EDGA Exchange, Inc. & EDGX Exchange, Inc.			
Regulatory Information Circular			
Circular Number:	2013-108	Contact:	Jeff Rosenstrock
Date:	December 12, 2013	Telephone:	(201) 942-8295

Subject: Recon Capital NASDAQ-100 Covered Call ETF Fund

Background Information on the Notes

As more fully explained in the Registration Statement for the Trust (File Nos. 333-183155 and 811-22732), the Trust is a registered open-end management investment company. The Fund is an investment company registered under the Investment Company Act of 1940 ("1940 Act") and is commonly referred to as an "exchange-traded fund."

Ticker	Fund Name	CUSIP
QYLD	Recon Capital NASDAQ-100 Covered Call ETF Fund	26923E108

Description of the Notes

Recon Capital Advisors, LLC serves as the investment adviser to the Fund (the "Adviser"). The Bank of New York Mellon serves as the Fund's custodian and transfer agent. ETF Distributors LLC is the distributor (the "Distributor") of the shares of the Fund.

The Recon Capital NASDAQ 100 Covered Call ETF ("Fund") seeks to provide investment results that will closely correspond, before fees and expenses, generally to the price and yield performance of the CBOE NASDAQ-100 BuyWrite Index.

Using a passive or indexing investment approach, the Fund seeks to achieve its investment objective to track the performance of the CBOE NASDAQ-100 BuyWrite Index ("Index"). The Index measures the total return of a portfolio consisting of common stocks of the 100 companies included in the NASDAQ-100 Index and call options systematically written on those securities through a "buy-write" or covered call strategy. A "buy-write" strategy is an investment strategy in which the Fund buys a specific basket of stocks (such as the NASDAQ-100 Index) and sells covered call options that correspond to that basket of stocks.

The Fund will invest at least 80% of its total assets in common stocks of the companies included in NASDAQ-100 Index, ("80% Policy"). The Fund employs a replication strategy to track the Index, which means it invests in common stocks included in the NASDAQ-100 Index generally in proportion to their weightings in the NASDAQ-100 Index, and call options written (sold) on the NASDAQ-100 Index. Each calendar month the Fund will write (sell) a succession of one-month call options on the NASDAQ-100 Index and will cover such options by holding the securities underlying the options written. Each option written will (i) have an exercise price generally at or above the prevailing market price of the NASDAQ-100 Index; (ii) be traded on a national securities exchange; (iii) be held to its date of maturity (unless the Fund "cancels out" the option through the purchase of an offsetting identical option); (iv) expire on its date of maturity (in the next calendar month); (v) only be subject to exercise on its expiration date; and (vi) be settled in cash.

In return for the payment of a premium to the Fund, a purchaser of the call options written by the Fund is entitled to receive a cash payment from the Fund equal to the difference between the value of the NASDAQ-100 Index and the exercise price of the option if the value of the option on the expiration date is above its exercise price. In addition, the Fund's covered call options are expected to partially protect the Fund from a decline in the price of the NASDAQ-100 Index through means of the premiums received by the Fund. The Fund expects over time to have a tracking error relative to the performance of the Index of no more than 90% before fees and expenses. Tracking error of 0% would represent perfect correlation.

As of October 31, 2013, the Index included 100 securities of companies with a market capitalization range of between approximately $4.8 billion and $470.3 billion and an average market capitalization of $41.2 billion. These amounts are subject to change.

The Fund may concentrate its investments in a particular industry or group of industries to the extent that the Index concentrates in an industry or group of industries. The Fund is classified as a "non-diversified" investment company under the Investment Company Act of 1940, as amended ("1940 Act"). Therefore, the Fund may invest a relatively high percentage of its assets in a smaller number of issuers or may invest a larger proportion of its assets in a single issuer.

The Fund will offer and issue Shares at their net asset value ("NAV") only in aggregations of a specified number of Shares (each, a "Creation Unit"). Similarly, Shares are redeemable by the Fund only in Creation Units. Only Authorized Participants (defined below) may enter into Creation Unit transactions with the Fund. Creation Units of the Fund are issued and redeemed generally in exchange for specified securities held by the Fund generally included in the Index (defined herein) and a specified cash payment. The Shares of the Fund will trade in the secondary market at market prices that may differ from the Shares' NAV. A Creation Unit consists of 50,000 Shares.

The Fund typically earns income dividends from stocks and interest from debt securities. These amounts, net of expenses, are typically passed along to Fund shareholders as dividends from net investment income. The Fund realizes capital gains from writing options and capital gains or losses whenever it sells securities. Any net realized long-term capital gains are distributed to shareholders as "capital gain distributions."

Net investment income, if any, and net capital gains, if any, are typically distributed to shareholders at least annually. Dividends may be declared and paid more frequently to improve index tracking or to comply with the distribution requirements of the Internal Revenue Code. In addition, the Fund may determine to distribute at least annually amounts representing the full dividend yield net of expenses on the underlying investment securities, as if the Fund owned the underlying investment securities for the entire dividend period, in which case some portion of each distribution may result in a return of capital, which, for tax purposes, is treated as a return of an investment in Shares.

The Depository Trust Company ("DTC") serves as securities depository for the Shares, which may be held only in book-entry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares.

The Fund's NAV is determined shortly after 4:00 p.m. Eastern time ("ET") on each day that the New York Stock Exchange ("NYSE") is open for business. The NAV is available from the Trust and the Exchange and is also available to National Securities Clearing Corporation ("NSCC") participants through data made available from NSCC.

The Intraday Indicative Value for Shares of the Fund will be available from market data vendors under the symbols QYLD.IV.

The Trust's registration statement describes the various fees and expenses for the Fund's shares. For a more complete description of the Fund and the Index, visit www.reconcapitalpartners.com.

Principal Risks

Interested persons are referred to the Trust's Prospectus for a description of risks associated with an investment in the Shares. These risks include, but are not limited to, Writing Covered Call Option Risk; U.S. Federal Income Tax Risk; Common Stock Risk; Market Risk; Index Tracking Risk; Passive Management Risk; Adviser Risk; Market Trading Risk; Non-Diversified Risk; and Concentration Risk. The NAV of the Shares will fluctuate with changes in the market value of the Fund's holdings while the market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares.

Exchange Rules Applicable to Trading in the Notes

The Securities are considered equity securities, thus rendering trading in the Securities subject to the existing rules governing the trading of equity securities on the EDGA Exchange, Inc. and EDGX Exchange, Inc. (together, the "Exchanges").

Trading Hours

Trading in the Securities on the Exchanges is on a UTP basis and is subject to the Exchanges' equity trading rules. The Securities will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Members trading the Securities during the Extended Market Sessions (Preopening and Post-closing sessions) are exposed to the risk of the lack of the calculation or dissemination of underlying index value or IIV. For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during

Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

Trading Halts

The Exchanges will halt trading in the Securities in accordance with the Exchanges' Rules 14.1(c)(4). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the Securities and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, the Exchanges will stop trading the Securities if the primary market de-lists the Securities.

Suitability

Trading in the Securities on the Exchanges will be subject to the provisions of the Exchanges' Rules 3.7. Members recommending transactions in the Securities to customers should make a determination that the recommendation is suitable for the customer. In addition, Members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in the Exchanges' Rules 3.7.

Members also should review FINRA Notice to Members 03-71 for guidance on trading these products. The Notice reminds Members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

Delivery of a Prospectus

Pursuant to federal securities laws, investors purchasing Securities must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing Securities directly from the Issuer (by delivery of the Deposit Amount) must also receive a prospectus. Prospectuses may be obtained through the Distributor or on the Issuer's website. The Prospectus does not contain all of the information set forth in the registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Securities, please refer to the Issuer's registration statement.

Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations

The Securities and Exchange Commission has issued no-action relief from certain provisions of and rules under the Securities Exchange Act of 1934 (the "Exchange Act"), regarding trading in SEC No-Action Letters dated October 24, 2006 and November 21, 2005 (the

"Letters"). Members are referred to the No-Action Letters, available at www.sec.gov, for additional information.

Regulation M Exemptions

Generally, Rules 101 and 102 of Regulation M is an anti-manipulation regulation that, subject to certain exemptions, prohibits a "distribution participant" and the issuer or selling security holder, in connection with a distribution of securities, from bidding for, purchasing, or attempting to induce any person to bid for or purchase, any security which is the subject of a distribution until after the applicable restricted period, except as specifically permitted in Regulation M. The provisions of the Rules apply to underwriters, prospective underwriters, brokers, dealers, and other persons who have agreed to participate or are participating in a distribution of securities, and affiliated purchasers of such persons.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 101 of Regulation M against persons who may be deemed to be participating in a distribution of the notes to bid for or purchase the notes during their participation in such distribution.

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule 100 of Regulation M defines "distribution" to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Rule 102 of Regulation M against an issuer and its affiliated purchasers who bid for or purchase or redeem notes during the continuous offering of the notes.

SEC Rule 14e-5

An exemption from Rule 14e-5 has been granted to permit any person acting as a dealer-manager of a tender offer for a component security of a fund (1) to redeem fund Shares in Creation Unit Aggregations from the issuer that may include a security subject to such tender offer and (2) to purchase fund Shares during such tender offer. In addition, a no-action position has been taken under Rule 14e-5 if a broker-dealer acting as a dealer manager of a tender offer for a security of a fund purchases or arranges to purchase such securities in the secondary market for the purpose of tendering such securities to purchase one or more Creation Unit Aggregations of Shares, if made in conformance with the following: 1) such bids or purchases are effected in the ordinary course of business, in connection with a basket of 20 or more securities in which any security that is the subject of a distribution, or any reference security, does not comprise more than 5% of the value of the basket purchased; or 2) purchases are effected as adjustments to such basket in the ordinary course of business as a result of a change in the composition of the underlying index; and 3) such bids or purchases are not effected for the purpose of facilitating such tender offer.

Section 11(d)(1); SEC Rules 11d1-1 and 11d1-2

Section 11(d)(1) of the Exchange Act generally prohibits a person who is both a broker and a dealer from effecting any transaction in which the broker-dealer extends credit to a customer on any security which was part of a new issue in the distribution of which he or she participated as a member of a selling syndicate or group within thirty days prior to such transaction.

The Letters state that the SEC Division of Trading and Markets will not recommend enforcement action under Section 11(d)(1) of the Exchange Act against broker-dealers who treat the notes, for purposes of Rule 11d1-2, as “securities issued by a registered . . . open-end investment company as defined in the Investment Company Act” and thereby, extend credit or maintain or arrange for the extension or maintenance of credit on the notes that have been owned by the persons to whom credit is provided for more than 30 days, in reliance on the exemption contained in the rule.

SEC Rule 15c1-5 and 15c1-6

The SEC has taken a no-action position with respect to Rule 15c1-5 and Rule 15c1-6 as to the required disclosure of control by a broker or dealer with respect to creations and redemptions of fund shares and secondary market transactions therein. (See letter from Catherine McGuire, Chief Counsel, SEC Division of Market Regulation, to Securities Industry Association, Derivative Products Committee, dated November 21, 2005.)

This Regulatory Information Circular is not a statutory prospectus. Members should consult the Trust’s Registration Statement, SAI, Prospectus and the Fund’s website for relevant information.