



# Elkhorn Foundation Pure Water

SERIES 2 | UNIT INVESTMENT TRUST

## PORTFOLIO SUMMARY

INCEPTION DATE	8/4/2015
ENDING DATE	8/2/2017
INITIAL OFFER PRICE	\$10.00
TICKER	ELKWBX
CUSIPS	28776P115(c) 28776P164(r)
FEE CUSIPS	28776P172(c) 28776P180(r)
# OF HOLDINGS	20

### Pure Water, Pure Focus

Water is a story that is not going away. Clean water remains a global issue affecting both emerging and developed countries. A requirement for life, water is also a vital component of economic growth. As an investment, water stocks have outperformed the S&P 500 Index by over 2% per year over the last decade<sup>1</sup> and the industry is expected to double to a trillion dollars by 2020.<sup>2</sup>

### Pure Exposure

Water-themed investments today are mostly comprised of water utility companies and conglomerates with minimal actual exposure to water. The Elkhorn Foundation Pure Water portfolio does not invest in water utility companies and only selects companies that derive the majority of their revenue from water-related activities.

### Portfolio Construction

The Portfolio's universe begins with all U.S. exchange-listed equities and ADRs. The Sponsor then filters for companies that generate the majority of their revenue from water treatment, testing, infrastructure/distribution and resource management. Finally, the Sponsor selects 21 companies from the remaining securities and weights them according to quantitative and qualitative factors for inclusion in the portfolio.

### About the Elkhorn Foundation

Formed by Elkhorn Capital Group, LLC, the Elkhorn Foundation seeks to partner with organizations committed to improving lives around the world. A portion of our profits will be donated to the Foundation which will distribute the funds to organizations around the world working to help bring safe water and effective sanitation to families in need.

### INVESTMENT OBJECTIVE

The Elkhorn Foundation Pure Water Portfolio seeks capital appreciation.

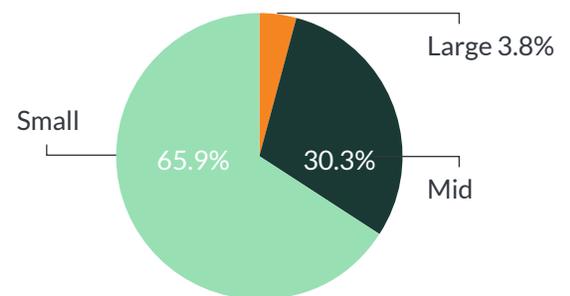
### HIGHLIGHTS

The Sponsor selects domestic and international companies that are core holdings for a pure global water portfolio, seeking to avoid utilities and conglomerates.

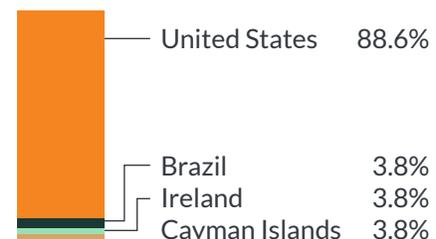
### ABOUT THE SPONSOR

Elkhorn is an independent investment solutions firm pioneering innovative research-based financial products. By rethinking the relationship between investment strategy and product structure, Elkhorn aims to deliver access to distinguished research in a wide array of investment products.

### Market Cap Allocation



### Country Allocation



1 Bloomberg, L.P. as of 7/15/2015

2 BofA Merrill Lynch ESG & Sustainability Report: "A Blue Revolution-Global Water." 11/7/2012

# Elkhorn Foundation Pure Water



## UNIT INVESTMENT TRUST

### Portfolio Holdings

TICKER	NAME	WEIGHT
XYL	Xylem Inc	15.05%
BMI	Badger Meter Inc	10.04%
WMS	Advanced Drainage Systems Inc	9.96%
PCYO	Pure Cycle Corp	3.95%
ERII	Energy Recovery Inc	3.87%
LNN	Lindsay Corp	3.85%
CCC	Calgon Carbon Corp	3.83%
NWPX	Northwest Pipe Co	3.83%
WTS	Watts Water Technologies Inc	3.83%
PNR	Pentair PLC	3.82%
TTEK	Tetra Tech Inc	3.82%
SBS	Cia de Saneamento Basico do Estado de Sao Paulo (SABESP)	3.81%
CWCO	Consolidated Water Co Ltd	3.81%
FELE	Franklin Electric Co Inc	3.81%
MWA	Mueller Water Products	3.81%
AEGN	Aegion Corp	3.80%
GRC	The Gorman-Rupp Company	3.80%
VMI	Valmont Industries Inc	3.80%
LAYN	Layne Christensen Co	3.76%
NES	Nuverra Environmental Solutions Inc	3.75%

Holdings and allocations as of 8/3/2015 and are subject to change

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<b>ESTIMATED NET ANNUAL DISTRIBUTION<sup>3</sup></b>	\$0.0827
<b>ESTIMATED NET ANNUAL DISTRIBUTION RATE<sup>3</sup></b>	0.827%

Distributions occur semi-annually on the 25th day, starting December 2015.

### Volume Breakpoints

PURCHASE AMOUNT	SALES CHARGES <sup>4</sup>
Less than \$50,000	3.95%
\$50,000 - \$99,999	3.70%
\$100,000 - \$249,999	3.45%
\$250,000 - \$499,999	3.10%
\$500,000 - \$999,999	2.95%
\$1,000,000 or more	2.45%

### Sales Charges

<b>UP-FRONT</b>	1.00%
<b>DEFERRED<sup>5</sup></b>	2.45%
<b>CREATION &amp; DEVELOPMENT FEE</b>	0.50%
<b>TOTAL</b>	3.95%

Sales charge is based on a \$10 per unit offering

### REFERENCES

- 3 The Estimated Net Annual Distribution is based on the Portfolio's first year of operation and is subject to change. The Rate is calculated by dividing the Estimated Net Annual Distribution by the initial \$10.00 unit price. The amount of distributions paid by the Portfolio's securities may be lower or greater than the above stated amount due to certain factors that may include, but are not limited to, a change in the dividends paid by issuers, a change in Portfolio expenses or the sale or maturity of securities in the portfolio. Fees and expenses of the Portfolio may vary as a result of a variety of factors including the Portfolio's size, redemption activity, brokerage and other transaction costs and extraordinary expenses.
- 4 The deferred sales charge (DSC) will be deducted in monthly installments on the last business day commencing March 25, 2016 and ending May 25, 2016. If units are redeemed prior to the DSC period, the entire DSC will be collected. For unit prices other than \$10, percentages of initial sales charge, the creation and development fee and DSCs will vary. Early redemption of units will still cause payment of the DSC.
- 5 As a % of the Public Offering Price

### IMPORTANT RISK INFORMATION

The Portfolio invests in domestic common stocks, ADRs and U.S.-listed foreign securities. The value of the Portfolio's units will fluctuate with changes in the value of these common stocks. Common stock prices fluctuate for several reasons including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market, such as the current market volatility, or when political or economic events affecting the issuers occur. The Portfolio will generally hold, and may continue to buy, the same securities even though a security's outlook, rating, market value or yield may have changed. As with all investments, you may lose some or all of your investment in the Portfolio.

The Portfolio invests in securities issued by small- and mid-cap companies. These securities customarily involve more investment risk than securities of large-cap companies. Small- and mid-cap companies may have limited product lines, markets or financial resources and may be more vulnerable to adverse general market or economic developments.

The Portfolio invests significantly in water and industrial companies. Companies involved in the potable water and wastewater business are subject to environmental considerations, taxes, government regulation, price and supply fluctuations, competition and conservation. General risks of industrial companies include the general state of the economy, intense competition, consolidation, domestic and international politics, excess capacity and consumer demand and spending trends.

The Portfolio may invest in U.S.-listed foreign securities and ADRs which presents additional risk. Securities of foreign issuers present risks beyond those of domestic securities due to such factors as adverse economic, currency, political, social or regulatory developments in a country, including government seizure of assets, excessive taxation, limitations on the use or transfer of assets, the lack of liquidity or regulatory controls with respect to certain industries or differing legal and/or accounting standards. Foreign security risk may be more pronounced in emerging markets due to trading limitations, liquidity concerns, delays and disruptions in settlement transactions, political uncertainties and dependence on international trade and development assistance.

**Read the Portfolio's prospectus carefully before investing. It contains the Portfolio's investment objectives, risks, charges, expenses and other information, which should be considered carefully before investing. Obtain a prospectus at [www.elkhorn.com](http://www.elkhorn.com).**

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