Level Four Large Cap Growth Active ETF

Ticker: LGRO

Overview

Paul Baiocchi,* CFA, Head of Fund Sales & Strategy at SS&C ALPS Advisors, interviews Lal Echterhoff, CFA, Chief Investment Officer at Level Four Capital Management and Portfolio Manager of the Level Four Large Cap Growth Active ETF (LGRO). The conversation explores Level Four's investment philosophy, team structure, approach to growth investing and how LGRO fits into broader asset allocation strategies.

* *Paul Baiocchi is a Registered Representative of ALPS Distributors, Inc. and ALPS Portfolio Solutions Distributor, Inc.*

About Level Four and LGRO

Firm Structure:

Level Four Capital Management is part of Level Four Group, owned by top 25 accounting firm Carr Riggs & Ingram.

Experience:

The team includes seasoned professionals Lal Echterhoff, CFA (30+ years experience) and Ray Shimer, CFA (20+ years experience) as well as two equity analysts with deep sector expertise.

ETF Origin:

LGRO was launched via a 351 exchange, a growing trend in ETF creation.

Investment Philosophy

Growth as an Input to Value:

Contrary to traditional growth investing, Level Four emphasizes intrinsic value, viewing growth as a driver of long-term value.

Efficient Capital Allocation:

Level Four focuses on companies who are expected to grow their intrinsic value over time through efficient investment and competitive advantage.

Conviction-Based Portfolio:

LGRO typically holds 35–45 high-conviction names, weighted by discount to intrinsic value and index awareness.

Portfolio Construction

Valuation Discipline:

Entry points are based on valuation gaps; growth of intrinsic value is key to total return.

Conviction Weighting:

Positions are adjusted like a "dimmer switch," not binary decisions—e.g., Nvidia was increased from 1% to 5% after valuation corrections.

Index Awareness:

LGRO is not an index hugger but remains aware of benchmark positioning.

Sector and Theme Focus

Beyond Tech:

While technology is central, LGRO includes growth names in consumer staples (e.g., Celsius) and health care.

Artificial Intelligence (AI) Evolution:

LGRO differentiates between AI builders (e.g., Nvidia) and future AI users (e.g., health care, pharmaceuticals and medical technology), with a long-term focus on the latter.

Health Care as a Key Sector:

AI's potential in drug discovery and robotic surgery is seen as a major growth driver.

Macro Considerations

Macro-Aware, Not Macro-Driven:

Long-term GDP, inflation and margin assumptions are built into models, but short-term macro events are not central to strategy.

Behavioral Edge:

Level Four uses market corrections as buying opportunities, relying on pre-researched "wish lists."

Asset Allocation Positioning

Core Growth Allocation:

LGRO is positioned as a quality growth core holding.

Complementary Role:

LGRO works well alongside more volatile or momentum-driven strategies like the NASDAQ 100 Index or other actively managed investments.

Differentiator:

Emphasis on economic value over accounting multiples and readiness to act during market dislocations.

Closing Thoughts

Lal emphasizes the importance of Level Four's process, discipline and long-term thinking in active growth management.

LGRO stands out for its valuation-driven approach, sector diversity and readiness to capitalize on market inefficiencies.

Investment Team

Lal Echterhoff, CFA, *Sr. Portfolio Manager, CIO*

Mr. Echterhoff is Chief Investment Officer with Level Four Capital Management and has 30+ years of finance and investment industry experience. Mr. Echterhoff leads the Level Four Capital Management Investment Committee, the direction of the investment process, research for the firm's proprietary strategies and ensures adherence to the firm's investment mandates. Mr. Echterhoff earned his Bachelor of Business Administration Finance from the University of North Texas. He is a CFA Charterholder and member of the CFA Institute.

Partnership

SS&C ALPS Advisors

Headquartered in Denver, CO with over $31.84 billion under management as of September 30, 2025, SS&C ALPS Advisors is an open architecture boutique investment manager offering portfolio building blocks, active insight and an unwavering drive to guide clients to investment outcomes across sustainable income, thematic and alternative growth strategies.

Level Four Capital Management

Level Four Capital Management, LLC (LFCM), an SEC-registered investment adviser, is the institutional asset manager of Level Four Group, LLC, which is owned and operated by Carr, Riggs & Ingram, LLC. LFCM provides asset management services to high net worth individuals and families, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations and other business entities. The firm's investment team is dedicated to bringing clients the highest level of professionalism, a commitment to excellence and a client-centric approach through a repeatable and data driven investment process.

Top 10 Holdings

Apple Inc	6.83%
Alphabet Inc	6.59%
Microsoft Corp	6.05%
NVIDIA Corp	5.51%
Amazon.com Inc	5.09%
Lam Research Corp	4.35%
Snowflake Inc	4.15%
Blackrock Inc	3.23%
Uber Technologies Inc	3.16%
Meta Platforms Inc	3.09%

Source: Bloomberg L.P., as of 9/30/2025, subject to change

Important Disclosures & Definitions

An investor should consider the investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus containing this and other information, call 1-866-759-5679 or visit www.alpsfunds.com. Read the prospectus carefully before investing.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemable.

All investments are subject to risks, including the loss of money and the possible loss of the entire principal amount invested. Additional information regarding the risks of this investment is available in the prospectus.

Diversification does not eliminate the risk of experiencing investment losses.

Investment Objective: the Level Four Large Cap Growth Active ETF (LGRO) seeks maximum total return and above peer average risk-adjusted return.

Active Management: the practice of selecting individual investments with discretion. The opposite of Passive Management.

NASDAQ 100 Index: one of the world's preeminent large-cap growth indexes. It includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. One may not invest directly in an index.

Section 351 Exchange for a Separately Managed Account (SMA): a tax-deferred conversion where assets from an SMA are transferred into a newly created Exchange-Traded Fund (ETF) without triggering immediate capital gains tax.

ALPS Advisors, Inc. and Level Four Capital Management, LLC, registered investment advisers with the SEC, are the investment adviser and sub-adviser to the Fund, respectively. ALPS Advisors, Inc., ALPS Distributors, Inc. and ALPS Portfolio Solutions Distributor, Inc., affiliated entities, are unaffiliated with Level Four Capital Management, LLC.

ALPS Portfolio Solutions Distributor, Inc. is the distributor for the Fund.

Not FDIC Insured • No Bank Guarantee • May Lose Value

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