



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the "ETF")

For the 6-month period ended June 30, 2024 (the "Period")

Manager: Bristol Gate Capital Partners Inc. (the "Manager" and "Portfolio Manager")

This Interim Management Report of Fund Performance (the "MRFP") contains financial highlights but does not contain either the interim or annual financial statements of the ETF. You can get a copy of the interim or annual financial statements at your request at no cost, by calling 416-921-7076, by writing to us at Bristol Gate Capital Partners Inc., 45 St. Clair Avenue West, Suite 601, Toronto, ON, M4V 1K9 or by visiting our website at www.bristolgate.com or SEDAR+ at www.sedarplus.ca.

Securityholders may also contact us using one of these methods to request a copy of the ETF's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure.

MANAGEMENT DISCUSSION OF FUND PERFORMANCE

Results of Operations

The ETF's net assets decreased from \$240.9 million at the end of 2023, to \$175.5 million as of June 30, 2024. The decrease was primarily due to net redemptions which offset investment appreciation.

For the six-month period ended June 30, 2024, the ETF returned 10.2% in Canadian dollars. The S&P500® Total Return Index (the "Index") returned 19.3% during the same period.

U.S. equity market performance continued to be very narrow for the first half of 2024. The Index return was primarily driven by a small number of stocks that benefited from investments being made in artificial intelligence ("AI"). To illustrate, during the period, the top 10 performers in the Index contributed over 70% of the Index's total return.

The ETF underperformed the Index as a result of stock selection. A lack of exposure to strong performers, such as NVIDIA Corp., Amazon.com Inc., Alphabet Inc. and Meta Platforms Inc., detracted from the ETF's performance. These stocks do not meet the ETF's high dividend growth criteria. Stock selection in the Information Technology and Financials sectors detracted from the ETF's performance, as did an overweight allocation to the Financials sector.

The largest individual detractors from the ETF's performance were holdings in MSCI Inc., American Tower Corp. and Zoetis

Inc.. MSCI Inc's stock price declined amid concerns about lower subscription revenue growth, higher expenses and lower net recurring revenue across segments. The lower subscription revenue was a result of elevated cancellations and lower retention as well as client merger activity. American Tower Inc., along with the Real Estate sector overall, was negatively impacted by higher interest rates. The higher cost of funding and a sizeable amount of debt led to lower dividend growth predictions, which led to our sale of the stock. Zoetis Inc.'s share price underperformed because of competitive concerns as new entrants entered or are expected to enter the markets in which Zoetis Inc. operates. In addition to competition issues, Zoetis Inc. was pressured by investor concerns regarding the safety of a new osteoarthritis drug launched in the U.S. called Librela. We believe the safety concerns are overblown as the drug has been in markets outside the U.S. for almost three years now with 11 million doses globally since the launch. Management has reported no unusual trends or signals with its U.S. experience thus far.

A lack of exposure to the Consumer Staples, Energy and Utilities sectors contributed to the ETF's performance. The largest individual contributors to performance were holdings in Broadcom Inc. and Applied Materials Inc. Both companies benefited from the significant investments in AI and the resulting strong demand for chips. The ETF's position in Cintas Corp. was another contributor to performance. The company continued to grow revenues, expand margins and execute on its plan to grow market share through its service offering.

New holdings in McKesson Corp., Marsh & McLennan Companies Inc., GE Aerospace and Old Dominion Freight Line Inc. were added during the period. Existing positions in UnitedHealth Group Inc., MSCI Inc., Corteva Inc. and Zoetis Inc. were increased. American Tower Inc., Starbucks Corp., Roper Technologies Inc. and Allegion PLC were eliminated from the ETF, while holdings in Applied Materials Inc., Cintas Corp. and Broadcom Inc. were trimmed.

Recent Developments

We continue to experience a very bifurcated market, led by the "Magnificent Seven" group of companies. While these companies continue to post impressive results, the law of large numbers will increasingly challenge growth going forward. We believe the bar is set much lower for other areas of the market



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

where valuations and growth expectations are more reasonable, if not conservative, and continue to seek opportunities in those areas.

The benefit of having a disciplined investment process is that it allows you to weather periods like this whenever they arise and to focus on what has allowed us to achieve successful outcomes for our clients for 15 years, which is owning a concentrated portfolio of high quality, high dividend growth stocks.

Dividend strategies have struggled in the current environment from a relative performance perspective. We know that these periods do not last forever. Eventually, fundamentals matter, and we continue to focus on them. Nine portfolio companies have announced dividend increases this year averaging in excess of 13%. From the perspective of their operating results, we continue to see the quality of the portfolio come through. Our holdings have delivered median ~10% revenue growth and ~8% earnings growth, both superior to that of the broad market. Over the long-term, we believe those fundamentals and our approach will be rewarded.

Related-Party Transactions

Manager, Trustee and Portfolio Manager

Bristol Gate Capital Partners Inc. (“Bristol Gate”) is registered as a portfolio manager and exempt market dealer in the provinces of Ontario, Quebec, Alberta, British Columbia and Manitoba and is also registered as an investment fund manager in the Provinces of Ontario and Quebec.

Bristol Gate is also registered with the U.S. Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940. Bristol Gate is the Manager, Trustee and Portfolio Manager of the ETF. Bristol Gate is responsible for the ETF’s day-to-day operations and provides investment advice and portfolio management services to the ETF. Bristol Gate is only paid a management fee by the ETF as compensation for its services. The management fee is calculated and accrued daily and is based on a percentage of the net asset value of the ETF.

The ETF paid management fees to the Manager, inclusive of HST, of \$805,917 for the period.

The Manager has chosen to absorb certain operating expenses for which the ETF is responsible.

The Manager has appointed the Independent Review Committee (IRC) established under the Canadian Securities Administrators’ National Instrument 81-107 Independent Review Committee for Investment Funds. The mandate of the IRC is to review and provide recommendations or approval, as required, regarding certain conflict of interest matters referred to it by the Manager on behalf of its managed ETFs. The IRC consists of three members, all of whom are independent of the Manager. Members of the IRC receive fees for services rendered. These fees and expenses, plus associated legal and insurance costs, are allocated among the ETFs managed by the Manager. During the period, the ETF did not rely on a positive recommendation, or approval, of the IRC with respect to any related party transactions.

Management Fees

The ETF pays a management fee, plus applicable taxes, to the Manager based on the annual rate of 0.70%, before GST/HST, of the net asset value of the ETF. This management fee is calculated and accrued daily and payable on the last Valuation Date of each month or on such date as the Manager may determine. The Manager may, in its discretion, agree to charge the Bristol Gate ETF a reduced management fee for certain Unitholders as compared to the management fee that it otherwise would be entitled to receive, provided that the amount of the reduced management fee is distributed periodically by the Bristol Gate ETF to the Unitholders as a management fee distribution.

The management fee for the ETF compensates the Manager for providing portfolio advisory and investment management services to the ETF and for providing or arranging for other managerial and administrative services to the ETF including: arranging for payment of operating expenses; providing office space, facilities and personnel; preparing financial and tax information; preparing and providing financial statements, MRFPs and other required reports to unitholders; ensuring compliance with regulatory and exchange listing requirements; determining distributions; communicating with unitholders and calling meetings of unitholders; administering the purchase, exchange and redemptions of ETF units; and contracting with third party providers of services to the ETF.



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the ETF and are intended to help you understand the ETF’s financial performance for each of the fiscal periods presented below.

Net Assets Per Unit – CAD Units (in Canadian Dollars) ¹

	Jun 30, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Net assets, beginning of period	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18	\$21.30
Increase (decrease) from operations:						
Total revenue	\$0.22	\$0.47	\$0.41	\$0.37	\$0.41	\$0.45
Total expenses [excluding distributions]	(\$0.21)	(\$0.36)	(\$0.33)	(\$0.33)	(\$0.30)	(\$0.29)
Realized gains (losses) for the period	\$6.70	\$1.23	\$2.19	\$1.42	(\$1.34)	\$0.83
Unrealized gains (losses) for the period	(\$2.75)	\$5.44	(\$7.05)	\$6.81	\$3.77	\$3.81
Total increase (decrease) from operations	\$3.96	\$6.78	(\$4.78)	\$8.27	\$2.54	\$4.80
Annual distributions:						
From Income (Excluding Dividends)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
From Dividends	\$0.00	\$0.12	\$0.08	\$0.04	\$0.09	\$0.05
From Capital Gains	\$0.00	\$0.51	\$1.83	\$0.00	\$0.00	\$0.29
Return of Capital	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total annual distributions ²	\$0.00	\$0.63	\$1.91	\$0.04	\$0.09	\$0.34
Net assets, end of period ³	\$43.88	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18

- This information is derived from the ETF’s unaudited interim financial statements and audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value calculated for ETF pricing purposes. An explanation of any differences can be found in the notes to the financial statements.*
- The ETF made distributions on a notional basis. A notional distribution is when the units from a reinvested distribution are immediately consolidated with the units held prior to the distribution and the number of units held after the distribution is identical to the number of units held before the distribution.*
- Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.*



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

Net Assets Per Unit – USD Units (in Canadian Dollars) ¹

	Jun 30, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Net assets, beginning of period	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18	\$21.30
Increase (decrease) from operations:						
Total revenue	\$0.22	\$0.48	\$0.41	\$0.37	\$0.40	\$0.44
Total expenses [excluding distributions]	(\$0.16)	(\$0.30)	(\$0.33)	(\$0.34)	(\$0.30)	(\$0.29)
Realized gains (losses) for the period	\$6.70	\$1.25	\$2.24	\$1.38	(\$1.33)	\$0.74
Unrealized gains (losses) for the period	(\$2.21)	\$5.23	(\$7.42)	\$6.97	\$3.60	\$3.58
Total increase (decrease) from operations	\$4.55	\$6.66	(\$5.10)	\$8.38	\$2.37	\$4.47
Distributions:						
From Income (Excluding Dividends)	\$0.05	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
From Dividends	\$0.00	\$0.19	\$0.08	\$0.04	\$0.09	\$0.05
From Capital Gains	\$0.00	\$0.51	\$1.83	\$0.00	\$0.00	\$0.29
Return of Capital	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total distributions ²	\$0.05	\$0.70	\$1.91	\$0.04	\$0.09	\$0.34
Net assets, end of period ³	\$43.88	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18

- This information is derived from the ETF’s unaudited interim financial statements and audited annual financial statements. The net assets per security presented in the financial statements may differ from the net asset value calculated for ETF pricing purposes. An explanation of any differences can be found in the notes to the financial statements.*
- The ETF makes distributions on both a cash and notional basis. Cash distributions are generally associated with management fee rebates and are received only by eligible investors. A notional distribution is when the units from a reinvested distribution are immediately consolidated with the units held prior to the distribution and the number of units held after the distribution is identical to the number of units held before the distribution.*
- Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.*



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

Ratios and Supplemental Data - CAD Units (in Canadian Dollars)

	Jun 30, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Total net asset value (000's)	111,894	95,557	85,532	99,992	75,161	50,277
Number of units outstanding ¹	2,550,000	2,400,000	2,600,000	2,650,000	2,550,000	1,850,000
Management expense ratio ²	0.86%	0.83%	0.84%	0.85%	0.85%	0.85%
Management expense ratio before waivers or absorptions ²	0.91%	0.85%	0.88%	0.88%	0.92%	1.28%
Portfolio turnover rate ³	29.86%	28.74%	27.74%	26.39%	35.50%	52.65%
Trading expense ratio ⁴	0.01%	0.00%	0.00%	0.00%	0.01%	0.01%
Net asset value per unit	\$43.88	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18
Closing market price – BGU	\$43.82	\$40.05	\$32.81	\$37.88	\$29.32	\$27.11

- This information is as of the end of the period shown.*
- The management expense ratio (“MER”) is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. The Manager may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption of certain operating expenses by the Manager, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by the Manager.*
- The ETF’s portfolio turnover rate indicates how actively the ETF’s Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all the securities in its portfolio once in the course of the year. The higher the ETF’s portfolio turnover rate in a year, the greater the trading costs payable by the ETF in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF.*
- The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.*



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

Ratios and Supplemental Data - USD Units (in Canadian Dollars)

	Jun 30, 2024	Dec 31, 2023	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020	Dec 31, 2019
Total net asset value (000's)	63,626	145,326	98,691	120,745	75,161	65,224
Number of units outstanding ¹	1,450,000	3,650,000	3,000,000	3,200,000	2,550,000	2,400,000
Management expense ratio ²	0.86%	0.85%	0.84%	0.85%	0.85%	0.84%
Management expense ratio before waivers or absorptions ²	0.91%	0.87%	0.88%	0.88%	0.92%	1.16%
Portfolio turnover rate ³	29.86%	28.74%	27.74%	26.39%	35.50%	52.65%
Trading expense ratio ⁴	0.01%	0.00%	0.00%	0.00%	0.01%	0.01%
Net asset value per unit	\$43.88	\$39.82	\$32.90	\$37.73	\$29.47	\$27.18
Net asset value per unit (in US Dollars)	\$32.07	\$30.20	\$24.28	\$29.87	\$23.14	\$20.96
Closing market price – BGU.U (in US Dollars)	\$32.06	\$30.19	\$24.17	\$29.85	\$23.00	\$20.85

1. This information is as of the end of the period shown.
2. The management expense ratio (“MER”) is based on expenses for the stated period, excluding commissions and other portfolio transaction costs, and is expressed as an annualized percentage of the daily average net asset value during the period. The Manager may, at its discretion and without notice to unitholders, waive or absorb certain operating expenses. MER includes the waiver or absorption of certain operating expenses by the Manager, while the MER before absorption shows the MER prior to operating expenses being waived or absorbed by the Manager.
3. The ETF’s portfolio turnover rate indicates how actively the ETF’s Portfolio Manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the ETF buying and selling all the securities in its portfolio once in the course of the year. The higher the ETF’s portfolio turnover rate in a year, the greater the trading costs payable by the ETF in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the ETF.
4. The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)
For the 6-month period ended June 30, 2024 (the “Period”)
Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

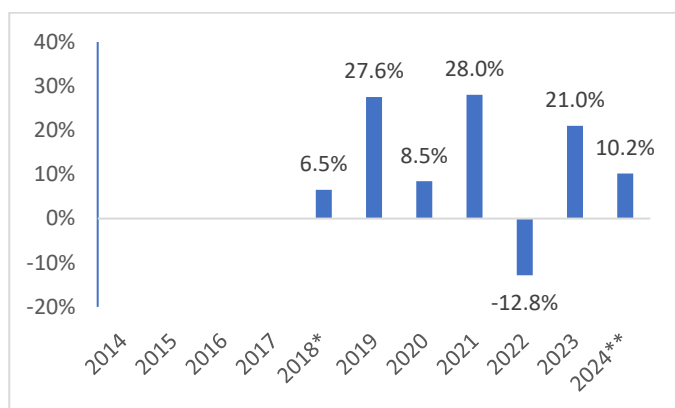
PAST PERFORMANCE

The performance information assumes that all notional distributions made by the ETF in the periods shown were reinvested in additional units of the ETF. The past performance does not take into account sales, redemption, distribution or other optional charges or income taxes payable by the unitholders that, if applicable, would have reduced returns or performance. How the ETF performed in the past does not indicate how it will perform in the future.

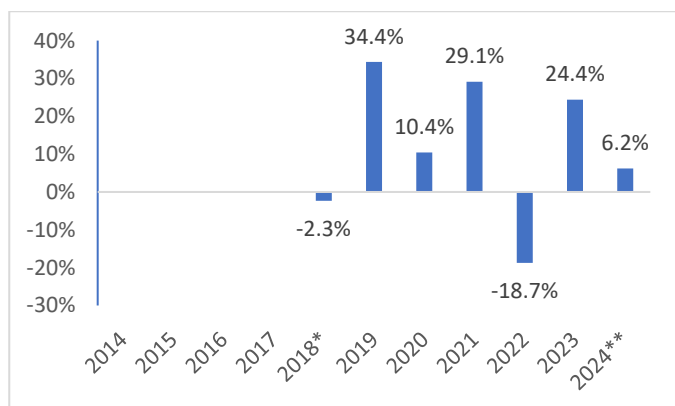
Year-by-Year Returns ¹

The charts show you the ETF Unit’s annual historical returns since inception.

BGU - CAD Units (in CAD)



BGU - USD Units (in USD)



*Return from inception date of February 15, 2018 to December 31, 2018
 **Return from January 1, 2024 to June 30, 2024

1. Annual return is the percentage change in the value of an investment from January 1 to December 31, unless otherwise noted. The chart shows, in percentage terms, how much an investment made on the first day of the financial year would have grown or decreased by the last day of each financial year.

SUMMARY OF INVESTMENT PORTFOLIO

Asset Allocation

	% of Net Asset Value
Equities	99.99%
Cash	0.02%
Other assets less liabilities	(0.01)%
Total	100.00%

Sector Allocation

	% of Net Asset Value
Information Technology	22.76%
Financials	22.63%
Industrials	22.55%
Health Care	18.92%
Materials	9.08%
Consumer Discretionary	4.05%
Real Estate	0.00%
Other assets less liabilities	0.01%
Total	100.00%

Geographic Allocation

	% of Net Asset Value
U.S. securities ¹	99.99%
Other assets less liabilities	0.01%
Total	100.00%

1. U.S. securities for purposes of this report are securities that are members of the S&P 500® Total Return Index.



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

Top Holdings

	% of Net Asset Value
1 Microsoft Corp.	5.07%
2 McKesson Corp.	5.06%
3 Moody's Corp.	4.88%
4 Carrier Global Corp.	4.81%
5 Intuit Inc.	4.75%
6 Corteva Inc.	4.75%
7 UnitedHealth Group Inc.	4.71%
8 Marsh & McLennan Companies Inc.	4.64%
9 Old Dominion Freight Line Inc.	4.63%
10 Zoetis Inc. Class A	4.62%
11 MSCI Inc.	4.54%
12 Thermo Fisher Scientific Inc.	4.53%
13 Cintas Corp.	4.52%
14 Applied Materials Inc.	4.48%
15 Mastercard Inc. Class A	4.46%
16 GE Aerospace	4.42%
17 Microchip Technology Inc.	4.40%
18 Sherwin-Williams Co.	4.33%
19 CSX Corp.	4.17%
20 Visa Inc. Class A	4.11%
21 Broadcom Inc.	4.06%
22 Lowe's Companies Inc.	4.05%
Total	99.99%

The summary of investment portfolio may change due to the ETF’s ongoing portfolio transactions and a quarterly update is available at www.bristolgate.com.

The sectors referenced in the above Sector Allocation table are based on the Global Industry Classification Standard. The Global Industry Classification Standard (“GICS”) was developed by and is the exclusive property and a service mark of MSCI Inc. (“MSCI”) and S&P Global Market Intelligence (“S&P”) and is licensed for use by Bristol Gate Capital Partners Inc. Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect

to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

A NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Management Report of Fund Performance may contain forward-looking statements including, but not limited to, statements about the ETF, its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events and conditions or include words such as “may”, “could”, “would”, “should”, “expect”, “anticipate”, “intend”, “plan”, “believe”, “estimate” and similar forward-looking expressions or negative versions thereof.

These forward-looking statements are subject to various risks and uncertainties, including the risks described in the Prospectus of the ETF, uncertainties and assumptions about the ETF, capital markets and economic factors, which could cause actual financial performance and expectations to differ materially from the anticipated performance or other expectations expressed. Economic factors include, but are not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

Readers are cautioned not to place undue reliance on forward-looking statements and consider the above- mentioned factors and other factors carefully before making any investment decisions. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith. Forward-looking statements are



2024 INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

BRISTOL GATE CONCENTRATED US EQUITY ETF (BGU) (the “ETF”)

For the 6-month period ended June 30, 2024 (the “Period”)

Manager: Bristol Gate Capital Partners Inc. (the “Manager” and “Portfolio Manager”)

not guarantees of future performance, and actual results could differ materially from those expressed or implied in any forward-looking statements made by the ETF. The Manager has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, except as required by securities legislation.

DISCLOSURES

The S&P 500® Total Return Index measures the performance of the broad US equity market, including dividend re-investment, in the currency indicated. This index is provided for information only and comparisons to the index have limitations. The benchmark is an appropriate standard against which the performance of the ETF can be measured over longer time periods as it represents the primary investment universe from which Bristol Gate selects securities. However, Bristol Gate’s portfolio construction process differs materially from that of the benchmark and the securities selected for inclusion in the ETF are not influenced by the composition of the benchmark. For example, the ETF is a concentrated portfolio of approximately equally weighted dividend-paying equity securities, rebalanced quarterly whereas the benchmark is a broad stock index (including both dividend and non-dividend paying equities) that is market capitalization weighted. As such, ETF performance deviations relative to the benchmark may be significant, particularly over shorter time periods. The ETF has concentrated investments in a limited number of companies; as a result, a change in one security’s value may have a more significant effect on the ETF’s value.