

# Annual Management Report of Fund Performance

for the year ended December 31, 2017



## First Asset Morningstar US Value Index ETF

**Fund:**

First Asset Morningstar US Value Index ETF

**Securities:**

Common Units - Listed Toronto Stock Exchange ("TSX"): XXM

Advisor Class Units - Listed TSX: XXM.A (On July 14, 2017, the Advisor Class Units were converted into Common Units.)

Unhedged Common Units - Listed TSX: XXM.B

Unhedged Advisor Class Units - Listed TSX: XXM.D (On July 14, 2017, the Unhedged Advisor Class Units were converted into Unhedged Common Units.)

**Manager, Trustee & Investment Advisor:**

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# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

This annual management report of fund performance contains financial highlights but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, and at no cost, by calling 1-877-642-1289, by writing to us at First Asset Investment Management Inc., 2 Queen Street East, Suite 1200, Toronto, ON, M5C 3G7 or by visiting our website at [www.firstasset.com](http://www.firstasset.com) or SEDAR at [www.sedar.com](http://www.sedar.com).

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

## INVESTMENT OBJECTIVES AND STRATEGIES

The investment objective of the First Asset Morningstar US Value Index ETF (the "Fund") is to replicate, to the extent possible, the performance of the Morningstar® U.S. Target Value Index™ (the "Index"), net of expenses. The Fund invests in equity securities of the largest and most liquid U.S. public issuers based upon proprietary research generated by Morningstar and is designated to provide diversified exposure to U.S. issuers which are considered to be "good value" based on characteristics like low price to earnings and low price to cash flow ratios. The investment strategy of the Fund is to invest in and hold the securities that comprise the Index in substantially the same proportion as they are reflected in the Index.

## RISKS

There were no changes to the Fund over the period of this report that materially affected the overall level of risk associated with an investment in the Fund. Holders should still refer to the prospectus of the Fund as it contains a detailed discussion of risk and other considerations relating to an investment in the Fund. The prospectus is available free of charge on our website at [www.firstasset.com](http://www.firstasset.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

## RESULTS OF OPERATIONS

The Fund's net assets decreased by \$39.8 million to \$138.4 million from December 31, 2016 to December 31, 2017. The Fund had net redemptions of \$27.1 million for the year. The Fund paid distributions totalling \$10.3 million while the portfolio's performance decreased assets by \$2.4 million. Common Units returned 4.0% after fees and expenses for the one-year period ended December 31, 2017. Over the same time period, the Index returned 4.4%. Please refer to the "Past Performance" section which outlines the performance of the Fund's other classes of securities.

Despite an unpredictable start to the current U.S. administration, U.S. and global stock markets enjoyed a strong 2017, with the S&P 500 Index up approximately 22% and the MSCI World Index up just over 23%. Volatility was low, as investors appeared to shrug off potential concerns. The Canadian equity market, while still a decent performer, particularly in the second half of the year, underperformed, with a total return of 9%. Despite a rise in crude oil prices in the latter part of the year, the energy sector was down over 10%, which impacted the rest of the Canadian market.

Emmanuel Macron's victory in the French presidential election seemed to put an end to the nationalistic movement that has been trending since June 2016, when the U.K. voted to exit the European Union ("EU"). In the U.K., Prime Minister Theresa May called a snap election to solidify her mandate, but ended up losing her majority government. Despite that, the U.K. triggered Article 50, starting the exit process from the EU. In December, after failing to pass any substantive legislative changes during the year, the U.S. administration pushed through legislation to overhaul the U.S. tax system that is expected to lower corporate and personal taxes. Speculation regarding these tax changes seemed to propel U.S. markets in the last few months of the year.

The U.S. Federal Reserve Board ("Fed") raised the federal funds rate by 25 basis points ("bps") three times in 2017. With the U.S. economy performing well, the market anticipates two more increases in 2018. The Fed indicated that it will begin decreasing the size of its balance sheet.

Despite the Fed's three interest rate increases, U.S. 10-year bond yields ended 2017 at 2.4%, which is close to where they started the year, and up from their September lows of 2.1%. In Canada, strong economic data moved the Bank of Canada to raise interest rates twice in the second half of the year. Government of Canada ("GoC") bond yields rose, with the 10-year GoC bond yield ending the year at 2.1%, up 1.7% from the beginning of the year.

From a sector allocation perspective, the information technology sector contributed 233 bps to the Fund's performance, while the financials and materials sectors contributed 221 bps and 172 bps, respectively. The top three individual contributors to performance were First Solar Inc. (102 bps), Anthem Inc. (55 bps) and Ally Financial Inc. (78 bps).

The sectors that detracted from the Fund's performance were energy (-187 bps), consumer staples (-133 bps) and industrials (-94 bps). The largest individual detractors from performance were Denbury Resources Inc. (-132 bps), Hertz Global Holdings Inc. (-126 bps) and Mallinckrodt plc (-70 bps).

## RECENT DEVELOPMENTS

Global expansion is expected to continue in 2018, though at a more gradual pace. North American earnings are expected to remain robust, as the corporate reporting season begins in January. Economic data in North America remains strong, particularly with respect to job growth. With a low rate of inflation, tax cuts in the U.S. may stimulate further economic expansion. This optimism, however, is tempered by concerns around growing levels of household debt. Investors will be watching to see if China's fourth quarter gross domestic product ("GDP") figures indicate that a slowdown is coming, which will impact both developed and emerging economies. Commodities have begun to recover, with both energy and metals trading upwards.

Further interest rate increases are expected for the coming year, with the market anticipating three more increases in Canada and two more in the U.S. This should result in higher bond yields, which would put negative pressure on bond prices. These increases could also further flatten the yield curve (plots the interest rates of bonds with equal credit quality but differing maturities). This could possibly lead to an inverted yield curve (an interest rate environment in which long-term debt instruments have a lower yield than short-term ones with the same credit quality), which has historically been a strong leading indicator of recession. This would be beneficial for government bonds, but could result in the underperformance of provincial issues. If current fiscal policies are maintained, it is possible that Canada may not have a balanced federal budget for quite some time. However, expectations are for Canada's debt-to-GDP ratio to decline.

# First Asset Morningstar US Value Index ETF

*Management Report of Fund Performance for the year ended December 31, 2017*

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On July 14, 2017, the Advisor Class Units and Unhedged Advisor Class Units were converted into the corresponding Common Units and Unhedged Common Units of the Fund based on the respective net asset values of the classes as of July 13, 2017. As a result of the conversion, each securityholder of the Advisor Class Units and Unhedged Advisor Class Units received 0.9969 Common Units and 0.9955 Unhedged Common Units of the Fund, respectively.

## **RELATED PARTY TRANSACTIONS**

First Asset is deemed to be a related party to the Fund. Please refer to the "Management Fee" section below which outlines fees paid to First Asset. F.A. Administration Services Inc., an affiliate of First Asset, administers the Fund's relationship with the Fund's Independent Review Committee ("IRC") on behalf of First Asset, however, it receives no compensation for doing so.

The Fund has received standing instructions from its IRC with respect to the certain related party transactions: (a) trades in securities of CI Financial Corp. (referred to as "Related Issuer Trades"), which indirectly owns and controls First Asset; (b) purchases or sales of securities of an issuer from or to another investment fund managed by First Asset (referred to as "Inter-Fund Trades"); (c) purchases or sales by the Fund of securities of another investment fund managed by First Asset (referred to as "Related Fund Trades"); and (d) mergers of funds with another fund that is subject to National Instrument 81-102 ("Fund Mergers").

The applicable standing instructions require that related party transactions be conducted in accordance with First Asset's policies and procedures. First Asset is required to advise the IRC of any material breach of a condition of the standing instructions. The standing instructions require, among other things, that the investment decision in respect to related party transactions (a) are made by First Asset free from any influence by any entities related to First Asset and without taking into account any consideration to any affiliate of First Asset; (b) represent the business judgment of First Asset uninfluenced by considerations other than the best interests of the Fund; and (c) are made in compliance with First Asset's policies and procedures. Transactions made by First Asset in respect of the Fund under the standing instructions are subsequently reviewed by the IRC on a semi-annual basis to monitor compliance.

Except as otherwise noted below, First Asset and the Fund were not party to any related party transactions during the year ended December 31, 2017.

# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

## Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance since inception.

### THE FUND'S NET ASSETS PER SECURITY <sup>(1) \*</sup>

Common Units Commencement of operations October 11, 2013	Year Ended	Year Ended	Year Ended	Year Ended	Period from
	Dec. 31, 2017	Dec. 31, 2016	Dec. 31, 2015	Dec. 31, 2014	Inception to Dec. 31, 2013
	\$	\$	\$	\$	\$
<b>Net assets, beginning of year</b>	13.37	11.41	12.67	10.94	10.00
<b>Increase (decrease) from operations</b>					
Total revenue	0.15	0.21	0.50	0.19	0.04
Total expenses	(0.13)	(0.08)	(0.08)	(0.08)	(0.01)
Realized gains (losses) for the year	1.52	0.52	1.35	0.62	0.21
Unrealized gains (losses) for the year	(1.38)	1.25	(2.88)	0.99	0.70
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	0.16	1.90	(1.11)	1.72	0.94
<b>Distributions</b>					
From income (excluding dividends)	(0.15)	(0.14)	(0.42)	(0.08)	-
From dividends	-	-	-	-	-
From capital gains	(1.27)	-	-	-	-
Return of capital	(0.01)	-	-	(0.01)	(0.01)
<b>Total distributions <sup>(3)</sup></b>	(1.43)	(0.14)	(0.42)	(0.09)	(0.01)
<b>Net assets, end of the year <sup>(4)</sup></b>	13.79	13.37	11.41	12.67	10.94

### RATIOS AND SUPPLEMENTAL DATA

Total net asset value (\$000's) <sup>(5)</sup>	57,336	72,864	67,864	74,091	16,407
Number of securities outstanding <sup>(5)</sup>	4,156,368	5,450,855	5,950,000	5,850,000	1,500,000
Management expense ratio (%) <sup>(6)</sup>	0.67	0.69	0.67	0.68	0.64
Portfolio turnover rate (%) <sup>(7)</sup>	103.60	111.28	87.94	63.07	14.36
Trading expense ratio (%) <sup>(8)</sup>	0.11	0.16	0.10	0.10	0.67
Net asset value per security (\$)	13.79	13.37	11.41	12.67	10.94
Closing market price (\$) <sup>(9)</sup>	13.82	13.39	11.47	12.71	10.96

\*Footnotes for the tables are found at the end of the Financial Highlights section.

# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

## Financial Highlights (cont'd)

### THE FUND'S NET ASSETS PER SECURITY <sup>(1) \*</sup>

Advisor Class Units	Year Ended Dec. 31, 2017 <sup>A</sup>	Year Ended Dec. 31, 2016	Year Ended Dec. 31, 2015	Year Ended Dec. 31, 2014	Period from Inception to Dec. 31, 2013
Commencement of operations October 11, 2013	\$	\$	\$	\$	\$
<b>Net assets, beginning of year</b>	13.35	11.41	12.65	10.93	10.00
<b>Increase (decrease) from operations</b>					
Total revenue	1.28	0.21	0.52	0.19	0.03
Total expenses	(0.14)	(0.18)	(0.18)	(0.18)	(0.03)
Realized gains (losses) for the year	0.24	0.53	1.40	0.63	0.24
Unrealized gains (losses) for the year	(1.70)	1.15	(3.08)	1.01	0.60
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>(0.32)</b>	<b>1.71</b>	<b>(1.34)</b>	<b>1.65</b>	<b>0.84</b>
<b>Distributions</b>					
From income (excluding dividends)	-	(0.05)	(0.31)	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	-	-
Return of capital	-	-	-	-	-
<b>Total distributions <sup>(3)</sup></b>	<b>-</b>	<b>(0.05)</b>	<b>(0.31)</b>	<b>-</b>	<b>-</b>
<b>Net assets, end of the year <sup>(4)</sup></b>	<b>-</b>	<b>13.35</b>	<b>11.41</b>	<b>12.65</b>	<b>10.93</b>

### RATIOS AND SUPPLEMENTAL DATA

Total net asset value (\$000's) <sup>(5)</sup>	-	3,325	3,422	3,162	1,094
Number of securities outstanding <sup>(5)</sup>	-	249,144	300,000	250,000	100,000
Management expense ratio (%) <sup>(6)</sup>	1.45	1.51	1.44	1.53	1.38
Portfolio turnover rate (%) <sup>(7)</sup>	103.60	111.28	87.94	63.07	14.36
Trading expense ratio (%) <sup>(8)</sup>	0.11	0.16	0.10	0.10	0.67
Net asset value per security (\$)	-	13.35	11.41	12.65	10.94
Closing market price (\$) <sup>(9)</sup>	-	13.46	11.26	12.64	10.60

<sup>A</sup>There were no Advisor Class units outstanding as at December 31, 2017.

\*Footnotes for the tables are found at the end of the Financial Highlights section.

# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

## Financial Highlights (cont'd)

### THE FUND'S NET ASSETS PER SECURITY <sup>(1) \*</sup>

Unhedged Common Units	Year Ended Dec. 31, 2017	Year Ended Dec. 31, 2016	Year Ended Dec. 31, 2015	Year Ended Dec. 31, 2014	Period from Inception to Dec. 31, 2013
Commencement of operations October 11, 2013	\$	\$	\$	\$	\$
<b>Net assets, beginning of year</b>	17.74	15.43	14.05	11.23	10.00
<b>Increase (decrease) from operations</b>					
Total revenue	0.17	0.27	0.56	0.20	0.04
Total expenses	(0.16)	(0.10)	(0.10)	(0.09)	(0.02)
Realized gains (losses) for the year	1.50	0.69	1.68	0.68	0.21
Unrealized gains (losses) for the year	(2.01)	(0.05)	(1.07)	2.11	1.04
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>(0.50)</b>	<b>0.81</b>	<b>1.07</b>	<b>2.90</b>	<b>1.27</b>
<b>Distributions</b>					
From income (excluding dividends)	(0.16)	(0.25)	(0.41)	(0.07)	-
From dividends	-	-	-	-	-
From capital gains	(0.75)	-	-	(0.27)	-
Return of capital	-	-	-	-	(0.01)
<b>Total distributions <sup>(3)</sup></b>	<b>(0.91)</b>	<b>(0.25)</b>	<b>(0.41)</b>	<b>(0.34)</b>	<b>(0.01)</b>
<b>Net assets, end of the year <sup>(4)</sup></b>	<b>17.28</b>	<b>17.74</b>	<b>15.43</b>	<b>14.05</b>	<b>11.23</b>

### RATIOS AND SUPPLEMENTAL DATA

Total net asset value (\$000's) <sup>(5)</sup>	81,028	92,334	175,972	91,367	26,379
Number of securities outstanding <sup>(5)</sup>	4,689,009	5,204,639	11,404,639	6,504,639	2,350,000
Management expense ratio (%) <sup>(6)</sup>	0.67	0.69	0.66	0.68	0.66
Portfolio turnover rate (%) <sup>(7)</sup>	103.60	111.28	87.94	63.07	14.36
Trading expense ratio (%) <sup>(8)</sup>	0.11	0.16	0.10	0.10	0.67
Net asset value per security (\$)	17.28	17.74	15.43	14.05	11.23
Closing market price (\$) <sup>(9)</sup>	17.30	17.78	15.50	14.12	11.23

\*Footnotes for the tables are found at the end of the Financial Highlights section.

# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

## Financial Highlights (cont'd)

### THE FUND'S NET ASSETS PER SECURITY <sup>(1)</sup>

Unhedged Advisor Class Units	Year Ended Dec. 31, 2017 <sup>A</sup>	Year Ended Dec. 31, 2016	Year Ended Dec. 31, 2015	Year Ended Dec. 31, 2014	Period from Inception to Dec. 31, 2013
Commencement of operations October 11, 2013	\$	\$	\$	\$	\$
<b>Net assets, beginning of year</b>	17.69	15.41	14.02	11.22	10.00
<b>Increase (decrease) from operations</b>					
Total revenue	1.63	0.27	0.63	0.21	0.03
Total expenses	(0.19)	(0.23)	(0.24)	(0.20)	(0.03)
Realized gains (losses) for the year	(0.48)	0.69	1.70	0.66	0.24
Unrealized gains (losses) for the year	(2.22)	1.54	(0.75)	2.09	0.83
<b>Total increase (decrease) from operations <sup>(2)</sup></b>	<b>(1.26)</b>	<b>2.27</b>	<b>1.34</b>	<b>2.76</b>	<b>1.07</b>
<b>Distributions</b>					
From income (excluding dividends)	-	(0.04)	(0.43)	-	-
From dividends	-	-	-	-	-
From capital gains	-	-	-	(0.24)	-
Return of capital	-	-	-	-	-
<b>Total distributions <sup>(3)</sup></b>	<b>-</b>	<b>(0.04)</b>	<b>(0.43)</b>	<b>(0.24)</b>	<b>-</b>
<b>Net assets, end of the year <sup>(4)</sup></b>	<b>-</b>	<b>17.69</b>	<b>15.41</b>	<b>14.02</b>	<b>11.22</b>

### RATIOS AND SUPPLEMENTAL DATA

Total net asset value (\$000's) <sup>(5)</sup>	-	9,645	8,406	8,349	1,122
Number of securities outstanding <sup>(5)</sup>	-	545,350	545,350	595,350	100,000
Management expense ratio (%) <sup>(6)</sup>	1.46	1.54	1.53	1.53	1.40
Portfolio turnover rate (%) <sup>(7)</sup>	103.60	111.28	87.94	63.07	14.36
Trading expense ratio (%) <sup>(8)</sup>	0.11	0.16	0.10	0.10	0.67
Net asset value per security (\$)	-	17.69	15.42	14.02	11.22
Closing market price (\$) <sup>(9)</sup>	-	18.06	15.84	14.26	11.10

#### Notes:

(1) This information is derived from the Fund's audited annual financial statements. The term "net assets" used in this report and the term "net assets attributable to holders of redeemable securities" used in the Fund's financial statements are interchangeable.

(2) Net assets and distributions are based on the actual number of securities outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of securities outstanding over the financial year.

(3) Distributions were paid in cash or reinvested in additional securities of the Fund.

(4) This is not a reconciliation of the beginning and ending net assets per security.

(5) This information is provided as at December 31 of the year shown.

(6) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated year, including the Fund's proportionate share of such expenses of any underlying fund in which the Fund has invested and is expressed as an annualized percentage of daily average net asset value during the year.

(7) The Fund's portfolio turnover rate indicates how actively First Asset manages the Fund's portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund 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 high turnover rate and the performance of a fund.

(8) 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 year, including the Fund's proportionate share of such expenses of any underlying fund in which the Fund has invested.

(9) Closing market price.

<sup>A</sup>There were no Unhedged Advisor Class units outstanding as at December 31, 2017.



# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

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## Management Fee

First Asset manages and administers the business operations and affairs of the Fund, and is also responsible for providing all investment advisory and portfolio management services required by the Fund. As compensation for the services it provides to the Fund, the Fund pays First Asset an annual management fee on the Common Units and Unhedged Common Units at the maximum annual rate set out below. The fee is based on the net asset value of the relevant class, and is calculated daily and paid monthly in arrears. Out of the management fees received, First Asset pays for general administration and profit. General administration covers most costs and expenses relating to the operation of the Fund including investment management, administration, legal, accounting, custody, audit, registrar and transfer agency fees, index licensing fees (if applicable) and expenses associated with the advertising, marketing and promoting the sale of the units of the Fund, subject to certain exclusions as noted in the Fund's prospectus. In addition to investment advisory and portfolio management, the services provided by First Asset to the Fund include, without limitation, the proper oversight to ensure implementation of the Fund's investment strategies, negotiating contracts with certain third-party service providers, authorizing the payment of operating expenses incurred on behalf of the Fund, maintaining certain accounting and financial records, calculating the amount and determining the frequency of distributions by the Fund, ensuring that securityholders are provided with financial statements and other reports as are required from time to time by applicable law, ensuring that the Fund complies with all other regulatory requirements including continuous disclosure obligations under applicable securities law and administering purchases, redemptions and other transactions in securities. Where the Fund invests in other investment funds, in accordance with the provisions of National Instrument 81-102, First Asset ensures that there is no duplication of management fees charged by the Fund and any other underlying investment fund for the same service.

	Maximum annual management fee rate	As a percentage of management fee	
		Dealer compensation	General administration and profit
Common Units	0.60%	-	100%
Unhedged Common Units	0.60%	-	100%

On July 14, 2017, Advisor Class Units and Unhedged Advisor Class Units converted into Common Units and Unhedged Common Units, respectively. Prior to the conversion, Advisor Class Units and Unhedged Advisor Class Units paid First Asset 1.35% and 1.35% in annual management fees, inclusive of dealer service fees, respectively.

# First Asset Morningstar US Value Index ETF

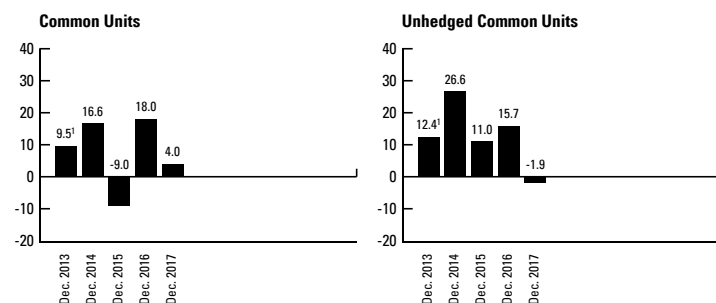
Management Report of Fund Performance for the year ended December 31, 2017

## Past Performance

Please note that the performance information shown in this section assumes that all distributions made by the Fund in the years shown were reinvested in additional securities of the Fund. Also note that the performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns on performance. The performance of the Fund in the past does not necessarily indicate how it will perform in the future.

## YEAR-BY-YEAR RETURNS <sup>(1)</sup>

The following bar charts show annual performance for each class of the Fund's securities for the financial years shown and illustrate how the Fund's performance has changed from year to year. The bar charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



<sup>1</sup> 2013 return is for the period from October 22, 2013 to December 31, 2013.

## ANNUAL COMPOUND RETURNS

The table below compares the Fund's annual compound total returns with a broad-based index, the S&P 500 Index ("Index A") and its benchmark index, the Morningstar® U.S. Target Value Index™ ("Index B"). The S&P 500 Index tracks 500 large-cap U.S. stocks representing all major industries and is used as a benchmark to help you understand the Fund's performance relative to the general performance of the broader U.S. equity market. Note that the unhedged classes of the Fund are compared to the unhedged versions of these indices. A discussion on the relative performance of the Fund as compared to its benchmark index can be found under the Results of Operations section of this report. Further, the return of the indices is calculated without the deduction of management fees and fund expenses whereas the performance of the Fund is calculated after deducting such fees and expenses.

	One Year (%)	Three Years (%)	Five Years (%)	Ten Years (%)	Since Inception (%)
<b>Common Units</b>	4.0	3.7	n/a	n/a	8.8
Index A	21.8	11.4	n/a	n/a	13.4
Index B	4.4	5.6	n/a	n/a	10.4
<b>Unhedged Common Units</b>	(1.9)	8.0	n/a	n/a	14.9
Index A	13.8	14.4	n/a	n/a	18.6
Index B	(2.5)	8.4	n/a	n/a	15.5

(1) Returns based on net asset value per security.

# First Asset Morningstar US Value Index ETF

Management Report of Fund Performance for the year ended December 31, 2017

## Summary of Investment Portfolio as at December 31, 2017

Category	% of Net Asset Value	Category	% of Net Asset Value	Top 25 Holdings	% of Net Asset Value
<b>Country allocation</b>		<b>Sector allocation</b>			
United States .....	91.5	Financials .....	16.5	Ingles Markets Inc., Class 'A' .....	2.6
Ireland .....	3.9	Consumer Discretionary .....	14.8	Freeport-McMoRan Inc., Class 'B' .....	2.5
United Kingdom .....	2.1	Industrials .....	13.7	United States Steel Corp. ....	2.3
Bermuda .....	1.5	Information Technology .....	11.6	Schnitzer Steel Industries Inc., Class 'A' .....	2.2
Cash and Cash Equivalents .....	0.6	Consumer Staples .....	10.6	SpartanNash Co. ....	2.2
Other assets, net of liabilities .....	0.4	Materials .....	9.1	Voya Financial Inc. ....	2.2
		Health Care .....	7.9	Discover Financial Services .....	2.2
		Utilities .....	7.1	Greif Inc., Class 'A' .....	2.2
		Energy .....	4.0	Greenbrier Cos. Inc. (The) .....	2.1
		Real Estate .....	1.9	Capital One Financial Corp. ....	2.1
		Telecommunication Services .....	1.8	JetBlue Airways Corp. ....	2.1
		Cash and Cash Equivalents .....	0.6	First Solar Inc. ....	2.1
		Other assets, net of liabilities .....	0.4	Office Depot Inc. ....	2.1
				R.R. Donnelley & Sons Co. ....	2.1
				Rowan Companies PLC, Class 'A' .....	2.1
				Santander Consumer USA Holdings Inc. ....	2.1
				LifePoint Health Inc. ....	2.1
				Ally Financial Inc. ....	2.1
				Stewart Information Services Corp. ....	2.0
				Atlas Air Worldwide Holdings Inc. ....	2.0
				American Financial Group Inc. ....	2.0
				Mallinckrodt PLC .....	2.0
				SkyWest Inc. ....	2.0
				Tech Data Corp. ....	2.0
				Gulfport Energy Corp. ....	2.0
				<b>Total Net Asset Value</b>	<b>\$138,364,350</b>

This is a summary only and will change due to ongoing portfolio transactions of the Fund. A quarterly update is available on [www.firstasset.com](http://www.firstasset.com).

## A NOTE ON FORWARD-LOOKING STATEMENTS

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective," and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any

forward-looking statement made by the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchanges rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

The above list of important factors that may affect future results is not exhaustive. Before making any investment decisions, we encourage you to consider these and other factors carefully. All opinions contained in forward-looking statements are subject to change without notice and are provided in good faith but without legal responsibility.