

IMPORTANT TAX INFORMATION FOR ESG SHARES ETF SHAREHOLDERS

Please note that the information below does not constitute tax advice. Please consult your personal tax adviser to determine how new tax laws and your state's reporting requirements will affect your individual tax return.

QUALIFIED DIVIDENDS:

In December 2011, The Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 was passed, which extends the reduced maximum tax rate on long-term capital gains and "qualified dividends" at 15% (0% for those in an income tax bracket of 15% or less). What this means to you: **Form 1099-DIV** will report the total amount of the distribution paid in **box 1a**. In **box 1b**, the Form will report the portion of that distribution that may be considered Qualified Dividend Income.

The percentage of income earned in 2011 by each of the ESG Shares ETFs that is Qualified Dividend Income (QDI) is provided in the table below. This percentage of the total ordinary income distribution is qualified for the QDI tax rate based on how long the fund held the securities that paid dividends. However, in order to enjoy the lower tax rate you would have had to have owned your fund shares for at least 60 days during the 121 day period that began 60 days before the fund's ex-dividend date.

Fund Name	% QDI
Pax MSCI North America ESG Index ETF	100.00%
Pax MSCI EAFE ESG Index ETF	100.00%

FOREIGN TAX CREDIT AND FOREIGN SOURCE INCOME:

For 2011, the **Pax MSCI EAFE ESG Index ETF** has elected to pass-through foreign tax credits to shareholders. As a result, the total taxable income reported to you in **box 1a** of **Form 1099-DIV** includes not only income distributions paid or reinvested, but also the amount of foreign taxes passed through to you by the fund. The total foreign tax amount passed through to you appears in **box 6** of **Form 1099-DIV**. Depending on certain holding period requirements, this amount can be claimed as a foreign tax credit on your return or as an itemized deduction. The foreign tax credit is advantageous as it is a dollar-for-dollar reduction in your tax burden. To be able to claim the foreign tax credit, you would have had to have owned your fund shares for at least 15 days during the 31 day period that began 15 days before the fund's ex-dividend date. Otherwise, foreign taxes may be claimed as an itemized deduction. (Note – you cannot foreign taxes paid as both a credit and an itemized deduction.) Refer to **IRS Publication 514, Foreign Tax Credit for Individuals**, for more information.

If you do not meet the holding period requirement or choose to take the itemized deduction rather than the credit, you can do so by entering on **Line 8 of Schedule A** the amount from **box 6** on your **Form 1099-DIV**.

If you meet the holding period requirement and choose to take the foreign tax credit, there are two methods to claim the credit. If you qualify for the simplified method, you can simply claim the credit directly on your return without filing **Form 1116**. Enter the amount from **box 6** on your **1099-DIV** (plus any other eligible foreign taxes) onto **Line 47 "Foreign Tax Credit" of Form 1040**. The simplified method is available if all of the following criteria are met:

- All of your foreign source income is "passive" (ordinary income from **Pax MSCI EAFE ESG Index ETF** is passive income)
- Your qualified foreign taxes for the tax year are not more than \$300 (\$600 if married, filing joint)
- All of your gross foreign income and foreign taxes paid were reported to you on a payee statement (such as Form 1099-DIV)

If you do not qualify for the simplified method, under the standard method, you will be required to complete **Form 1116**. (**Form 1118** for corporate shareholders).

The table below provides information regarding foreign taxes paid and foreign source income earned by the **Pax MSCI EAFE ESG Index ETF** in 2011 to assist you in completing **Form 1116** (or **Form 1118** for corporate shareholders). No foreign income was received from or foreign taxes were paid to U.S. sanctioned foreign countries which would not qualify for the credit under Section 901(j).

Ex-Dividend Date	Foreign Taxes Paid Per Share	Foreign Source Income %	Foreign Source QDI %
December 28, 2011	0.03322	99.98%	100.00%

**Again, due to the complexity of federal and individual state tax requirements,
we strongly suggest that you consult your tax advisor.**

An investment in ESG Shares involves risk, including loss of principal. You should consider ESG Shares' investment objectives, risks, and charges and expenses carefully before investing. For this and other important information, please obtain a fund prospectus by calling 888.729.3863 or by visiting www.esgshares.com. Please read it carefully before investing.

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