

**Part 2A of Form ADV
Brochure for:**

Vident Investment Advisory, LLC

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This brochure provides information about the qualifications and business practices of Vident Investment Advisory, LLC. If you have any questions about the contents of this brochure, please contact us at (404) 487-1961 or disclosure@videntinvestmentadvisory.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.

Registration of an Investment Adviser does not imply any certain level of skill or training.

Additional information about Vident Investment Advisory, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

The following material changes have been made to this brochure since its last filing on July 31, 2020:

- 1) Additional explanatory language on Advisory Business
- 2) Updated Assets Under Management
- 3) Clarifying language on Fees and Compensation
- 4) Additional Risk Disclosures
- 5) Additional disclosures regarding other Financial Industry Activities and Affiliations
- 6) Updated language on Code of Ethics, Brokerage Practices and Investment Discretion

ITEM 3 – TABLE OF CONTENTS

Item 1 – Cover Page	i
Item 2 – Material Changes.....	ii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	2
Item 6 - Performance-Based Fees and Side-By-Side Management.....	2
Item 7 – Types of Clients.....	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	3
Item 9 – Disciplinary Information	9
Item 10 – Other Financial Industry Activities and Affiliations.....	10
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	10
Item 12 – Brokerage Practices.....	11
Item 13 – Review of Accounts.....	13
Item 14 – Client Referrals and Other Compensation	13
Item 15 – Custody.....	13
Item 16 – Investment Discretion	13
Item 17 – Voting Client Securities	14
Item 18 – Financial Information	14
Item 19 – Requirements for State-Registered Advisers	14

Item 4 – Advisory Business

Description of the Advisory Firm and Advisory Services

Vident Investment Advisory, LLC (“VIA”) is a Delaware limited liability company formed in March 2014. We have been providing investment advisory services since December 2014. VIA is a wholly owned subsidiary of Vident Financial, LLC. Vident Financial, LLC is a wholly owned subsidiary of Vident Investors’ Oversight Trust.

VIA primarily provides a range of investment solutions as a sub-advisor to exchange-traded funds (“ETFs”) and other investment companies registered under the Investment Company Act of 1940. VIA also acts as a sub-adviser to pooled investment vehicles structured as Undertakings for Collective Investment in Transferable Securities (“UCITS”) and to other pooled investment vehicles including business entities operating as private funds, including segregated portfolio companies and limited liability companies. Hereinafter collectively referred to as “Funds.”

VIA is responsible for trading portfolio securities and other investment instruments on behalf of the Funds, including selecting broker/dealers to execute purchase and sale transactions, as instructed by the Advisor or in connection with any rebalancing or reconstitution of the Index, subject to the supervision of the Fund Adviser and Board.

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

Separately Managed Accounts

VIA also provides investment sub-advisory services to separately managed accounts (“SMAs”). For VIA’s sub-advised services to separately managed accounts, the advisory services are tailored to the individual needs of the each SMA.

VIA offers sub-advised discretionary investment management services for separately managed accounts structured as laddered bond portfolios. VIA manages these portfolios according to a customized fixed income strategy that is individually tailored to meet the cash flow needs of each SMA according to the SMA’s investment guidelines.

If you participate in our separately managed account services, we will require that you grant VIA discretionary authority to manage your account. Discretionary authority will allow our firm to determine the specific securities and the amount of securities to purchase, sell or exchange for your account. You may request in writing that VIA make specific investments for your SMA.

Wrap Fees

VIA does not participate in wrap fee programs.

Assets Under Management

As of December 31, 2020, we manage \$6,856,034,811 on a discretionary basis and \$0 on a non-discretionary basis. The amount of assets under management will fluctuate daily.

Item 5 – Fees and Compensation

VIA charges an asset-based fee for its investment advisory services subject to an annual minimum fee. The asset-based fee and annual minimum fee are negotiable. The fee arrangement, termination, and refund policies are negotiated with each Fund or SMA prior to the commencement of advisory services described in each client's respective advisory agreement.

Fee arrangements for providing sub-advisory services to Funds are negotiated on a case-by-case basis.

Separately Managed Accounts

The investment advisory fee for sub-advised separately managed accounts typically ranges from 0.10% to 0.20% of assets under management on an annual basis depending on the nature of the strategy managed by VIA. Institutional accounts may be charged a negotiated fee.

All management fees are payable quarterly in arrears based on the value of the assets under management at the end of the preceding quarter. For periods of less than three months our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Our advisory fee is negotiable depending on individual client circumstances.

For SMAs, we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian is obligated to deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

You may terminate the investment advisory agreement upon 30-days' written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the investment advisory agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client.

Other Fees for Separately Managed Accounts

VIA provides sub-advisory services to Clients through sub-advised SMAs. SMAs typically bear certain expenses in addition to investment advisory fees you pay to your primary Adviser and our separate sub-advisory fees, including custodial fees, transaction charges and/or brokerage fees when purchasing or selling securities. The broker-dealer or custodian through whom your account transactions are executed typically imposes these charges and fees. Fees, if any, paid by you to your primary Adviser and/or broker-dealer/custodian are separately negotiated by you and your primary Adviser and/or broker-dealer/custodian. We are not a party to those separate agreements. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. Please see Item 12.

Clients should note that similar advisory services may or may not be available from other investment advisers and asset managers for similar or lower fees.

Item 6 - Performance-Based Fees and Side-By-Side Management

VIA does not charge Clients a performance-based or incentive fee.

VIA may manage investments for a variety of clients including ETFs, UCITS, private funds and SMAs. The potential conflicts of interest can arise from the side-by-side management of these clients based on fee structures. VIA has policies and procedures designed and implemented to ensure that all clients are treated fairly and to prevent this conflict from influencing the allocation of investment opportunities among clients. Please see Item 12 below.

Item 7 – Types of Clients

VIA currently provides investment sub-advisory services to registered investment companies, UCITS and other pooled investment vehicles, including private funds. VIA also provides investment sub-advisory services to SMAs. VIA provides sub-advisory services to SMAs for high net worth individuals, charitable organizations and corporations or other entities.

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

With regard to Funds, VIA does not have any specific proprietary investment strategies; VIA tracks the underlying benchmarks, indices, investment models or other applicable investment mandates of the Funds.

With respect to the laddered bond SMA portfolios it manages, VIA maintains a municipal laddered bond strategy, a taxable laddered bond strategy, and a custom laddered bond strategy (in certain circumstances) that can be tailored to the cash flow needs of the individual client. The average duration of bonds within each type of laddered bond SMA can vary from one (1) to ten (10) years but is typically at or around four (4) years.

Investment Instruments Used

With respect to the Funds, VIA may use any asset class or investment vehicle, including global equities, fixed income, ETFs, mutual funds, hedge funds, commodities, futures, and liquid alternatives, permitted by an underlying benchmark, index, or the disclosure document of the Fund.

With respect to its laddered bond SMA portfolios, individual bond instruments are used. Municipal bond strategy accounts utilize federal tax-exempt municipal bond securities. Taxable bond strategy accounts may invest in U.S. Treasury debt, U.S. government agency debt, and/or investment-grade corporate debt. Under certain circumstances, e.g., an anticipated change in a Client's future tax status, a custom bond strategy may be employed that contains both municipal bond securities and a mixture of taxable bonds (Treasury, government agency, and/or investment-grade corporate debt). Such a custom strategy would be employed with the goal of maximizing the Client's taxable-equivalent yield from the portfolio.

Investment Risks

All investing involves risks, including the permanent loss of capital. VIA does not guarantee the future performance of a Fund or SMA, the success of any investment decision or strategy, [the reduction of tracking error], or the success of the overall management of a Fund for SMA. Clients should understand that investment decisions made for their accounts by VIA are subject to various market, liquidity, commodity, currency, economic, political, and business risks, and that those investment decisions will not always be profitable. Clients should be prepared to bear the risk of

loss that accompanies investing in securities, as well as other burdens and risks associated with ownership of securities, including tax reporting, litigation, and safekeeping.

With respect to VIA's municipal ladder bond portfolios, key risks include, but are not necessarily limited to general market risk, interest rate risk, issuer risk, credit risk, inflation risk, default risk, call risk, income risk, diversification risk, tax reform risk, and liquidity risk. Brief descriptions of some of the most common investment risk types are included further below in this Item 8. Bond investments may be worth more or less than the original cost when redeemed. Income from municipal bonds, while exempt from federal taxes, may be subject to state and local taxes and at times the alternative minimum tax. VIA does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns. The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio.

With respect to VIA's taxable ladder bond portfolios, key risks include, but are not necessarily limited to general market risk, credit risk, call risk, income risk, management risk, fixed-income securities risks, interest rate risk, extension risk, liquidity risk, prepayment risk, asset-backed and mortgage-backed securities risk, government-sponsored entities risk, high-yield fixed-income risk, valuation risk, municipal securities risk, when-issued securities risk, zero-coupon bonds risk, and high portfolio turnover rate risk.

With respect to Funds for which VIA seeks to track and manage the portfolio to an underlying benchmark index or investment model, key investment and other risks are set forth in each Fund's disclosure documents. Such key risks may include equity and fixed income risk, foreign securities and currency risk, issuer specific risks, large capitalization risks, small capitalization risks, emerging markets risks, depository receipts risk, and portfolio turnover risk.

Brief descriptions of some of the most common investment risk types follows.

Cybersecurity Risk

VIA and its service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes and practices designed to protect networks, systems, computers, programs and data from both intentional cyber-attacks and hacking by other computer users as well as unintentional damage or interruption that, in either case, can result in damage or interruption from computer viruses, network failures, computer and telecommunications failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

A cybersecurity breach could expose both VIA and its Clients to substantial costs (including, without limitation, those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, adverse investor reaction, the dissemination of confidential and proprietary information and reputational damage), civil liability as well as regulatory inquiry and/or action. In addition, any such breach could cause substantial withdrawals from a Client account. While VIA has established a business continuity plan in the event of, and risk management strategies, systems, policies and procedures to seek to prevent, cybersecurity breaches, there are inherent limitations in such plans, strategies, systems, policies and procedures including the possibility that certain risks have not been identified. Furthermore, VIA and its

Clients cannot control the cybersecurity plans, strategies, systems, policies and procedures put in place by other service providers to the Clients and/or the issuers in which Clients invest.

Business, Terrorism and Catastrophe Risks

Clients will be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on VIA's business and Clients' portfolios including investments made by VIA.

Asset-Backed and Mortgage-Backed Securities Risk

Asset-backed and mortgage-backed securities are subject to risk of prepayment. These types of securities may also decline in value because of mortgage foreclosures or defaults on the underlying obligations. Mortgage-backed securities offered by non-governmental issuers are subject to other risks as well, including failures of private insurers to meet their obligations and unexpectedly high rates of default on the mortgages backing the securities. Other asset-backed securities are subject to risks similar to those associated with mortgage-backed securities, as well as risks associated with the nature and servicing of the assets backing the securities. Asset-backed securities may not have the benefit of a security interest in collateral comparable to that of mortgage assets, resulting in additional credit risk.

Call Risk

Call Risk is the possibility that during periods of falling interest rates, a municipal security will be prepaid (called) prior to its expected maturity date. Such a prepayment produces cash flow that may be reinvested at a lower interest rate, causing the overall portfolio return to decline. To limit call risk, SMA portfolios will generally be constructed using non-callable bonds.

Credit Risk

Credit risk is the potential that the credit rating of an individual bond may be lowered. Credit Risk is related to the credit quality of the issuer, a reflection of the market's judgement concerning the ability of the issuer to meet its obligations over the life of the bond. In general, issues with higher credit quality earn a lower return. Because SMA portfolios will be invested to maintain a high level of credit quality, credit risk is expected to be low.

Default Risk

Default risk is the possibility that a bond issuer will fail to make timely payments of interest or principal, and is viewed as the most extreme form of credit risk.

Depository Receipts Risk

Changes in foreign currency exchange rates affect the value of ADRs, GDRs, EDRs and global shares and, therefore, the value of the account's portfolio. In addition, although the ADRs, DGRs, and EDRs and global shares in which the account invests may be 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. There is also no guarantee that a financial institution will continue to sponsor specific ADRs, GDRs, or EDRs. As a result, the account may have difficulty selling securities, or selling them quickly and efficiently at the prices at which they have been valued.

Derivatives Risk

Derivative Instruments The performance of derivative instruments depends largely on the performance of an underlying instrument, such as a currency, security, interest rate or index, and such instruments often have risks similar to the underlying instrument, in addition to other risks. Derivatives involve costs and can create economic leverage in the Fund's portfolio, which may result in significant volatility and cause the Fund to participate in losses (as well as gains) in an amount that significantly exceeds the Fund's initial investment. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment. Other risks include illiquidity, mispricing or improper valuation of the derivative instrument, and imperfect correlation between the value of the derivative and the underlying instrument so that the Fund may not realize the intended benefits. The successful use of derivatives will usually depend on the investment manager's ability to accurately forecast movements in the market relating to the underlying instrument. Should a market or markets, or prices of particular classes of investments move in an unexpected manner, especially in unusual or extreme market conditions, the Fund may not achieve the anticipated benefits of the transaction, and it may realize losses, which could be significant. If the investment manager is not successful in using such derivative instruments, the Fund's performance may be worse than if the investment manager did not use such derivative instruments at all. When a derivative is used for hedging, the change in value of the derivative may also not correlate specifically with the currency, security, interest rate, index or other risk being hedged. Derivatives also may present the risk that the other party to the transaction will fail to perform. There is also the risk, especially under extreme market conditions, that an instrument, which usually would operate as a hedge, provides no hedging benefits at all. Use of these instruments could also result in a loss if the counterparty to the transaction does not perform as promised, including because of such counterparty's bankruptcy or insolvency. This risk is heightened with respect to over-the-counter (OTC) instruments, such as certain swap agreements, and may be greater during volatile market conditions. Other risks include the inability to close out a position because the trading market becomes illiquid (particularly in the OTC markets) or the availability of counterparties becomes limited for a period of time. In addition, the presence of speculators in a particular market could lead to price distortions. To the extent that the Fund is unable to close out a position because of market illiquidity, the Fund may not be able to prevent further losses of value in its derivatives holdings and the Fund's liquidity may be impaired to the extent that it has a substantial portion of its otherwise liquid assets marked as segregated to cover its obligations under such derivative instruments. Some derivatives can be particularly sensitive to changes in interest rates or other market prices. The use of derivative strategies may also have a tax impact on the Fund. The timing and character of income, gains or losses from these strategies could impair the ability of the investment manager to use derivatives when it wishes to do so.

Diversification Risk

Diversification will be achieved by holding numerous individual securities, issuer types, sectors, and laddering of maturities. The smaller relative size of the client's portfolio compared to that of a mutual fund, however, will result in less diversification and, therefore, slightly more issuer specific risk. The SMA portfolios will hold high quality issues to minimize this risk. In addition, the state specific portfolios may be subject to regional economic risk factors.

Emerging Markets Risks

Securities of companies in emerging markets may be more volatile than those companies in developed markets. Markets, economies, and government institutions are generally less developed in emerging market countries. Investing in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization, or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.

Equity and Fixed Income Risk

A principal risk of investing in the strategies managed by VIA is equity and fixed income risk. This type of risk is the probability that the prices of the securities held by a client will fall due to general market and economic conditions, perceptions regarding the industries in which the companies issuing the securities participate and the issuer company's particular circumstances.

Foreign Securities and Currency Risk

Investments in foreign security involve risks relating to political, social, and economic developments abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers are subject. These risks included expropriation, differing accounting and disclosure standards, currency exchange risks, settlement difficulties, market illiquidity, difficulties enforcing legal rights and greater transaction costs.

General Market Risk

The value of the portfolio may fluctuate based on the performance of the portfolio's investments and other factors affecting the securities markets generally.

Government-Sponsored Entities Risk

The Fund invests in securities issued or guaranteed by government-sponsored entities. However, these securities may not be guaranteed or insured by the U.S. Government and may only be supported by the credit of the issuing agency. Securities issued by U.S. Government agencies and instrumentalities have different levels of U.S. Government credit support. Some are backed by the full faith and credit of the U.S. Government, while others are supported by only the discretionary authority of the U.S. Government or only by the credit of the agency or instrumentality. No assurance can be given that the U.S. Government will provide financial support to U.S. Government-sponsored instrumentalities because they are not obligated to do so by law. Guarantees of timely prepayment of principal and interest do not assure that the market prices and yields of the securities are guaranteed.

High-Yield Fixed-Income Securities Risk

High-yield fixed-income securities or "junk bonds" are fixed-income securities rated below investment grade and are subject to additional risk factors such as increased possibility of default, illiquidity of the security, and changes in value based on public perception of the issuer. Such securities are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities.

Income Risk

Income risk is the potential for a decline in a portfolio's total income due to falling market interest rates. A separately managed account portfolio's income and proceeds from maturing bonds is typically reinvested at future interest rates, which can fluctuate substantially from the portfolio's initial interest rates. The SMA portfolio will have laddered maturities, which averages interest rates from multiple periods, lowering the portfolio's exposure to income risk.

Interest Rate Risk

Interest rate risk is the potential for fluctuations in bond prices due to changing interest rates. In general, bond prices vary inversely with interest rates. That is, if interest rates rise, bond prices tend to fall; if interest rates fall, bond prices tend to rise. In addition, longer-maturity bonds generally fluctuate more in price than shorter-maturity bonds, but may offer higher yields to compensate investors for this risk.

Issuer Risk

Current reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility.

Issuer Specific Risks

The value of an individual security can be more volatile than the market as a whole and can perform differently from the market. An account could lose all of its investment in a company.

Large Capitalization Risks

Large, established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many large companies may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk

Trading opportunities are more limited for fixed-income securities that have not received any credit ratings, have received rating below investment grade or are not widely held. These features make it more difficult to sell or buy a security at a favorable price or time. Consequently, a portfolio may have to accept a lower price to sell a security, sell other securities to raise cash or give up an investment opportunity, any of which could have a negative effect on its performance. Infrequent trading of securities may also lead to an increase in their price volatility. Liquidity risk also refers to the possibility that a portfolio may not be able to sell a security or close out a position in a timely manner. If this happens, the portfolio will be required to hold the security or keep the position open, and it could incur losses.

Management Risk

The portfolio manager's judgments about the attractiveness, value and potential appreciation of the portfolio's investments may prove to be incorrect and the investment strategies employed by the portfolio manager in selecting investments for the portfolio may not result in an increase in the value of your investment or in overall performance equal to other similar investment vehicles having similar investment strategies.

Municipal Securities Risk

The municipal securities market is volatile and can be significantly affected by adverse tax, legislative or political changes and the financial condition of the issuers of municipal securities.

Portfolio Turnover Risk

Because each index is rebalanced on a pre-determined schedule by the index creator, the account may experience excess portfolio turnover. The greater portfolio turnover, the greater the transactions costs to the account, including the payment of transaction costs on the purchase and sale of securities, which could have an adverse effect on the account's total rate of return, and increased tracking error to the benchmark index.

Prepayment and Extension Risk

Many types of fixed-income securities are subject to prepayment risk. Prepayment occurs when the issuer of a fixed-income security can repay principal faster than expected prior to the security's maturity. Fixed-income securities subject to prepayment risk can offer less potential for gains during a declining rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a fixed-income security can be difficult to predict and result in greater volatility. On the other hand, rising

interest rates could cause prepayments of the obligations to decrease. This is known as extension risk and may increase the portfolio's sensitivity to rising rates and its potential for price declines.

Restricted Securities Risk

The Fund may invest in restricted securities (securities with limited transferability under the securities laws) acquired from the issuer in "private placement" transactions. Private placement securities are not registered under the Securities Act of 1933, and are subject to restrictions on resale. They are eligible for sale only to certain qualified institutional buyers, like the private funds sub-advised by VIA, and are not sold on a trading market or exchange. While private placement securities offer attractive investment opportunities otherwise not available on an open market, because such securities are available to few buyers, they are often both difficult to sell and to value.

Small Capitalization Risks

Investment in securities of small companies may involve greater risks than investing in larger, more established issuers. Small companies typically have relatively lower revenues, limited product lines and lack of management depth and may have a smaller share of the market for their product or service than large companies may. Stocks with small capitalizations tend to have less trading volume than stocks with large capitalizations. Less trading volume may make it more difficult for our portfolio managers to sell securities of small-capitalization companies at quoted market prices. There are periods when investing in small-capitalization stocks fall out of favor with investors and the stocks of small-capitalization companies underperform.

Tax Reform Risk

Occurs if a flat tax or other significant tax reform were implemented, reducing or eliminating altogether the present tax benefits of holding municipal securities. Historically, tax reform legislation has grandfathered in outstanding issues, but there is no guarantee that this will occur.

Valuation Risk

The prices provided by the portfolio's pricing service or independent dealers may be different from the prices used by other funds or from the prices at which securities are actually bought and sold. The prices of certain securities provided by pricing services may be subject to frequent and significant change, and will vary depending on the information that is available.

When-Issued Securities Risk

The price or yield obtained in a when-issued transaction may be less favorable than the price or yield available in the market when the securities delivery takes place, or that failure of a party to a transaction to consummate the trade may result in a loss to the portfolio or missing an opportunity to obtain a price considered advantageous.

Zero-Coupon Bonds Risk

Zero-coupon bonds do not pay interest on a current basis and may be highly volatile as interest rates rise or fall. In addition, while such bonds generate income for purposes of generally accepted accounting standards, they do not generate cash flow and thus could cause the portfolio to be forced to liquidate securities at an inopportune time in order to distribute cash, as required by tax laws.

Item 9 – Disciplinary Information

Not applicable.

Item 10 – Other Financial Industry Activities and Affiliations

In addition to our status as a registered investment advisor with the SEC, VIA is registered as a Commodity Trading Adviser (“CTA”) with the Commodity Futures Trading Commission (“CFTC”) and is a member of the National Futures Association (“NFA”).

VIA is a wholly owned subsidiary of Vident Financial, LLC. Vident Financial, LLC is a wholly owned subsidiary of Vident Investors’ Oversight Trust (“VIOT”). Vident Holdings, LLC, a dormant non-profit Georgia corporation is the sole beneficiary of VIOT. Vince L. Birley, Brian L. Shepler and Mohammad I. Baki serve as the trustees of VIOT. Mr. Shepler is an executive of Ron Blue Trust, a division of Thrivent Trust. Thrivent Trust is a control person of the Vident Funds as disclosed in the Vident Funds Statement of Additional Information. Any potential material conflicts of interest related to the Thrivent Trust relationship with the Vident Funds are addressed pursuant to ETF Series Solutions (“ESS”) compliance policies and procedures. Any potential material conflicts of interest related to Mr. Shepler serving as a Trustee of VIOT would be addressed by the VIOT Board of Trustees in consultation with outside legal counsel.

Vident Advisory, LLC (“VA”), an affiliate of VIA and Vident Financial, is the investment adviser to the Vident International Equity ETF (VIDI), Vident Core U.S. Equity Fund (VUSE), Vident Core U.S. Bond Strategy (VBND), and the U.S. Diversified Real Estate ETF (PPTY) (collectively, the “Vident Funds”), each a series of the ESS registered under the Investment Company Act of 1940. Each of the Vident Funds is advised by VA, sub-advised by VIA, and tracks an index created by Vident Financial.

For additional information, the Funds’ Prospectus and Statement of Additional Information are available on-line at: <https://www.videntfunds.com/literature>. Prospective investors should review these documents carefully before making any investment in the Vident Funds.

ALPS Distributors, Inc. acts as distributor of the Vident Funds. Certain Vident Financial, VA and VIA employees are registered representatives of ALPS Distributors, Inc. and are salaried employees. As such, these individuals do not receive commissions, fees or other remuneration in connection with securities transactions.

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

VIA has adopted a Code of Ethics (“Code”), pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 and Rule 17j-1 under the Investment Company Act of 1940, that describes the standards of business conduct that it requires of employees and accounts owned predominantly by persons associated with VIA, and establishes procedures intended to prevent VIA, and its personnel and certain of their relatives, from inappropriately benefiting from VIA’s relationships with its Clients. The Code is reviewed annually and updated as applicable. The Code provides that:

- The policies and procedures are based on general concepts of fiduciary duty to Clients;
- Each employee's professional activities and personal investment activities must be consistent with the Code, which is designed to help avoid actual or potential conflicts between the interests of Clients and those of VIA or its employees;
- Employees must abide by the standards set forth in Rule 204A-1 and Rule 17j-1;

- Employees will be required to act with competence, dignity and integrity, in an ethical manner, when dealing with Clients, the public, prospective clients or investors, third-party service providers and fellow employees.

VIA requires employees to pre-clear transactions of certain reportable securities in reportable personal security accounts including those of immediate family members and accounts for which the employee is a beneficial owner as described in the Code. In addition to the preclearance requirements described above, employees are subject to certain restrictions as to the purchase and sale of their personal security holdings including a prohibition on IPOs, Initial Coin Offerings, selling securities short, participation in Investment Clubs and short-term trading. The Code also contains restrictions on and procedures designed to help prevent inappropriate trading while VIA is in possession of material nonpublic information.

VIA will provide a copy of its Code of Ethics to any client or prospective client upon request. Such a request may be made by submitting a written request to VIA by email or to the address on the cover page of this brochure.

VIA does not have a material interest in any securities traded in a Client's account and does not engage in principal transactions with its Clients. A principal transaction is one in which VIA or an affiliate of VIA sells or purchases a security for its own account, and the other party to the transaction is a VIA Client.

Item 12 – Brokerage Practices

VIA has discretion in deciding what brokers/dealers the Funds will use and in negotiating rates of brokerage compensation (subject to any restrictions agreed on between VIA and an applicable Fund). For SMAs VIA is generally restricted to trading with the applicable SMAs custodian.

General Selection Criteria

It is VIA's policy to seek best execution, based upon a number of considerations, from the brokers with whom it places trades for execution on behalf of its Clients.

While trade price is often a significant quantitative factor in best execution, the Firm also evaluates qualitative execution factors, such as execution capability overall, order flow in a stock – market making capabilities, promptness of execution, the ability to access various market centers, the ability to execute non-standard transactions, the ability to successfully process allocations and block trades, broker quality overall, client service and reporting, data security and protection of client personal information, the financial condition of the broker, the ability or willingness to maintain and commit adequate capital when necessary to complete trades, technology integration capabilities, fee structure and reputation and integrity of the broker. The determining factor is not the lowest possible commission cost alone.

VIA may use a broker where a division or affiliate of such broker may have referred or may refer investors to a Fund advised by VIA. VIA, however, does not consider such referrals in its selection of brokers.

Soft Dollars

VIA utilizes research, research-related products and other brokerage services on a soft dollar commission basis. The term “soft dollars” refers to the receipt by VIA of products and services provided by such brokers without any cash payment by VIA or a Fund, based on the volume of revenues generated from brokerage commissions for transactions executed for Clients. Section 28(e) of the Securities Exchange Act of 1934 as amended provides a “safe harbor” to investment managers who use soft dollars generated by their advised accounts to obtain investment research and brokerage services that provide lawful and appropriate assistance to the investment manager in the performance of investment decision making responsibilities. Such uses of soft dollars are not within the safe harbor afforded by Section 28(e) in the event VIA elects to use soft dollars for payment of all or a portion of VIA’s non-research related services or products).

VIA’s soft dollar policy is to make a good faith determination of the value of the research product or services in relation to the commissions paid. VIA may also maintain soft dollar arrangements for those research products and services, which assist VIA, in its investment decision-making process. VIA uses such products and services in the investment decision-making for all Clients, not just for those accounts whose commissions may be considered to have been used to pay for the products or services.

When VIA uses Client brokerage commissions to obtain research or other products or services, it receives a benefit because it does not have to produce and/or pay for the research, products or services. Therefore, VIA may have an incentive to select or recommend a broker based on its interest in receiving research or other products or services, rather than on a Client’s interest in receiving the most favorable execution. Clients may pay commissions to brokers providing soft dollar research, products and other services that are higher than those charged by brokers for “execution only” transaction commissions. As noted above, VIA addresses this possible conflict by seeking best execution based upon a number of considerations, including the value of the research and other soft dollar products and services.

In the event VIA obtains any mixed-use products or services on a soft dollar basis, VIA will make a reasonable allocation of the cost between that portion which is eligible as research or brokerage services and that portion which is not so qualified. The portion eligible as research or other brokerage services will be paid for with discretionary Client commissions and the non-eligible portion, e.g., computer hardware, accounting systems, etc., which is not eligible for the Section safe harbor provided under Section 28(e) will be paid for with VIA’s own funds. For any mixed-use products or services, VIA will maintain appropriate records of its reviews and good faith determinations of its reasonable allocations.

Aggregation of Orders

VIA does not generally aggregate orders as it generally does not have more than one account with the same investment strategy and has limited scenarios where aggregation is feasible. Trade orders are generally processed and executed in the order received. As a result of VIA not generally aggregating orders, a Client account may have a different net execution cost and/or average price, which may be more or less favorable. Not aggregating orders also presents the possibility of the undesirable scenario of having more than one order in the market competing against each other. In addition, VIA may realize certain operational efficiencies by not aggregating Fund orders as aggregating Fund orders may not be practical due to the fact that different orders can arrive and be generated at different times in day.

In scenarios where VIA believes it is in the best interests to aggregate an order, including where VIA has multiple accounts within the same investment strategy, aggregation is done in such a way as to ensure that no Client account is favored over another. Furthermore, each account participating in an aggregated order does so at the average transaction price, and share in transactions costs on a pro rata basis. Partial fills are allocated on a pro-rata basis.

Item 13 – Review of Accounts

Subject to the information discussed above, including Item 8, VIA reviews Client accounts on an ongoing basis to determine accomplishment of investment objectives, diversification of each portfolio and security positions. Such reviews are performed by VIA's portfolio management personnel. Reviews may be triggered by market conditions or market and economic events. Further, VIA formally reviews registered product Clients any time there is a material change to each relevant prospectus or statement of additional information.

The securities broker-dealer, through whom a SMA's transactions are executed, sends or delivers in written electronic format, to the client a confirmation of each transaction. The broker-dealer also sends the SMA a written monthly statement of the account showing all transactions during the month and the month-end position in either physically printed or electronic format.

Item 14 – Client Referrals and Other Compensation

VIA neither compensates any third party for Client referrals nor does the firm receive compensation for any Client referral.

Item 15 – Custody

All Client assets are held in custody by unaffiliated broker-dealers or banks. Under Rule 206(4)-2 under the Advisers Act, we are deemed to have custody of Client assets if we are authorized to instruct the custodian to deduct our advisory fees directly from a Client account. For such accounts, account custodians send statements directly to the account owners on at least a quarterly basis. Clients should carefully review these statements and should compare these statements to any account information provided by VIA.

Item 16 – Investment Discretion

VIA has discretionary authority to manage securities accounts on behalf of Clients pursuant to a grant of authority in each Client's governing and investment management documents. VIA has discretion to determine:

- Securities to be bought or sold for SMA accounts;
- Amount of securities to be bought or sold for SMA accounts;
- Broker or dealer to be used for a purchase or sale of securities for Fund accounts; and
- Commission rates to be paid to a broker or dealer for Funds' securities transactions.

Item 17 – Voting Client Securities

Currently, VIA does not vote proxies for any clients. However, VIA may potentially vote proxies if authorized by a Client. Any such authorization would typically be granted on an account-by-account basis. Except in the event that a Client authorizes VIA to vote proxies, Clients maintain exclusive responsibility for directing the manner in which proxies solicited by issuers of securities beneficially owned by Clients shall be voted.

VIA votes corporate actions, and the making of all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining securities held in Client Account(s).

Item 18 – Financial Information

VIA is not required to provide financial information to clients because VIA does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, does not take custody of client funds or securities, and does not have a financial condition that is reasonably likely to impair the Firm's ability to meet its commitments to Clients. VIA has not been the subject of a bankruptcy petition.

Item 19 – Requirements for State-Registered Advisers

Not applicable.