



The Nightview Fund (NITE)

NYSE Arca, Inc.

Financial Statements

July 31, 2024

**Fund Adviser:
Nightview Capital, LLC
809 South Lamar Boulevard #326
Austin, TX 78704
(866) 666-7156**

The Nightview Fund

Schedule of Investments

July 31, 2024 (Unaudited)

	<u>Shares</u>	<u>Fair Value</u>
COMMON STOCKS — 99.51%		
Communications — 14.03%		
Airbnb, Inc., Class A ^(a)	8,857	\$ 1,236,082
Alphabet, Inc., Class A	4,204	721,154
Meta Platforms, Inc., Class A	891	423,074
Netflix, Inc. ^(a)	605	380,152
		<u>2,760,462</u>
Consumer Discretionary — 51.98%		
Amazon.com, Inc. ^(a)	13,235	2,474,680
DraftKings, Inc., Class A ^(a)	24,663	911,299
Hyatt Hotels Corp., Class A	8,364	1,232,269
Las Vegas Sands Corp.	22,720	901,302
MGM Resorts International ^(a)	20,789	893,303
Tesla, Inc. ^(a)	12,574	2,918,048
Wynn Resorts Ltd.	10,837	897,520
		<u>10,228,421</u>
Financials — 18.14%		
BlackRock, Inc.	1,022	895,783
Charles Schwab Corp. (The)	13,344	869,895
Goldman Sachs Group, Inc. (The)	1,775	903,528
Morgan Stanley	8,727	900,714
		<u>3,569,920</u>
Technology — 15.36%		
Apple, Inc.	4,105	911,638
Qualcomm, Inc.	6,598	1,193,908
Taiwan Semiconductor Manufacturing Co., Ltd. - ADR	5,531	917,040
		<u>3,022,586</u>
Total Common Stocks/Investments — 99.51% (Cost \$14,784,360)		<u>19,581,389</u>
Other Assets in Excess of Liabilities — 0.49%		<u>96,847</u>
NET ASSETS — 100.00%		<u>\$ 19,678,236</u>

(a) Non-income producing security.

ADR - American Depositary Receipt

The Nightview Fund

Statement of Assets and Liabilities

July 31, 2024 (Unaudited)

Assets	
Investments in securities, at fair value (cost \$14,784,360)	\$ 19,581,389
Cash	109,571
Receivable for investments sold	40,696
Dividends receivable	8,251
Total Assets	<u>19,739,907</u>
Liabilities	
Payable for investments purchased	40,836
Payable to Adviser	20,835
Total Liabilities	<u>61,671</u>
Net Assets	<u>\$ 19,678,236</u>
Net Assets consist of:	
Paid-in capital	19,632,910
Accumulated earnings	45,326
Net Assets	<u>\$ 19,678,236</u>
Shares outstanding (unlimited number of shares authorized, no par value)	<u>783,768</u>
Net asset value per share	<u>\$ 25.11</u>

The Nightview Fund

Statement of Operations

For the Period Ended July 31, 2024^(a) (Unaudited)

Investment Income	
Dividend income	\$ 8,073
Interest income	178
Total investment income	<u>8,251</u>
Expenses	
Adviser	<u>24,631</u>
Net operating expenses	<u>24,631</u>
Net investment loss	<u>(16,380)</u>
Net Realized and Change in Unrealized Gain (Loss) on Investments	
Net realized gain (loss) on:	
Investment securities	1,399,713
Change in unrealized depreciation on:	
Investment securities	<u>(1,338,007)</u>
Net realized and change in unrealized gain (loss) on investment securities	<u>61,706</u>
Net increase in net assets resulting from operations	<u>\$ 45,326</u>

^(a) For the period June 21, 2024 (commencement of operations) to July 31, 2024.

The Nightview Fund

Statement of Changes in Net Assets

	For the Period Ended July 31, 2024^(a)
	(Unaudited)
Increase (Decrease) in Net Assets due to:	
Operations	
Net investment loss	\$ (16,380)
Net realized gain on investment securities	1,399,713
Change in unrealized depreciation on investment securities	<u>(1,338,007)</u>
Net increase in net assets resulting from operations	<u>45,326</u>
Capital Transactions	
Proceeds from shares sold	6,835,613
Amount paid for shares redeemed	(4,046,903)
Issued in connection with reorganization	<u>16,844,200</u>
Net increase in net assets resulting from capital transactions	<u>19,632,910</u>
Total Increase in Net Assets	<u>19,678,236</u>
Net Assets	
Beginning of period	\$ —
End of period	<u>\$ 19,678,236</u>
Share Transactions	
Shares sold	270,000
Shares redeemed	(160,000)
Issued in connection with reorganization	<u>673,768</u>
Net increase in shares outstanding	<u>783,768</u>

^(a) For the period June 21, 2024 (commencement of operations) to July 31, 2024.

The Nightview Fund

Financial Highlights

(For a share outstanding during the period)

	For the Period Ended July 31, 2024^(a) (Unaudited)
Selected Per Share Data:	
Net asset value, beginning of period	\$ 25.00
Investment operations:	
Net investment income	(0.02)
Net realized and unrealized gain on investments	0.13
Total from investment operations	0.11
Net asset value, end of period	\$ 25.11
Market price, end of period	\$ 25.13
Total Return^(b)	0.44% ^(c)
Ratios and Supplemental Data:	
Net assets, end of period (000 omitted)	\$ 19,678
Ratio of net expenses to average net assets	1.25% ^(d)
Ratio of net investment loss to average net assets	(0.81)% ^(d)
Portfolio turnover rate ^(e)	29% ^(e)

- (a) For the period June 21, 2024 (commencement of operations) to July 31, 2024.
- (b) Total return is calculated assuming a purchase of shares at net asset value on the first day and a sale at net asset value on the last day of the period. Distributions are assumed, for the purpose of this calculation, to be reinvested at the ex-dividend date net asset value per share on their respective payment dates.
- (c) Not annualized.
- (d) Annualized.
- (e) Portfolio turnover rate excludes securities received or delivered from in-kind processing of creations or redemptions.

The Nightview Fund

Notes to the Financial Statements

July 31, 2024 (Unaudited)

NOTE 1. ORGANIZATION

The Nightview Fund (the “Fund”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a non-diversified series of Capitol Series Trust (the “Trust”). The Fund commenced operations on June 21, 2024. The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated September 18, 2013, as amended November 18, 2021 (the “Trust Agreement”). The Trust Agreement permits the Board of Trustees of the Trust (the “Board”) to issue an unlimited number of shares of beneficial interest of separate series. The Fund is one of a series of funds currently authorized by the Board. The Fund’s investment adviser is Nightview Capital, LLC (the “Adviser”). The Fund’s trading sub-adviser is Exchange Traded Concepts, LLC (the “Trading Sub-Adviser” or “ETC”). The Trading Sub-Adviser is responsible for maintaining certain transaction and compliance related records of the Fund. The investment objective of the Fund is long-term capital appreciation with a goal of outperforming the S&P 500 Total Return Index over a rolling five-year period.

The Fund is the successor to a limited partnership, the Nightview Capital Fund, LP – Series B (formerly known as The Worm Capital Fund, LP – Series B) (the “Predecessor Fund”), which was organized on March 1, 2018. The Fund has substantially the same investment objectives and strategies as did the Predecessor Fund. Effective as of the close of business on June 21, 2024, all the assets, subject to the liabilities of the Predecessor Fund, were transferred to the Fund in exchange for 673,768 shares at a net asset value per share (“NAV”) of \$25.00 of the Fund to the limited partners of the Predecessor Fund. The net assets contributed resulting from these tax-free transactions on the close of business June 21, 2024, after the reorganization, was \$16,844,200, including net unrealized appreciation of \$6,135,037 and net investment cost of \$10,606,173. For financial reporting purposes, assets received and shares issued were recorded at fair value; however, the cost basis of the investments received was carried forward to align ongoing reporting of the Fund’s realized and unrealized gains and losses with amounts distributable to shareholders for tax purposes.

The Fund is non-diversified, which means it may invest a greater percentage of its assets in a limited number of issuers as compared to other mutual funds that are more broadly diversified. As a result, the Fund’s share price may be more volatile than the share price of some other mutual funds, and the poor performance of an individual holding in the Fund’s portfolio may have a significant negative impact on the Fund’s performance.

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies”. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

Regulatory Update – Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds (“ETFs”) – The Securities and Exchange Commission adopted rule and form amendments that have resulted in changes to the design and delivery of shareholder reports of mutual funds and ETFs, requiring them to transmit concise and visually engaging streamlined annual and semiannual reports to shareholders that highlight key information. Other information, including financial statements, will no longer appear in a streamlined shareholder report but must be available online, delivered free of charge upon request, and filed on a semiannual basis on Form N-CSR.

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Federal Income Taxes – The Fund makes no provision for federal income or excise tax. The Fund has qualified and intends to qualify each year as a regulated investment company (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of its taxable income. The Fund also intends to distribute sufficient net investment income and net realized capital gains, if any, so that it will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense.

The Fund recognizes tax benefits or expenses of uncertain tax positions only when the position is “more likely than not” to be sustained assuming examination by tax authorities. Management of the Fund has reviewed tax positions taken in tax years that remain subject to examination by all major tax jurisdictions, including federal (i.e., the interim tax period since inception, as applicable) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements and does not expect this to change over the next twelve months. The Fund recognizes interest and penalties, if any,

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the period, the Fund did not incur any interest or penalties.

Expenses – Expenses incurred by the Trust that do not relate to a specific fund of the Trust are allocated to the individual funds based on each fund’s relative net assets or another appropriate basis (as determined by the Board). The Adviser has agreed to pay all regular and recurring expenses of the Fund under terms of the management agreement.

Security Transactions and Related Income – The Fund follows industry practice and records security transactions on the trade date for financial reporting purposes. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income is recorded on the ex-dividend date.

Dividends and Distributions – The Fund intends to distribute substantially all of its net investment income and net capital gains annually. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset value (“NAV”) per share of the Fund.

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS

The Fund values its portfolio securities at fair value as of the close of regular trading on the New York Stock Exchange (the “NYSE”) (normally 4:00 p.m. Eastern Time) on each business day the NYSE is open for business. Fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. GAAP establishes a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk (the risk inherent in a particular valuation technique used to measure fair value including a pricing model and/or the risk inherent in the inputs to the valuation technique). Inputs may be observable or unobservable.

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained and available from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

- Level 1 – unadjusted quoted prices in active markets for identical investments and/or registered investment companies where the value per share is determined and published and is the basis for current transactions for identical assets or liabilities at the valuation date
- Level 2 – other significant observable inputs (including, but not limited to, quoted prices for an identical security in an inactive market, quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments based on the best information available)

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy which is reported is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Equity securities that are traded on any stock exchange are generally valued at the last quoted sale price on the security's primary exchange. Lacking a last sale price, an exchange-traded security is generally valued at the mean between the most recent quoted bid and ask prices. Securities traded in the Nasdaq over-the-counter market are generally valued at the Nasdaq Official Closing Price. When using market quotations and when the market is considered active, the security is classified as a Level 1 security. In the event that market quotations are not readily available or are considered unreliable due to market or other events, securities are valued in good faith by the Adviser as "Valuation Designee" under the oversight of the Board. The Adviser has adopted written policies and procedures for valuing securities and other assets in circumstances where market quotes are not readily available. In the event that market quotes are not readily available, and the security or asset cannot be valued pursuant to one of the valuation methods, the value of the security or asset will be determined in good faith by the Adviser pursuant to its policies and procedures. On a quarterly basis, the Adviser's fair valuation determinations will be

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

reviewed by the Board. Under these policies, the securities will be classified as Level 2 or 3 within the fair value hierarchy, depending on the inputs used.

In accordance with the Trust's Portfolio Valuation Procedures, the Adviser, as Valuation Designee, is required to consider all appropriate factors relevant to the value of securities for which it has determined other pricing sources are not available or reliable as described above. No single standard exists for determining fair value, because fair value depends upon the circumstances of each individual case. As a general principle, the current fair value of an issue of securities being valued pursuant to the Trust's Fair Value Guidelines would be the amount which the Fund might reasonably expect to receive for them upon their current sale. Methods which are in accordance with this principle may, for example, be based on (i) a multiple of earnings; (ii) a discount from market prices of a similar freely traded security (including a derivative security or a basket of securities traded on other markets, exchanges or among dealers); or (iii) yield to maturity with respect to debt issues, or a combination of these and other methods. Fair value pricing is permitted if, in accordance with the Trust's Portfolio Valuation Procedures, the validity of market quotations appears to be questionable based on factors such as evidence of a thin market in the security based on a small number of quotations, a significant event occurs after the close of a market but before the Fund's NAV calculation that may affect a security's value, or other data calls into question the reliability of market quotations.

The following is a summary of the inputs used to value the Fund's investments as of July 31, 2024:

<u>Assets</u>	<u>Valuation Inputs</u>			<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	
Common Stocks ^(a)	\$19,581,389	\$—	\$—	\$19,581,389
Total	\$19,581,389	\$—	\$—	\$19,581,389

^(a) Refer to Schedule of Investments for sector classifications.

The Fund did not hold any investments during or at the end of the reporting period for which significant unobservable inputs (Level 3) were used in determining fair value; therefore, no reconciliation of Level 3 securities is included for this reporting period.

NOTE 4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES AND OTHER SERVICE PROVIDERS

The Adviser, under the terms of the management agreement with the Trust with respect to the Fund (the "Agreement"), manages the Fund's investments. As compensation for its management services, the Fund is obligated to pay the Adviser a fee computed and accrued daily and paid monthly at an annual rate of 1.25% of the Fund's average daily net assets. Pursuant to its Agreement, the Adviser pays all other expenses of the Fund

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

(other than acquired fund fees and expenses, taxes and governmental fees, brokerage fees, commissions and other transaction expenses, certain foreign custodial fees and expenses, costs of borrowing money, including interest expenses and extraordinary expenses (such as litigation and indemnification expenses)). For the period ended July 31, 2024, the Adviser earned a fee of \$24,631 from the Fund. At July 31, 2024, the Fund owed the Adviser \$20,835.

Ultimus Fund Solutions, LLC (“Ultimus”) provides administration and fund accounting services to the Fund. The Adviser pays Ultimus fees in accordance with the agreements for such services.

Northern Lights Compliance Services, LLC (“NLCS”), an affiliate of Ultimus, provides a Chief Compliance Officer to the Trust, as well as related compliance services, pursuant to a consulting agreement between NLCS and the Trust. Under the terms of such agreement, NLCS receives fees from the Adviser, which are approved annually by the Board.

The Board supervises the business activities of the Trust. Each Trustee serves as a Trustee for the lifetime of the Trust or until the earlier of his or her required retirement as a Trustee at age 78 (which may be extended for up to two years in an emeritus non-voting capacity at the pleasure and request of the Board), or until he/she dies, resigns, or is removed, whichever is sooner. “Independent Trustees”, meaning those Trustees who are not “interested persons” of the Trust, as defined in the 1940 Act, as amended, have each received an annual retainer of \$2,000 per Fund and \$500 per Fund for each quarterly Board meeting. The Adviser pays the Independent Trustees their annual retainer and quarterly Board meeting fees and also reimburses Trustees for out-of-pocket expense incurred in conjunction with attendance at Board meetings.

The officers of the Trust are employees of Ultimus. Northern Lights Distributors, LLC (the “Distributor”) acts as the principal distributor of the Fund’s shares. The Distributor is an affiliate of Ultimus. The Distributor is compensated by the Adviser (not the Fund) for acting as principal underwriter.

NOTE 5. INVESTMENT TRANSACTIONS

For the period ended July 31, 2024, purchases and sales of investment securities, other than short-term investments, were \$5,398,589 and \$5,693,624, respectively.

For the period ended July 31, 2024, purchases and sales for in-kind transactions were \$6,796,077 and \$3,722,569, respectively.

For the period ended July 31, 2024, the Fund had in-kind net realized gains of \$1,517,009.

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

There were no purchases or sales of long-term U.S. government obligations during the period ended July 31, 2024.

NOTE 6. CAPITAL SHARE TRANSACTIONS

Shares are not individually redeemable and may be redeemed by the Fund at NAV only in large blocks known as “Creation Units”. Shares are created and redeemed by the Fund only in Creation Unit size aggregations of 10,000 shares. Only Authorized Participants or transactions done through an Authorized Participant are permitted to purchase or redeem Creation Units from the Fund. An Authorized Participant is either (i) a broker-dealer or other participant in the clearing process through the Continuous Net Settlement System of the National Securities Clearing Corporation or (ii) a Depository Trust Company participant and, in each case, must have executed a Participant Agreement with the Distributor. Such transactions are generally permitted on an in-kind basis, with a balancing cash component to equate the transaction to the NAV per share of the Fund on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the Authorized Participant or as a result of other market circumstances. In addition, the Fund may impose transaction fees on purchases and redemptions of Fund shares to cover the custodial and other costs incurred by the Fund in effecting trades. A fixed fee payable to the Custodian may be imposed on each creation and redemption transaction regardless of the number of Creation Units involved in the transaction (“Fixed Fee”). Purchases and redemptions of Creation Units for cash or involving cash-in-lieu are required to pay an additional variable charge to compensate the Fund and its ongoing shareholders for brokerage and market impact expenses relating to Creation Unit transactions (“Variable Charge”, and together with the Fixed Fee, the “Transaction Fees”). Transactions in capital shares for the Fund are disclosed in the Statement of Changes in Net Assets. For the period ended July 31, 2024, the Fund received \$800 and \$0 in Fixed Fees and Variable Charges, respectively. The Transaction Fees for the Fund are listed in the table below:

Fixed Fee	Variable Charge
\$200	2.00%*

* The maximum Transaction Fee may be up to 2.00% of the amount invested.

The Nightview Fund

Notes to the Financial Statements (continued)

July 31, 2024 (Unaudited)

NOTE 7. FEDERAL TAX INFORMATION

At July 31, 2024, the net unrealized appreciation (depreciation) and tax cost of investments for tax purposes were as follows:

Gross unrealized appreciation	\$ 5,270,302
Gross unrealized depreciation	(473,273)
Net unrealized appreciation on investments	<u>\$ 4,797,029</u>
Tax cost of investments	<u>\$ 14,784,360</u>

NOTE 8. SECTOR RISK

If the Fund has significant investments in the securities of issuers within a particular sector, any development affecting that sector will have a greater impact on the value of the net assets of the Fund than would be the case if the Fund did not have significant investments in that sector. In addition, this may increase the risk of loss in a Fund and increase the volatility of a Fund's NAV per share. For instance, economic or market factors, regulatory changes or other developments may negatively impact all companies in a particular sector, and therefore the value of the Fund's portfolio will be adversely affected. As of July 31, 2024, the Fund had 51.98% of the value of its net assets invested in stocks within the Consumer Discretionary sector.

NOTE 9. COMMITMENTS AND CONTINGENCIES

The Trust indemnifies its officers and Trustees for certain liabilities that may arise from their performance of their duties to the Trust or the Fund. Additionally, in the normal course of business, the Trust enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

NOTE 10. SUBSEQUENT EVENTS

Management of the Fund has evaluated the need for disclosures and/or adjustments resulting from subsequent events through the date at which these financial statements were issued. Based upon this evaluation, management has determined there were no items requiring adjustment of the financial statements or additional disclosure.

Investment Advisory Agreement Approval (Unaudited)

At a quarterly meeting of the Board of Trustees of Capitol Series Trust (the “Trust”) on September 12, 2023, the Trust’s Board of Trustees (the “Board”), including all of the Trustees who are not “interested persons” of the Trust (the “Independent Trustees”) as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”), considered and approved for an initial two-year period an Investment Advisory Agreement between the Trust and Nightview Capital LLC (“Nightview Capital”) (the “Investment Advisory Agreement”) with respect to The Nightview Fund (the “Fund”), an exchange-traded series of the Trust. The Board also met at a quarterly meeting of the Trust held on March 12, 2024, at which time the Board considered and approved for an initial two-year period a Trading Sub-Advisory Agreement (the “Trading Sub-Advisory Agreement”) between Nightview Capital and Exchange Traded Concepts, LLC (“ETC”) with respect to the Fund. The quarterly meetings of the Board detailed above may be collectively referred to herein as the “Meetings.”

Prior to the Meetings, the Trustees received and considered information from Nightview Capital, ETC and the Trust’s administrator designed to provide the Trustees with the information necessary to evaluate the terms of the proposed Investment Advisory Agreement and Trading Sub-Advisory Agreement. Such information included, but was not limited to: Nightview Capital’s response to counsel’s due diligence letter requesting information relevant to the approval of the Investment Advisory Agreement, ETC’s response to counsel’s due diligence letter requesting information relevant to the approval of the Trading Sub-Advisory Agreement and peer group expense and performance data provided by Broadridge for comparative purposes (collectively, the “Support Materials”). At various times, the Trustees reviewed the Support Materials with Nightview Capital, ETC, Trust management, and with counsel to the Independent Trustees. The completeness of the Support Materials provided by each of Nightview Capital and ETC, which included both responses and materials provided in response to initial and supplemental due diligence requests, was noted. Representatives from Nightview Capital and ETC met with the Trustees and provided further information, including but not limited to, the services each proposed to provide to the Fund and the proposed management fee for those services, the business strategy for the Fund, the ownership and financial condition of each firm, resources available to service the Fund, including compliance resources, other investment strategies managed by Nightview Capital and ETC, and the projected anticipated profitability. This information formed the primary, but not exclusive, basis for the Board’s determinations.

Before voting to approve the Investment Advisory Agreement and Trading Sub-Advisory Agreement, respectively, the Trustees reviewed the terms and the form of the Investment Advisory Agreement and Trading Sub-Advisory Agreement and the Support Materials with Trust management and with counsel to the Independent Trustees. The Trustees also received a memorandum from counsel discussing the legal standards for their consideration of the proposed Investment Advisory Agreement and Trading Sub-Advisory Agreement, which memorandum described the various factors that the U.S. Securities and Exchange Commission (“SEC”) and U.S. Courts over the years have suggested would be appropriate for trustee consideration in the advisory agreement approval process, including the factors outlined in the case of *Gartenberg v. Merrill Lynch Asset Management Inc.*, 694 F.2d 923, 928 (2d Cir. 1982); cert. denied sub. nom. and *Andre v. Merrill Lynch Ready Assets Trust, Inc.*, 461 U.S. 906 (1983).

Investment Advisory Agreement Approval (Unaudited) (continued)

In determining whether to approve the Investment Advisory Agreement and the Trading Sub-Advisory Agreement, the Trustees considered all factors they believed to be relevant with respect to the Fund, including the following: (1) the nature, extent, and quality of the services to be provided by Nightview Capital and ETC; (2) the cost of the services to be provided and the profits to be realized by Nightview Capital and ETC from services rendered to the Trust with respect to the Fund; (3) comparative fee and expense data for the Fund and other investment companies with similar investment objectives; (4) the extent to which economies of scale may be realized as the Fund grows and whether the advisory fee for the Fund reflects these economies of scale for the Fund's benefit; and (5) other financial benefits to Nightview Capital and ETC resulting from services to be rendered to the Fund. In their deliberations, the Trustees did not identify any particular information that was all-important or controlling.

After having received and reviewed the Support Materials, as well as the presentation of Nightview Capital and ETC, and noting additional discussions with representatives of Nightview Capital and ETC that had occurred at various times during the Meetings, the Trustees determined that they had all of the information they deemed reasonably necessary to make an informed decision concerning the approval of the Investment Advisory Agreement and the Trading Sub-Advisory Agreement. The Trustees discussed the facts and factors relevant to the approval of the Investment Advisory Agreement and Trading Sub-Advisory Agreement, which incorporated and reflected their knowledge of the services that Nightview Capital and ETC will each provide to the Fund. The Trustees discussed Nightview Capital's ownership structure and the projected profitability of the Fund, as well as the Adviser's overall financial condition. The Trustees also discussed the potential for growth of assets in the Fund over time, and its competitors in the marketplace. The Trustees noted that the Support Materials contained Nightview Capital's Equity Growth Performance Composite showing the historic gross performance of Nightview Capital's equity growth accounts. The Trustees also noted that the Nightview Fund had a 125 basis point unitary fee and, therefore, did not have a breakout of the investment management fee. The Trustees also considered that because the Fund has a unitary fee structure, the cost of ETC's services would be borne by Nightview Capital, who is responsible for paying the Fund's service providers. The Trustees noted that ETC would provide a limited scope of services specific to trading activities, as set forth in the Trading Sub-Advisory Agreement. The Trustees further noted that the terms of the Trading Sub-Advisory Agreement would not allow ETC to have discretion over the Fund's portfolio. The Trustees considered ETC's experience in executing trades based upon best execution for other ETFs, ETC's compliance structure and the firm's financial condition, among other things. The material factors and conclusions that formed the basis of the Trustees' determination to approve the Investment Advisory Agreement and Sub-Advisory Agreement are summarized below.

Nature, Extent and Quality of Services Provided. The Trustees considered the scope of services that Nightview Capital would provide under the Investment Advisory Agreement, noting that such services include but are not limited to the following: (1) obtaining and evaluating such information and advice relating to the economy, securities markets, and securities and other investments as it deems necessary or useful to discharge its duties under the Investment Advisory Agreement; (2) investing the Fund's assets consistent with its investment objective and investment policies; (3) determining the portfolio securities to be purchased, sold or otherwise disposed of and the timing of such transactions; (4) voting all proxies with respect to the Fund's portfolio securities; (5) maintaining the required books and records for transactions that Nightview Capital effects on behalf

Investment Advisory Agreement Approval (Unaudited) (continued)

of the Fund; (6) performing compliance services on behalf of the Fund; (7) providing oversight of ETC pursuant to the Trading Sub-Advisory Agreement; and (8) engaging in marketing activities to support the Fund's growth. The Trustees considered the scope of services that ETC will provide under the Trading Sub-Advisory Agreement, noting that such services include, but are not limited to, the following: (1) placing orders with respect to transactions in securities or other assets held or to be acquired by the Fund; (2) selecting brokers or dealers for securities transactions using its best efforts to seek on behalf of the Fund the best execution and overall terms available; (3) maintaining the required books and records for transactions that it effects on behalf of the Fund; and (4) performing compliance services on behalf of the Fund. The Trustees considered Nightview Capital's and ETC's respective capitalization and assets under management. The Trustees further considered the investment philosophy and investment industry experience of the portfolio managers, and noted the investment methodology Nightview Capital would utilize to manage the Fund's portfolio in accordance with its investment strategy. The Trustees also considered the composite performance of Nightview Capital's Growth Equity accounts. The Trustees concluded that they were satisfied with the nature, extent, and quality of services that Nightview Capital and ETC would each provide to the Fund under the Investment Advisory Agreement and Trading Sub-Advisory Agreement, respectively.

Cost of Advisory Services and Profitability. The Trustees considered the unitary fee that the Fund would pay to Nightview Capital under the Investment Advisory Agreement, noting that Nightview Capital is obligated to pay all of the operating expenses of the Fund under such agreement. The Trustees also reviewed Nightview Capital's projected profitability from the services that it would render to the Fund, noting that the Adviser would expect to be profitable assuming average net assets of \$75 million. The Trustees also considered Nightview Capital's commitment with respect to the Fund and the growth of assets in the Fund over time. Finally, the Trustees reviewed Nightview Capital's financial condition and fiscal health as it relates to the firm's financial ability to provide contractually required services to the Fund. The Trustees considered the subadvisory fee that Nightview Capital will pay to ETC under the Trading Sub-Advisory Agreement, and concluded that it is reasonable.

Comparative Fee and Expense Data. The Trustees also reviewed and discussed with Nightview Capital the projected advisory fee and contractual expenses of the Fund as compared to those of other funds. The Trustees noted that the Fund's proposed management fee of 1.25% was comparable to that of similar ETFs with similar investment objectives. In addition, the Trustees considered that the proposed fee structure of the Fund was a unitary fee wherein Nightview Capital would be contractually obligated to pay all operating expenses of the Fund. While recognizing that it is difficult to compare management fees because the scope of advisory services provided and fee structures may vary from one investment adviser to another, the Trustees concluded that Nightview Capital's proposed management fee is reasonable at this time.

Economies of Scale. The Trustees considered whether the Fund may benefit from any economies of scale and noted that the pro forma profitability projections indicated that the Fund would be profitable at an asset level of \$75 million and that opportunities for economies of scale would be considered again after the Fund commenced operations and the extent of its assets was discernable. The Trustees noted the structure of the subadvisory fee is based upon the Fund's net assets, and that the subadvisory fee is reduced by 1 basis point when the Fund's net assets grow to more than \$1 billion. The Trustees concluded that no material economies exist at this time.

Investment Advisory Agreement Approval (Unaudited) (continued)

Other Benefits. The Trustees noted that Nightview Capital confirmed that the firm will not utilize soft dollar arrangements with respect to portfolio transactions in the Fund and does not anticipate the use of affiliated brokers to execute the Fund's portfolio transactions. The Trustees noted that ETC confirmed that any soft dollar arrangements with respect to portfolio transactions will be executed in accordance with Section 28(e) of the Securities Exchange Act of 1934 (the "Exchange Act"). The Trustees noted that ETC had confirmed that there were no economic or other benefits to ETC associated with the selection or use of any particular providers for the Fund's portfolio. All things considered, the Trustees concluded that neither Nightview Capital nor ETC will not receive any other material financial benefits from services rendered to the Fund.

Other Considerations. The Trustees also considered potential conflicts of interest for Nightview Capital. Based on the assurances from representatives of Nightview Capital, the Trustees concluded that no conflict of interest existed that could adversely impact the Fund.

Conclusions. Based upon the presentation of Nightview Capital and ETC to the Board and the Support Materials considered in connection with the approval of the Investment Advisory Agreement and the Trading Sub-Advisory Agreement, the Board concluded that: (1) the overall arrangements between the Trust and Nightview Capital, as set forth in the Investment Advisory Agreement, are fair and reasonable in light of the services to be performed, the fees to be paid and such other matters as the Trustees considered relevant in the exercise of their reasonable judgment; and (2) the overall arrangements between Nightview Capital and ETC, as set forth in the Trading Sub-Advisory Agreement, are fair and reasonable in light of the services to be performed, the sub-advisory fees to be paid and such other matters as the Trustees considered relevant in the exercise of their reasonable judgment.

Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted those proxies during the most recent twelve month period ended June 30, are available (1) without charge upon request by calling the Fund at (866) 666-7156 and (2) in Fund documents filed with the SEC on the SEC's website at www.sec.gov.

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This report is intended only for the information of shareholders or those who have received the Fund's prospectus which contains information about the Fund's management fee and expenses. Please read the prospectus carefully before investing.

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