

Index Management Solutions, LLC

**One Commerce Square
2005 Market Street, Suite 2020
Philadelphia, PA 19103
Phone Number: (215) 575-0440
Fax Number: (215) 854-8190
mgompers@vlassociates.com
www.indexmgmtsolutions.com**

**Form ADV Part 2A Firm Brochure
April 1, 2013**

This brochure provides information about the qualifications and business practices of Index Management Solutions, LLC. If you have any questions about the contents of this brochure, please contact us at (215) 575-0440 or mgompers@vlassociates.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Index Management Solutions, LLC also is available on the SEC’s web site at www.adviserinfo.sec.gov.

Index Management Solutions, LLC is a registered investment adviser. Registration does not imply a certain level of skill or training.

MATERIAL CHANGES

The following summary of material changes to Index Management Solutions, LLC's ("IMS's") Form ADV Part 2 Brochure ("Brochure") includes a summary of material changes made since the last annual update of the Brochure, dated March 30, 2012.

- All of the Revenue Weighted Indexes are now rebalanced quarterly based on revenue weightings as of the previous quarter rather than based on September 30 revenue weightings.
- IMS now provides sub-advisory services to four series of the Exchange Traded Concepts Trust and one series of ETF Series Solutions.

TABLE OF CONTENTS

	<u>Page</u>
Advisory Business	4
Fees and Compensation	7
Performance-Based Fees and Side-By-Side Management	12
Types of Clients	12
Methods of Analysis, Investment Strategies and Risk of Loss.....	12
Disciplinary Information.....	30
Other Financial Industry Activities and Affiliations	30
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	31
Brokerage Practices	32
Review of Accounts	38
Client Referrals and Other Compensation	38
Custody	38
Investment Discretion	39
Voting Client Securities	39
Financial Information.....	40
Requirements for State-Registered Advisers	41

ADVISORY BUSINESS

IMS is an investment advisory firm registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and has been in business since 2009. IMS currently provides two categories of investment advisory services: (1) sub-advisory services to VTL Associates LLC’s (“VTL’s”) alternative weight equity index investment program consisting of VTL’s Revenue-Weighted Large-Cap Index™ (“RWLCITM”), Revenue-Weighted Mid-Cap Index™ (“RWMCITM”), Revenue-Weighted Small-Cap Index™ (“RWSCITM”), Revenue-Weighted Financials Sector Index, Revenue-Weighted ADR Index and Revenue-Weighted Navellier Overall A-100 Index (collectively, the “Revenue Weighted Indexes” or “model portfolio(s)”), for which IMS makes the day-to-day investment decisions for the program’s portfolios (collectively, “Revenue Weighted Program” or “Revenue Weighted Portfolio(s)”), and (2) sub-advisory services to six series of the RevenueShares ETF Trust (the “RevenueShares Trust”), four series of the Exchange Traded Concepts Trust (the “ETC Trust”) and one series of ETF Series Solutions (the “ETFSS Trust” and, together with the RevenueShares Trust and ETC Trust, the “ETF Trusts”), investment companies registered with the SEC.

IMS is organized as a Pennsylvania limited liability company (LLC). IMS is a wholly owned subsidiary of VTL.

Revenue Weighted Program

For the Revenue Weighted Program, VTL, on behalf of its clients, has entered into a sub-advisory and fund administration agreement (the “Sub-Advisory Agreement”) with IMS which authorizes IMS, in VTL’s discretion, to execute investment account transactions and to provide administration services, with limited authority and pursuant to the terms and agreements of the Sub-Advisory Agreement. Under this Sub-Advisory Agreement, VTL is responsible for the overall management of each client portfolio within its Revenue Weighted Program. Standard & Poor’s® (“S&P”) reconstitutes each Revenue Weighted Index according to changes in the constituent securities underlying each corresponding related benchmark index and rebalances the weightings of the constituent securities in each Revenue Weighted Index according to the Revenue Weighted Index’s methodology. S&P continually provides this information to VTL in a timely manner, which then may provide it to IMS, if applicable. VTL and/or IMS is then responsible for aligning clients’ accounts to reflect the model portfolios. Pursuant to the Sub-Advisory Agreement, VTL may delegate discretion over the selection of brokers to IMS. IMS, consequently, unless otherwise instructed by VTL or the client, may be responsible for brokerage determinations and the timing and execution the implementation of securities into and out of client accounts, including reinvesting dividends, withdrawals and additional contributions.

VTL and/or IMS reinvests dividends and distributions that are paid on securities held in a client’s account in securities of exchange-traded funds (“ETFs”) that invest in securities that generally correspond to the price and yield performance of each client’s account. If reasonably practical or economically feasible, VTL and/or IMS may reinvest dividends and distributions on a daily basis, but shall be required to do so no less than on a monthly basis. In addition, VTL and/or IMS may automatically invest cash balances within a client’s account in money market mutual funds or ETF securities as otherwise directed by VTL. VTL and/or IMS is not authorized to automatically invest cash balances within a client’s account in any of the Funds. The

investment of assets in money market mutual funds is not insured and not guaranteed by the U.S. Government.

Registered Investment Companies

IMS also serves as the sub-adviser to the RevenueShares Trust, an investment company registered with the SEC, currently consisting of six separate series: RevenueShares Large Cap Fund, RevenueShares Mid Cap Fund, RevenueShares Small Cap Fund, RevenueShares Financials Sector Fund, RevenueShares ADR Fund and RevenueShares Navellier Overall A-100 Fund (each a “RevenueShares Fund,” and collectively, the “RevenueShares Funds”). IMS provides sub-advisory services to each RevenueShares Fund pursuant to a Sub-Advisory Agreement (the “RevenueShares ETF Sub-Advisory Agreement”) between VTL, investment adviser to the RevenueShares Funds, and IMS. The RevenueShares ETF Sub-Advisory Agreement may be terminated by the RevenueShares Trust, pursuant to action by the Board of Trustees of the RevenueShares Trust or pursuant to a vote of a majority of the outstanding voting securities of a RevenueShares Fund, or by VTL at any time, without the payment of a penalty, on sixty days’ written notice to IMS of the RevenueShares Trust’s or VTL’s intention to do so. IMS may terminate the RevenueShares ETF Sub-Advisory Agreement at any time, without the payment of penalty, on sixty days’ written notice to VTL of its intention to do so. As investment sub-adviser, IMS has overall responsibility for facilitating the appropriate trading, rebalancing the portfolios and providing cash management services to the RevenueShares Funds. Each RevenueShares Fund seeks to track its corresponding Revenue Weighted Index. S&P serves as the index provider and calculation agent and is responsible for compiling, sponsoring and maintaining each Revenue Weighted Index, as well as calculation, dissemination and reconstitution activities.

IMS also serves as the trading sub-adviser to the Yorkville High Income MLP ETF and Yorkville High Income Infrastructure MLP ETF series (collectively, the “MLP Funds”) of the ETC Trust, an investment company registered with the SEC. Exchange Traded Concepts, LLC serves as the MLP Funds’ adviser and Yorkville ETF Advisors, LLC serves as the MLP Funds’ investment sub-adviser. In addition, IMS serves as the sub-adviser to the Sustainable North American Oil Sands ETF (the “SNAOS Fund”) and Forensic Accounting ETF (the “FA Fund”) and, together with the MLP Funds and SNAOS Fund, the “ETC Funds”) series of the ETC Trust. Exchange Traded Concepts, LLC serves as the adviser to the SNAOS Fund and FA Fund. IMS provides trading sub-advisory services to the MLP Funds and sub-advisory services to the SNAOS Fund and FA Fund pursuant to a Sub-Advisory Agreement (the “ETC ETF Sub-Advisory Agreement”) between Exchange Traded Concepts, LLC and IMS. The ETC ETF Sub-Advisory Agreement may be terminated by the ETC Trust, pursuant to action by the Board of Trustees of the ETC Trust or pursuant to a vote of a majority of the outstanding voting securities of the ETC Funds, or by Exchange Traded Concepts, LLC at any time, without the payment of a penalty, on sixty days’ written notice to IMS of the ETC Trust’s or Exchange Traded Concepts, LLC’s intention to do so. IMS may terminate the ETC ETF Sub-Advisory Agreement at any time, without the payment of penalty, on sixty days’ written notice to Exchange Traded Concepts, LLC and the ETC Trust’s Board of Trustees of its intention to do so. As trading sub-adviser, IMS is responsible for trading portfolio securities on behalf of the MLP Funds, including selecting broker-dealers to execute purchase and sale transactions as instructed by Yorkville ETF

Advisors, LLC or in connection with any rebalancing or reconstitution of the of the index each MLP Fund seeks to track, subject to the supervision of Exchange Traded Concepts, LLC and the Board of Trustees of the ETC Trust. As sub-adviser, IMS is responsible for trading portfolio securities on behalf of the SNAOS Fund and FA Fund, including selecting broker-dealers to execute purchase and sale transactions as instructed by Exchange Traded Concepts, LLC or in connection with any rebalancing or reconstitution of the of the index each Fund seeks to track, subject to the supervision of Exchange Traded Concepts, LLC and the Board of Trustees of the ETC Trust.

Further, IMS serves as the sub-adviser to the AlphaClone Alternative Alpha ETF series (the “ACAA Fund” and, together with the ETC Funds, the “ETC/ETFSS Funds”) of the ETFSS Trust, an investment company registered with the SEC. Exchange Traded Concepts, LLC serves as the adviser to the ACAA Fund. IMS provides sub-advisory services to the ACAA Fund pursuant to an Investment Sub-Advisory Agreement (the “ETFSS ETF Sub-Advisory Agreement” and, together with the ETC ETF Sub-Advisory Agreement, the “ETC/ETFSS ETF Sub-Advisory Agreements”) between Exchange Traded Concepts, LLC, the ETFSS Trust and IMS. The ETFSS ETF Sub-Advisory Agreement may be terminated by the ETFSS Trust, pursuant to action by the Board of Trustees of the ETFSS Trust or pursuant to a vote of a majority of the outstanding voting securities of the ACAA Fund, or by Exchange Traded Concepts, LLC at any time, without the payment of a penalty, on sixty days’ written notice to IMS of the ETFSS Trust’s or Exchange Traded Concepts, LLC’s intention to do so. Exchange Traded Concepts, LLC may also terminate the ETFSS ETF Sub-Advisory Agreement upon breach by IMS of any representation or warranty contained in Sections 7 and 9 of the ETFSS ETF Sub-Advisory Agreement which has not been cured within twenty days of IMS’s receipt of written notice of such breach. In addition, Exchange Traded Concepts, LLC may terminate the ETFSS ETF Sub-Advisory Agreement immediately upon written notice to IMS if IMS becomes unable to discharge its duties and obligations under the ETFSS ETF Sub-Advisory Agreement. IMS may terminate the ETFSS ETF Sub-Advisory Agreement at any time, without the payment of penalty, on ninety days’ written notice to Exchange Traded Concepts, LLC and the ETFSS Trust’s Board of Trustees of its intention to do so. As sub-adviser, IMS is responsible for trading portfolio securities on behalf of the ACAA Fund, including selecting broker-dealers to execute purchase and sale transactions or in connection with any rebalancing or reconstitution of the of the index the ACAA Fund seeks to track, subject to the supervision of Exchange Traded Concepts, LLC and the Board of Trustees of the ETFSS Trust. IMS is responsible for the day-to-day management of the ACAA Fund and chooses the ACAA Fund’s portfolio investments and places orders to buy and sell the ACAA Fund’s portfolio investments.

Each of the RevenueShares Funds and the ETC/ETFSS Funds (collectively, the “Funds”) is an “exchange traded fund,” the shares of which are listed on the NYSE Arca, Inc. (the “Exchange”) and trade at market prices.

IMS’s investment philosophy is that it is driven to meet the needs and expectations of its clients by providing tailored investment advisory services to each client. Clients may impose restrictions on investing in certain securities or types of securities, most of which will be honored unless it is not feasible for IMS to incorporate a requested restriction into the management of a client’s account, in which case the client will be notified of such an issue. IMS consults with

each of its clients initially and on an ongoing basis to ascertain and discuss the client's investment objectives and any restrictions that the client may request. Client portfolios are monitored on an ongoing basis to ensure that any restrictions on a client's portfolio are maintained. With respect to the Revenue Weighted Program, VTL has provided and will continually provide its agents, affiliates and IMS, in a timely manner, all data and information needed to ensure consistent and continual adherence with the client's stated investment objectives and VTL's investment strategies and processes in connection with the establishment, ongoing management, and administration of each client account placed under VTL's and IMS's supervision. With respect to the ETF Trusts, investment management is governed by the investment objectives, strategies and limitations that are approved by the respective ETF Trust's Board of Trustees and disclosed in their offering documents.

IMS does not provide portfolio management services to wrap fee programs.

As of March 26, 2013, IMS managed approximately \$1,107,701,670 in client assets on a discretionary basis and did not manage any client assets on a non-discretionary basis.

FEES AND COMPENSATION

Sub-advisory fees for sub-advisory services performed by IMS are negotiable. VTL pays IMS for providing sub-advisory services for the Revenue Weighted Program and the RevenueShares Trust. Exchange Traded Concepts, LLC pays IMS for providing trading sub-advisory services for the ETC Trust and ETFSS Trust. IMS does not accept payments for investment sub-advisory services in advance of the services performed. IMS, its supervised persons and its affiliates do not receive compensation for the sale of securities or other investments, including the sale of mutual fund shares, to IMS's clients.

Revenue Weighted Program

For services provided to clients by IMS, if applicable, as described above, VTL pays IMS, on a quarterly basis, a portion of the fees that VTL receives from its clients. For clients that request fee Options A or B, as described below, after the client pays the applicable fee to VTL, VTL pays IMS half of the fee received from the client after the deduction of any fees payable to S&P. With respect to clients that request fee Option C, as described below, after the client pays the applicable fee to VTL, VTL pays IMS 60% of the fee received from the client after the deduction of any fees payable to S&P. Certain current clients of VTL may, at the sole discretion of VTL, pay certain fees directly to IMS. A copy of the Sub-Advisory Agreement between VTL and IMS will be provided to clients upon request.

The fee structure (the "Adviser Fee") for the Revenue Weighted Program may consist of a combination of a fixed fee based on a percentage of account assets managed under the program and a performance-based fee consisting of a percentage of an account's gain above the related benchmark index. Clients may choose from among several fee structure combinations. The different fee structures are presented below:

Option A

<u>Assets Under Management</u>	<u>Quarterly Maintenance Fee as a Percentage of Assets Under Management</u>	<u>Quarterly Positive Total Return</u>	<u>Quarterly Negative Total Return</u>
		<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index^{1,2}</u>	<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index</u>
\$10,000,000 and Over	0.05% (5 Basis Points)	20%	0%

Option B

<u>Assets Under Management</u>	<u>Quarterly Maintenance Fee as a Percentage of Assets Under Management</u>	<u>Quarterly Positive Total Return</u>	<u>Quarterly Negative Total Return</u>
		<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index^{1,2}</u>	<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index</u>
\$10,000,000 and Over	0.025% (2.5 Basis Points)	35%	0%

Option C

<u>Assets Under Management</u>	<u>Quarterly Maintenance Fee as a Percentage of Assets Under Management</u>	<u>Quarterly Positive Total Return</u>	<u>Quarterly Negative Total Return</u>
		<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index²</u>	<u>Quarterly Performance Fee as a Percentage of Account's Out-Performance of Benchmark Index²</u>
\$10,000,000 and Over	0% (Zero Basis Points)	50%	25%

¹ Net of Percentage of Assets under Management Fee.

² Calculation of the Quarterly Performance Fee may or may not be net of trading commissions, depending upon whether the client chooses to pay direct trading commissions or to participate in a commission recapture program through the client's broker-dealer or custodian. In the event of direct trading commissions generated in the client's account each quarter, the calculation of the Quarterly Performance Fee will be net of such direct trading commissions for that quarter. In the event the client participates in a commission recapture program, commissions will not be netted out.

VTL calculates the total Adviser Fee for the client account as valued on the last day of each quarter. The Adviser Fee is payable by the client quarterly in arrears. Where applicable, the percentage of assets under management fee (the "Quarterly Maintenance Fee") is payable by the client each quarter regardless of account performance. With regard to the performance fee (the "Quarterly Account Performance Fee"), depending upon the Adviser Fee option selected by the client, if the total return of the client account exceeds the total return of the corresponding related benchmark index for that quarter, the client shall pay VTL the applicable Quarterly Account Performance Fee for that quarter.

For example, if a client invests \$100 million in an account and chooses fee Option A, as set forth above, and the account has total return at the end of the quarter of 10%, while the related benchmark index has a total return at the end of the quarter of 7%, the client's account outperformed the related benchmark index by 3%. Therefore, for that quarter, the client will be charged (1) a Quarterly Maintenance Fee of 5 basis point percentage of assets under management fee; and (2) a Quarterly Account Performance Fee of 20% of the 3% of the total return of the client's account over the related benchmark index. Similarly, if a client invests \$100 million in an account and chooses fee Option B, as set forth above, and the client's account has total return at the end of the quarter of 10%, while the related benchmark index has a total return at the end of the quarter of 7%, the client's account outperformed the related benchmark index by 3%. Therefore, for that quarter, the client will be charged (1) a Quarterly Maintenance Fee of 2.5 basis point percentage of assets under management fee; and (2) a Quarterly Account Performance Fee of 35% of the 3% of the client account's total return over the related benchmark index.

Under Options A and B of the fee schedule, however, the Quarterly Account Performance Fee may or may not be incurred by the client depending upon whether the total return for the client's account for a quarter is a positive or negative total return. Therefore, if a client's account outperforms the related benchmark index for the quarter, but does not provide a positive total return for the quarter, the client will not pay a Quarterly Account Performance Fee. For example, if the related benchmark index has a total return of -5% for the quarter and the corresponding client's account has a total return of -3% for the quarter, the client will only pay the applicable Quarterly Maintenance Fee and not a Quarterly Account Performance Fee for the quarter because the client's account did not have positive total return for the quarter even though it outperformed the related benchmark index. If, however, the client's account does have a positive total return for the quarter and the related benchmark index has a negative total return for the quarter, the client

will be charged the applicable Quarterly Maintenance Fee and the Quarterly Account Performance Fee, which is based on the entire difference between the total return of the client's account and the related benchmark index's total return. For example, if the client's account ended with positive total return of 1% for the quarter and the related benchmark index had a total return of -1% for the quarter, the client will be charged a Quarterly Account Performance Fee based on the 2% total return out-performance of the client's account over the related benchmark index for the quarter, in addition to the applicable Quarterly Maintenance Fee.

Under Option C of the fee schedule, the client will not be charged a Quarterly Maintenance Fee regardless of account performance. However, the client will be charged a Quarterly Account Performance Fee in the event that the total return of the client's account outperforms the total return of the related benchmark index, regardless of whether it is a positive or negative total return for the client's account. For example, if the related benchmark index has a total return of 1% for the quarter and the corresponding client's account has a total return of 2% for the quarter, the client will pay only a Quarterly Account Performance Fee for the quarter because the client's account outperformed the related benchmark index. Therefore, the client will be charged a Quarterly Account Performance Fee 50% of 1% total return out-performance of the client's account over the related benchmark index for the quarter. If, however, the related benchmark index has a total return of -5% for the quarter and the corresponding client's account has a total return of -3% for the quarter, the client will pay only a Quarterly Account Performance Fee for the quarter because the client's account, despite having a negative total return for the quarter, outperformed the related benchmark index. Therefore, the client will be charged a Quarterly Account Performance Fee 25% of 2% total return out-performance of the client's account over the related benchmark index for the quarter.

In certain cases, at VTL's discretion, the fee structure for a client's account in the Revenue Weighted Program may consist of a Quarterly Maintenance Fee as a percentage of assets under management only, without a corresponding Quarterly Performance Fee. In such cases, the Quarterly Maintenance Fee may be different from the Quarterly Maintenance Fees described above, but will be calculated in the same manner as described above. The stand-alone Quarterly Maintenance Fee is currently the most common arrangement.

In addition to the Advisory Fee described above, the client may also incur certain charges imposed by unaffiliated third parties. Such charges include, but are not limited to, custodial fees, brokerage commissions, transaction fees, proxy voting fees and costs, charges imposed directly by a mutual fund, index fund, or exchange traded fund purchased for the client's account(s), which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), certain deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, other fees and taxes on brokerage accounts and securities transactions, and distribution fees associated with the investment of cash balances into money market accounts managed by agents unaffiliated with VTL, under the terms of the agreement between the unaffiliated agent and VTL, or third parties. For more information on brokerage costs, see "Brokerage Practices" below.

The minimum investment for clients utilizing VTL's Revenue Weighted Program is \$10 million.

RevenueShares ETF Trust

VTL pays IMS for providing sub-advisory services for the RevenueShares Funds, based on a percentage of the RevenueShares Fund's average daily net assets, at the following rates:

For RevenueShares Large Cap Fund, RevenueShares Mid Cap Fund and RevenueShares Small Cap Fund:

6.0 basis points (0.06%) per annum on the Fund's daily average net assets up to \$75 million;

4.5 basis points (0.045%) per annum on the next \$50 million; and

2.25 basis points (0.0225%) per annum on the excess.

Minimum Annual Fees:

Each Fund will be subject to the following minimum fee schedule:

\$26,250 minimum annual fee per Fund.

For RevenueShares Consumer Discretionary Sector Fund, RevenueShares Consumer Staples Sector Fund, RevenueShares Energy Sector Fund, RevenueShares Financials Sector Fund, RevenueShares Health Care Sector Fund, RevenueShares Industrials Sector Fund, RevenueShares Information Technology Sector Fund, RevenueShares Materials Sector Fund, RevenueShares Utilities Sector Fund, RevenueShares ADR Fund and RevenueShares Navellier Overall A-100 Fund:

7.5 basis points (0.075%) per annum on the Fund's daily average net assets up to \$100 million; and

3.75 basis points (0.0375%) per annum on the excess.

Minimum Annual Fees:

Each Fund will be subject to the following minimum fee schedule:

Year 1: \$26,250 minimum fee per Fund.

Year 2: \$56,250 minimum fee per Fund.

Year 3: \$75,000 minimum fee per Fund.

The above Annual Fees will be billed quarterly in arrears based on the average daily market value of each RevenueShares Fund or at the minimum rate applied pro rata.

ETC Trust

Under the ETC ETF Sub-Advisory Agreement, Exchange Traded Concepts, LLC pays IMS a fee, which is calculated daily and paid monthly, at an annual rate of 0.055% on the average daily net assets of each ETC Fund (0.045% with respect to the FA Fund), subject to a \$10,000 minimum fee.

ETFSS Trust

Under the ETFSS ETF Sub-Advisory Agreement, Exchange Traded Concepts, LLC pays IMS a fee, which is calculated daily and paid monthly, at an annual rate of 0.055% on the average daily net assets of the ACAA Fund, subject to a \$10,000 minimum fee.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As discussed above under “Fees and Compensation,” VTL charges performance-based fees as well as asset-based fees. Conflicts of interest can arise when accounts charged performance-based fees are managed at the same time as accounts charged asset-based fees. For example, the use of performance-based fees may give VTL or IMS an incentive to favor those accounts over accounts for which asset-based fees are charged. VTL and IMS believe that these conflicts are substantially mitigated by the fact that it charges performance-based fees only for the Revenue Weighted Program, which are investment advisory services designed to track a proprietary equity indexing program.

TYPES OF CLIENTS

IMS generally provides investment sub-advisory services to pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other business entities, municipal, local and state governments, agencies and authorities, and other governmental entities. IMS also provides investment sub-advisory services to registered investment companies (mutual funds). The minimum investment for clients utilizing VTL’s Revenue Weighted Program is \$10 million.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

With respect to VTL’s Revenue Weighted Program, S&P’s calculation of the percentage weightings within each Revenue Weighted Index is generally derived from quantitative factors based on each constituent security’s annualized revenue. As discussed above in “Advisory Business,” S&P serves as the index provider and is responsible for compiling, sponsoring and maintaining each Revenue Weighted Index. S&P provides Revenue Weighted Index information to VTL, which then may provide it to IMS, if applicable, which allows VTL and/or IMS to manage the client accounts so as to track the corresponding Revenue Weighted Index. VTL has retained S&P to calculate daily valuations of the Revenue Weighted Indexes on both a price

return and total return basis. At the end of each trading day, S&P electronically transmits valuation data to VTL for each Revenue Weighted Index. S&P re-weights the constituent securities of each corresponding Revenue Weighted Index in order to quarterly rebalance each corresponding client portfolio within VTL's Revenue Weighted Program based on revenues as of the previous quarter. In addition, the Revenue-Weighted ADR Index is rebalanced and reconstituted quarterly based on revenues as of the previous quarter in order to reflect ADRs that have been added to or removed from the S&P ADR Index, and the Revenue-Weighted Navellier Overall A-100 Index is rebalanced and reconstituted quarterly based on revenues as of the previous quarter to reflect quarterly changes in the Navellier Overall A-100 Index. The securities in the Revenue Weighted Portfolios generally are held until S&P rebalances the constituent securities weightings.

With respect to the RevenueShares Trust, each Fund seeks to achieve its investment objective by attempting to replicate the portfolio of its corresponding Revenue Weighted Index. Each Revenue Weighted Index is constructed using a rules-driven methodology, which generally re-weights the constituent securities of a benchmark index according to the revenue earned by the companies in that index. The resulting Revenue Weighted Index contains the same securities as the corresponding benchmark index, but in different proportions. As noted above in "Advisory Business," S&P serves as the index provider and is responsible for compiling, sponsoring and maintaining each Revenue Weighted Index. VTL and IMS receive Revenue Weighted Index information from S&P, which allows them to manage the Funds so as to track the corresponding Revenue Weighted Index. VTL has retained S&P to calculate daily valuations of the Revenue Weighted Indexes on both a price return and total return basis. At the end of each trading day, S&P electronically transmits valuation data to VTL for each Revenue Weighted Index. S&P re-weights the constituent securities of each corresponding Revenue Weighted Index in order to quarterly rebalance each corresponding Fund based on revenues as of the previous quarter. In addition, the Revenue Weighted ADR Index is rebalanced and reconstituted quarterly based on revenues as of the previous quarter in order to reflect ADRs that have been added to or removed from the S&P ADR Index, and the Revenue Weighted Navellier Overall A-100 Index is rebalanced and reconstituted quarterly based on revenues as of the previous quarter to reflect quarterly changes in the Navellier Overall A-100 Index. The securities in the Funds' portfolios generally are held until S&P rebalances the constituent securities weightings.

With respect to the ETC Trust, the Yorkville High Income MLP ETF and Yorkville High Income Infrastructure MLP ETF seek to achieve their investment objectives by attempting to replicate the portfolio of the Solactive High Income MLP Index and Solactive High Income Infrastructure MLP Index (each an "MLP Index" and, collectively, the "MLP Indexes"), respectively. The Solactive High Income MLP Index is a rules-based index designed to provide investors a means of tracking the performance of selected Master Limited Partnerships ("MLPs") and royalty trusts which are publicly traded on a U.S. securities exchange. The Solactive High Income Infrastructure MLP Index is a rules-based index designed to provide investors a means of tracking the performance of selected MLPs which are publicly traded on a U.S. securities exchange. The MLP Indexes are calculated and administered by Structured Solutions AG. Structured Solutions AG determines the components and the relative weightings of the securities in the MLP Indexes subject to the index rules and publishes information regarding the indexes. The Solactive High Income MLP Index is comprised of MLPs and royalty trusts that meet

certain criteria relating to current yield, coverage ratio and distribution growth as determined by Structured Solutions AG. The Solactive High Income Infrastructure MLP Index is comprised of MLPs that meet certain criteria relating to current yield, coverage ratio and distribution growth as determined by Structured Solutions AG. Market capitalization and liquidity screens will be applied in addition to the fundamental screens for current yield, coverage ratio and distribution growth to ensure sufficient market size and liquidity of the index components.

The SNAOS Fund seeks to achieve its investment objective by attempting to replicate the portfolio of the Sustainable North American Oil Sands Index (the “SNAOS Index”). The SNAOS Index is designed to measure the performance of companies whose operations in the North American oil sands include oil exploration, production, refinement, marketing, storage, transportation, provision of equipment and/or provision of services. The index provider of the SNAOS Index is Sustainable Wealth Management Ltd. and the SNAOS Index is calculated by Structured Solutions AG. Sustainable Wealth Management Ltd. developed the methodology for determining the securities to be included in the SNAOS Index and for the ongoing maintenance of the SNAOS Index. Sustainable Wealth Management Ltd. also publishes information regarding the SNAOS Index. In addition to having operations in the North American oil sands, eligible constituents for the SNAOS Index must be Canadian or U.S. exchange listed stocks, and are screened according to market capitalization and liquidity requirements. Eligible constituents must have a market capitalization of at least \$3 billion and a 100 day average daily trading volume value of at least \$5 million. The SNAOS Index may include MLPs.

The FA Fund seeks to achieve its investment objective by attempting to replicate the portfolio of the Del Vecchio Earnings Quality Index (the “FA Index”). The FA Index is comprised of equity securities and designed to measure the performance of U.S. large capitalization companies that have been selected and ranked according to “earnings quality.” The index provider of the FA Index is Index Deletion Strategies, LLC and the FA Index is calculated by Structured Solutions AG. Index Deletion Strategies, LLC developed the methodology for determining the securities to be included in the FA Index and for the ongoing maintenance of the FA Index. Component companies of the FA Index are evaluated based on earnings quality assessed through a proprietary method that analyzes a company’s financial reports. Based on the analysis, companies are assigned grades “A,” “B,” “C,” “D,” or “F.” Companies with “A” grades are deemed to have the highest earnings quality and will comprise 40% of the FA Index at the time of reconstitution. Companies assigned grades of “B,” “C” and “D” will each as a group comprise 20% of the FA Index at the time of reconstitution. Securities within each grade are equal-weighted.

With respect to the ETFSS Trust, the ACAA Fund seeks to achieve its investment objective by attempting to replicate the portfolio of the AlphaClone Hedge Fund Long/Short Index (the “ACAA Index”). The ACAA Index is composed of U.S. equity securities selected based on a proprietary hedge fund position replication methodology developed by AlphaClone, LLC. The methodology ranks issuers favored as investments by hedge funds and institutional investors based on the efficacy of replicating their publicly disclosed positions and selects equities from those managers with the highest ranking. ACAA Index constituents are equal weighted but have an overlap bias (i.e., securities held by twice the number of managers have twice the weight). The index provider of the ACAA Index is AlphaClone, LLC and the ACAA Index is calculated

and administered by Structured Solutions AG. Structured Solutions AG and AlphaClone, LLC determine the components and the relative weightings of the securities in the ACAA Index subject to the ACAA Index rules and published information regarding the ACAA Index.

See “Advisory Business” above for more information.

As with all investments, you can lose money by investing according to any of the strategies described above. Investing in securities involves the risk of loss of some or all of your investment. You should be prepared to bear the loss of your investment before investing.

MATERIAL RISKS

Revenue Weighted Program and RevenueShares Trust

An investment in the Revenue Weighted Program or the RevenueShares Funds is subject to the material risks discussed below. Each of these risks has the potential (individually or in any combination) to affect adversely the net asset value of the RevenueShares Fund or your account and cause you to lose money.

Investment Approach Risk. The alternate weighting approach employed by the Revenue Weighted Index and the RevenueShares Fund or account, while designed to enhance potential returns compared to the RevenueShares Fund’s or account’s related benchmark index, may not produce the desired results. Using revenues as a weighting measure is no guarantee that the Revenue Weighted Index or the RevenueShares Fund or account will outperform the related benchmark index, and may even cause the Revenue Weighted Index or the RevenueShares Fund or account to underperform the related benchmark index.

Stock Market Risk. Stock market risk is the risk that broad movements in financial markets will adversely affect the price of the RevenueShares Fund’s or account’s investments, regardless of how well the companies in which the RevenueShares Fund or account invests perform. There is also a risk that the price of one or more of the securities or other instruments in the RevenueShares Fund’s or account’s portfolio will fall.

Non-Correlation Risk. The RevenueShares Fund’s or account’s return may not match the return of the Revenue Weighted Index. The RevenueShares Fund or account incurs a number of operating expenses that are not reflected in the Revenue Weighted Index, including the cost of buying and selling securities.

Portfolio Turnover Risk. Because the RevenueShares Fund or account is rebalanced quarterly (and, with respect to the RevenueShares ADR Fund, RevenueShares Navellier Overall A-100 Fund or an account that utilizes the Revenue-Weighted ADR Index or Revenue-Weighted Navellier Overall A-100 Index, reconstituted quarterly), the RevenueShares Fund or account may experience portfolio turnover in excess of 100%. Portfolio turnover may involve the payment by the RevenueShares Fund or account of brokerage and other transaction costs on the sale of securities, as well as on the investment of the proceeds in other securities. The greater the portfolio turnover, the greater the transaction costs to the RevenueShares Fund or account, which could have an adverse effect on the RevenueShares Fund’s or account’s total rate of return, and

the more likely the RevenueShares Fund or account is to generate capital gains that must be distributed to shareholders or clients as taxable income.

In addition, an investment in the RevenueShares Mid Cap Fund, RevenueShares Small Cap Fund, RevenueShares ADR Fund or RevenueShares Navellier Overall A-100 Fund, or in an account that utilizes the RWMCITM, RWSCITM, Revenue-Weighted ADR Index or Revenue-Weighted Navellier Overall A-100 Index, is subject to the following additional risks:

Increased Volatility Risk. Increased volatility may result from increased cash flows to the RevenueShares Fund or account and other market participants that continuously or systematically buy large holdings of small and medium capitalization companies (including those trading as global shares and ADRs), which can drive prices up and down more dramatically. Additionally, the announcement that a security has been added to a widely followed index or benchmark may cause the price of that security to increase. Conversely, the announcement that a security has been deleted from a widely followed index or benchmark may cause the price of that security to decrease.

Small and Medium Capitalization Stock Risk. Small and medium capitalization companies (including those trading as global shares and ADRs) may have an unproven or narrow technological base and limited product lines, distribution channels, markets and financial resources. Small and medium capitalization companies also may be dependent on entrepreneurial management, making the companies more susceptible to certain setbacks and reversals, and may also be more sensitive to changes in the economy, such as changes in the level of interest rates. As a result, the securities of small and medium capitalization companies may be subject to more abrupt or erratic price movements than securities of larger companies, may have limited marketability, and may be less liquid than securities of companies with larger capitalizations.

An investment in the RevenueShares Financials Sector Fund, RevenueShares ADR Fund or RevenueShares Navellier Overall A-100 Fund, or in an account that utilizes the Revenue-Weighted Financials Sector Index, Revenue-Weighted ADR Index or Revenue-Weighted Navellier Overall A-100 Index, is subject to the following additional risks:

Non-Diversification Risk. The RevenueShares Fund or account may have greater volatility than other diversified funds or accounts. Because a non-diversified fund or account may invest a larger percentage of its assets in securities of a single company than diversified funds or accounts, the performance of that company can have a substantial impact on share price of the RevenueShares Fund or the value of the account.

Concentration Risk. The RevenueShares Fund or account may be adversely affected by the performance of the securities in a particular industry and may be subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that market, industry, group of industries, sector or asset class than may be the case for a fund or account that was not concentrated in a particular industry.

An investment in the RevenueShares Financials Sector Fund or in an account that utilizes the Revenue-Weighted Financials Sector Index is subject to the following additional risk:

Financials Sector Risk. Financial services companies are subject to extensive governmental regulation, which may limit both the amounts and types of loans and other financial commitments they can make, and the interest rates and fees they can charge. Government regulation may also adversely affect the scope of their activities and the amount of capital they must maintain. Profitability is largely dependent on the availability and cost of capital funds, and can fluctuate significantly when interest rates change or due to increased competition. Credit losses resulting from financial difficulties of borrowers and financial losses associated with investment activities can negatively impact the sector. Insurance companies may be subject to severe price competition and/or rate regulation, which may have an adverse impact on their profitability.

Deterioration of credit markets, such as that which occurred in 2008 and 2009, can have an adverse impact on a broad range of financial markets, causing certain financial services companies to incur large losses. In these conditions, financial services companies may experience significant declines in the valuation of their assets, take actions to raise capital and even cease operations. Some financial services companies may also be required to accept or borrow significant amounts of capital from government sources and may face future government imposed restrictions on their businesses or increased government intervention, although there is no guarantee that governments will provide such relief in the future. These actions may cause the securities of many financial services companies to decline in value.

In response to the recent financial crisis, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) was enacted into federal law on July 21, 2010, in large part to provide increased regulation of financial institutions. The Dodd-Frank Act has had and will continue to have for years to come a broad impact on virtually all participants in the financial services industry. Government regulation may change frequently and may have significant adverse consequences for companies in the financials sector, including effects not intended by such regulation. Government regulation also may have adverse effects on certain issuers, such as decreased profits or revenues. The impact of recent or future regulation in various countries on any individual financial company or on the sector as a whole cannot be predicted.

An investment in the RevenueShares ADR Fund or in an account that utilizes the Revenue-Weighted ADR Index is subject to the following additional risks:

Foreign Securities Risk. Changes in foreign currency exchange rates affect the value of the ADR or global shares and, therefore, the value of the RevenueShares Fund’s or account’s portfolio. Generally, when the U.S. dollar rises in value against a foreign currency, a security denominated in that currency loses value because the currency is worth fewer U.S. dollars. Conversely, when the U.S. dollar decreases in value against a foreign currency, a security denominated in that currency gains value because the currency is worth more U.S. dollars. Certain of the risks associated with foreign investments are heightened for investments in emerging market countries.

In addition, although the ADRs, global shares and ordinary shares in which the RevenueShares Fund or account invests are listed on major U.S. exchanges, there can be no assurance that a market for these securities will be made or maintained or that any such market will be or remain

liquid. If that happens, the RevenueShares Fund or account may have difficulty selling securities, or selling them quickly and efficiently at the prices at which they have been valued.

Foreign Market Risk. Since global shares and the underlying securities of ADRs in the RevenueShares Fund's or account's portfolio trade on foreign exchanges at times when the U.S. markets are not open for trading, the value of the ADRs representing those underlying securities may change materially at times when the U.S. markets are not open for trading, regardless of whether there is an active U.S. market for shares.

Energy Industry Risk. Stock prices for energy companies are affected by supply and demand both for their specific product or service and for energy products in general. The price of oil and gas, exploration and production spending, government regulation, world events and economic conditions will likewise affect the performance of these companies. Energy companies may incur large cleanup and litigation costs relating to environmental damage such as oil spills.

An investment in the RevenueShares Navellier Overall A-100 Fund or in an account that utilizes the Revenue-Weighted Navellier Overall A-100 Index is subject to the following additional risks:

Retail Industry Risk. The retail industry may be affected by the performance of the domestic and international economy, interest rates, competition and consumer confidence. The success of companies in the retail industry depends heavily on disposable household income and consumer spending, and changes in demographics and consumer preferences can affect the success of retail products.

Growth Style Investing Risk. Growth stock prices reflect projections of future earnings or revenues, and can therefore fall dramatically if the company fails to meet those projections. Growth stocks may be more expensive relative to their current earnings or assets compared to value or other stocks, and if earnings growth expectations moderate, their valuations may return to more typical levels, causing their stock prices to fall. Prices of these companies' securities may be more volatile than other securities, particularly over the short term.

Furthermore, the RevenueShares Funds are subject to the following additional risks:

Market Trading Risk. There can be no assurance that an active trading market for shares will develop or be maintained. Although it is expected that shares will remain listed for trading on the Exchange, it is possible that an active trading market may not be maintained.

Premium/Discount Risk. As an ETF, shares generally trade in the secondary market on the Exchange at market prices that change throughout the day. Although it is expected that the market price of RevenueShares Fund shares will approximate the RevenueShares Fund's net asset value ("NAV"), there may be times when the market price and the NAV vary significantly. You may pay more than NAV when you buy shares of the RevenueShares Fund on the Exchange, and you may receive less than NAV when you sell those shares on the Exchange.

ETC Trust

MLP Funds

An investment in an MLP Fund is subject to the material risks discussed below. Each of these risks has the potential (individually or in any combination) to affect adversely the NAV of an MLP Fund and cause you to lose money.

MLP Risk. Investments in common units of MLPs involve risks that differ from investments in common stock including risks inherent in the structure of MLPs, including (i) tax risks (described further below), (ii) risk related to limited control of management or the general partner or managing member (iii) limited rights to vote on matters affecting the MLP, except with respect to extraordinary transactions, and (iv) conflicts of interest between the general partner or managing member and its affiliates, on the one hand, and the limited partners or members, on the other hand, including those arising from incentive distribution payments or corporate opportunities, and cash flow risks.

MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of distributable cash flow). Prices of common units of individual MLPs and other equity securities also can be affected by fundamentals unique to the partnership or company, including cash flow growth, cash generating power and distribution coverage.

MLP Tax Risk. Much of the benefit the MLP Fund derives from its investment in equity securities of MLPs is a result of MLPs generally being treated as partnerships for U.S. federal income tax purposes. Partnerships do not pay U.S. federal income tax at the partnership level. Rather, each partner is allocated a share of the partnership's income, gains, losses, deductions and expenses. A change in current tax law, or a change in the business of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes. As a result, the amount of cash available for distribution by the MLP would be reduced and the after-tax return to the MLP Fund with respect to its investment in such MLPs would be materially reduced. Thus, if any of the MLPs owned by the MLP Fund were treated as corporations for U.S. federal income tax purposes, it could result in a reduction in the value of your investment in the MLP Fund and lower distributions.

An MLP's distributions to the MLP Fund generally will not be taxable unless the cash amount (or, in certain cases, the value of marketable securities) distributed exceeds the MLP Fund's basis in its interest in the MLP. Distributions received by the MLP Fund from an MLP will reduce the MLP Fund's adjusted basis in its interest in the MLP, but not below zero. A reduced basis will generally result in an increase in the amount of gain (or decrease in the amount of loss) that will be recognized by the MLP Fund for tax purposes on the sale of its interest in the MLP. Cash distributions from an MLP to the MLP Fund (and, in certain cases, the value of marketable securities distributed by an MLP to the MLP Fund) in excess of the MLP Fund's basis in the MLP will generally be taxable to the MLP Fund as capital gain. The MLP Fund will not benefit

from favorable federal income tax rates on long-term capital gains because it will be treated as a corporation for federal income tax purposes.

Depreciation or other cost recovery deductions passed through to the MLP Fund from investments in MLPs in a given year will generally reduce the MLP Fund's taxable income (and earnings and profits), but those deductions may be recaptured in the MLP Fund's income (and earnings and profits) in subsequent years when the MLPs dispose of their assets or when the MLP Fund disposes of its interests in the MLPs. When deductions are recaptured, the MLP Fund may owe a tax (the payment of which will reduce the MLP Fund's net assets) and distributions to the MLP Fund's shareholders may be taxable, even though the shareholders at the time of the recapture might not have held shares in the MLP Fund at the time the deductions were taken by the MLP Fund, and even though the MLP Fund does not have corresponding economic gain on its investment at the time of the recapture.

The tax treatment of all items allocated to the MLP Fund each year by the MLPs will not be known until the MLP Fund receives a schedule K-1 for that year with respect to each of its MLP investments. The MLP Fund's tax liability will not be known until the MLP Fund completes its annual tax return. The MLP Fund's tax estimates could vary substantially from the actual liability and therefore the determination of the MLP Fund's actual tax liability may have a material adverse effect on the value of an investment in the MLP Fund. The payment of corporate income taxes imposed on the MLP Fund will decrease cash available for distribution to shareholders.

Energy Sector Risks. Many MLPs operate within the energy sector. Therefore, a substantial portion of the MLPs in which the MLP Fund invests are engaged in the energy sector of the economy. As a result, a downturn in the energy sector of the economy, adverse political, legislative or regulatory developments or other events could have a larger impact on the MLP Fund than on an investment company that does not invest a substantial portion of its assets in the energy sector. At times, the performance of securities of companies in the energy sector may lag the performance of other sectors or the broader market as a whole. In addition, there are several specific risks associated with investments in the energy sector, including the following:

- the energy sector is highly regulated. MLPs operating in the energy sector are subject to significant regulation of nearly every aspect of their operations by federal, state and local governmental agencies;
- MLPs operating in the energy sector may be affected by fluctuations in the prices of energy commodities, including, for example, natural gas, natural gas liquids, crude oil and coal, in the short- and long-term;
- MLPs engaged in the exploration, development, management, production, transportation or storage of energy commodities face the risk that commodity reserves are depleted over time, with the potential associated effect of causing the market value of the MLP to decline over time;
- MLPs operating in the energy sector could be adversely affected by reductions in the supply of or demand for energy commodities;

- extreme weather or other natural disasters could impact the value of MLPs operating in the energy sector;
- the abilities of MLPs operating in the energy sector to grow and to increase cash distributions to unitholders can be highly dependent on their ability to make acquisitions that result in an increase in cash flows;
- rising interest rates which could adversely impact the financial performance and/or the present value of cash flow of MLPs operating in the energy sector; and
- MLPs operating in the energy sector are subject to many dangers inherent in the production, exploration, management, transportation, processing, distribution, storage, gathering, compressing, treating, marketing and fractionation of natural gas, natural gas liquids, crude oil, refined petroleum and petroleum products and other hydrocarbons. In addition, threats of attack by terrorists on energy assets could impact the market for MLPs operating in the energy sector.

Industry Specific Risks. MLPs operating in the energy sector are also subject to risks that are specific to the industry they serve.

- Midstream. Midstream MLPs that provide crude oil, refined product and natural gas services are subject to supply and demand fluctuations in the markets they serve which may be impacted by a wide range of factors including fluctuating commodity prices, weather, increased conservation or use of alternative fuel sources, increased governmental or environmental regulation, depletion, rising interest rates, declines in domestic or foreign production, accidents or catastrophic events, increasing operating expenses and economic conditions, among others.
- Exploration and production. Exploration and production MLPs produce energy resources, including natural gas and crude oil. Exploration and production MLPs that own oil and gas reserves are particularly vulnerable to declines in the demand for and prices of crude oil and natural gas. Substantial downward adjustments in reserve estimates could have a material adverse effect on the value of such reserves and the financial condition of an MLP. Exploration and production MLPs seek to reduce cash flow volatility associated with commodity prices by executing multi-year hedging strategies that fix the price of gas and oil produced. There can be no assurance that the hedging strategies currently employed by these MLPs are currently effective or will remain effective.
- Marine shipping. Marine shipping MLPs are primarily marine transporters of natural gas, crude oil or refined petroleum products. Marine shipping companies are exposed to many of the same risks as other energy companies. The highly cyclical nature of the marine transportation industry may lead to volatile changes in charter rates and vessel values, which may adversely affect the revenues, profitability and cash flows of MLPs with marine transportation assets.
- Propane. Propane MLPs are distributors or propane to homeowners for space and water heating. MLPs with propane assets are subject to earnings variability based upon weather conditions in the markets they serve, fluctuating commodity prices, customer conservation and increased use of alternative fuels, increased governmental or environmental regulation, and accidents or catastrophic events, among others.

- **Natural Resource.** MLPs with coal, timber, fertilizer and other mineral assets are subject to supply and demand fluctuations in the markets they serve, which will be impacted by a wide range of domestic and foreign factors including fluctuating commodity prices, the level of their customers' coal stockpiles, weather, increased conservation or use of alternative fuel sources, increased governmental or environmental regulation, depletion, declines in production, mining accidents or catastrophic events, health claims and economic conditions, among others.
- **Pipeline.** Pipeline MLPs are not subject to direct commodity price exposure because they do not own the underlying energy commodity. However, the MLP sector can be hurt by market perception that MLPs' performance and distributions are directly tied to commodity prices. Also, a significant decrease in the production of natural gas, oil, or other energy commodities, due to a decline in production from existing facilities, import supply disruption, or otherwise, would reduce revenue and operating income of MLPs and, therefore, the ability of MLPs to make distributions to partners.

A sustained decline in demand for crude oil, natural gas and refined petroleum products could adversely affect MLP revenues and cash flows. Factors that could lead to a decrease in market demand include a recession or other adverse economic conditions, an increase in the market price of the underlying commodity, higher taxes or other regulatory actions that increase costs, or a shift in consumer demand for such products. Demand may also be adversely impacted by consumer sentiment with respect to global warming and/or by any state or federal legislation intended to promote the use of alternative energy sources, such as bio-fuels.

MLPs employ a variety of means of increasing cash flow, including increasing utilization of existing facilities, expanding operations through new construction, expanding operations through acquisitions, or securing additional long-term contracts. Thus, some MLPs may be subject to construction risk, acquisition risk or other risk factors arising from their specific business strategies. A significant slowdown in large energy companies' disposition of energy infrastructure assets and other merger and acquisition activity in the energy MLP industry could reduce the growth rate of cash flows received by the MLP Fund from MLPs that grow through acquisitions.

Tax Status of the MLP Fund. The MLP Fund is treated as a regular corporation, or "C" corporation, for U.S. federal income tax purposes. This differs from most investment companies, which elect to be treated as "regulated investment companies" under the Internal Revenue Code of 1986, as amended (the "IRC") in order to avoid paying entity level income taxes. Under current law, the MLP Fund is not eligible to elect treatment as a regulated investment company due to its investments primarily in MLPs. Accordingly, the MLP Fund is subject to U.S. federal income tax on its taxable income at the graduated rates applicable to corporations, as well as state and local income taxes. The amount of taxes currently paid by the MLP Fund will vary depending on the amount of income, gains, losses, and deductions the MLP Fund is allocated from its MLP investments and on the amount of gains and losses derived from sales of MLP interests. Fund-level taxes will reduce your return from an investment in the MLP Fund.

Deferred Tax Risk. For financial reporting (but not tax reporting) purposes, the MLP Fund will accrue deferred income taxes for any future tax liability associated with (i) all or a portion of certain MLP distributions and any net operating gains as well as (ii) capital appreciation of its

investments. The MLP Fund's accrued deferred tax liability will be reflected each day in the MLP Fund's NAV. Increases in deferred tax liability will decrease NAV. Conversely, decreases in deferred tax liability will increase NAV. The MLP Fund generally computes deferred income taxes based on the federal tax rate applicable to corporations and an assumed rate attributable to state taxes. A change in the federal tax rate applicable to corporations and, consequently, any change in the deferred tax liability of the MLP Fund, may have a significant impact on the NAV of the MLP Fund. The MLP Fund's current and deferred tax liability, if any, will depend upon the MLP Fund's income, gains, losses, and deductions the MLP Fund is allocated from its MLP investments and on the MLP Fund's realized and unrealized gains and losses and therefore may vary greatly from year to year depending on the nature of the MLP Fund's investments, the performance of these investments and general market conditions. The MLP Fund will rely to a significant extent on information provided by the MLPs, which may not be timely, to estimate deferred tax liability for purposes of financial statement reporting and determining NAV. From time to time, Exchange Traded Concepts, LLC may modify the estimates or assumptions regarding the MLP Fund's deferred tax liability as new information becomes available. The MLP Fund estimates regarding its deferred tax liability are made in good faith; however, the daily estimate of the MLP Fund's deferred tax liability used to calculate the MLP Fund's NAV could vary dramatically from the MLP Fund's actual tax liability. Actual income taxed, if any, will be incurred over many years depending on if, and when, investment gains and losses are realized, the timing of recapture income realized by an MLP or realized by the MLP Fund on a sale of an MLP interest, and other factors. As a result, the determination of the MLP Fund's actual tax liability may have a material impact on the MLP Fund's NAV.

Although the MLP Fund's NAV will take into account deferred tax liabilities, there can be no assurance that the purchase price you pay for shares will take into account deferred tax liabilities. If you purchase shares at a substantial premium to NAV, the value of the shares may be adversely impacted by a recapture event that triggers a deferred tax liability not fully reflected in your purchase price or by the issuance of creation units at an NAV less than your purchase price.

In the event the MLP Fund is in a net deferred tax asset position, the MLP Fund will evaluate all available information and consider the criterion established by the Financial Accounting Standards Board Codification Topic 740, Income Taxes (formerly Statement of Financial Accounting Standards No. 109) in order to properly assess whether it is more likely than not that the deferred tax asset will be realized or whether a valuation allowance is required.

Returns of Capital Distributions From the MLP Fund Reduce the Tax Basis of MLP Fund Shares. A portion of the MLP Fund's distributions are expected to be treated as a return of capital for tax purposes. Returns of capital distribution are not taxable income to you but reduce your tax basis in your MLP Fund shares. Such a reduction in tax basis will generally result in larger taxable gains and/or lower tax losses on a subsequent sale of MLP Fund shares. Shareholders who periodically receive the payment of dividends or other distributions consisting of a return of capital may be under the impression that they are receiving net profits from the MLP Fund when, in fact, they are not. Shareholders should not assume that the source of distributions is from the net profits of the MLP Fund.

Liquidity Risk. Although MLPs trade on the NYSE, the NASDAQ and NYSE Amex Equities, certain MLP securities may trade less frequently than those of larger companies due to their smaller capitalizations. At times, due to limited trading volumes of certain MLPs, the prices of such MLPs may display abrupt or erratic movements. Moreover, it may be more difficult for the MLP Fund to buy and sell significant amounts of such securities without an unfavorable impact on prevailing market prices. The MLP Fund's investment in securities that are less actively traded or over time experience decreased trading volume may restrict its ability to take advantage of other market opportunities or to dispose of securities at a fair price at the times when Exchange Traded Concepts, LLC believes it is desirable to do so. This also may affect adversely the MLP Fund's ability to make dividend distributions to you.

Potential Substantial After-Tax Tracking Error From Index Performance. As discussed above, the MLP Fund will be subject to taxation on its taxable income. The MLP Index, however, is calculated without any deductions for taxes. As a result, the MLP Fund's after tax performance could differ significantly from the MLP Index even if the pretax performance of the MLP Fund and the performance of the MLP Index are closely correlated.

Risk of Cash Transactions. Unlike many ETFs, the MLP Fund expects to effect redemptions principally for cash, rather than in-kind. Other ETFs generally are able to make in-kind redemptions and avoid realized gains in connection with transactions designed to meet redemption requests. Because the MLP Fund may effect redemptions principally for cash, rather than in-kind distributions, it may be required to sell portfolio securities in order to obtain the cash needed to distribute redemption proceeds. Such cash transactions may have to be carried out over several days if the securities market is relatively illiquid and may involve considerable brokerage fees. These brokerage fees, which will be higher than if the MLP Fund redeemed its shares in-kind, will be passed on to redeemers of creation units in the form of redemption transaction fees. In addition, these factors may result in wider spreads between the bid and the offered prices of the MLP Fund's shares than for more conventional ETFs. Sales of portfolio securities to generate cash may trigger recapture income, which may be taxable to the MLP Fund and may cause distributions from the MLP Fund to be treated as taxable dividends.

Royalty Trust Risk. The Yorkville High Income MLP ETF may invest in royalty trusts. Royalty trusts are publicly traded investment vehicles that gather income on royalties and pay out almost all cash flows to stockholders as distributions. Royalty trusts typically have no physical operations and no management or employees. Typically royalty trusts own the rights to royalties on the production and sales of a natural resource. As these deplete, production and cash flows steadily decline, which may decrease distribution rates. Royalty trusts are exposed to many of the same risks as MLPs such as: (i) tax risks, (ii) risk related to limited control of the trustee and limited ability to remove or replace the trustee, (iii) risks related to the energy sector in general and (iv) risks that are specific to the industry in which underlying properties in which the royalty trust has an interest serve. In addition, the value of the equity securities of the royalty trusts in which the MLP Fund invests may fluctuate in accordance with changes in the financial condition of those royalty trusts, the condition of equity markets generally, commodity prices, and other factors. Distributions on royalty trusts in which the MLP Fund may invest will depend upon the declaration of distributions from the constituent royalty trusts, but there can be no assurance that those royalty trusts will pay distributions on their securities. Typically royalty trusts own the

rights to royalties on the production and sales of a natural resource, including oil, gas, minerals and timber. As these deplete, production and cash flows steadily decline, which may decrease distributions. The declaration of such distributions generally depends upon various factors, including the operating performance and financial condition of the royalty trust and general economic conditions.

Management Risk. Because the MLP Fund may not fully replicate its MLP Index and may hold fewer than the total number of securities in its MLP Index and may hold securities not included in its MLP Index, the MLP Fund is subject to management risk. This is the risk that Yorkville ETF Advisors, LLC's security selection process, which is subject to a number of constraints, may not produce the intended results.

Market Risk. The values of equity securities in the MLP Index could decline generally or could underperform other investments.

Non-Diversification Risk. The MLP Fund is non-diversified, meaning that, as compared to a diversified fund, it can invest a greater percentage of its assets in securities issued by or representing a small number of issuers. As a result, the performance of these issuers can have a substantial impact on the MLP Fund's performance.

Passive Investment Risk. The MLP Fund is not actively managed and therefore the MLP Fund would not sell shares of an equity security due to current or projected underperformance of a security, industry or sector, unless that security is removed from the MLP Index or the selling of shares of that security is otherwise required upon a rebalancing of the MLP Index as addressed in the MLP Index methodology.

Non-Correlation Risk. The MLP Fund's returns may not match the return of the MLP Index for reasons other than the risk of tracking error due to the effect of taxes. For example, the MLP Fund incurs some other operating expenses which are not applicable to the MLP Index, as well as transaction costs in buying and selling securities, especially when rebalancing the MLP Fund's securities holdings to reflect MLP Index composition changes.

Sustainable North American Oil Sands ETF

An investment in the SNAOS Fund is subject to the material risks discussed below. Each of these risks has the potential (individually or in any combination) to affect adversely the NAV of the SNAOS Fund and cause you to lose money.

Concentration Risk. Because the SNAOS Fund's assets will be concentrated in an industry or group of industries to the extent that the SNAOS Index concentrates in a particular industry or group of industries, the SNAOS Fund is subject to loss due to adverse occurrences that may affect that industry or group of industries. As of June 2012, the SNAOS Index was concentrated in the energy sector.

Currency Risk. The SNAOS Fund may invest in securities denominated in a foreign currency, including the Canadian dollar. Indirect and direct exposure to foreign currencies subjects the SNAOS Fund to the risk that currencies will decline in value relative to the U.S. dollar. Currency

rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates and the imposition of currency controls or other political developments in the U.S. or abroad.

Oil and Energy Sector Risk. Companies in the energy and oil sectors develop and produce crude oil and provide drilling and other energy resources production and distribution related services. Stock prices for these types of companies are affected by supply and demand both for their specific product or service and for energy products in general. The price of oil, exploration and production spending, government regulation, world events and economic conditions will likewise affect the performance of these companies. Correspondingly, securities of companies in the energy sector are subject to swift price and supply fluctuations caused by events relating to international politics, energy conservation, success of exploration projects, and tax and other governmental regulatory policies. Weak demand for the companies' products or services or for energy products and services in general, as well as negative developments in the energy sector generally, would adversely impact the SNAOS Fund's performance. Certain oil and energy companies can be significantly affected by natural disasters as well as changes in exchange rates, interest rates, government regulation, world events and economic conditions. These companies may be at risk for environmental damage claims.

Oils sands reserves produce what is sometimes referred to as synthetic crude oil, to be distinguished from conventional crude oil produced from traditional oil reserves. Oil sands exploration and development is very competitive and involves many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The marketability of synthetic crude oil is affected by many of the same factors that affect conventional crude oil and the energy sector in general including, but not limited to, market fluctuations of prices and government regulation. However, because operating costs to produce synthetic crude oil from oil sands may be substantially higher than operating costs to produce conventional crude oil, an increase in such costs or a reduction in the price of synthetic crude oil or competing products may render mining resources from oil sands uneconomical. A significant decrease in the price of conventional crude oil may have a negative impact on the economic viability of oil sands projects. In addition, other developments, such as increasingly strict environmental and safety laws and regulations and enforcement policies thereunder, particularly in areas with a high concentration of oil sands, and local, native and political opposition to oils sands exploration and refinement, could result in substantial costs and liabilities, delays or an inability to complete projects or the abandonment of projects.

Foreign Securities Risk. The SNAOS Fund invests a significant portion of its assets directly in securities of issuers based outside of the U.S., namely Canada, or in depositary receipts that represent such securities. Investments in securities of non-U.S. issuers involve certain risks that may not be present with investments in securities of U.S. issuers, such as risk of loss due to foreign currency fluctuations or to political or economic instability. There may be less information publicly available about a non-U.S. issuer than a U.S. issuer. Non-U.S. issuers may also be subject to different accounting, auditing, financial reporting and investor protection standards than U.S. issuers.

MLP Risk. MLPs are limited partnerships in which the ownership units are publicly traded. MLP units are registered with the SEC and are freely traded on a securities exchange or in the over-the-counter market. MLPs often own several properties or businesses (or own interests) that are related to oil and gas industries or other natural resources, but they also may finance other projects. To the extent that an MLP's interests are all in a particular industry, the MLP will be negatively impacted by economic events adversely impacting that industry. The risks of investing in a MLP are generally those involved in investing in a partnership as opposed to a corporation. For example, state law governing partnerships is often less restrictive than state law governing corporations. Accordingly, there may be fewer protections afforded to investors in a MLP than investors in a corporation. For example, investors in MLPs may have limited voting rights or be liable under certain circumstances for amounts greater than the amount of their investment. In addition, MLPs may be subject to state taxation in certain jurisdictions which will have the effect of reducing the amount of income paid by the MLP to its investors.

Geographic Concentration Risk. The SNAOS Fund's investments are related to activities concentrated in Canada, and therefore the SNAOS Fund will be more susceptible to adverse market, political, regulatory, and geographic events affecting that region than a fund that does not concentrate in Canada. The SNAOS Fund may also be more susceptible to market, political, regulatory and geographic events affecting specific regions in Canada in which oil sands are concentrated, such as in the province of Alberta.

Risks Related to Investing in Canada. The U.S. is Canada's largest trading partner and foreign investor. As a result, changes to the U.S. economy may significantly affect the Canadian economy. The economy of Canada is also heavily dependent on the demand for natural resources. Conditions that weaken demand for such products worldwide or otherwise change this sector could have a negative impact on the Canadian economy as a whole. These and other factors could have a negative impact on the SNAOS Fund's performance. Past demands for sovereignty by the province of Quebec have significantly affected equity valuations and foreign currency movements in the Canadian market.

Index Tracking Risk. The SNAOS Fund's return may not match or achieve a high degree of correlation with the return of the SNAOS Index. To the extent the SNAOS Fund utilizes a sampling approach, it may experience tracking error to a greater extent than if the SNAOS Fund sought to replicate the SNAOS Index.

Large-Capitalization Risk. Returns on investments in securities of large companies could trail the returns on investments in securities of smaller and mid-sized companies.

Small- and Mid-Capitalization Risk. The small- and mid-capitalization companies in which the SNAOS Fund may invest may be more vulnerable to adverse business or economic events than larger, more established companies, and may underperform other segments of the market or the equity market as a whole.

Management Risk. Because the SNAOS Fund may not fully replicate the SNAOS Index and may hold fewer than the total number of securities in the SNAOS Index and may hold securities not included in the SNAOS Index, the SNAOS Fund is subject to management risk. This is the

risk that IMS's security selection process, which is subject to a number of constraints, may not produce the intended results.

Market Risk. The values of equity securities in the SNAOS Index could decline generally or could underperform other investments.

Passive Investment Risk. The SNAOS Fund is not actively managed and therefore the SNAOS Fund would not sell shares of an equity security due to current or projected underperformance of a security, industry or sector, unless that security is removed from the SNAOS Index or the selling of shares is otherwise required upon a rebalancing of the SNAOS Index.

Forensic Accounting ETF

An investment in the FA Fund is subject to the material risks discussed below. Each of these risks has the potential (individually or in any combination) to affect adversely the NAV of the FA Fund and cause you to lose money.

Early Close/Trading Halt Risk. An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may result in the FA Fund being unable to buy or sell certain securities or financial instruments. In such circumstances, the FA Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and/or may incur substantial trading losses.

Index Tracking Risk. The FA Fund's return may not match or achieve a high degree of correlation with the return of the FA Index. To the extent the FA Fund utilizes a sampling approach, it may experience tracking error to a greater extent than if the FA Fund sought to replicate the FA Index.

Issuer-Specific Risk. FA Fund performance depends on the performance of individual securities to which the FA Fund has exposure. Issuer-specific events, including changes in the financial condition of an issuer, can have a negative impact on the value of the FA Fund.

Large-Capitalization Risk. Returns on investments in securities of large companies could trail the returns on investments in securities of smaller and mid-sized companies.

Management Risk. Because the FA Fund may not fully replicate the FA Index and may hold fewer than the total number of securities in the FA Index and may hold securities not included in the FA Index, the FA Fund is subject to management risk. This is the risk that IMS's security selection process, which is subject to a number of constraints, may not produce the intended results.

Market Risk. The values of equity securities in the FA Index could decline generally or could underperform other investments.

Passive Investment Risk. The FA Fund is not actively managed and therefore the FA Fund would not sell shares of an equity security due to current or projected underperformance of a

security, industry or sector, unless that security is removed from the FA Index or the selling of shares is otherwise required upon a rebalancing of the FA Index.

REIT Risk. The FA Index may include real estate investment trusts (“REITS”). Adverse economic, business or political developments affecting real estate could have a major effect on the value of the FA Fund’s investments in REITs. Investing in REITs may subject the FA Fund to risks associated with the direct ownership of real estate, such as decreases in real estate values, overbuilding, increased competition and other risks related to local or general economic conditions, increases in operating costs and property taxes, changes in zoning laws, casualty or condemnation losses, possible environmental liabilities, regulatory limitations on rent and fluctuations in rental income. In addition, REITs are subject to the possibility of failing to qualify for the favorable U.S. federal income tax treatment generally available to them under the IRC, and failing to maintain exemption from the registration requirements of the 1940 Act.

ETFSS Trust

AlphaClone Alternative Alpha ETF

An investment in the ACAA Fund is subject to the material risks discussed below. Each of these risks has the potential (individually or in any combination) to affect adversely the NAV of the ACAA Fund and cause you to lose money.

Derivatives Investment Risk. The ACAA Fund may invest in derivatives. Derivatives are financial instruments that derive their performance from an underlying reference asset, such as an index, security or interest rate. The return on a derivative instrument may not correlate with the return of its underlying reference asset. Derivatives are subject to a number of risks, such as credit risk, interest rate risk, and market risk. Derivatives can be volatile and may be less liquid than other securities. As a result, the value of an investment in the ACAA Fund may change quickly and without warning and you may lose money.

Early Close/Trading Halt Risk. An exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may result in the ACAA Fund being unable to buy or sell certain securities or financial instruments. In such circumstances, the ACAA Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and/or may incur substantial trading losses.

Equity Securities Risk. Investments in publicly issued equity securities, including common stocks, in general are subject to market risks that may cause their prices to fluctuate over time. Fluctuations in the value of equity securities in which the ACAA Fund invests will cause the NAV of the ACAA Fund to fluctuate.

Market Risk. The prices of the securities in which the ACAA Fund invests may decline for a number of reasons including in response to economic developments and perceptions about the creditworthiness of individual issuers.

MLP Risk. Investments in securities of MLPs involve risks that differ from an investment in common stock. Holders of the units of MLPs have more limited control and limited rights to vote on matters affecting the partnership. There are also certain tax risks associated with an investment in units of MLPs. In addition, conflicts of interest may exist between common unit holders, subordinated unit holders and the general partner of a MLP, including a conflict arising as a result of incentive distribution payments.

Non-Diversification Risk. The ACAA Fund is non-diversified and may invest a larger percentage of its assets in securities of a few issuers or a single issuer than that of a diversified fund. As a result, the ACAA Fund's performance may be disproportionately impacted by the performance of relatively few securities.

Passive Investment Risk. The ACAA Fund is not actively managed and neither Exchange Traded Concepts, LLC nor IMS would sell shares of an equity security due to current or projected underperformance of a security, industry or sector, unless that security is removed from the ACAA Index or the selling of shares of that security is otherwise required upon a rebalancing of the ACAA Index as addressed in the ACAA Index methodology.

REIT Risk. REITs may be affected by changes in the value of their underlying properties or mortgages or by defaults by their borrowers or tenants. Furthermore, these entities depend upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. In addition, the performance of a REIT may be affected by changes in the tax laws or by its failure to qualify for tax-free pass-through of income.

Shorting Risk. The ACAA Fund may engage in short sales designed to earn the ACAA Fund a profit from the decline in the price of particular securities. However, there is a risk that the ACAA Fund will experience a loss as a result of engaging in such short sales.

Tracking Error Risk. The performance of the ACAA Fund may diverge from that of the ACAA Index. Because the ACAA Fund employs a representative sampling strategy, it may experience tracking error to a greater extent than a fund that seeks to replicate an index.

DISCIPLINARY INFORMATION

IMS does not have any legal or disciplinary events to disclosure that are material to a client's or prospective client's evaluation of IMS's advisory business or the integrity of its management.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

IMS is the sub-adviser to six series of the RevenueShares Trust, four series of the ETC Trust and one series of the ETFSS Trust. In connection with these roles, IMS receives sub-advisory fees from VTL and Exchange Traded Concepts, LLC, respectively, and, therefore, IMS has a financial incentive to sell shares of the Funds. To mitigate this conflict of interest, clients

interested in investing in the Funds are provided with prospectuses which include detailed information about the fees that IMS receives in connection with sub-advising the Funds. Please see “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading” and “Brokerage Practices” below for additional information regarding how IMS manages some other potential conflicts of interest that arise from its investment sub-advisory relationships with the ETF Trusts. IMS’s Chief Executive Officer and Compliance Officer (“CCO”), Michael J. Gompers, also serves as the Treasurer of the RevenueShares Trust. IMS’s Chief Investment Officer, Denise M. Krisko, also serves as a portfolio manager of the RevenueShares Funds and the portfolio manager of the SNAOS Fund, FA Fund and ACAA Fund.

IMS is a wholly owned subsidiary of VTL. IMS provides investment sub-advisory services to the RevenueShares Funds pursuant to the RevenueShares ETF Sub-Advisory Agreement between VTL and IMS. VTL’s relationship to IMS does not create a material conflict of interest with clients.

Gompers and Associates in Wheeling, West Virginia acts as the firm accountants for both VTL and IMS. Joseph Gompers, who is a principle at Gompers and Associates, is an investor with VTL. VTL’s and IMS’s relationship to Gompers and Associates and Joseph Gompers does not create a material conflict of interest with clients.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

IMS adopted its Code of Ethics and Standards of Professional Conduct (the “Code”) pursuant to Rule 204A-1 of the Advisers Act in order to prevent persons who are actively engaged in investment advisory services or portfolio selection for clients from participating in fraudulent, deceptive or manipulative acts, practices or courses of conduct in connection with managing client accounts. The Code establishes certain standards of business conduct to which certain persons of IMS are expected to adhere. In particular, the Code is designed to uphold the following principles: (1) that IMS’s duty at all times is to place the interests of IMS’s clients first; (2) that all personal securities transactions conducted by an officer, member or employee of IMS shall be conducted consistently with the provisions of the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of that individual’s position of trust and responsibility; and (3) that IMS’s officers, members and employees shall not take inappropriate advantage of their positions with IMS.

The Code outlines prohibited transactions and conduct by certain officers, members and employees of IMS. The Code mandates that particular employees of IMS submit holdings and transactions reports and certifications of compliance with the Code to IMS’s CCO on an initial, quarterly and annual basis. The CCO is responsible for imposing appropriate sanctions for violations of the Code. The CCO will also prepare a written report, no less frequently than annually, describing any violations of the Code and any sanctions imposed. This written report will also certify that IMS has adopted procedures reasonably necessary to prevent IMS’s employees from violating the Code.

The Code also contains an Insider Trading Policy that is designed to prevent the misuse of material, nonpublic information by IMS and its officers, members and employees. The Insider Trading Policy expressly forbids any officer, member or employee from either trading on material non-public information, or communicating material non-public information to others in violation of federal law. The Insider Trading Policy contains detailed procedures to implement and maintain IMS's prohibitions on insider trading and reporting and certification requirements to ensure that the Insider Trading Policy is properly administered and followed.

IMS will provide a copy of the Code to any client or prospective client upon request.

In regards to the Revenue Weighted Program, as noted above under "Advisory Business," VTL and/or IMS may automatically invest cash balances or dividends and distributions within a client's account in money market mutual funds or ETF securities as otherwise directed by VTL. VTL and/or IMS is not authorized to automatically invest cash balances or dividends and distributions within a client's account in any of the Funds.

Employees of VTL and/or IMS may buy or sell securities that VTL recommends to clients through its Revenue Weighted Program. These purchases and sales are governed by VTL's and IMS's Code as described in more detail above.

See "Other Financial Industry Activities and Affiliates" and "Advisory Business" above for more information.

BROKERAGE PRACTICES

With respect to VTL's Revenue Weighted Program, VTL has the authority and discretion to determine, without obtaining client consent, the type and amount of securities to be bought or sold. VTL determines the types and amounts of securities to be bought and sold within each client portfolio within VTL's Revenue Weighted Program based upon the corresponding Revenue Weighted Index being tracked. VTL does not have the authority to change the Revenue Weighted Index without providing advance notice to the client, but may use its discretion to reconstitute the client portfolios within its Revenue Weighted Program based on changes that S&P or Navellier may make to the related benchmark indexes, and may re-weight the constituent securities of Revenue Weighted Indexes at any time to rebalance its client portfolios. See "Advisory Business" above for a more detailed explanation of VTL's Revenue Weighted Program.

VTL also is authorized to select brokers or dealers to execute the transactions for the purchase or sale of portfolio securities for its clients in accordance with its Revenue Weighted Program and to determine the commission rates to be paid for such services. VTL may delegate such discretion to IMS in the Sub-Advisory Agreement. VTL and/or IMS has responsibility to buy and sell securities for client accounts in accordance with VTL's model portfolio provided by VTL. VTL has the authority to rescind its delegation of brokerage discretion to IMS at any time.

VTL and IMS have full authority and discretion to engage any broker or dealer to execute investment decisions and transactions for the client that, in VTL's or IMS's opinion, is capable of providing best execution on a per-trade basis. In selecting broker-dealers to effect client transactions, VTL or IMS considers a number of factors, including price of securities, commissions, ability to provide prompt execution of orders, abilities and financial wherewithal of the broker-dealer, and in connection with particularly difficult transactions, the broker-dealer's expertise with respect to such transactions. VTL does not consider client referrals from a broker-dealer or other party as a factor in the selection of broker-dealers to execute a client's portfolio transactions.

VTL and/or IMS may authorize the payment of excess brokerage commissions for the purpose of receiving research services (i.e., "soft dollars") or other related products and/or services from any broker or dealer. Section 28(e) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), which was enacted by Congress in connection with the elimination of fixed commission rates on May 1, 1975, provides that, except as agreements such as investment advisory agreements otherwise provide, money managers will not be deemed to have acted unlawfully or to have breached a fiduciary duty if, subject to certain conditions, a broker/dealer is paid in return for brokerage and research services an amount of commission for effecting transactions for accounts, in excess of the amount of commission another broker/dealer would charge for effecting the transaction. Brokerage and research services, as provided in Section 28(e) of the 1934 Act, include advice as to the value of securities; the advisability of investing in, purchasing or selling securities; the availability of securities or purchasers or sellers of securities; furnishing analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategy and performance of accounts; and effecting securities transactions and performing functions incidental thereto (such as clearance and settlement). Research obtained in this manner may be used by VTL and/or IMS in servicing any or all of its clients. Clients may benefit from research obtained through the commissions paid by VTL's and/or IMS's other client accounts.

VTL and/or IMS may cause clients to pay higher brokerage commissions for securities transaction than another broker/dealer would charge for effecting the same transactions due to the execution and research services provided by the selected broker/dealer. In using client brokerage commissions to obtain research or other products or services, VTL and/or IMS receives a benefit because it does not have to produce or pay for such research, products or services. Consequently, VTL and/or IMS may have an incentive to select or recommend a broker/dealer based on its interest in receiving such research, products or other services, rather than on VTL's and/or IMS's clients' interest in receiving the most favorable execution. However, in causing clients to pay such greater brokerage commissions, VTL and/or IMS will determine in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided by the broker/dealer, viewed in terms of either a particular transaction or its overall responsibilities to its clients. In addition, although research, market and statistical information from broker/dealers can be useful to VTL and/or IMS, such information is only supplemental to VTL's and/or IMS's own research effort since the information must still be analyzed, weighed and reviewed by its staff.

IMS currently receives soft dollar credits for trades executed with Goldman Sachs, Bloomberg Tradebook, SIDCO and BNY ConvergeX. These firms provide execution at competitive commission rates. Trades are structured and executed to facilitate liquidity and minimize market impact. During the last fiscal year, the research services IMS obtained using soft dollar credits include qualifying order management systems, portfolio attribution and monitoring services and computer software and access charges which are directly related to investment research.

VTL and/or IMS will not authorize payment by a client's account of, or accept, 12b-1 fees from account investments in mutual funds, including money market funds.

Transactions for client accounts generally are effected independently unless VTL or IMS decides to purchase or sell the same securities for several clients at approximately the same time. VTL or IMS may (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among the client account and VTL's or IMS's other clients' accounts. This may result in differences in prices and commissions or other transaction costs from those that might have been obtained had such orders been placed independently.

A client may direct VTL or IMS to use a particular broker or dealer to execute transactions for the client's account. In this circumstance, the client's direction will be in written form authorizing VTL or IMS to execute all or certain transactions with the particular broker or dealer and the client will provide VTL or IMS with a written acknowledgment that the client understands that (A) in directing VTL or IMS to use a particular broker or dealer, VTL or IMS may not be in a position where it can freely negotiate commission rates or spreads, or select brokers or dealers on the basis of best price and execution; (B) such directed brokerage transactions may not be commingled or "batched" for purposes of execution with orders for the same securities for other accounts managed by VTL or IMS; and (C) accordingly, the client's direction of a particular broker or dealer to execute transactions for the Account may result in higher commissions, greater spreads, or less favorable net prices than might be the case if VTL or IMS were empowered to freely negotiate commission rates or spreads, or to select brokers or dealers on the basis of best execution.

With respect to the RevenueShares Trust, VTL has the authority and discretion to determine, without obtaining client consent, the type and amount of securities to be bought or sold. VTL determines the types and amounts of securities to be bought and sold within each RevenueShares Fund based upon the corresponding related Revenue Weighted Index being tracked and the re-weighting of those securities within the related Revenue Weighted Index. VTL does not have the authority to change the related Revenue Weighted Index without providing advance notice to the RevenueShares Trust, but when a replication strategy could have adverse consequences to RevenueShares Fund shareholders VTL may use its discretion to reconstitute the RevenueShares Fund portfolio based on a "representative sampling" strategy whereby a RevenueShares Fund would hold a significant number of the component securities of its corresponding Revenue Weighted Index, but may not track that index with the same degree of accuracy as would an investment vehicle replicating the entire index. See "Advisory Business" above for a more detailed explanation of the RevenueShares Trust.

VTL also is authorized to select brokers or dealers to execute the transactions for the purchase or sale of portfolio securities for its clients in accordance with the terms of the RevenueShares Trust prospectus and Statement of Additional Information (“SAI”) and to determine the commission rates to be paid for such services. VTL has delegated such discretion to IMS in the RevenueShares ETF Sub-Advisory Agreement. IMS is responsible for buying and selling securities for the RevenueShares Trust in accordance with the terms of the RevenueShares Trust prospectus and SAI.

IMS has full authority and discretion to engage any broker or dealer to execute investment decisions and transactions for the RevenueShares Trust that, in VTL or IMS’s opinion, is capable of providing best execution on a per-trade basis. In selecting broker-dealers to effect RevenueShares Trust transactions, IMS considers a number of factors, including price of securities, commissions, ability to provide prompt execution of orders, abilities and financial wherewithal of the broker-dealer, and in connection with particularly difficult transactions, the broker-dealer’s expertise with respect to such transactions. IMS does not consider client referrals from a broker-dealer or other party as a factor in the selection of broker-dealers to execute a client’s portfolio transactions.

VTL and/or IMS may authorize the payment of excess brokerage commissions for the purpose of receiving research services (i.e., “soft dollars”) or other related products and/or services from any broker or dealer. Research obtained in this manner may be used by VTL and/or IMS in servicing any or all of its clients. Clients may benefit from research obtained through the commissions paid by VTL’s and/or IMS’s other client accounts.

VTL and/or IMS may cause clients to pay higher brokerage commissions for securities transaction than another broker/dealer would charge for effecting the same transactions due to the execution and research services provided by the selected broker/dealer. In using client brokerage commissions to obtain research or other products or services, VTL and/or IMS receives a benefit because it does not have to produce or pay for such research, products or services. Consequently, VTL and/or IMS may have an incentive to select or recommend a broker/dealer based on its interest in receiving such research, products or other services, rather than on VTL’s and/or IMS’s clients’ interest in receiving the most favorable execution. However, in causing clients to pay such greater brokerage commissions, VTL and/or IMS will determine in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided by the broker/dealer, viewed in terms of either a particular transaction or its overall responsibilities to its clients. In addition, although research, market and statistical information from broker/dealers can be useful to VTL and/or IMS, such information is only supplemental to VTL’s and/or IMS’s own research effort since the information must still be analyzed, weighed and reviewed by its staff.

IMS currently receives soft dollar credits for trades executed with Goldman Sachs, Bloomberg Tradebook, SIDCO and BNY ConvergeEx. Goldman Sachs has a trading desk and platform which specializes in the trading of ETFs and underlying securities. Goldman Sachs has committed resources, such as personnel and capital, specifically to the area of ETF execution services. Goldman Sachs, Bloomberg Tradebook, SIDCO and BNY ConvergeEx provide execution at competitive commission rates. Trades are structured and executed to facilitate

liquidity and minimize market impact, which ultimately benefits the RevenueShares Funds. During the last fiscal year, the research services IMS obtained using soft dollar credits include qualifying order management systems, portfolio attribution and monitoring services and computer software and access charges which are directly related to investment research.

Transactions for the RevenueShares Trust generally are effected independently unless VTL or IMS decides to purchase or sell the same securities for several clients at approximately the same time. VTL and IMS may (but are not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably to the RevenueShares Trust and VTL’s or IMS’s other clients’ accounts. This may result in differences in prices and commissions or other transaction costs from those that might have been obtained had such orders been placed independently.

With respect to the ETC/ETFSS Funds, Exchange Traded Concepts, LLC is authorized to select brokers or dealers to execute the transactions for the purchase or sale of portfolio securities for the ETC/ETFSS Funds in accordance with the terms of each ETC/ETFSS Fund’s prospectus and SAI and to determine the commission rates to be paid for such services. Exchange Traded Concepts, LLC has delegated such discretion to IMS in the ETC/ETFSS ETF Sub-Advisory Agreements. IMS, as sub-adviser, is responsible for buying and selling securities for the ETC/ETFSS Funds in accordance with the terms of each ETC/ETFSS Fund’s prospectus and SAI.

IMS has full authority and discretion to engage any broker or dealer to execute investment decisions and transactions for the ETC/ETFSS Funds that, in IMS’s opinion, is capable of providing best execution on a per-trade basis. In selecting broker-dealers to effect ETC/ETFSS Fund transactions, IMS considers a number of factors, including price of securities, commissions, ability to provide prompt execution of orders, abilities and financial wherewithal of the broker-dealer, and in connection with particularly difficult transactions, the broker-dealer’s expertise with respect to such transactions. IMS does not consider client referrals from a broker-dealer or other party as a factor in the selection of broker-dealers to execute a client’s portfolio transactions.

IMS may authorize the payment of excess brokerage commissions for the purpose of receiving research services (i.e., “soft dollars”) or other related products and/or services from any broker or dealer. Research obtained in this manner may be used by IMS in servicing any or all of its clients. Clients may benefit from research obtained through the commissions paid by IMS’s other client accounts.

IMS may cause an ETC/ETFSS Fund to pay higher brokerage commissions for securities transaction than another broker/dealer would charge for effecting the same transactions due to the execution and research services provided by the selected broker/dealer. In using client brokerage commissions to obtain research or other products or services, IMS receives a benefit because it does not have to produce or pay for such research, products or services. Consequently, IMS may have an incentive to select or recommend a broker/dealer based on its interest in receiving such research, products or other services, rather than on IMS’s clients’ interest in receiving the most favorable execution. However, in causing an ETC/ETFSS Fund to pay such greater brokerage commissions, IMS will determine in good faith that the greater

commission is reasonable in relation to the value of the brokerage and research services provided by the broker/dealer, viewed in terms of either a particular transaction or its overall responsibilities to its clients, including the ETC/ETFSS Fund. In addition, although research, market and statistical information from broker/dealers can be useful to IMS, such information is only supplemental to IMS's own research effort since the information must still be analyzed, weighed and reviewed by its staff.

IMS currently receives soft dollar credits for trades executed with Goldman Sachs, Bloomberg Tradebook, SIDCO and BNY ConvergeX. Goldman Sachs has a trading desk and platform which specializes in the trading of ETFs and underlying securities. Goldman Sachs has committed resources, such as personnel and capital, specifically to the area of ETF execution services. Goldman Sachs, Bloomberg Tradebook, SIDCO and BNY ConvergeX provide execution at competitive commission rates. Trades are structured and executed to facilitate liquidity and minimize market impact, which ultimately benefits the ETC/ETFSS Funds.

Transactions for the ETC/ETFSS Funds generally are effected independently unless IMS decides to purchase or sell the same securities for several clients at approximately the same time. IMS may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably to the ETC/ETFSS Funds and IMS's other clients' accounts. This may result in differences in prices and commissions or other transaction costs from those that might have been obtained had such orders been placed independently.

In certain circumstances, IMS may suggest to clients that they consider utilizing a commission recapture program offered through various custodians or broker/dealers. IMS is an independent investment adviser and is not affiliated with, nor compensated by, any custodian or broker/dealer. If the client decides to avail itself of a commission recapture program, the client would enter into an agreement with the custodian or broker/dealer administering the commission recapture program, wherein the client and the custodian or broker/dealer would negotiate commission and commission recapture percentage rates. Generally, commission recapture programs may afford a client an opportunity to recapture a higher percentage of its commission costs than it would be able to achieve individually as a result of the aggregate trading volume that a group of clients directs to a custodian's or broker/dealer's commission recapture program.

A client may have the opportunity to direct IMS to utilize a broker/dealer chosen by the client for some or all trading transactions. However, in certain circumstances, the client should recognize that by utilizing a broker/dealer they have selected, IMS may not be able to negotiate commissions, achieve best execution or obtain volume discounts, and that a disparity in commission charges may exist among clients of IMS.

VTL requires IMS to allocate trades to broker-dealers strictly on the basis of best execution. VTL does not, and does not authorize IMS to, direct trades to broker-dealers in return for providing liquidity to the RevenueShares Funds. On the other hand, subject to the requirements of best execution, VTL does not prohibit IMS from allocating trades to broker-dealers merely because they may also trade in shares of the RevenueShares Funds.

During the last fiscal year, IMS did not direct brokerage transactions to a broker/dealer because of soft dollar benefits received.

REVIEW OF ACCOUNTS

With respect to VTL's Revenue Weighted Program and RevenueShares Trust, the model portfolios are reviewed for performance and compared against the related benchmark indexes on a daily basis. Client accounts are reviewed for adherence to the model portfolios on a daily basis. These reports provide an overview of the account's performance against the performance of the applicable benchmark. These reviews are conducted by VTL.

Clients receive a monthly written report with respect to their account(s) which will generally include performance information and any other data required by the client. Clients also receive a quarterly written report, which provides a more in-depth analysis of the client's account including, but not limited to, performance information, the related benchmark index's performance, if applicable, and portfolio holdings. With respect to the ETF Trusts, regular written reports are provided to the Boards of Trustees of the ETF Trusts, which meets no less than quarterly.

CLIENT REFERRALS AND OTHER COMPENSATION

IMS does not receive any economic benefit for providing investment advisory services to its clients other than the investment advisory fees received from its clients pursuant to investment advisory agreements.

IMS may compensate its employees for client referrals. Appropriate disclosures shall be made to the client and all written instruments will be maintained by IMS. IMS currently does not directly or indirectly compensate any other person for client referrals.

CUSTODY

IMS does not maintain custody of the securities or funds in your account. From time to time a client may authorize VTL and IMS to directly debit fees from their account held at the custodian for credit to VTL and IMS subject to applicable regulations. Under this circumstance, VTL and IMS are deemed to have custody of your assets. See "Fees and Compensation" above for more information. You should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains your investment assets. IMS urges you to carefully review such statements and to compare such official custodial records to the account statements VTL and IMS may provide to you. VTL's and IMS's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

INVESTMENT DISCRETION

VTL usually receives discretionary authority from a client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. The grant of discretionary authority is provided for in the investment advisory contract that VTL asks each client to sign in order to establish the investment adviser relationship. VTL, in turn, enters into sub-advisory agreements with IMS to provide sub-advisory services to the client. With respect to the ETC Trust and ETFSS Trust, the ETC Trust and ETFSS Trust have entered into investment advisory agreements with Exchange Traded Concepts, LLC and Exchange Traded Concepts, LLC has, in turn, entered into the ETC/ETFSS ETF Sub-Advisory Agreements with IMS pursuant to which IMS provides sub-advisory services to the ETC/ETFSS Funds. IMS intends to exercise this discretion in a manner that is consistent with the investment objectives for your account.

When selecting securities and determining amounts, IMS observes the client's investment policies, limitations and restrictions. For the ETF Trusts, IMS's authority to trade securities also may be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to IMS in writing.

VOTING CLIENT SECURITIES

The SEC adopted rule 206(4)-6 under the Advisers Act, which requires IMS, as a registered investment adviser that exercises voting authority over client securities to implement proxy voting policies. In compliance with such Rules, IMS has adopted Proxy Voting Policies and Procedures (the "Proxy Voting Policies"). The Proxy Voting Policies address how IMS will vote proxies with regard to specific matters, such as voting rights, mergers or acquisitions, the election of board members and other issues. The Proxy Voting Policies also direct IMS to consider certain factors in respect of specific matters subject to a proxy vote to assist in voting securities properly. Unless a client specifically reserves the right, in writing, to vote its own proxies, IMS will vote all proxies and act on all other corporate actions in a timely manner in accordance with the Proxy Voting Policies. IMS will notify clients in writing if it declines the responsibility of voting proxies and will make provisions for its clients to receive proxy information. In such cases, clients may call IMS at the number on the cover page of this Brochure to discuss any questions relating to any such solicitations.

IMS's basic policies and procedures are as follows:

IMS has adopted the Proxy Voting Policies to make every effort to ensure the manner in which shares are voted is in the best interest of clients and the value of the investment. Under the Proxy Voting Policies, IMS may delegate to a non-affiliated third party service provider the responsibility to review proxy proposals and make voting recommendations on behalf of IMS. Additionally, IMS may vote a proxy contrary to the Proxy Voting Policies if IMS determines that such action is in the best interest of the applicable clients.

The Proxy Voting Policies contain guidelines for reviewing all proxy proposals in a way that is consistent and facilitates voting solely in the interests of clients and beneficiaries. IMS's Proxy Voting Policies and voting history are available upon request by contacting Michael J. Gompers, Chief Executive Officer.

IMS follows and adheres to any policies, procedures and directions of clients regarding the voting of proxies. Such directions must be in writing, duly authorized by the client and delivered to IMS sufficiently in advance to vote the proxies as directed.

If a potential conflict of interest exists between a client and the interest of IMS in voting proxies, any of the following procedures may be followed to resolve the conflict:

- 1) IMS may address its potential conflict of interest by voting in accordance with the pre-determined guidelines set forth by the Proxy Voting Policies.
- 2) IMS may address its potential conflict by disclosing the conflict to the relevant clients and obtaining their consent to the proposed vote prior to voting the proxy. The disclosure to the client will include sufficient detail regarding the matter to be voted on and the nature of IMS's conflict so that the client is able to make an informed decision regarding the vote. If a client does not respond to such a conflict disclosure request or denies the request, IMS will abstain from voting the securities held by that client's account.

With respect to the RevenueShares Trust, VTL maintains overall responsibility and supervision of the proxy voting process, but delegates the proxy voting process to IMS pursuant to the RevenueShares ETF Sub-Advisory Agreement. VTL supervises and monitors IMS's proxy voting processes and procedures to ensure that such processes and procedures are adequate to promote the fair and reasonable voting of the RevenueShares Funds' proxies in the RevenueShares Funds' best interests.

With respect to the ETC Trust and ETFSS Trust, the Boards of Trustees of the ETC Trust and ETFSS Trust maintain overall responsibility and supervision of the proxy voting process, but have delegated the responsibility to vote proxies for securities held in the ETC/ETFSS Funds' portfolios to Exchange Traded Concepts, LLC. Exchange Traded Concepts, LLC has delegated the responsibility to vote proxies for securities held in the ETC/ETFSS Funds' portfolios to IMS pursuant to the ETC/ETFSS ETF Sub-Advisory Agreements.

FINANCIAL INFORMATION

A balance sheet is not required to be provided because IMS does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

As of April 1, 2013, IMS has no financial commitment that impairs its ability to meet contractual commitments to clients, and IMS has not been the subject of a bankruptcy proceeding.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.