



## SUMMIT ZACKS GLOBAL WATER INDEX POSTS 9.20% NET RETURN FOR FIRST QUARTER 2017

### First Factor-Based Water Index Outperforms on Greater Global Diversification

April 24, 2017 – The Summit Zacks Global Water Index (^ZAXWTRXN) increased 9.20% on a Net Total Return\* basis in the first quarter of 2017. For comparison, the two most widely followed global water equity indices, S&P Global Water Index (^SPGTAQNT) and NASDAQ OMX Global Water Index (^GWATERLN), increased 8.91% and 8.28%, respectively, on a Net Total Return basis over the same period. For further comparison, the MSCI World Index (^MXWO) and the S&P 500 Index (^SPX) had total returns of 6.53% and 6.07%, respectively.

Since launching the Summit Zacks Global Water Index at the beginning of 2016, Net Total Return\* through 3/31/17 was 26.50% versus 16.35% for the S&P Global Water Index (^SPGTAQNT) and 9.10% for the NASDAQ OMX Global Water Index (^GWATERLN). The MSCI World Index (^MXWO) and the S&P 500 Index (^SPX) had total returns of 15.25% and 18.74%, respectively, during the same time period.

Paul Ang, Portfolio Manager for Summit Water Capital Advisors, said, “The Summit Zacks Global Water Index had another great quarter, both in terms of absolute performance as well as relative to the other global water indices. With its unique multifactor methodology and global diversification, the Index benefited from differentiated positions in diverse geographic regions. The Index had similar weightings in Western Europe, much larger weightings in Asia, and much lower weightings in the U.S. as compared to the other global water indices. All regions contributed to the positive Q1 performance, but Western Europe followed by the Asia Pacific region had the highest performance attribution.”

Ang added, “As opposed to the passive water indices currently available that are constructed through various measures of market capitalization, equities are selected for inclusion in the Summit Zacks Global Water Index by a proprietary formula of relevant company fundamentals including measures of price/earnings, enterprise value to EBITDA, and return on equity. We believe our Index can be an attractive alternative or complement to the other water indices due to the differentiation of market capitalization and geography, as well as the focus on yield.” The weighted average dividend yield for the Index was approximately 3% as of 3/31/17.

The Summit Zacks Global Water Index (NYSE: ZAXWTRX) tracks the performance of publicly listed U.S. and international companies with a significant portion of their business activities dedicated to the global water industry. The Index utilizes a transparent, rules-based methodology to incorporate fundamental factors that have been strong historical indicators of the long-term performance of water equities. The Index is comprised of approximately 30 to 50 equities selected from a stringently defined universe of global water companies, and is rebalanced on a quarterly basis to incorporate the latest financial data into the screening process. Individual position weights are determined by dividend yield, with approximately 35% of the portfolio’s total weight assigned to the Water Utilities segment and 65% assigned to the Water Industrials segment.

The Index methodology was designed by Summit Water Capital Advisors, the index creator, in conjunction with Zacks Index Services, the index provider, using the Three-Factor Model most relevant to company valuation and profitability in the global water industry. Investors can gain exposure to the Index through the **Summit Water Infrastructure Multifactor Exchange Traded Fund (NYSE Arca: WTRX)**, which was launched August 9, 2016. [www.summitwateretf.com](http://www.summitwateretf.com). WTRX was nominated for “Thematic ETF of the Year – 2016” by ETF.com.

Summit Water Capital Advisors is a San Diego-based investment management firm with a 25-year focus on investment strategies in the global water industry. Summit Water leveraged its experience in developing unique proprietary methods for investing in water-related equities, physical water assets, and water infrastructure to create the Summit Zacks Global Water Index, the Summit Water Infrastructure Multifactor ETF’s underlying index. Their flagship Summit Water Equity Fund delivered exposure to the global water industry for institutional and accredited investors during the Fund’s 17-year operating period beginning in 1999, before closing in early 2016. [www.summitwatercapital.com](http://www.summitwatercapital.com)

**\* The Index does not include fees and expenses that may be associated with trading a security and therefore should not be equated with an actual return to investor. You cannot invest directly in the Index.**

**Investors should read the prospectus carefully before investing and consider the investment objectives, risks, charges and expenses. Click the link <http://www.summitwateretf.com/resources> to obtain a prospectus, which contains this and other information, or call 844-809-3557. Please read it carefully before investing.**

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Funds are distributed by ALPS Distributors, Inc.

Paul Ang is a registered representative of ALPS Distributors, Inc.

ALPS Distributors, Inc. is not affiliated with Summit Water Capital Advisors or Zacks Index Services and the flagship fund, Summit Water Equity Fund.

**Disclosures:**

Past performance is no guarantee of future results. The fund is new and has limited operating history. Performance for very short time periods may not be indicative of future performance. Investing involves risk, including loss of principal. The Summit Zacks Global Water Index is an index that cannot be directly invested in. Diversification does not eliminate the risk of experiencing investment losses. The Fund seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index, the Summit Zacks Global Water Index (ticker symbol ZAXWTRX) (the "Underlying Index"). Shares of the Fund are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. Market returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. Eastern time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times. ETF shares are not individually redeemable and owners of the shares may acquire those shares from the Fund and tender those shares for redemption to the Fund in Creation Units only, typically consisting of aggregations of 50,000 shares. Investors should consider the following risk factors and special considerations associated with investing in the Fund, which may cause you to lose money. An investment in the Fund is subject to investment risk including the possible loss of the entire principal amount that you invest.

**Equity Risk.** A principal risk of investing in the Fund is equity risk, which is the risk that the value of the securities held by the Fund will fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate or factors relating to specific companies in which the Fund invests. For example, an adverse event, such as an unfavorable earnings report, may depress the value of equity securities of an issuer held by the Fund; the price of common stock of an issuer may be particularly sensitive to general movements in the stock market; or a drop in the stock market may depress the price of most or all of the common stocks and other equity securities held by the Fund. In addition, common stock of an issuer in the Fund's portfolio may decline in price if the issuer fails to make anticipated dividend payments because, among other reasons, the issuer of the security experiences a decline in its financial condition. Common stock is subordinated to preferred stocks, bonds and other debt instruments in a company's capital structure, in terms of priority to corporate income, and therefore will be subject to greater dividend risk than preferred stocks or debt instruments of such issuers. In addition, while broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

**Foreign Investment Risk.** The Fund's investments in non-U.S. issuers may involve unique risks compared to investing in securities of U.S. issuers, including, among others, less liquidity generally, greater market volatility than U.S. securities and less complete financial information than for U.S. issuers. In addition, adverse political, economic or social developments could undermine the value of the Fund's investments or prevent the Fund from realizing the full value of its investments. Financial reporting standards for companies based in foreign markets differ from those in the United States. Further, the value of the currency of the country in which the Fund has invested could decline relative to the value of the U.S. dollar, which may affect the value of the investment to U.S. investors. The Fund will not enter into transactions to hedge against declines in the value of the Fund's assets that are denominated in a foreign currency.

**Emerging Markets Risk.** The Fund may invest in securities and instruments that are economically tied to emerging market countries. Emerging market countries are countries that major international financial institutions, such as the World Bank, generally consider to be less economically mature than developed nations. Emerging market countries can include every nation in the world except the United States, Canada, Japan, Australia, New Zealand and most countries located in Western Europe. Investing in foreign countries, particularly emerging market countries, entails the risk that news and events unique to a country or region will affect those markets and their issuers. Countries with emerging markets may have relatively unstable governments, may present the risks of nationalization of businesses, restrictions on foreign ownership and prohibitions on the repatriation of assets. The economies of emerging markets countries also may be based on only a few industries, making them more vulnerable to changes in local or global trade conditions and more sensitive to debt burdens or inflation rates. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of holdings difficult or impossible at times. To the extent a substantial portion of the Underlying Index consists of securities from underlying issuers located in particular geographic areas, natural disasters, such as volcano eruptions, tsunamis, earthquakes, floods, hurricanes, typhoons, epidemics, or other such events, could have significant impact on the performance and/or risk of the Fund.

**Small- and Mid-Capitalization Company Risk.** Investments in securities of small- and mid-capitalization companies are subject to the risks of common stocks. Investments in smaller companies may involve greater risks because these companies generally have a limited track record. Smaller companies often have narrower markets, more limited managerial and financial resources and a less diversified product offering than larger, more established companies. As a result, their performance can be more volatile, which may increase the volatility of the Fund's portfolio.

**Large-Capitalization Company Risk.** Large-capitalization companies may be unable to respond as quickly as smaller companies to competitive challenges. Larger companies also tend not to be able to maintain the high growth rates of well-managed smaller companies, especially during strong economic periods. Also, larger companies may fall out of favor with the investing public as a result of market, political and economic conditions, including for reasons unrelated to their businesses or economic fundamentals.

**Concentration Risk.** The Fund seeks to track the Underlying Index, which itself may have concentration in certain regions, economies, countries, markets, industries or sectors. To the extent that the Underlying Index concentrates in the securities of issuers in a particular region, economy, country, market, industry or sector, the Fund will also concentrate its investments to approximately the same extent. By concentrating its investments in an industry or sector, the Fund faces more risks than if it were diversified broadly over numerous industries or sectors. In addition, at times, such region, economy, country, market, industry or sector may be out of favor and underperform other regions, economies, countries, markets, industries, sectors or the market as a whole.

**Risks of Investing in the Water Industry.** The Fund's investments in the water industry may underperform relative to the general market, returns on investments in other sectors or fixed-income securities. The water industry can be significantly affected by the availability of water, the level of rainfall and the occurrence of other climactic and environmental events, changes in water consumption and water conservation. Furthermore, because the Fund will focus its investments in tracking just the water industry, economic downturns and global and domestic events affecting the water industry will have a greater impact on the Fund than would be the case if the Fund's investments were more diversified. These events may include governmental regulation and institutional change, inflation, an increase in the cost of raw materials, an increase in interest rates, technological advances, changes in consumer sentiment and spending and changes in government spending.

**Industrials Sector Risk.** Stock prices for the types of companies included in the industrial sector are affected by supply and demand both for their specific product or service and for industrial sector products in general. Government regulation, world events and economic conditions, technological developments and liabilities for environmental damage and general civil liabilities will likewise affect the performance of these companies.

**Utilities Sector Risk.** Stock prices for companies in the utilities sector are affected by supply and demand, operating costs, governmental regulation, environmental factors, liabilities for environmental damage and general civil liabilities, and rate caps or rate changes. Utility companies also are vulnerable to natural disasters, terrorist attacks, government intervention or other factors may render a utility company's equipment unusable or obsolete and negatively impact profitability. Among the risks that may affect utility companies are the following: risks of increases in fuel and other operating costs; the high cost of borrowing to finance capital construction during inflationary periods; restrictions on operations and increased costs and delays associated with compliance with federal and state safety regulations; and the effects of energy conservation and regulatory changes.

**Non-Correlation Risk.** The Fund's return may not match the return of the Underlying Index for a number of reasons. Such divergence is often referred to as "tracking error." Tracking error may occur because of differences between the securities or other instruments held in the Fund's portfolio and those included in the Underlying Index, pricing differences, transaction costs, the Fund's holding of uninvested cash, differences in timing of the accrual of dividends or interest, tax gains or losses, changes to the Underlying Index or the need to meet various new or existing regulatory requirements. Tracking error also may result because the Fund incurs fees and expenses, while the Underlying Index does not. This risk may be heightened during times of increased market volatility or other unusual market conditions.

**Issuer Specific Risk.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issues can be more volatile than that of larger issues.

**Non-Diversified Fund Risk.** The Fund is considered non-diversified and can invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund.

**Fluctuation of Net Asset Value.** The net asset value ("NAV") of the Fund's Shares will generally fluctuate with changes in the market value of the Fund's holdings. The market prices of the Shares will generally fluctuate in accordance with changes in NAV as well as the relative supply of and demand for Shares on NYSE Arca, Inc. (the "NYSE Arca"). The Adviser cannot predict whether the Shares will trade below, at or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for the Shares will be closely related to, but not identical to, the same forces influencing the prices of the stocks of the Underlying Index trading individually or in the aggregate at any point in time.

**Passive Management Risk.** Unlike many investment companies, the Fund is not "actively" managed. Therefore, it would not necessarily sell a security because the security's issuer was in financial trouble unless that security is removed from the Underlying Index.

**Definitions:**

**Exchange Traded Fund(ETF):** An investment fund traded on stock exchanges, much like stocks. An ETF holds assets such as stocks, commodities, or bonds, and trades close to its net asset value over the course of the trading day. Most ETFs track an index, such as a stock index or bond index.

**S&P Global Water Index:** Provides liquid and tradable exposure to approximately 50 companies from around the world involved in water related businesses, distributed equally between two distinct clusters of water related businesses: Water Utilities & Infrastructure and Water Equipment & Materials.

**NASDAQ OMX Global Water Index:** Designed to track the performance of companies worldwide creating products that conserve and purify water for homes, businesses and industries; weighted to enhance the underlying liquidity and increase the tradability of the index components.

**Price/Earnings Ratio(P/E):** Ratio of a company's share price to its per-share earnings.

**Enterprise Value/EBITDA:** Ratio of enterprise value(market capitalization –cash + debt) divided by earnings before interest, taxes, depreciation and amortization.

**Return on Equity(ROE):** Return on equity is the amount of net income returned as a percentage of shareholder's equity.

**Dividend Yield:** A financial ratio that indicates how much a company pays out in dividends each year relative to its share price.

**Gross Margin:** Difference between revenue and cost of goods sold, or COGS, divided by revenue, expressed as a percentage.

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Control Number: SUM000122

Expiration Date: 12/31/17

A041817