures contracts in the Combined Statements of Assets and Liabilities.

|                                | June 30, 2019             |                         |              |
|--------------------------------|---------------------------|-------------------------|--------------|
|                                | Short-Term Investments    | Futures Contracts       | Total        |
| <b>Level I – Quoted Prices</b> | \$ 1,095,625 <sup>a</sup> | \$ 391,415 <sup>b</sup> | \$ 1,487,040 |

a – Included in Investments in securities in the Combined Statements of Assets and Liabilities.

b – Included in Receivable on open futures contracts in the Combined Statements of Assets and Liabilities.

Transfers between levels are recognized at the end of the reporting period. During the years ended June 30, 2020 and 2019, BDRY recognized no transfers from Level 1, Level 2 or Level 3.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

#### **(h) Investment Transactions and Related Income**

Investment transactions are recorded on the trade date. All such transactions are recorded on the identified cost basis, and marked to market daily. Unrealized gain/loss on open futures contracts is reflected in Receivable/Payable on open futures contracts in the Combined Statements of Assets and Liabilities and the change in the unrealized gain/loss between periods is reflected in the Combined Statements of Operations. RISE's discounts on short-term securities purchased are accreted daily and reflected as Interest Income, when applicable, in the Combined Statements of Operations. BDRY's interest earned on short-term securities and on cash deposited with MacQuarie Futures USA LLC are accrued daily and reflected as Interest Income, when applicable, in the Combined Statements of Operations.

#### **(i) Federal Income Taxes**

Each Fund is registered as a Delaware statutory trust and is treated as a partnership for U.S. federal income tax purposes. Accordingly, the Funds do not expect to incur U.S. federal income tax liability; rather, each beneficial owner is required to take into account their allocable share of the Funds' income, gain, loss, deductions and other items for the Funds' taxable year ending with or within the beneficial owner's taxable year.

Management of the Funds has reviewed the open tax years and major jurisdictions and concluded that there is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken in future tax returns at June 30, 2020 and June 30, 2019. The Funds are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. On an ongoing basis, management will monitor its tax positions taken to determine if adjustments to its conclusions are necessary based on factors including, but not limited to, further implementation of guidance expected from the FASB and on-going analysis of tax law, regulation, and interpretations thereof. The Funds' federal tax returns are subject to examination by the Internal Revenue Service for a period of three years after they are filed.

#### **(j) Reclassification**

Certain reclassifications have been made to the prior consolidated financial statements to conform with the current year presentation.

### **(3) Investments**

#### **(a) Short-Term Investments**

The Funds may purchase U.S. Treasury Bills, agency securities, and other high-credit quality short-term fixed income or similar securities with original maturities of one year or less. A portion of these investments may be used as margin for the Funds' trading in futures contracts.

**(b) Accounting for Derivative Instruments**

In seeking to achieve each Fund's investment objective, the applicable commodity trading advisor uses a mathematical approach to investing. Using this approach, the applicable commodity trading advisor determines the type, quantity and mix of investment positions that it believes in combination should produce returns consistent with the Fund's objective.

All open derivative positions at June 30, 2020 and at June 30, 2019, as applicable, are disclosed in the Combined Schedules of Investments and the notional value of these open positions relative to the shareholders' capital of the Funds is generally representative of the notional value of open positions to shareholders' capital throughout the reporting periods for the Funds. The volume associated with derivative positions varies on a daily basis as the Funds transact in derivative contracts in order to achieve the appropriate exposure, as expressed in notional value, in comparison to shareholders' capital consistent with the applicable Fund's investment objective.

Following is a description of the derivative instruments used by the Funds during the reporting period, including the primary underlying risk exposures.

**(c) Futures Contracts**

The Funds enter into futures contracts to gain exposure to changes in the value of the Benchmark Portfolios. A futures contract obligates the seller to deliver (and the purchaser to accept) the future cash settlement of a specified quantity and type of a treasury futures contract at a specified time and place. The contractual obligations of a buyer or seller of a treasury futures contract may generally be satisfied by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery.

Upon entering into a futures contract, the Funds are required to deposit and maintain as collateral at least such initial margin as required by the exchange on which the transaction is affected. The initial margin is segregated as Cash held by broker, as disclosed in the Combined Statements of Assets and Liabilities, and is restricted as to its use. Pursuant to the futures contract, the Funds agree to receive from or pay to the broker an amount of cash equal to the daily fluctuation in value of the futures contract. Such receipts or payments are known as variation margin and are recorded by the Funds as unrealized gains or losses. The Funds will realize a gain or loss upon closing a futures transaction.

Futures contracts involve, to varying degrees, elements of market risk (specifically treasury price risk) and exposure to loss in excess of the amount of variation margin. The face or contract amounts reflect the extent of the total exposure the Funds have in the particular classes of instruments. Additional risks associated with the use of futures contracts include imperfect correlation between movements in the price of the futures contracts and the market value of the underlying securities and the possibility of an illiquid market for a futures contract. With futures contracts, there is minimal counterparty risk to the Funds since futures contracts are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures contracts, guarantees the futures contracts against default.

SIT RISING RATE ETF  
Fair Value of Derivative Instruments, as of June 30, 2020

| Derivatives        | Asset Derivatives                             |            | Liability Derivatives                         |              |
|--------------------|---|------------|---|--------------|
|                    | Combined Statements of Assets and Liabilities | Fair Value | Combined Statements of Assets and Liabilities | Fair Value   |
| Interest Rate Risk | Purchased options                             | \$ 14,296* | Payable on open futures contracts             | \$ (5,144)** |
| Interest Rate Risk |   |            | Written options, at fair value                | \$ (4,148)*  |

- \* Represents fair value of options contracts as reported in the Combined Statements of Assets and Liabilities.
- \*\* Represents cumulative depreciation of futures contracts as reported in the Combined Statements of Assets and Liabilities.

SIT RISING RATE ETF  
Fair Value of Derivative Instruments, as of June 30, 2019

| Derivatives        | Asset Derivatives                             |            | Liability Derivatives                         |               |
|--------------------|---|------------|---|---------------|
|                    | Combined Statements of Assets and Liabilities | Fair Value | Combined Statements of Assets and Liabilities | Fair Value    |
| Interest Rate Risk | Purchased options                             | \$ 35,625* | Payable on open futures contracts             | \$(326,457)** |
| Interest Rate Risk |   |            | Written options, at fair value                | \$ (19,336)*  |

- \* Represents fair value of options contracts as reported in the Combined Statements of Assets and Liabilities.

\*\* Represents cumulative depreciation of futures contracts as reported in the Combined Statements of Assets and Liabilities.

SIT RISING RATE ETF  
The Effect of Derivative Instruments on the Combined Statements of Operations  
For the Year Ended June 30, 2020

| Derivatives        | Location of Gain (Loss) on Derivatives   | Realized Gain (Loss) on Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income |
|--------------------|--|--|--|
| Interest Rate Risk | Net realized gain (loss) on investments, futures and options contracts and/or Change in unrealized gain (loss) on investments, futures and options contracts | \$ (903,915)   | \$ 336,740   |

The futures and options contracts open at June 30, 2020 are indicative of the activity for the year ended June 30, 2020.

SIT RISING RATE ETF  
The Effect of Derivative Instruments on the Combined Statements of Operations  
For the Year Ended June 30, 2019

| Derivatives        | Location of Gain (Loss) on Derivatives   | Realized Gain (Loss) on Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income |
|--------------------|--|--|--|
| Interest Rate Risk | Net realized gain (loss) on investments, futures and options contracts and/or Change in unrealized gain (loss) on investments, futures and options contracts | \$ (3,673,921)   | \$ 443,911   |

The futures and options contracts open at June 30, 2019 are indicative of the activity for the year ended June 30, 2019.

BREAKWAVE DRY BULK SHIPPING ETF  
Fair Value of Derivative Instruments, as of June 30, 2020

| Derivatives        | Asset Derivatives                             |                 | Liability Derivatives                         |            |
|--------------------|---|-----------------|---|------------|
|                    | Combined Statements of Assets and Liabilities | Unrealized Gain | Combined Statements of Assets and Liabilities | Fair Value |
| Interest Rate Risk | Receivable on open futures contracts          | \$8,581,555*    |   |            |

\* Represents cumulative appreciation of futures contracts as reported in the Combined Statements of Assets and Liabilities.

BREAKWAVE DRY BULK SHIPPING ETF  
Fair Value of Derivative Instruments, as of June 30, 2019

| Derivatives | Asset Derivatives                             |                 | Liability Derivatives                         |            |
|-------------|---|-----------------|---|------------|
|             | Combined Statements of Assets and Liabilities | Unrealized Gain | Combined Statements of Assets and Liabilities | Fair Value |

|                    |                                      |             |  |
|--------------------|--------------------------------------|-------------|--|
| Interest Rate Risk | Receivable on open futures contracts | \$ 391,415* |  |
|--------------------|--------------------------------------|-------------|--|

\* Represents cumulative appreciation of futures contracts as reported in the Combined Statements of Assets and Liabilities.

BREAKWAVE DRY BULK SHIPPING ETF  
The Effect of Derivative Instruments on the Combined Statements of Operations  
For the Year Ended June 30, 2020

| Derivatives        | Location of Gain (Loss) on Derivatives  | Realized Loss on Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income |
|--------------------|---|---|--|
| Interest Rate Risk | Net realized loss on futures and options contracts and/or Change in unrealized gain (loss) on futures and options contracts | \$ (1,565,921)                                    | \$ 8,190,140   |

The futures contracts open at June 30, 2020 are indicative of the activity for the year ended to June 30, 2020.

BREAKWAVE DRY BULK SHIPPING ETF  
The Effect of Derivative Instruments on the Combined Statements of Operations  
For the Year Ended June 30, 2019

| Derivatives        | Location of Gain (Loss) on Derivatives  | Realized Loss on Derivatives Recognized in Income | Change in Unrealized Gain (Loss) on Derivatives Recognized in Income |
|--------------------|---|---|--|
| Interest Rate Risk | Net realized loss on futures and options contracts and/or Change in unrealized gain (loss) on futures and options contracts | \$ (1,006,844)                                    | \$ 309,735   |

The futures contracts open at June 30, 2019 are indicative of the activity for the year ended June 30, 2019.



#### **(4) Agreements**

##### **(a) Management Fee**

Each Fund pays the Sponsor a sponsor fee (the “Sponsor Fee”) in consideration of the Sponsor’s advisory services to the Funds. Additionally, each Fund pays its respective commodity trading advisor a license and service fee (the “CTA fee”).

The Sponsor has agreed to waive receipt of the Sponsor Fee for RISE and/or assume RISE’s expenses (excluding brokerage fees, interest expense, and extraordinary expenses) so that RISE’s total annual expenses do not exceed 1.00% (the “RISE Expense Cap”) of average net assets per annum through September 30, 2021.

RISE’s CTA fee, calculated daily and paid monthly in arrears, is 0.20% per annum of average daily net assets.

RISE’s Sponsor Fee, calculated daily and paid monthly, is the greater of 0.15% of its average daily net assets, or \$75,000, and the fees for Principal Financial Officer and Chief Compliance Officer services provided to RISE by the Sponsor are \$25,000 per annum.

Effective April 1, 2019, the fee paid to the Sponsor for tax return preparation was reduced from \$100,000 per year to \$50,000 per year.

BDRY pays the Sponsor an annual Sponsor Fee, monthly in arrears, in an amount calculated as the greater of 0.15% of its average daily net assets, or \$125,000. BDRY also paid an annual fee to Breakwave, monthly in arrears, in an amount equal to 1.45% of BDRY’s average daily net assets. Breakwave has agreed to waive its CTA fee to the extent necessary, and the Sponsor has voluntarily agreed to correspondingly assume the remaining expenses of BDRY such that Fund expenses do not exceed an annual rate of 3.50%, excluding brokerage commissions and interest expense, of the value of BDRY’s average daily net assets through September 30, 2021 (the “BDRY Expense Cap,” and together with the RISE Expense Cap, the “Expense Caps”). The assumption of expenses by the Sponsor and waiver of BDRY’s CTA fee are contractual on the part of the Sponsor and Breakwave, respectively.

The waiver of BDRY’s CTA fees, pursuant to the undertaking, amounted to \$60,769 and \$45,460 for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

The Funds currently accrue their daily expenses up to the applicable Expense Cap, or, if less, up accrual estimates established by the Sponsor. At the end of each month, the accrued amount is remitted to the Sponsor as the Sponsor has assumed, and is responsible for the payment of the routine operational, administrative and other ordinary expenses of the Funds in excess of the Fund’s respective Expense Cap, which in the case of RISE, aggregated \$389,041 and \$184,268 for the years ended June 30, 2020 and 2019, respectively, and in the case of BDRY, aggregated \$284,850 and \$477,429 for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

##### **(b) The Administrator, Custodian, Fund Accountant and Transfer Agent**

Each Fund has appointed U.S. Bank, a national banking association, with its principal office in Milwaukee, Wisconsin, as the custodian (the “Custodian”). Its affiliate, U.S. Bancorp Fund Services, is the Fund accountant (“the Fund accountant”) of the Funds, transfer agent (the “Transfer Agent”) for Fund shares and administrator for the Funds (the “Administrator”). It performs certain administrative and accounting services for the Funds and prepares certain SEC, NFA and CFTC reports on behalf of the Funds. (U.S. Bank and U.S. Bancorp Fund Services are referred to collectively hereinafter as “U.S. Bank”).

RISE has agreed to pay U.S. Bank 0.05% of assets under management (“AUM”), with a \$50,000 minimum annual fee payable for its administrative, accounting and transfer agent services and 0.01% of AUM, with an annual minimum

of \$4,800 for custody services. RISE paid U.S. Bank \$57,601 and \$56,301 for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

BDRY has agreed to pay U.S. Bank 0.05% of AUM, with a \$45,000 minimum annual fee payable for its administrative, accounting and transfer agent services and 0.01% of AUM, with an annual minimum of \$4,800 for custody services. BDRY paid U.S. Bank \$61,854 and \$61,399 for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

### **(c) The Distributor**

The Funds pay ETFMG Financial LLC. (the “Distributor”), an affiliate of the Sponsor, an annual fee for statutory and wholesaling distribution services and related administrative services equal to the greater of \$15,000 or 0.02% of the Funds’ average daily net assets, payable monthly. Pursuant to the respective Marketing Agent Agreement between the Sponsor, each Fund and the Distributor, the Distributor assists the Sponsor and the applicable Fund with certain functions and duties relating to distribution and marketing services to the applicable Fund, including reviewing and approving marketing materials and certain regulatory compliance matters. The Distributor also assists with the processing of creation and redemption orders.

RISE incurred \$15,539 and \$17,496 in distribution and related administrative services for the years ended June 30, 2020 and 2019, respectively. BDRY incurred \$15,821 and \$16,497 in distribution and related administrative services for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

RISE also pays the Sponsor an annual fee for wholesale support services equal to 0.1% of RISE’s average daily net assets, payable monthly. BDRY pays the Sponsor an annual fee for wholesale support services of \$25,000 plus 0.12% of BDRY’s average daily net assets, payable monthly.

RISE incurred \$6,223 and \$45,717 in wholesale support fees for the years ended June 30, 2020 and 2019, respectively. BDRY incurred \$35,622 and \$28,762 in wholesale support fees for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

### **(d) The Commodity Broker**

SG Americas Securities, LLC, a Delaware limited liability company, serves as RISE’s clearing broker. MacQuarie Futures USA LLC, a Delaware limited liability company, serves as BDRY’s clearing broker (such clearing broker, together with SG Americas Securities, LLC, the “Commodity Brokers”). In their capacity as clearing broker, the Commodity Brokers execute and clear the Funds’ futures transactions and perform certain administrative services for the Funds.

The Funds pay respective brokerage commissions, including applicable exchange fees, National Futures Association (“NFA”) fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with trading activities in CFTC regulated investments. Brokerage commissions on futures contracts are recognized on a half-turn basis.

The Sponsor does not expect annual brokerage commissions and fees to exceed 0.08% for RISE, and approximately 0.40% (excluding the impact on the Fund of creation and/or redemption activity) for BDRY, of the net asset value of the applicable Fund for execution and clearing services on behalf of the applicable Fund, although the actual amount of brokerage commissions and fees in any year or any part of any year may be greater. The effects of trading spreads, financing costs associated with financial instruments, and costs relating to the purchase of U.S. Treasury Securities or similar high credit quality short-term fixed-income or similar securities are not included in the foregoing analysis. RISE incurred \$4,961 and \$52,348 in brokerage commissions and fees for the years ended June 30, 2020 and 2019, respectively. BDRY incurred \$208,650 and \$34,610 in brokerage commissions and fees for the years ended June 30, 2020 and 2019, respectively, as disclosed in the Combined Statements of Operations.

### **(e) The Trustee**

Under the respective Amended and Restated Declaration of Trust and Trust Agreement (the “Trust Agreement”) for each Fund, Wilmington Trust Company, the Trustee of each of the Funds (the “Trustee”) serves as the sole trustee of each Fund in the State of Delaware. The Trustee will accept service of legal process on the Funds in the State of Delaware and will make certain filings under the Delaware Statutory Trust Act. Under the respective Trust Agreement for each Fund, the Sponsor has the exclusive management and control of all aspects of the business of the Fund. The Trustee does not owe any other duties to the Fund, the Sponsor or the Shareholders of the Fund. The Trustee has no

duty or liability to supervise or monitor the performance of the Sponsor, nor does the Trustee have any liability for the acts or omissions of the Sponsor. RISE and BDRY each incurred \$2,500, in trustee fees for each of the two years in the period ended June 30, 2020, which is included in Other Expenses in the Combined Statements of Operations.

**(f) Routine Offering, Operational, Administrative and Other Ordinary Expenses**

The Sponsor, in accordance with the RISE Expense Cap limitation, paid all of the routine offering, operational, administrative and other ordinary expenses of RISE in excess of 1.00% (excluding brokerage commissions and interest expense) of RISE's average daily net assets, including, but not limited to, accounting and computer services, the fees and expenses of the Trustee, Administrator, Custodian, Transfer Agent and Distributor, legal and accounting fees and expenses, tax return preparation expenses, filing fees, and printing, mailing and duplication costs. RISE incurred \$456,460 and \$693,783 for the years ended June 30, 2020 and 2019, respectively, in routine offering, operational, administrative or other ordinary expenses.

The assumption of Fund expenses above the RISE Expense Cap by the Sponsor, pursuant to the undertaking (as discussed in Note 4a), amounted to \$389,041 and \$184,268, respectively, for the years ended June 30, 2020 and 2019, respectively.

The Sponsor, in accordance with the BDRY Expense Cap limitation paid, after the waiver of the CTA fee for BDRY by Breakwave, all of the routine offering, operational, administrative and other ordinary expenses of BDRY in excess of 3.50% (excluding brokerage commissions and interest expense) of BDRY's average daily net assets, including, but not limited to, accounting and computer services, the fees and expenses of the Trustee, Administrator, Custodian, Transfer Agent and Distributor, legal and accounting fees and expenses, tax return preparation expenses, filing fees, and printing, mailing and duplication costs. BDRY incurred \$847,729 and \$667,238 during the years ended June 30, 2020 and 2019, respectively, in routine offering, operational, administrative or other ordinary expenses.

The CTA fee waiver for BDRY by Breakwave was \$60,769 and \$45,460 for the years ended June 30, 2020 and 2019, respectively.

In addition, the assumption of Fund expenses above the BDRY Expense Cap by the Sponsor, pursuant to the undertaking (as discussed in Note 4a), amounted to \$284,850 and \$477,429 for the years ended June 30, 2020 and June 30, 2019, respectively.

#### **(g) Organizational and Offering Costs**

Expenses incurred in connection with organizing RISE and up to the offering of its Shares upon commencement of its investment operations on February 19, 2015, were paid by the Sponsor and Sit without reimbursement. Expenses incurred in connection with organizing BDRY and up to the offering of its Shares upon commencement of its investment operations on March 22, 2018, were paid by the Sponsor and Breakwave without reimbursement.

Accordingly, all such expenses are not reflected in the Statements of Operations. The Fund will bear the costs of its continuous offering of Shares and ongoing offering expenses. Such ongoing offering costs will be included as a portion of the Routine Offering, Operational, Administrative and Other Ordinary Expenses. These costs will include registration fees for regulatory agencies and all legal, accounting, printing and other expenses associated therewith. These costs will be accounted for as a deferred charge and thereafter amortized to expense over twelve months on a straight-line basis or a shorter period if warranted. For the years ended June 30, 2020 and 2019, respectively, RISE and BDRY did not incur such expenses.

#### **(h) Extraordinary Fees and Expenses**

The Fund will pay all extraordinary fees and expenses, if any. Extraordinary fees and expenses are fees and expenses which are nonrecurring and unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other unanticipated expenses. Such extraordinary fees and expenses, by their nature, are unpredictable in terms of timing and amount. For the years ended June 30, 2020 and 2019, respectively, RISE and BDRY did not incur such expenses.

#### **(5) Creations and Redemptions**

Each Fund issues and redeems Shares from time to time, but only in one or more Creation or Redemption Baskets. A Creation or Redemption Basket is a block of 25,000 shares (50,000 shares prior to August 17, 2018) of each Fund. Baskets may be created or redeemed only by Authorized Participants.

Except when aggregated in Creation or Redemption Baskets, the shares are not redeemable securities. Retail investors, therefore, generally will not be able to purchase or redeem shares directly from or with each Fund. Rather, most retail investors will purchase or sell shares in the secondary market with the assistance of a broker. Thus, some of the information contained in these Notes to Financial Statements – such as references to the Transaction Fee imposed on creations and redemptions – is not relevant to retail investors.

**(a) Transaction Fees on Creation and Redemption Transactions**

In connection with orders to create and redeem one or more Creation or Redemption Baskets, an Authorized Participant is required to pay a transaction fee, or AP Transaction Fee, of \$250 (\$500 prior to May 18, 2020) per order, which goes directly to the Custodian. The AP Transaction Fees are paid by the Authorized Participants and not by the Funds.

(b) Share Transactions

**SIT RISING RATE ETF**

| Summary of Share Transactions for the Year Ended June 30, 2020 |           |                                |
|--|-----------|--------------------------------|
|  | Shares    | Net Assets Increase (Decrease) |
| Shares Sold  | -         | \$ -                           |
| Shares Redeemed  | (275,000) | (6,331,666)                    |
| Net Decrease   | (275,000) | \$(6,331,666)                  |

| Summary of Share Transactions for the Year Ended June 30, 2019 |             |                                |
|--|-------------|--------------------------------|
|  | Shares      | Net Assets Increase (Decrease) |
| Shares Sold  | 1,025,000   | \$ 25,460,920                  |
| Shares Redeemed  | (2,600,000) | (62,562,010)                   |
| Net Increase   | (1,575,000) | \$(37,101,090)                 |

**BREAKWAVE DRY BULK SHIPPING ETF**

| Summary of Share Transactions for the Year Ended June 30, 2020 |           |                                |
|--|-----------|--------------------------------|
|  | Shares    | Net Assets Increase (Decrease) |
| Shares Sold  | 5,950,000 | \$40,151,470                   |
| Shares Redeemed  | (500,000) | (6,343,627)                    |
| Net Increase   | 5,450,000 | \$33,807,843                   |

**BREAKWAVE DRY BULK SHIPPING ETF**

| Summary of Share Transactions for the Year Ended June 30, 2019 |         |                                |
|--|---------|--------------------------------|
|  | Shares  | Net Assets Increase (Decrease) |
| Shares Sold  | 175,000 | \$ 1,795,803                   |
| Shares Redeemed  | -       | -                              |
| Net Increase   | 175,000 | \$ 1,795,803                   |

## **(6) Risk**

### **(a) Investment Related Risk**

The NAV of RISE's shares relates directly to the value of the U.S. treasuries, cash and cash equivalents held by RISE and the portfolio's negative effective duration established and maintained through RISE's investment in Treasury Instruments. Fluctuations in the prices of these assets could materially adversely affect the value and performance of an investment in RISE's shares. Past performance is not necessarily indicative of future results; all or substantially all of an investment in RISE could be lost.

Investments in debt securities typically decrease in value when interest rates rise, however, RISE attempts to maintain a portfolio with a negative effective duration and therefore anticipates that an increase in interest rates may increase RISE's value, and a decrease in rates may lower RISE's value. The NAV of RISE's shares relates directly to the value of U.S. Treasuries and Treasury Instruments held by RISE which are materially impacted by interest rate movements. The magnitude of the impact on value from a change in interest rates is often greater for longer-term fixed income than shorter-term securities. Interest rates have remained near historic lows since the market events of 2008 and may remain low.

Interest rate movements are heavily influenced by the action of the Board of Governors of the Federal Reserve System and other central banks. Their actions are based on judgments and policies which involve numerous political and economic factors which are unpredictable. Recent interest rate and monetary policies have been unprecedented and may continue to be so.

RISE attempts to track a portfolio benchmark. The performance of RISE may not closely track the performance of the RISE Benchmark Portfolio for a variety of reasons. For example, RISE incurs operating expenses and portfolio transaction costs not incurred by the benchmark. RISE is also required to manage cash flows and may experience operational inefficiencies the benchmark does not. In addition, RISE may not be fully invested in the contents of its benchmark at all times or may hold securities not included in its benchmark.

RISE invests in Treasury Instruments and U.S. treasuries with exposure to different maturity dates. Generally, RISE's exposure to securities with maturities of 2 and 5 years will be greater than its exposure to securities with maturities of 10 years. Interest rates do not change uniformly for U.S. Treasuries of different maturities and therefore if interest rates rise, the investment performance of RISE will be impacted by RISE's current maturity exposure which may be different from the expectations of the Sponsor and investors in RISE. At any time, RISE's maturity exposure may not be optimal with respect to a movement in interest rates which would negatively impact performance.

The NAV of BDRY's shares relates directly to the value of the futures portfolio, cash and cash equivalents held by BDRY. Fluctuations in the prices of these assets could materially adversely affect the value and performance of an investment in BDRY's shares. Past performance is not necessarily indicative of future results; all or substantially all of an investment in BDRY could be lost.

The NAV of BDRY's shares relates directly to the value of futures investments held by BDRY which are materially impacted by fluctuations in changes in spot charter rates. Charter rates for dry bulk vessels are volatile and have declined significantly since their historic highs and may remain at low levels or decrease further in the future.

Futures and options contracts have expiration dates. Before or upon the expiration of a contract, BDRY may be required to enter into a replacement contract that is priced higher or that have less favorable terms than the contract being replaced (see "Negative Roll Risk," below). The Freight Futures market settles in cash against published indices, so there is no physical delivery against the futures contracts.

Similar to other futures contracts, the Freight Futures curve shape could be either in "contango" (where the futures curve is upward sloping with next futures price higher than the current one) or "backwardation" (where each the next futures price is lower than the current one). Contango curves are generally characterized by negative roll cost, as the



expiring contract value is lower than the next prompt contract value, assuming the same lot size. That means there could be losses incurred when the contracts are rolled each period ("Negative Roll Risk") and such losses are independent of the Freight Futures price level.

## **(b) Liquidity Risk**

In certain circumstances, such as the disruption of the orderly markets for the futures contracts or Financial Instruments in which the Funds invest, the Funds might not be able to dispose of certain holdings quickly or at prices that represent what the market value may have been in an orderly market. Futures and option positions cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption can also make it difficult to liquidate a position. The large size of the positions that the Funds may acquire increases the risk of illiquidity both by making its positions more difficult to liquidate and by potentially increasing losses while trying to do so. Such a situation may prevent the Funds from limiting losses, realizing gains or achieving a high correlation with the applicable Benchmark Portfolio.

## **(c) Natural Disaster/Epidemic Risk**

Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis and other severe weather-related phenomena generally, and widespread disease, including pandemics and epidemics (for example, the novel coronavirus COVID-19), have been and can be highly disruptive to economies and markets and have recently led, and may continue to lead, to increased market volatility and significant market losses. Such natural disaster and health crises could exacerbate political, social, and economic risks previously mentioned, and result in significant breakdowns, delays, shutdowns, social isolation, and other disruptions to important global, local and regional supply chains affected, with potential corresponding results on the operating performance of the Funds and their investments. A climate of uncertainty and panic, including the contagion of infectious viruses or diseases, may adversely affect global, regional, and local economies and reduce the availability of potential investment opportunities, and increases the difficulty of performing due diligence and modeling market conditions, potentially reducing the accuracy of financial projections. Under these circumstances, the Funds may have difficulty achieving their investment objectives which may adversely impact performance. Further, such events can be highly disruptive to economies and markets, significantly disrupt the operations of individual companies (including, but not limited to, the Funds' Sponsor and third party service providers), sectors, industries, markets, securities and commodity exchanges, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Funds' investments. These factors can cause substantial market volatility, exchange trading suspensions and closures and can impact the ability of the Funds to complete redemptions and otherwise affect Fund performance and Fund trading in the secondary market. A widespread crisis may also affect the global economy in ways that cannot necessarily be foreseen at the current time. How long such events will last and whether they will continue or recur cannot be predicted. Impacts from these events could have significant impact on a Fund's performance, resulting in losses to the Funds.

## **(d) Risk that Current Assumptions and Expectations Could Become Outdated As a Result of Global Economic Shocks**

The onset of the novel coronavirus (COVID-19) has caused significant shocks to global financial markets and economies, with many governments taking extreme actions to slow and contain the spread of COVID-19. These actions have had, and likely will continue to have, a severe economic impact on global economies as economic activity in some instances has essentially ceased at times. Financial markets across the globe are experiencing severe distress at least equal to what was experienced during the global financial crisis in 2008. The global economic shocks being experienced as of the date hereof may cause the underlying assumptions and expectations of the Funds to become outdated quickly or inaccurate, resulting in significant losses.

## **(7) Profit and Loss Allocations and Distributions**

Pursuant to the Trust Agreement, income and expenses are allocated *pro rata* among the Shareholders monthly based on their respective percentage interests as of the close of the last trading day of the preceding month. Any losses allocated to the Sponsor which are in excess of the Sponsor's capital balance are allocated to the Shareholders in accordance with their respective interest in the Funds as a percentage of total Shareholders' capital. Distributions (other than redemption of units) may be made at the sole discretion of the Sponsor on a *pro rata* basis in accordance with the respective interests of the Shareholders.



## (8) Indemnifications

The Sponsor, either in its own capacity or in its capacity as the Sponsor and on behalf of the Funds, has entered into various service agreements that contain a variety of representations, or provide indemnification provisions related to certain risks service providers undertake in performing services which are in the best interests of the Funds. As of June 30, 2020, the Funds had not received any claims or incurred any losses pursuant to these agreements and expects the risk of such losses to be remote.

## (9) Termination

The term of each Fund is perpetual unless terminated earlier in certain circumstances as described in the applicable Prospectus.

## (10) Net Asset Value and Financial Highlights

The Funds are presenting, as applicable, the following net asset value and financial highlights related to investment performance for a Share outstanding throughout the years ended June 30, 2020 and 2019, respectively. The net investment income and total expense ratios are calculated using average net assets. The net asset value presentation is calculated by dividing each Fund's net assets by the average daily number of Shares outstanding. The net investment income (loss) and expense ratios have been annualized. The total return is based on the change in net asset value and market value of the Shares during the period. An individual investor's return and ratios may vary based on the timing of their transactions in Fund Shares.

|  | <b>SIT RISING RATE ETF</b>         |                | <b>BREAKWAVE DRY<br/>BULK SHIPPING<br/>ETF</b> |                 |
|--|------------------------------------|----------------|--|-----------------|
|  | <b>For the Year Ended June 30,</b> |                | <b>For the Year Ended<br/>June 30,</b>         |                 |
|  | <b>2020</b>                        | <b>2019</b>    | <b>2020</b>                                    | <b>2019</b>     |
| <b>Net Asset Value</b>                       |                                    |                |  |                 |
| Net asset value per Share, beginning of year | \$ 22.70                           | \$ 24.65       | \$ 13.25                                       | \$ 21.98        |
| Net investment income (loss)                 | 0.17                               | 0.26           | (0.35)   | (0.43)          |
| Net realized and unrealized gain (loss)      | (2.60)                             | (2.21)         | (5.20)   | (8.30)          |
| Net Income (Loss)                            | (2.43)                             | (1.95)         | (5.55)   | (8.73)          |
| Net Asset Value per Share, end of year       | \$ 20.27                           | \$ 22.70       | \$ 7.70  | \$ 13.25        |
| Market Value per Share, end of year          | \$ 20.26                           | \$ 22.73       | \$ 7.39  | \$ 13.15        |
| <b>Ratios to Average Net Assets*</b>         |                                    |                |  |                 |
| Expense Ratio***                             | 1.08%                              | 1.11%          | 5.67%  | 4.60%           |
| Expense Ratio*** before Waiver/Assumption    | 7.34%                              | 1.52%          | 9.58%  | 21.28%          |
| Net Investment Income (Loss)                 | 0.75%                              | 1.04%          | (5.25)%  | (2.81)%         |
| <b>Total Return, at Net Asset Value**</b>    | <b>(10.70)%</b>                    | <b>(7.91)%</b> | <b>(41.89)%</b>                                | <b>(39.72)%</b> |
| <b>Total Return, at Market Value**</b>       | <b>(10.87)%</b>                    | <b>(7.83)%</b> | <b>(43.80)%</b>                                | <b>(40.34)%</b> |

\* Percentages are annualized.

\*\* Percentages are not annualized.

\*\*\* For Sit Rising Rate ETF, Fund expenses have been capped at 1.00% of average daily net assets, plus brokerage commissions and interest expense. For Breakwave Dry Bulk Shipping ETF, Fund expenses have been capped at 3.50% of average daily net assets, plus brokerage commissions and interest expense.

*Report of Independent Registered Public Accounting Firm*

To the Sponsor and Shareholders of

ETF Managers Group Commodity Trust I

**Opinion on the financial statements**

We have audited the accompanying statements of assets and liabilities of SIT Rising Rate ETF and Breakwave Dry Bulk Shipping ETF (the “Funds”) and the combined statement of assets and liabilities of ETF Managers Group Commodity Trust I (the “Trust”), including the schedules of investments of the Funds and the combined schedules of investments of the Trust, as of June 30, 2020 and 2019, and the related statements of operations, changes in net assets and cash flows of the Funds; combined statements of operations, changes in net assets, and cash flows of the Trust for the years then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Funds and the Trust as of June 30, 2020 and 2019, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

**Basis for opinion**

These financial statements are the responsibility of the Funds’ and the Trust’s management. Our responsibility is to express an opinion on the Funds’ and Trust’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Funds and the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ WithumSmith+Brown, PC

We have served as the Trust’s and Funds’ auditor since 2014.

New York, NY  
September 28, 2020

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.**

Not applicable.

### **Item 9A. Controls and Procedures.**

#### **Disclosure Controls and Procedures**

The Trust and the Fund maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in the Trust's periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time period specified in the SEC's rules and forms.

The duly appointed officers of the Sponsor, including its principal executive officer and principal financial officer, have evaluated the effectiveness of the Trust's and the Fund's disclosure controls and procedures and have concluded that the disclosure controls and procedures of the Trust and the Fund have been effective as of the end of the period covered by this annual report on Form 10-K.

#### **Management's Annual Report on Internal Control Over Financial Reporting**

This Report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the Fund's registered public accounting firm due to a transition period established by rules of the SEC for newly public companies.

Management of the Sponsor, on behalf of the Trust and each Fund are responsible for establishing and maintaining adequate internal control over financial reporting. The Trust and each Fund's internal control system is designed to provide reasonable assurance to the Sponsor regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those system determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management of the Sponsor, including Samuel Masucci III, Principal Executive Officer of the Sponsor, and John A. Flanagan, Principal Financial Officer of the Sponsor, who perform functions equivalent to those of a principal executive officer and principal financial officer of the Trust if the Trust had any officers, assessed the effectiveness of the Trust's and each Fund's internal control over financial reporting as of June 30, 2020. In making this assessment, it used the criteria in the Internal Control – Integrated framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on the assessment, Management believes that, as of June 30, 2020, the internal control over financial reporting is effective for the Trust and each Fund thereof.

#### **Change in Internal Control Over Financial Reporting**

There were no changes in the Trust's or the Fund's internal control over financial reporting during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Trust's or the Fund's internal control over financial reporting.

### **Item 9B. Other Information.**

The Sponsor has contractually agreed to waive its receipt of the management fee from RISE and/or assume the Fund's expenses (excluding brokerage fees, interest expenses, and extraordinary expenses) so that the Fund's total annual expenses do not exceed 1.00% per annum through September 30, 2021.

The foregoing is a summary description of the Expense Limitation Agreement, which is filed with this Annual Report on Form 10-K as Exhibit 10.18 and is incorporated by reference.

Breakwave has agreed to waive its license and services fee and the Sponsor has agreed to correspondingly assume the remaining expenses of BDRY so that the Fund's total annual expenses (excluding brokerage commissions, interest expense, and extraordinary expenses) do not exceed 3.50% per annum through September 30, 2021.

The foregoing is a summary description of the Fee Waiver Agreement and the Expense Limitation Agreement, which are filed with this Annual Report on Form 10-K as Exhibits 10.16 and 10.17, respectively, and are incorporated by reference.

## Part III

### Item 10. Directors, Executive Officers and Corporate Governance.

#### The Sponsor and its Management

Neither the Trust nor the Funds have executive officers. Pursuant to the terms of the respective Trust Agreements for each Fund, the Funds' affairs are managed by the Sponsor. The business and affairs of the Sponsor are managed by its chief executive officer, Samuel R. Masucci, III.

The following are individual Principals, as that term is defined in CFTC Rule 3.1, for the Sponsor: Samuel R. Masucci, III, John A. Flanagan, Matthew J. Bromberg, Reshma A. Tanczos and Devin L. Ryder. These individuals are principals due to their positions; however, Mr. Masucci is also a principal due to his controlling stake in ETFMG.

**Samuel R. Masucci, III.** Mr. Masucci is the founder of ETFMG and has been its Managing Owner since its formation in November 2013. Mr. Masucci was listed as a principal, as that term is defined in CFTC Rule 3.1, of the Sponsor on September 23, 2014. Mr. Masucci serves as Chairman and Chief Executive Officer of ETFMG with responsibilities for managing all ETF listed products and related service activities. Mr. Masucci became the Chief Executive Officer of Factor Advisors, LLC, a financial services company, and as the Chairman since March 2013; in this position Mr. Masucci is the founder of ETFMG and has been its Managing Owner since its formation in November 2013. Mr. Masucci was listed as a principal, as that term is defined in CFTC Rule 3.1, of the Sponsor on September 23, 2014. Mr. Masucci serves as Chairman and Chief Executive Officer of ETFMG with responsibilities for managing all ETF listed products and related service activities. Mr. Masucci became the Chief Executive Officer of Factor Advisors, LLC ("Factor Advisors") in June 2012, a financial services company, and became the Chairman in March 2013; in this position Mr. Masucci was listed as a principal of Factor Capital Management LLC ("Factor Capital") on June 20, 2012 and deregistered as a principal on September 23, 2014. Mr. Masucci became the Chief Executive Officer of GENCAP Ventures, LLC, a financial services company, in May 2012 and was responsible for managing all ETF issues and related service activities. Gencap was the parent of Factor Capital and Factor Advisors. ETFMG acquired Gencap in November 2013. Mr. Masucci was out of the job market from January to May 2012. Mr. Masucci worked as Chief Executive Officer for MacroMarkets LLC, a financial services company, from April 2005 to December 2011, with responsibility for running the day to day operations of an issuer of public securities and a registered broker-dealer. From April 2005 to December 2011, Mr. Masucci also worked as the Chief Executive Officer, managing partner and Chief Compliance Officer of Macro Financial LLC, which as its main business was a registered broker-dealer. From July 2001 to April 2005, Mr. Masucci worked as an owner and manager of The Cobblestone Group. The main business of The Cobblestone Group was fixed income consulting to the investment banking and commercial banking industries. From March 1999 to June 2001, Mr. Masucci worked in mortgage trading as a Managing Director for Bear Stearns Inc., a financial institution. Mr. Masucci was out of the job market from December 1998 to February 1999. From June 1996 to November 1998, Mr. Masucci worked at SBC Warburg/UBS, a financial institution, as an Executive Director managing an asset backed securities group. From January 1992 to June 1996, Mr. Masucci worked in structured products (specifically, structuring mortgage derivatives and hedge funds), at Merrill Lynch, a financial institution, as a Vice President. From January 1990 to January 1992, Mr. Masucci worked as a financial consultant for Merrill Lynch, a financial institution, in the private client group in connection with retail investors. From November 1987 to January 1990, Mr. Masucci worked at MetLife Insurance Company, an insurance company, as a retail salesperson qualified to sell financial and insurance products to retail clients. From August 1984 to October 1987, Mr. Masucci worked as a manager of jobsites for Forestdale Inc., which is a residential property developer. Mr. Masucci received his B.S. from Penn State University in Finance in July 1984.

**John A. Flanagan.** Mr. Flanagan serves as the Principal Financial Officer of the Sponsor and the Trust. Mr. Flanagan was listed as a principal, as that term is defined in CFTC Rule 3.1, of the Sponsor on January 8, 2015. Since June 2014, Mr. Flanagan has served as an Independent Trustee of Absolute Shares Trust, a multi-series exchange traded fund. Mr. Flanagan has been the President and sole owner of John A. Flanagan CPA, LLC since December 2010. Mr. Flanagan was Chief Financial Officer of MacroMarkets LLC, an exchange traded fund issuer from January 2007 to December 2010.



**Matthew J. Bromberg.** Mr. Bromberg serves as the General Counsel of the Sponsor. Mr. Bromberg was listed as a principal of the Sponsor in September 2020. Prior to joining the Sponsor, from 2019 to 2020, Mr. Bromberg was an investment management partner at the law firm Dorsey & Whitney where he provided counsel to investment advisers relating to private investment funds, ETFs and mutual funds, as well as to separately managed account and wrap fee program sponsors. From 2016 to 2019, Mr. Bromberg served as General Counsel of WBI Investments, Inc., a registered investment adviser and ETF sponsor. During the same period, Mr. Bromberg also served as General Counsel to Millington Securities, Inc., a broker-dealer affiliate of WBI Investments, Inc. From 2014 to 2015 Mr. Bromberg was an investment management partner at the law firm of Reed Smith. From 2014 to 2015 and 2006 to 2013, Mr. Bromberg served as Senior Managing Counsel to the Asset Servicing Division of BNY Mellon. Mr. Bromberg was in private practice, at the law firm of King & Spalding between 2013 and 2014, where he represented financial institutions in transactional and regulatory matters with a focus on investment advisers, registered public funds, private investment funds, banks, and broker-dealers. Mr. Bromberg received his B.A. in English Literature from The State University of New York at Albany and a J.D. from Brooklyn Law School.

**Reshma A. Tanczos.** Mrs. Tanczos serves as the Chief Compliance Officer of the Sponsor and the Trust. Mrs. Tanczos was listed as a principal of the Sponsor on July 27, 2016. Prior to joining the Sponsor, from October 2007 to July 2016, Mrs. Tanczos was a Partner at the law firm Crow & Cushing where she counseled clients in the financial services and money management industry focusing on SEC, CFTC, NFA and FINRA regulatory compliance. From September 2006 to September 2007, Mrs. Tanczos clerked for the Honorable Philip L. Paley, Superior Court of New Jersey, Law Division. Mrs. Tanczos received her B.S. in Economics from The George Washington University in May 2000 and a J.D. from Case Western Reserve University School of Law in May 2006.

**Devin L. Ryder.** Ms. Ryder has been a member of the portfolio management team of the Sponsor since January 2018. Ms. Ryder has been listed as a principal of the Sponsor since May 22, 2018, associated person, swap associated person and NFA associate member of the Sponsor since June 1, 2018. Ms. Ryder received a B.S. in Mathematics of Finance and Risk Management from the University of Michigan in 2017.

## Commodity Trading Advisors

### *Sit*

The Sponsor has also entered into a Licensing and Services Agreement with Sit. Under this agreement, Sit has agreed to compose and maintain the RISE Benchmark Portfolio and license to the Sponsor the use of the RISE Benchmark Portfolio.

The following are individual Principals, as that term is defined in CFTC Rule 3.1, for Sit: Roger J. Sit, Paul J. Jungquist, Paul E. Rasmussen, Carla J. Rose, Mark H. Book, Bryce A. Doty, and Chris M. Rasmussen. These individuals are principals due to their positions. The following individuals will serve as investment professionals and senior management in regards to RISE:

**Roger J. Sit.** Roger Sit is the Chairman and Chief Executive Officer. Mr. Sit was listed as a principal of Sit on November 4, 2014. Mr. Sit joined the organization in January 1998. Mr. Sit directs the overall investment management activities for Sit Investment Associates, Inc. and its affiliates.

**Bryce A. Doty.** Bryce Doty is a Senior Vice President and Senior Portfolio Manager. Mr. Doty joined Sit Investment Associates, Inc. in November 1995. Mr. Doty was listed as a principal of Sit on October 29, 2014 and was listed as an associated person on November 21, 2014. He has been responsible for the taxable bond portfolio management group since joining Sit.

**Mark H. Book, CFA, CMA.** Mark Book is a Vice President and Portfolio Manager. Mr. Book joined Sit Investment Associates, Inc. in August 2000 as a Portfolio Manager and Fixed Income Analyst. Mr. Book was listed as a principal of Sit on October 31, 2014 and was listed as an associated person on February 9, 2015. He is responsible for taxable bond portfolio management and credit research.

**Christopher M. Rasmussen, CFA.** Chris Rasmussen is a Vice President and Portfolio Manager. Mr. Rasmussen joined Sit Investment Associates, Inc. in February 1999. Mr. Rasmussen was listed as a principal of Sit on October 29, 2014 and listed as an associated person on November 21, 2014. He is responsible for taxable bond portfolio management and credit research. Mr. Rasmussen has worked in the Sit mutual fund group as well as the client administration area and moved to fixed income in August 2002.

### *Breakwave*

The Sponsor has also entered into a Licensing and Services Agreement with Breakwave. Under this agreement, Breakwave has agreed to compose and maintain the BDRY Benchmark Portfolio and license to the Sponsor the use of the BDRY Benchmark Portfolio.

Breakwave is a limited liability company. The following individual is the President, sole investment professional and Principal, as that term is defined in CFTC Rule 3.1:

**John Kartsonas.** John Kartsonas is the Principal and Managing Partner of Breakwave Advisors LLC., a Commodity Trading Advisory firm based in New York. Mr. Kartsonas was listed as a principal of the Sponsor on May 17, 2017. He has been a registered associated person and an NFA associate member of Breakwave since May 17, 2017. From 2017 to the present Mr. Kartsonas has also served as a Director of Seanergy Maritime, an international shipping company listed in the Nasdaq Capital Market. Prior to that, Mr. Kartsonas was a Senior Portfolio Manager at Carlyle Commodity Management from October 2012 to January 2017, a commodity-focused investment firm based in New York and part of the Carlyle Group. He was responsible for the firm's Shipping and Freight investments. During his tenure, he managed one of the largest freight futures funds globally. Mr. Kartsonas received his MBA from the Simon School of Business, University of Rochester.

## Code of Ethics

The Sponsor has adopted a Code of Business Conduct and Ethics (the “Code of Ethics”) which applies to all of its officers (including senior financial officers) and employees; the Sponsor’s Code of Ethics covers all officers and employees that manage the Trust and the Funds. A printed copy of the Code of Ethics is available to any person free of charge, upon request, by contracting the Sponsor at:

ETF Managers Group Commodity Trust I  
c/o ETF Managers Capital LLC  
30 Maple Street  
Suite 2  
Summit, NJ 07901

**Item 11. Executive Compensation.**

The Funds have no employees, officers or directors and are managed by the Sponsor. None of the directors or officers of the Sponsor receive compensation from the Funds. The Sponsor receives a management fee from RISE, monthly in arrears, in an amount equal to the greater of 0.15% per annum of the value of the Fund’s average daily net assets or \$75,000. The Sponsor has contractually agreed to waive the Sponsor Fee and/or assume the Fund’s Other Expenses (which term excludes brokerage fees, interest expense, and extraordinary expenses) so that the Fund’s Total Annual Fund Expenses do not exceed 1.00% per annum through September 30, 2021. The management fees paid to the Sponsor by RISE amounted to \$74,999 and \$85,187 for the year ended June 30, 2020 and 2019, respectively.

The Sponsor receives a management fee from BDRY, monthly in arrears, in an amount equal to the greater of 0.15% per annum on the daily NAV of BDRY or \$125,000. The Sponsor has contractually agreed to assume BDRY's expenses (excluding brokerage fees, interest expenses, and extraordinary expenses) in order to cap BDRY's total annual expenses at 3.50% per annum through September 30, 2021. The management fees paid to the Sponsor by BDRY amounted to \$124,997 and \$124,997 for the years ended June 30, 2020 and 2019, respectively.

The Sponsor also provides Principal Financial Officer, Chief Compliance Officer, Regulatory Reporting and Wholesale Support services to the Funds. The fees for each service provided to the Funds for the year ended June 30, 2020, all of which had been paid, or accrued, at June 30, 2020, were as follows:

| Service                     | RISE Amount | BDRY Amount |
|-----------------------------|-------------|-------------|
| Principal Financial Officer | \$ 24,969   | \$ 24,969   |
| Chief Compliance Officer    | 24,969      | 24,969      |
| Regulatory Reporting        | 24,969      | 24,969      |
| Wholesale Support           | 6,223       | 35,622      |

In addition to the above, the Distributor provides Distribution services to the Funds. The fees for Distribution services paid to the Distributor were \$15,539 and \$15,821, for RISE and BDRY, respectively, for the year ended June 30, 2020.

#### Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Security Ownership of Certain Beneficial Owners. The following table sets forth shares as of June 30, 2020, information with respect to each person known to own beneficially more than 5% of the outstanding shares of any series in the Trust:

| Series of the Trust | Name and Address of Beneficial Owner   | Amount and nature of Beneficial Ownership | Percent of Class |
|---------------------|--|---|------------------|
| RISE                | Sit Investment Associates<br>Sit Fixed Income Advisors II LLC<br>3300 IDS Center<br>80 South Eighth Street<br>Minneapolis, MN 55402-4130 | 61,200 Shares                             | 24.48%           |
|                     | Jane Street Capital LLC<br>250 Vesey Street - 5 <sup>th</sup> Floor<br>New York, NY 10281  | 54,630 Shares                             | 21.85%           |
|                     | G-1 Execution Services LLC<br>175 West Jackson Blvd<br>Suite 1700<br>Chicago, IL 60604   | 28,060 Shares                             | 11.22%           |
| BDRY                | Six Sis Ltd<br>Baslerstrasse 100<br>Olten, CH-4601<br>Switzerland  | 605,221 Shares                            | 10.53%           |
|                     | Jane Street Capital LLC<br>250 Vesey Street - 5 <sup>th</sup> Floor<br>New York, NY 10281  | 505,987 Shares                            | 8.80%            |

|   |                |       |
|---|----------------|-------|
| Credit Suisse Schweiz AG<br>Paradeplatz 8<br>Zurich, 8001 Switzerland | 369,136 Shares | 6.42% |
|---|----------------|-------|

**Security Ownership of Management.**

None of the directors or executive officers of the Sponsor owns any shares of the Funds.

**Change in Control.**

The Sponsor does not know of any arrangements which may subsequently result in a change in the control of the Trust.

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

**Certain Relationships and Related Transactions**

See Items 11 and 12.

Neither the Trust nor the Funds entered into any transaction in excess of \$120,000 in which any related person had a direct or indirect material interest and the Trust and the Funds do not propose to enter into any such transaction.

**Director Independence**

As an unincorporated entity, the registrant does not have a Board of Directors.

**Item 14. Principal Accountant Fees and Services.**

The fees for services accrued and/or billed to the Funds by its independent auditors for the year ended June 30, 2020 and 2019 were as follows:

|                    | <u>2020</u>       | <u>2019</u>       |
|--------------------|-------------------|-------------------|
| Audit Fees         | \$ 124,602        | \$ 132,600        |
| Audit-Related Fees | —                 | —                 |
| Tax Fees           | 99,998            | 50,875            |
| All Other Fees     | —                 | —                 |
| Total              | <u>\$ 224,600</u> | <u>\$ 183,475</u> |

**Approval of Independent Registered Public Accounting Firm Services and Fees**

The Sponsor approved all of the services provided by WithumSmith+Brown, PC to the Funds described above. The Sponsor pre-approves all audit and allowed non-audit services of the Funds' independent registered public accounting firm, including all engagement fees and terms.

## **Part IV**

### **Item 15. Exhibits and Financial Statement Schedules.**

1. See Index to Financial Statements on page 34.
2. No financial statement schedules are filed herewith because (i) such schedules are not required or (ii) the information required has been presented in the aforementioned financial statements.
3. Exhibits required to be filed by Item 601 of Regulation S-K.

## **Exhibit Index**

Listed below are the exhibits which are filed or furnished as part of this annual report on Form 10-K (according to the number assigned to them in Item 601 of Regulation S-K):

- 3.1(a) [Amended and Restated Declaration of Trust and Trust Agreement of the Registrant. \(Incorporated by reference to Pre-Effective Amendment No. 2 to Registration Statement No. 333-199190, filed on January 12, 2015.\)](#)
- 3.1(b) [Instrument Establishing the Fund. \(Incorporated by reference to Pre-Effective Amendment No. 1 to Registration Statement No. 333-218453, filed on October 6, 2017.\)](#)
- 3.1(c) [Amended Exhibit C to the Amended and Restated Declaration of Trust and Trust Agreement of the Trust. \(Incorporated by reference to Pre-Effective Amendment No. 1 to Registration Statement No. 333-218453, filed on October 6, 2017.\)](#)
- 3.2 [Certificate of Trust of the Registrant. \(Incorporated by reference to Pre-Effective Amendment No. 1 to Registration Statement No. 333-218453, filed on October 6, 2017.\)](#)
- 4.1 [Description of the Trust's securities. \(Incorporated by reference to the Trust's Annual Report on Form 10-K, filed on September 30, 2019.\)](#)
- 10.1 [Form of Authorized Participant Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)
- 10.2 [Marketing Agent Agreement. \(Incorporated by reference to the Trust's Current Report on Form 8-K, filed on April 12, 2017.\)](#)
- 10.3 [Amendment No. 1 to Marketing Agent Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.4 [Amendment No. 2 to Marketing Agent Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.5 [Licensing and Services Agreement with respect to RISE. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)
- 10.6 [Amendment No. 1 to the Licensing and Services Agreement with respect to RISE. \(Incorporated by reference to Trust's Registration Statement No. 333-222379, filed on January 2, 2018.\)](#)
- 10.7 [Licensing and Services Agreement with respect to BDRY. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.8 [Custody Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)
- 10.9 [Amendment No. 1 to Custody Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.10 [Fund Administration Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)



- 10.11 [Amendment No. 1 to Fund Administration Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.12 [Fund Accounting Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)
- 10.13 [Amendment No. 1 to Fund Accounting Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)

- 10.14 [Transfer Agent Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-199190, filed on January 28, 2015.\)](#)
- 10.15 [Amendment No. 1 to Transfer Agent Servicing Agreement. \(Incorporated by reference to Pre-Effective Amendment No. 3 to Registration Statement No. 333-218453, filed on March 6, 2018.\)](#)
- 10.16 [Fee Waiver Agreement with respect to BDRY. \(Incorporated by reference to the Trust's Annual Report on Form 10-K, filed on September 30, 2019.\)](#)
- 10.17 [Expense Limitation Agreement with respect to BDRY. \(Incorporated by reference to the Trust's Annual Report on Form 10-K, filed on September 30, 2019.\)](#)
- 10.18 [Expense Limitation Agreement with respect to RISE. \(Incorporated by reference to the Trust's Annual Report on Form 10-K, filed on September 30, 2019.\)](#)
- 23.1 [Consent of Sullivan & Worcester LLP with respect to RISE. \(Incorporated by reference to the Trust's Registration Statement No. 333-222379, filed on January 2, 2018.\)](#)
- 23.2 [Consent of Sullivan & Worcester LLP with respect to BDRY. \(Incorporated by reference to Pre-Effective Amendment No. 2 to Registration Statement No. 333-218453, filed on January 26, 2018.\)](#)
- 23.3 [Consent of WithumSmith & Brown, P.C. as to the Breakwave Dry Bulk Shipping ETF and Sit Rising Rate ETF. \(Filed herewith.\)](#)
- 23.4 [Consent of Connolly & Company, P.C. as to the Sponsor. \(Incorporated by reference to Amendment No. 1 to the Trust's Current Report on Form 8-K, filed on June 4, 2020.\)](#)
- 31.1 [Certification by the Principal Executive Officer of the Registrant pursuant to Rules 13a-14 and 15d-14 of the Exchange Act. \(Filed herewith.\)](#)
- 31.2 [Certification by the Principal Financial Officer of the Registrant pursuant to Rules 13a-14 and 15d-14 of the Exchange Act. \(Filed herewith.\)](#)
- 32.1 [Certification by the Principal Executive Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. \(Filed herewith.\)](#)
- 32.2 [Certification by the Principal Financial Officer of the Registrant pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. \(Filed herewith.\)](#)
- 101.INS XBRL Instance Document.
- 101.SCH XBRL Taxonomy Extension Schema.
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase.
- 101.DEF XBRL Taxonomy Definition Linkbase.
- 101.LAB XBRL Taxonomy Extension Label Linkbase.
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### **ETF Managers Group Commodity Trust I (Registrant)**

By: ETF Managers Capital, LLC  
*its Sponsor*

By: /s/ Samuel R. Masucci III  
Name: Samuel R. Masucci III  
Principal Executive Officer

By: /s/ John A. Flanagan  
Name: John A. Flanagan  
Principal Financial Officer

Date: September 28, 2020