

Defined Outcome Investing Without Credit Risk

The Innovator Defined Outcome ETFs™ use FLEX Options to employ a “defined outcome strategy.” As an investor in these ETFs, you own the underlying options, rather than a credit linked instrument often found with these types of payoffs. Defined Outcome ETFs™ are not backed by the faith and credit of an issuing institution, so they are not exposed to credit risk. This stands in stark contrast to structured notes and annuities, which are instruments subject to the credit risk of the issuing bank or insurance company (i.e. Lehman Brothers, Bear Stearns, AIG). Should the issuer default, investors may receive nothing.

Alternatively, the options held in the ETFs are guaranteed for settlement by the Options Clearing Corporation (OCC), which has been deemed a systemically important financial market utility (SIFMU) by the U.S. Government. This means the Federal Reserve Board will intervene in the event of significant liquidity or stability issues, of which there have been none since the OCC’s inception in 1973. The Federal Reserve Board also holds SIFMUs to higher standards of risk-management, authorizes a Federal Reserve Bank to service and maintain an account for them, and consults on their inspections.

In addition to avoiding credit risk, the potential benefits of the Defined Outcome ETFs™ compared to bank and insurance products include:

Easily Accessed & Liquid

Tax Efficiency¹

No credit risk

Transparency

No commissions or surrender charges

Low Cost

MORE ABOUT INNOVATOR DEFINED OUTCOME ETFS™

The Innovator Defined Outcome ETFs™ are a revolutionary product line that seek to provide returns that match those of the reference asset (a broad market ETF or index), up to a cap, while providing a buffer against the first 9, 15, or 30% of losses over the fund’s outcome period, at which point each ETF will reset. Each Innovator Defined Outcome ETF™ holds a customized basket of FLEXible EXchange® Options (FLEX Options) with varying strike prices, and the same expiration. This gives each ETF a built-in buffer and upside cap, over an outcome period.

MORE ABOUT THE OCC

OCC, founded in 1973, is the world’s largest equity derivatives clearing organization. By acting as guarantor, OCC ensures that the obligations of the contracts it clears are fulfilled. Although OCC began as a clearinghouse for listed equity options, it has grown into a globally recognized entity that clears a multitude of diverse and sophisticated products. As a registered clearing agency under SEC jurisdiction, OCC clears transactions for exchange-listed options, security futures and OTC options. As a registered derivatives clearing organization under CFTC jurisdiction, OCC offers clearing and settlement services for transactions in futures and options on futures. OCC also serves other markets, including those trading commodity futures, commodity options, and security futures.

The Funds have characteristics unlike many other traditional investment products and may not be suitable for all investors. For more information regarding whether an investment in the Fund is right for you, please see “Investor Suitability” in the prospectus.



DEFINED OUTCOME ETFs™:

[FAQs](#)

[Investor Guide](#)

[Understanding Your Experience with Innovator Defined Outcome ETFs™](#)

ADDITIONAL RESOURCES:

[General Overview of the OCC](#)

[Federal Reserve - Board of Governors](#)

[SEC Dodd-Frank Act Title VIII](#)

¹ETFs use creation units, which allow for the purchase and sale of assets in the fund collectively. Consequently, ETFs usually generate fewer capital gain distributions overall, which can make them somewhat more tax-efficient than mutual funds. Defined Outcome ETFs are not backed by the faith and credit of an issuing institution, so they are not exposed to credit risk.

It's important to note that investors holding units of the ETF for less than the entire holding period will experience different results. Investors purchasing units of the ETF may experience interim period results that deviate from the payoff profile line. There is no guarantee the fund will achieve its investment objective. Illustrated results do not include fund fees and expenses. If fees and expenses, and in addition, any shareholder transaction fees and extraordinary expenses were included results would be reduced. Upside participation, downside participation, and buffer levels are fixed for the life of the Fund. The Funds only seek to provide shareholders that hold shares for the entire Outcome Period with their respective buffer level against reference asset losses during the Outcome Period. You will bear all reference asset price losses exceeding their buffer. Depending upon market conditions at the time of purchase, a shareholder that purchases shares after the Outcome Period has begun may also lose their entire investment. For instance, if the Outcome Period has begun and the Fund has decreased in value beyond the pre-determined % buffer, an investor purchasing shares at that price may not benefit from the buffer. Similarly, if the Outcome Period has begun and the Fund has increased in value, an investor purchasing shares at that price may not benefit from the buffer until the Fund's value has decreased to its value at the commencement of the Outcome Period.

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Technology Sector Risk. Companies in the technology sector are often smaller and can be characterized by relatively higher volatility in price performance when compared to other economic sectors. They can face intense competition which may have an adverse effect on profit margins.

Small Cap Risk. Small cap companies may be more volatile and susceptible to adverse developments than their mid and large cap counterpart. In addition, the small cap companies may be less liquid than larger companies.

Investing involves risks. Loss of principal is possible. The Funds face numerous market trading risks, including active markets risk, authorized participation concentration risk, buffered loss risk, cap change risk, capped upside return risk, correlation risk, liquidity risk, management risk, market maker risk, market risk, non-diversification risk, operation risk, options risk, trading issues risk, upside participation risk and valuation risk. For a detail list of fund risks see the prospectus.

Non-U.S. securities and Emerging Markets are subject to higher volatility than securities of domestic issuers due to possible adverse political, social or economic developments, restrictions on foreign investment or exchange of securities, lack of liquidity, currency exchange rates, excessive taxation, government seizure of assets, different legal or accounting standards, and less government supervision and regulation of securities exchanges in foreign countries.

FLEX Options Risk. The Fund will utilize FLEX Options issued and guaranteed for settlement by the Options Clearing Corporation (OCC). In the unlikely event that the OCC becomes insolvent or is otherwise unable to meet its settlement obligations, the Fund could suffer significant losses.

These Funds are designed to provide point-to-point exposure to the price return of the reference asset via a basket of Flex Options. As a result, the ETFs are not expected to move directly in line with the reference asset during the interim period. Investors purchasing shares after an outcome period has begun may experience very different results than funds' investment objective. Initial outcome periods are approximately 1-year beginning on the funds' inception date. Following the initial outcome period, each subsequent outcome period will begin on the first day of the month the fund was inceptioned. After the conclusion of an outcome period, another will begin.

Fund shareholders are subject to an upside return cap (the "Cap") that represents the maximum percentage return an investor can achieve from an investment in the funds' for the Outcome Period, before fees and expenses. If the Outcome Period has begun and the Fund has increased in value to a level near to the Cap, an investor purchasing at that price has little or no ability to achieve gains but remains vulnerable to downside risks. Additionally, the Cap may rise or fall from one Outcome Period to the next. The Cap, and the Fund's position relative to it, should be considered before investing in the Fund. The Funds' website, www.innovatoretfs.com, provides important Fund information as well information relating to the potential outcomes of an investment in a Fund on a daily basis.

The Funds only seek to provide shareholders that hold shares for the entire Outcome Period with their respective buffer level against losses of the EEM during the Outcome Period. You will bear all reference asset losses exceeding the buffer. Depending upon market conditions at the time of purchase, a shareholder that purchases shares after the Outcome Period has begun may also lose their entire investment. For instance, if the Outcome Period has begun and the Fund has decreased in value beyond the pre-determined buffer, an investor purchasing shares at that price may not benefit from the buffer. Similarly, if the Outcome Period has begun and the Fund has increased in value, an investor purchasing shares at that price may not benefit from the buffer until the Fund's value has decreased to its value at the commencement of the Outcome Period.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information, and may be obtained by calling 800.208.5212 or visiting innovatoretfs.com. Read it carefully before investing.

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