

ZSEP

Innovator Equity Defined Protection ETF - 1 Yr September

Fund Description

ZSEP seeks to track the return of the SPDR S&P 500 ETF Trust (SPY), to a cap, with 100% downside hedge over a one year outcome period. The actively managed fund holds FLEX options to obtain exposure. The fund aims to outperform cash holdings.

FactSet Analyst Report

ZSEP invests all its assets in FLEX options. The option positions are structured in a way that aims to provide long exposure to US large-cap stocks, up to a cap, while fully hedging downside risk over one year. The upside cap and hedge are reset annually, at the beginning of September. Shareholders should note that they will not receive dividends since the objective focuses on potential growth. The specific defined outcome pursued may only be possible if an investor would hold the shares for the entire outcome period. However, there is no guarantee that the defined outcome strategy pursued will be realized by investors. When factoring risks, potential rewards, and the all-in costs for such a strategy, ZSEP is considered an alternative to more expensive fixed indexed annuities, market-linked CDs, holding near-term Treasury, or cash.

