

Why Sugar?

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Fund Description

The Teucrium Sugar Fund provides investors unleveraged direct exposure to sugar without the need for a futures account. CANE, as a result of the sugar futures it holds, has been specifically designed to mitigate the impacts of contango and backwardation.

Why Sugar?

- **Rising world population and growth of the middle class¹** increases demand for sugar and sugar products, while decreasing the amount of arable land for sugarcane and other agricultural crop production.
- **Developing countries account for 67% of global sugar consumption**, and are expected to be the primary sources of future demand growth, particularly in Asia. Global consumption continues to expand, averaging 1.93% over the past decade, driven largely by rising incomes, population growth and shifting dietary patterns.²
- In 2017/18 global sugar **consumption is projected to remain at a near record high³**.
- **Increasing domestic sugar demand in Brazil³**, the largest producer of sugarcane, largest exporter of sugarcane-based ethanol, and world's fifth most populous nation¹, will affect **Brazil's sugar export capacity**.
- **Increasing domestic sugar demand in India³**, the world's second largest producer of sugarcane and the world's second most populous nation¹, is putting stress on **India's sugar export capacity**.
- **Sugar supplies are unpredictable** – subject to changing global weather patterns that may cause flooding, drought and crop failures in major producing regions.

Fund Data

Ticker Symbol	CANE
Primary Exchange	NYSE Arca
IIV	^CANE-IV
CUSIP	88166A409
Expense Ratio	1.68%*
Inception Date	Sept 19, 2011

Risks and Disclosure

- *Commodities and futures generally are volatile, and instruments whose underlying investments include commodities and futures are not suitable for all investors.*
- *This material must be preceded or accompanied by a prospectus. Please read the prospectus carefully before investing or sending money. To obtain a current prospectus visit the links below:*

<http://www.teucriumcanefund.com/pdfs/cane-prospectus.pdf>

<http://www.teucriumtagsfund.com/pdfs/tags-prospectus.pdf>
- *The Fund is not a mutual fund or any other type of investment company within the meaning of the Investment Company Act of 1940, as amended, and is not subject to regulation thereunder.*
- *Because the Fund will invest primarily in sugar futures contracts and other derivative instruments based on the price of sugar, an investment in the Fund will subject the investor to the risks of the sugar market, and this could result in substantial fluctuations in the price of the Fund's shares.*

*Based on the April 30, 2018 Prospectus

See additional disclosure on back page

¹U.S. Census Bureau Current Population; <https://www.census.gov/popclock/print.php?component=counter>

²ISO Sugar; <https://www.isosugar.org/sugarsector/sugar>

³USDA Sugar: World Markets and Trade; <https://apps.fas.usda.gov/psdonline/circulars/Sugar.pdf>

The Teucrium Sugar Fund is a commodity pool that will issue Shares that may be purchased and sold on the NYSE Arca. The Fund is a series of the Teucrium Commodity Trust ("Trust"), a Delaware statutory trust. Additional series of the Trust that will be separate commodity pools may be created in the future. The Trust and the Fund operate pursuant to the Trust's Second Amended and restated Declaration of Trust and Trust Agreement (the "Trust Agreement"). The Fund was formed and is managed and controlled by the Sponsor, Teucrium Trading, LLC. The Sponsor, a limited liability company formed in Delaware, is registered as a commodity pool operator ("CPO") and a commodity trade advisor ("CTA") with the Commodities Futures Trading Commission ("CFTC") and is a member of the NFA.

Fund Objective

The investment objective of CANE is to have the daily changes in percentage terms of the Shares' Net Asset Value ("NAV") reflect the daily changes in percentage terms of a weighted average of the closing settlement prices for three futures contracts for No. 11 sugar ("Sugar Futures Contracts") that are traded on the ICE Futures US ("ICE"):

CANE Benchmark

ICE No. 11 Sugar Futures Contract Weighting

Second to expire	35%
Third to expire	30%
Expiring in the March following the expiration of the third-to-expire contract	35%

Backwardation: A market condition in which a futures price is lower in the distant delivery months than in the near delivery months.

Contango: A condition in which distant delivery prices for futures exceed spot prices, often due to the costs of storing and insuring the underlying commodity. Opposite of backwardation.

Expense Ratio: Defined as the amount of income(loss) required for the redemption value at the end of one year to equal the selling price of the Share, as presented in the Form S-1 dated April 30, 2018.

ICE: An Internet-based exchange for the trading of over-the-counter energy contracts.

Intraday Indicative Value (IIV): An Intraday Indicative Value is published by NYSE Alternext US for each ETP as a reference value to be used in conjunction with other ETP market information. The Intraday Indicative Value for the Teucrium Sugar Fund is published under a separate symbol every 15 seconds over the Consolidated Tape and calculated throughout the trading day using the prior day's closing Net Asset Value per share as a base and updating that value throughout the trading day to reflect changes in the value of the

- *Shares of the Fund are not insured by the Federal Deposit Insurance Corporation ("FDIC"), may lose value, and have no bank guarantee.*
- *Unlike mutual funds, the Fund generally will not distribute dividends to its shareholders. Investors may choose to use the Fund as a means of investing indirectly in sugar, and there are risks involved in such investments.*
- *Prior to the launch of the Teucrium Corn Fund, Teucrium Trading, LLC had never operated a commodity pool. Investors may choose to use the Fund as a vehicle to hedge against the risk of loss, and there are risks involved in such hedging activities.*
- *This material is not an offer or solicitation of any kind to buy or sell any securities outside of the United States of America*



Fund's sugar interests during the trading day, all on a per share basis. We believe that for the Teucrium Sugar Fund the IIV calculation is most accurate when the ICE sugar pits are open.

The Teucrium Funds have a patent on certain methodologies employed by the Funds.

Foreside Fund Services, LLC is the distributor for the Teucrium Funds.