

# Dynamic Sector Income Trust

Series 38

## A 2 Year Unit Investment Trust

### Investment Objective

The trust seeks to provide investors with the possibility of current dividend income, with capital appreciation as a secondary objective. There is no guarantee that the investment objective of the trust will be achieved.

### Economic Cycle Portfolio Positioning

The Dynamic Sector Income Trust, as its name implies, has the ability to target sector allocations for the trust portfolio to align with our current economic outlook and where we see opportunities over the life of the trust.

For this trust, we considered sectors and asset class categories that we believe should perform relatively well during a **potential slowdown period** of the economic cycle.

### Description of Portfolio

INCEPTION DATE:	February 23, 2024
TERMINATION DATE:	February 19, 2026
INITIAL OFFER PRICE	\$10.00
MINIMUM INVESTMENT	100 units (may vary by selling firm)
NUMBER OF ISSUES:	30
DISTRIBUTIONS: <sup>1</sup>	MONTHLY (if any)
HISTORICAL 12-MONTH DISTRIBUTION: <sup>2</sup>	\$0.2901 (per unit)
CUSIP (CASH):	83194X 588
CUSIP (REINVESTMENT):	83194X 596
FEE-BASED CUSIP (CASH):	83194X 604
FEE-BASED CUSIP (REINVESTMENT):	83194X 612
MORGAN STANLEY TICKER:	STDS38

<sup>1</sup>Distributions, if any, will be made commencing on March 25, 2024.

<sup>2</sup>The Historical 12-Month Distribution of Trust Holdings is calculated by taking the weighted average of the regular income distributions paid by the securities included in the trust's portfolio over the 12 months preceding the trust's date of deposit reduced to account for the effects of trust fees and expenses. This historical distribution is for illustrative purposes only and is not indicative of amounts that will actually be distributed by the trust. The distributions paid by the trust may be higher or lower than the amount shown above due to factors including, but not limited to, changes in the price of trust units, changes (including reductions) in distributions paid by issuers, changes in actual trust expenses and sales of securities in the portfolio. There is no guarantee that the issuers of the securities included in the trust will pay any distributions in the future.

### Selection Process

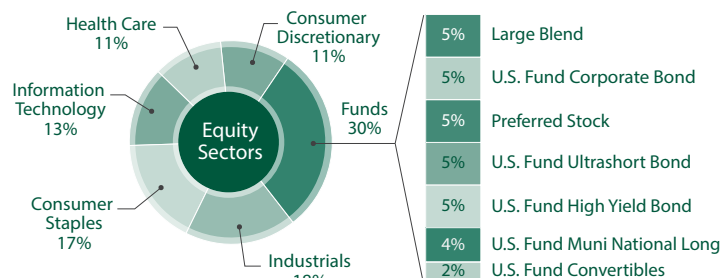
In selecting equity securities for the trust, we selected from domestic and/or foreign issuers as well as small-cap and/or large-cap issuers within certain sectors. In selecting the equity securities of individual companies, we considered criteria including, but not limited to, the following:

- Current dividend yield;
- Historical dividend growth rates;
- Free cash flow balances; and
- 1 year, 3 year and 5 year total return performance history

In addition, we selected closed-end funds (CEFs) and exchange-traded funds (ETFs) within certain asset class categories that the sponsor believes will help achieve the investment objective of the trust. In selecting the CEFs and ETFs, we considered criteria (where applicable) including, but not limited to, the following:

- Current distribution yield;
- Premium or discount to net asset value;
- Undistributed net investment income balances;
- Expense Ratios; and
- 1 year, 3 year and 5 year total return performance history.

### Asset Allocations



### Portfolio Holdings as of February 23, 2024:

<b>EQUITY SECURITIES – 70.04%</b>		<b>INVESTMENT COMPANIES – 29.96%</b>	
<b>Consumer Discretionary – 11.15%</b>		<b>Closed-End Funds – 9.99%</b>	
DKS	Dick's Sporting Goods, Inc.	ADX	Adams Diversified Equity Fund, Inc.
LOW	Lowe's Companies, Inc.	JPC	Nuveen Preferred & Income Opportunities Fund
SMP	Standard Motor Products, Inc.	<b>Exchange-Traded Funds – 19.97%</b>	
THO	Thor Industries, Inc.	ICVT	iShares Convertible Bond ETF
<b>Consumer Staples – 16.56%</b>		HYDB	iShares High Yield Bond Factor ETF
KOF	Coca-Cola FEMSA, S.A.B. de C.V.	IGEB	iShares Investment Grade Bond Factor ETF
CL	Colgate-Palmolive Company	JAAA	Janus Henderson AAA CLO ETF
KR	The Kroger Co.	MLN	VanEck Long Muni ETF
<b>Health Care – 11.32%</b>			
MDLZ	Mondelēz International, Inc.		
SYT	Sysco Corporation		
ABBV	AbbVie Inc.		
CAH	Cardinal Health, Inc.		
CI	The Cigna Group		
JNJ	Johnson & Johnson		
<b>Industrials – 18.07%</b>			
BRC	Brady Corporation		
CAT	Caterpillar Inc.		
<b>Information Technology – 12.94%</b>			
GD	General Dynamics Corporation		
GFF	Griffon Corporation		
HNI	HNI Corporation		
HII	Huntington Ingalls Industries		
BHE	Benchmark Electronics, Inc.		
IBM	International Business Machines Corporation		
NXPI	NXP Semiconductors N.V.		
QCOM	QUALCOMM, Inc.		

**Investors should consider the trust's investment objective, risks, charges and expenses carefully before investing. The prospectus contains this and other information relevant to an investment in the trust. Please read the prospectus carefully before you invest. If a prospectus did not accompany this literature, please contact SmartTrust at (888) 505-2872 to obtain a free prospectus.**

## Sales Charges and Estimated Expenses<sup>3</sup>

(Based on a \$10 public offering price)

Standard Accounts	Transaction Sales Charge:		Initial	0.000%
			Deferred	2.250%
	Creation & Development Fee: <sup>4</sup>			0.500%
	<b>Maximum Sales Charge:</b>			<b>2.750%</b>
	Estimated Organization Costs: <sup>5</sup>			0.690%
	Estimated Annual Operating Expenses: <sup>6</sup>			0.446%

The initial sales charge is paid at the time of purchase and is the difference between the total sales charge (maximum of 2.75% of the public offering price) and the sum of the remaining deferred sales charge and the total creation and development fee. When the public offering price per unit is less than or equal to \$10, you will not pay an initial sales fee. When the public offering price per unit is greater than \$10 per unit, you will pay an initial sales fee.

The deferred sales charge is a charge of \$0.225 per unit and will be deducted in three monthly installments commencing on July 20, 2024. The initial and deferred sales fees do not apply to fee-based accounts. Please see the prospectus for sales charge details.

Fee/Wrap Accounts	Creation & Development Fee: <sup>4</sup>	0.500%
	<b>Maximum Sales Charge:</b>	<b>0.500%</b>
	Estimated Organization Costs: <sup>5</sup>	0.690%
	Estimated Annual Operating Expenses: <sup>6</sup>	0.446%

<sup>3</sup>Percentages are based on a \$10.00 per unit offering price. For unit prices other than \$10.00, percentages of initial sales charge, creation and development fee, and deferred sales charges will vary. Early redemption will still cause payment of the deferred sales charge. The table above shows the initial offering period sales charges only.

<sup>4</sup>The creation and development fee is a charge of \$.050 per unit collected at the end of the initial offering period. If the price you pay exceeds \$10 per unit, the creation and development fee will be less than 0.50%; if the price you pay is less than \$10 per unit, the creation and development fee will exceed 0.50%.

<sup>5</sup>Estimated Organization Costs are assessed on a fixed dollar amount per unit basis of \$0.0690 per unit and may be less than estimates. For additional information on organization costs please see the prospectus.

<sup>6</sup>Estimated Annual Operating Expenses include fees for administration, bookkeeping, the trustee, the supervisor and acquired fund fees and expenses. This expense is an estimate based upon an estimated trust size. If the trust does not reach or falls below the estimated size, the actual amount of the operating expenses as a % of unit price may exceed the amount reflected. Please see "Trust Expenses and Charges" in the trusts prospectus for additional information.

## Risk Considerations

Unitholders can lose money by investing in this trust. An investment in units of the trust should be made with an understanding of the risks related to the trust, such as the following:

- Security prices will fluctuate. The value of your investment may fall over time. The potential economic impacts of the novel form of coronavirus disease first detected in 2019 ("COVID-19"), which spread rapidly around the globe which led the World Health Organization to declare the COVID-19 outbreak a pandemic in March 2020, are not fully known. The COVID-19 pandemic, or any future public health crisis, are impossible to predict and could result in adverse market conditions which may negatively impact the performance of the securities in the portfolio and the trust.
- The financial condition of an issuer may worsen or its credit ratings may drop, resulting in a reduction in the value of your units. This may occur at any point in time, including during the initial offering period.
- The value of bonds or other fixed income securities held by the funds will generally fall if interest rates, in general, rise. No one can predict whether interest rates will rise or fall in the future.
- An issuer may be unable to make interest and/or principal payments in the future. This may reduce the level of income the trust receives which would reduce your income and cause the value of your units to fall. The COVID-19 pandemic has resulted in a decline in economic activity which could negatively impact the ability of borrowers to make principal or interest payment on securities, when due.
- The trust invests in shares of closed-end funds. Shares of closed-end funds tend to trade at a discount from their net asset value and are subject to risks related to factors such as the manager's ability to achieve a closed-end fund's objective and market conditions affecting a closed-end fund's investments. The trust and closed-end funds have management and operating expenses. You will bear not only your share of the trust's expenses, but also the expenses of the closed-end funds. By investing in other funds, the trust incurs greater expenses than you would incur if you invested directly in the underlying investments of the closed-end funds.
- The trust invests in shares of ETFs. Shares of these ETFs may trade at a discount or premium from their net asset value. If ETF shares are sold at a discount, then the trust will receive less than their net asset value. Alternatively, if ETF shares are purchased at a premium, then the trust will pay more than their net asset value. These ETFs are also subject to risks related to factors such as the manager's ability to achieve an ETF's objective and market conditions affecting an ETF's investments. The trust and ETFs have management and operating expenses. You will bear not only your share of the trust's expenses, but also the expenses of the ETFs. By investing in other funds, the trust incurs greater expenses than you would incur if you invested directly in the underlying investments of the ETFs.
- The trust and certain funds may invest in securities of foreign issuers, which may include companies located in emerging markets. These risks may include market and political factors related to the company's foreign market, international trade conditions, less regulation, smaller or less liquid markets, increased volatility, differing accounting practices and changes in the value of foreign currencies.
- The trust and certain funds may invest in securities of small and mid-size companies. These securities are often more volatile and have lower trading volumes than securities of larger companies. Small and mid-size companies may have limited products or financial resources, management inexperience and less publicly available information.
- Certain funds may invest in securities rated below investment grade and considered to be "junk" securities. These securities are considered to be speculative and are subject to greater market and credit risks. Accordingly, the risk of default is higher than investment grade securities. In addition, these securities may be more sensitive to interest rate changes and may be more likely to make early returns of principal.
- Certain funds held by the trust may invest in convertible securities. Convertible securities generally offer lower yields than non-convertible fixed-income securities of similar credit quality due to the potential for capital appreciation. A convertible security's market value also tends to reflect the market price of common stock of the issuing company, particularly when that stock price is greater than the convertible security's "conversion price." Convertible securities generally fall below debt obligations of the same issuer in order of preference or priority in the event of a liquidation and are typically unrated or rated lower than such debt obligations.
- Certain funds held by the trust may invest in senior loans. Although senior loans in which the closed-end funds invest may be secured by specific collateral, there can be no assurance that liquidation of collateral would satisfy the borrower's obligation in the event of non-payment of scheduled principal or interest or that such collateral could be readily liquidated. Senior loans in which the closed-end funds invest generally are of below investment grade credit quality, may be unrated at the time of investment. Senior loans may not fall within the definition of "securities," and are generally not registered with the Securities and Exchange Commission and therefore an investor in senior loans may not receive the protection of the federal securities laws. Senior loans are also generally not registered with any state securities commission and generally are not listed on any securities exchange. In addition, the amount of public information available on senior loans generally is less extensive than that available for other types of assets.
- Certain funds held by the trust may invest in shares of BDCs. The share prices of common stock of BDCs are often more volatile than other investments. BDCs generally employ leverage, which magnifies gains and losses on amounts invested but reduces aggregate returns. Leverage limits applicable to BDCs under the Investment Company Act of 1940 are higher than the leverage limits applicable to other investment companies. BDCs also typically charge higher fees than other investment companies. BDCs generally depend on the ability to access capital markets, acquire suitable investments and monitor and administer those investments in order to maintain their status as BDCs and ultimately achieve their investment objectives. Negative developments in the capital markets may adversely affect BDCs' ability to finance investments. BDCs often invest in securities that are not publicly traded, which may adversely affect the valuation and liquidity of those securities.
- Certain funds held by the trust may invest in preferred securities. Preferred securities combine some of the characteristics of both stocks and bonds. Like bonds, preferred securities generally pay a fixed rate of income and are sold on the basis of yield. However, like common stocks, they are traded on major exchanges. Preferred securities are "senior securities" which have preference over common stocks, but not debt, of an issuer.
- The trust is not actively managed. Except in limited circumstances, the trust will hold, and continue to buy, shares of the same securities even if their market value declines.
- The sponsor may offer successive Trusts with similar portfolios thereby allowing the investor to pursue the same strategy over a number of years. Investors should consider their ability to pursue investing in successive Trusts, if available. There may be tax consequences associated with investing in the Trust and rolling over an investment from one Trust to the next.