

PART 2A OF FORM ADV: FIRM BROCHURE

Exponential ETFs

625 Avis Drive
Ann Arbor, MI 48108
Tel: (734) 821-6872

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This Brochure provides information about the qualifications and business practices of Exponential ETFs. If you have any questions about the contents of this Brochure, please contact us at (734) 821-6872 or jcattier@exponentialefs.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority, and references in this Brochure to Exponential ETFs as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about CSat Investment Advisory, L.P. doing business as Exponential ETFs is also available on the SEC’s website at www.adviserinfo.sec.gov.

This Brochure is not an offering or solicitation of interests in funds managed by Exponential ETFs or its affiliates.

Item 2 – Material Changes

Since filing the 2017 Annual Update Amendment, dated March 31, 2018, the Firm has the below material changes to report:

During 2018, the CSat ClassicMaster Limited was fully liquidated and closed. Exponential ETFs no longer offers hedge funds.

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Item 4 – Advisory Business

CSat Investment Advisory, L.P. is a Delaware Limited Partnership formed in 2006 and does business under the name Exponential ETFs (“Exponential”). Exponential serves as investment adviser and has overall responsibility for the general management of exchange traded Funds (“ETFs”). The principal owner of Exponential is Claes Fornell.

Exponential does not sponsor or maintain any wrap fee programs.

As of March 31, 2019, Exponential had discretionary assets under management totaling approximately \$263,201,792 and non-discretionary assets under management of \$0.

Exchange traded Funds

ETF Advisory or Sub-Advisory services range in level of service but, generally, include a mix of both portfolio and product management. This includes day-to-day portfolio management, portfolio trading, tax management, basket construction, compliance reporting, board reporting, and capital market services. Exponential may also act as underlying index provider to several funds in which it provides portfolio management services.

Each Fund may trade various combinations of any asset class or investment vehicle, including global equities, fixed income, ETFs, mutual funds, hedge funds, commodities, options, futures, and liquid alternatives, as permitted by an underlying benchmark, index, or the disclosure document of the Fund. Exponential has full discretion with regard to investments made on behalf of the Funds and does not tailor its advisory services to the individual needs of investors in those Fund(s).

Separately Managed Accounts

Exponential offers separately Managed Accounts (“SMAs”) tailored to individual clients’ needs. These can range from unique stand-alone strategies to clone versions of offered products.

Item 5 – Fees and Compensation

ETF Clients

Exponential charges an asset-based fee for its investment advisory services subject to an annual minimum. The fee arrangement, termination, and refund policies are negotiated with each Fund or Sponsoring Advisor prior to the commencement of advisory services and are described in the Fund’s offering memorandum and/or organizational documents, or the Client’s advisory agreement, as applicable.

In the case of any investment company that Exponential may manage, this information will be set forth in the Prospectus and Statement of Additional Information (“SAI”) provided to clients prior to making any investments. Exponential’s investment advisory fees are generally expressed as a percentage of assets under management. The Funds charge an annual management fee that will vary. Our fee and fee-paying arrangements for providing investment management services to the Fund(s) will be negotiated with each client on a case-by-case basis.

Although the terms of individual investment advisory agreements may vary, generally, Management Fees for ETF clients are accrued daily, and are billed and paid monthly in arrears, out of the assets of the ETF. The Adviser does not collect fees in advance from any client and will not deduct fees from any client account. In certain cases, the Adviser may pay certain fees on behalf of a Fund. The Adviser may reimburse or otherwise compensate Fund service providers for providing services to the Funds or for other reasons. Such payments vary based on the level of services provided, the type of Fund, the level of Fund assets, or for other reasons.

[SMA Clients](#)

Although the terms of individual investment advisory agreements may vary, generally, Management Fees for SMA clients are accrued daily, and are billed and paid monthly in arrears, out of the assets of the portfolio.

Item 6 – Performance-Based Fees and Side-by-Side Management

Exponential does not receive performance-based compensation.

Item 7 – Types of Clients

Exponential's primary business is to provide investment advisory and sub-advisory services to registered investment companies, such as ETFs. Exponential also offers investment advisory services to separately managed accounts.

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

As a general matter, Exponential utilizes the methods of analysis and investment strategies described in the Fund offering and governing documents provided to all Investors prior to the time of an investment. The information contained herein is a summary only and Investors should refer to the Fund offering and governing documents for a complete overview of Exponential's methods of analysis and investment strategies concerning the Funds.

[ETF Clients](#)

With respect to ETF clients for which Exponential seeks to track and manage the portfolio to an underlying benchmark index, (ACSII), key investment and other risks are set forth in each fund's disclosure documents such as the Summary Prospectus, the Statutory Prospectus, and the Statement of Additional Information ("SAI"). Brief descriptions of some of the most common investment risk types are included further below in this Item 8.

General Investment Risk – You can lose money on your investment in the Fund. The Fund is subject to the risks described below. Some or all of these risks may adversely affect the Fund's net asset value per share ("NAV"), trading price, yield, total return and/or ability to meet its objectives. For more information about the risks of investing in the Fund, see the section in the Fund's Prospectus titled "Additional Information About the Fund—Principal Investment Risks."

Equity Market Risk – The equity securities held in the Fund's portfolio may experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect securities markets

generally or factors affecting specific issuers, industries, or sectors in which the Fund invests. Common stocks, such as those held by the Fund, are generally exposed to greater risk than other types of securities, such as preferred stock and debt obligations, because common stockholders generally have inferior rights to receive payment from issuers

Investment Company Risk – The risks of investing in investment companies, such as the Underlying ETFs, typically reflect the risks of the types of instruments in which the investment companies invest. By investing in another investment company, the Fund becomes a shareholder of that investment company and bears its proportionate share of the fees and expenses of the other investment company. Investments in ETFs are also subject to the following risks: (i) the market price of an ETF's shares may trade above or below their NAV; (ii) an active trading market for an ETF's shares may not develop or be maintained; and (iii) trading of an ETF's shares may be halted for a number of reasons.

Models and Data Risk – The composition of the Index is heavily dependent on proprietary quantitative models as well as information and data supplied by third parties ("Models and Data"). When Models and Data prove to be incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities from the Index universe that would have been excluded or included had the Models and Data been correct and complete. If the composition of the Index reflects such errors, the Fund's portfolio can be expected to reflect the errors, too

Active Market Risk – Although the Shares are listed for trading on the Exchange, there can be no assurance that an active trading market for the Shares will develop or be maintained. Shares trade on the Exchange at market prices that may be below, at or above the Fund's net asset value. Securities, including the Shares, are subject to market fluctuations and liquidity constraints that may be caused by such factors as economic, political, or regulatory developments, changes in interest rates, and/or perceived trends in securities prices. Shares of the Fund could decline in value or underperform other investments

Passive Investment Risk – The Fund invests in the securities included in, or representative of, its Index regardless of their investment merit. The Fund does not attempt to outperform its Index or take defensive positions in declining markets. As a result, the Fund's performance may be adversely affected by a general decline in the market segments relating to its Index.

Sector Risk – To the extent the Fund invests more heavily in particular sectors of the economy, its performance will be especially sensitive to developments that significantly affect those sectors.

Shares May Trade at Prices Other Than NAV – As with all ETFs, Shares may be bought and sold in the secondary market at market prices. Although it is expected that the market price of Shares will approximate the Fund's NAV, there may be times when the market price of Shares is more than the NAV intra-day (premium) or less than the NAV intra-day (discount) due to supply and demand of Shares or during periods of market volatility. This risk is heightened in times of market volatility, periods of steep market declines, and periods when there is limited trading activity for Shares in the secondary market, in which case such premiums or discounts may be significant.

Tracking Error Risk – As with all index funds, the performance of the Fund and its Index may differ from each other for a variety of reasons. For example, the Fund incurs operating expenses and portfolio transaction costs not incurred by the Index. In addition, the Fund may not be fully invested in the securities of the Index at all times or may hold securities not included in the Index.

Cyber Security Risk - With the increased use of technologies such as the Internet to conduct business, a portfolio is susceptible to operational, information security and related risks. In general, cyber incidents can result from

deliberate attacks or unintentional events and are not limited to, gaining unauthorized access to digital systems, and misappropriating assets or sensitive information, corrupting data, or causing operational disruption, including the denial-of-service attacks on websites. Cyber security failures or breaches by a third party service provider and the issuers of securities in which the portfolio invests, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs, including the cost to prevent cyber incidents.

Risks Related to Regulation - Laws and regulations affecting our business change from time to time, and we are currently operating in an environment of significant regulatory reform, both in the U.S. and globally. We cannot predict the effects, if any, of future legal and regulatory changes on our business or the services we provide.

Foreign Investment Risk – The Fund will invest in the securities of foreign companies. Securities issued by foreign companies’ present risks beyond those of securities of U.S. issuers. Risks of investing in the securities of foreign companies include: different accounting standards; expropriation, nationalization or other adverse political or economic developments; currency devaluation, blockages or transfer restrictions; changes in foreign currency exchange rates; taxes; restrictions on foreign investments and exchange of securities; and less government supervision and regulation of issuers in foreign countries. Prices of foreign securities also may be more volatile.

Trading Issues Risk – Although the shares of the Fund are listed for trading on the Exchange, there can be no assurance that an active trading market for such shares will develop or be maintained. Trading in shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in shares inadvisable. In addition, trading in shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to Exchange “circuit breaker” rules. Market makers are under no obligation to make a market in the Fund’s shares, and authorized participants are not obligated to submit purchase or redemption orders for Creation Units. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the Fund will continue to be met or will remain unchanged. The Fund may have difficulty maintaining its listing on the Exchange in the event the Fund’s assets are small or the Fund does not have enough shareholders.

SMA Clients

SMA portfolios are tailored to the specific needs of the Advisory Client; therefore, risks will be determined by the individual client objectives. The client’s Investment Policy Statement will dictate specific risks. Noting this variability, all investing involves risk; clients should examine their investment objective and risk tolerance before they invest.

Item 9 – Disciplinary Information

Exponential is obligated to disclose any legal or disciplinary event that would be material when evaluating Exponential’s advisory business and the integrity of Exponential’s management. Exponential does not have any material legal or other disciplinary events to report.

Item 10 – Other Financial Industry Activities and Affiliations

Exponential is not registered, or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer.

Neither Exponential nor its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

Exponential's Code of Ethics (the "Code") is designed to meet the requirements of Rule 204A-1 of the Investment Advisers Act of 1940 (the "Advisers Act"). The Code applies to Exponential's "Access Persons." Access Persons include, generally, any partner, officer or director of Exponential and any employee or other supervised person of Exponential who, in relation to the Advisory Clients, (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All Exponential employees are deemed to be Access Persons.

The Code sets forth a standard of business conduct that takes into account Exponential's status as a fiduciary and requires Access Persons to place the interests of Advisory Clients above their own interests and the interests of Exponential. The Code requires Access Persons to comply with applicable federal securities laws. Further, Access Persons are required to promptly bring violations of the Code to the attention of Exponential's Chief Compliance Officer (the "Chief Compliance Officer"). All Access Persons are provided with a copy of the Code and are required to acknowledge receipt of the Code upon hire and on at least an annual basis thereafter.

The Code also sets forth certain reporting and pre-clearance requirements with respect to personal trading by Access Persons. Access Persons must provide the Chief Compliance Officer with a list of their personal accounts and an initial holding report within 10 days of becoming an Access Person. In addition, Access Persons must provide annual holdings reports and quarterly transaction reports in accordance with Advisers Act Rule 204A-1.

Certain Exponential employees also invest directly in the Funds. The fact that certain of Exponential's employees have financial ownership interests in the Funds creates a potential conflict in that it could cause Exponential to make different investment decisions than if such parties did not have such financial ownership interests. Exponential addresses this potential conflict by impressing upon Access Persons their fiduciary duty to act in the best interests of Advisory Clients and Investors and by requiring Access Persons to submit securities holdings and transaction reports in accordance with Rule 204A-1.

The Code seeks to ensure the protection of nonpublic information about the activities of the Advisory Clients. Investors or prospective Investors may obtain a copy of the Code by contacting the Chief Compliance Officer, John Cattier, at jcattier@exponentialetfs.com.

The Code requires Access Persons to place the interests of Advisory Clients and Investors over their own or those of Exponential, and all Access Persons are required to acknowledge their receipt and understanding of the Code.

Personal Trading

Exponential and its employees may affect transactions for their own accounts in the same securities purchased and sold for the accounts of Exponential's Advisory Clients.

This presents potential conflicts in that an employee could make improper use of information regarding an Advisory Client's holdings, future transactions or research paid for by the Advisory Clients. For example, an Access Person could take for himself or herself an investment opportunity available to an Advisory Client.

Exponential manages the potential conflicts of interest inherent in Access Person personal trading by enforcement of its Code, which contains strict guidelines for Access Persons on pre-clearance (e.g., for securities offered in IPOs or other limited offerings), and initial, quarterly and annual reporting requirements. Specifically, Exponential's Code requires Access Persons to obtain prior written approval from Exponential's Chief Compliance Officer before engaging in investments in certain securities, including but not limited to initial public offerings and other limited offerings. The Chief Compliance Officer may only approve a transaction if he concludes that the transaction would comply with the provisions of the Code of Ethics and is not likely to have any adverse economic impact on the Advisory Clients.

The Chief Compliance Officer and/or his designee reviews each Access Person's personal transaction reports to make sure each Access Person is conducting his or her personal securities transactions in a manner that is consistent with the Code. If trades are conducted simultaneously, Exponential requires that employee trades be at the same or less favorable price than that received by Advisory Clients, subject to a 5-day holding period. The Chief Compliance Officer may, in his sole discretion, break any trades affected for the account of Exponential's employees of which he has notice and believes to be in violation of the provisions of the Code.

Item 12 – Brokerage Practices

Exponential recognizes its duty to obtain "best execution" for its Advisory Clients. In selecting the broker-dealers to execute securities transactions, Exponential will select brokers on the basis of best execution and in consideration of a number of factors, including commissions/price, the ability of the brokers and dealers to affect the transactions, the brokers' and dealers' facilities, reliability and financial responsibility. Accordingly, the commission rates charged to the Funds by brokers in the foregoing circumstances may be higher than those charged by other brokers who may not offer such services.

To the extent Exponential determines to enter into soft dollar transactions, such transactions generally will be affected in compliance with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), but Exponential from time to time may engage in soft dollar transactions outside of the safe harbor provided by Section 28(e) of the Exchange Act. Since commission rates in the U.S. as well as in certain other jurisdictions are negotiable, selecting brokers on the basis of considerations that are not limited to applicable commission rates may at times result in higher transaction costs than would otherwise be obtainable.

In selecting or recommending broker-dealers, Exponential does not consider whether it receives client referrals from the broker-dealer. Additionally, Exponential does not engage in directed brokerage.

As a general matter, all Funds trade independently, and will not aggregate trades.

Allocation of investment opportunities between the Advisory Clients will be made by Exponential, in its sole discretion, based upon the investment objectives and holdings of the Funds.

Item 13 – Review of Accounts

Accounts are under continuous review and performance is analyzed on a daily basis. Such reviews may include a review of existing investments, potential investments, investment policy, the suitability of the investments used to meet policy objectives, cash availability, and investment objectives. The investment team may consider, among other things, investment performance, the investment's sensitivity to market changes, and whether anything has changed subsequent to an initial investment decision that impacts the risk or potential return.

Exponential's investment team meets as needed to discuss all risk issues. Exponential views risk from an investment, operational and legal perspective.

Investors in Registered Investment Companies will receive statements and performance updates from their respective broker-dealer.

Item 14 – Client Referrals and Other Compensation

There are no 3rd party marketing agreements

Item 15 – Custody

Exponential is not deemed to have custody of client assets. The custodian utilized by Exponential for current ETF clients is U.S. Bank National Association, 1555 N. Rivercenter Dr., Milwaukee, Wisconsin 53212.

Item 16 – Investment Discretion

Exponential has discretionary authority to manage securities accounts on behalf of its Advisory Clients. Exponential is authorized to make purchase and sale decisions for Advisory Clients.

Prospective Investors in ETFs should work with their financial representative to determine suitability in their respective portfolios.

Item 17 – Voting Client Securities

Exponential understands and appreciates the importance of proxy voting and has adopted proxy voting procedures that are designed to ensure that when Exponential does vote proxies with respect to securities held on behalf of Advisory Clients, such proxies are voted in the Advisory Clients' best interests, in the judgment of

Exponential to the extent reasonably practicable.

As a matter of general policy, Exponential will not vote proxies for securities no longer held by Exponential as of the date the proxy is received. The procedures also require that Exponential identify and address conflicts of interest between Exponential, its related persons and its Advisory Clients. If a material conflict of interest is identified, Exponential will determine whether voting in accordance with the guidelines set forth in the procedures is in the best interests of its Advisory Clients or whether taking some other action may be more appropriate.

In the absence of a conflict of interest, Exponential will generally vote “for” routine proposals, such as the election of directors, approval of auditors, and amendments or revisions to corporate documents to eliminate outdated or unnecessary provisions. Unusual or disputed proposals will be reviewed and voted on a case-by-case basis. The Proxy Voting Policies address, among other things, material conflicts of interest that may arise between the interests of Advisory Clients and the interests of Exponential. The Proxy Voting Policies will ensure that all issues brought to shareholders are analyzed in light of Exponential’s fiduciary responsibilities.

The Chief Compliance Officer or his/her delegate is responsible for ensuring that the proxy is voted on and submitted in a timely manner. Exponential keeps a record of its proxy voting policies and procedures, proxy statements received, votes cast, all communications received, and internal documents created that were material to voting decisions (such as a proxy voting worksheet) and each client request for proxy voting records and Exponential’s response

If you have any questions about Exponential’s proxy policy, its proxy record-keeping procedures or if you would like any detailed information about how proxies are actually voted, please contact Mr. John Cattier at (734) 821-6872 or jcattier@exponentialetfs.com. You may also contact John cattier to request a copy of Exponential’s proxy voting policies.

Item 18 – Financial Information

Registered advisers are required in this Item to provide certain financial information or disclosures about their financial condition. Exponential is not currently aware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Exponential does not charge or solicit prepayment of fees six months or more in advance. Exponential has not been the subject of a bankruptcy proceeding.