



Exchange Traded Concepts Delivers AlphaClone Alternative Alpha ETF to Market

Represents first offering to result from shared trust model with U.S. Bancorp Fund Services, LLC

Oklahoma City, OK — May 31, 2012 — Exchange Traded Concepts, LLC (“ETC”) announces the AlphaClone Alternative Alpha ETF (Ticker Symbol: ALFA) has become the second exchange-traded fund to begin trading through the firm’s accelerated, low-cost, private-label ETF platform.

AlphaClone, LLC (“AlphaClone”), the index provider to ALFA, became one of the earliest index providers to work with the multiple series trust established by ETC and U.S. Bancorp Fund Services, LLC. The initial SEC filing took place in late February and was subsequently brought to market in about three months.

“ALFA’s launch is the result of a successful collaboration that reinforces the importance of assembling a strong team,” says J. Garrett Stevens, CEO of Exchange Traded Concepts. “Mazin Jadallah’s vision for AlphaClone and the deep experience of US Bancorp provided us with great confidence in this relationship throughout the launch process.”

ALFA, designed to include exposure to alpha-generating equity positions, tracks the AlphaClone Hedge Fund Long/Short Index. This rules-based index directly selects its long positions from hedge funds public disclosures using AlphaClone's Clone Score ranking. This proprietary methodology measures the efficacy of following managers based on their disclosures over a complete market cycle (since 2000).

The index also incorporates a rules-based hedging strategy that adjusts holdings between being long only and market hedged based on certain technical price targets for a broad index of US equities.

Exchange Traded Concepts, LLC serves as investment adviser to ALFA, with Index Management Solutions, LLC serving as sub-adviser.

For more information, please visit www.ExchangeTradedConcepts.com.

About Exchange Traded Concepts

ETC is carving out a niche as a portal to launch new, custom exchange-traded funds efficiently and cost-effectively through a complete turnkey solution. ETC is a private-label ETF advisor with passive exemptive relief from the SEC to launch both domestic and international equity exchange traded funds or ETFs under the Investment Company Act of 1940.

Investment managers, independent advisors, foreign managers and others seeking to launch an ETF for their strategy have the opportunity to build awareness and recognition for their brand as a private label ETF and, for a relatively low initial investment, launch an ETF in approximately one-third of the time it would take to launch an ETF from scratch.

ETC’s ETF-in-a-Box™ Solution is a turnkey platform that provides time-sensitive and cost-effective methods to bring an exchange-traded fund to market. Seasoned ETF professionals have the operational and regulatory experience plus the industry contacts needed to navigate the complexities of launching and managing an ETF.

ETC has developed strategic relationships with other ETF service providers to assist ETC's sub-advisors in navigating the exchange-traded fund launch process with the guidance necessary to maintain regulatory compliance.

ETC can assist your firm to successfully launch an ETF strategy. For more information, please go to www.ExchangeTradedConcepts.com.

About AlphaClone

AlphaClone is a registered investment advisor and equity research firm that is a leader in the field of hedge fund position replication. AlphaClone's research approach seeks to give investors direct, risk-managed exposure to stock positions expertly derived from hedge fund public disclosures. The firm's investment products seek to provide investors with an accessible and affordable alternative to hedge funds. The firm offers managed accounts as well as indexing solutions and is based in San Francisco, California. To learn more visit the firm's website at www.alphaclone.com. For more information on ALFA, please visit www.alphaclonefunds.com.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by visiting www.alphaclonefunds.com. Read it carefully before investing.

Investments involve risk. Principal loss is possible. The AlphaClone Alternative Alpha Fund has the same risks as the underlying securities traded on the exchange throughout the day. Redemptions are limited and often commissions are charged on each trade. The fund can make short sales of securities, which involves the risk that losses in securities may exceed the original amount invested in a security. Investments by the fund in derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. The fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. REITs may be affected by changes in the value of their underlying properties or mortgages or by defaults by their borrowers or tenants. Furthermore, these entities depend upon specialized management skills, have limited diversification and are, therefore, subject to risks inherent in financing a limited number of projects. In addition, the performance of a REIT may be affected by changes in the tax laws or by its failure to qualify for tax-free pass-through of income. Investments in securities of MLPs involve risks that differ from an investment in common stock. Holders of the units of MLPs have more limited control and limited rights to vote on matters affecting the partnership. There are also certain tax risks associated with an investment in units of MLPs. In addition, conflicts of interest may exist between common unit holders, subordinated unit holders and the general partner of a MLP, including a conflict arising as a result of incentive distribution payments. The performance of the fund may diverge from that of the Index. Because the fund employs a representative sampling strategy and may also invest up to 20% of its assets in securities that are not included in the Index, or may overweight or underweight certain components of the Index, it may experience tracking error to a greater extent than a fund that seeks to replicate an index. The fund is not actively managed and may be affected by a general decline in market segments related to the index. The fund invests in securities included in, or representative of securities included in, the index, regardless of their investment merits. Outside the index construction rules, the fund does not take defensive positions under any market conditions, including conditions that are adverse to the performance of the fund. AlphaClone and the fund are in no way affiliated with the hedge funds and/or institutional investors whose public filings are utilized to derive the index's constituents. Public filings may not disclose all an investment manager's positions.

The AlphaClone Hedge Fund Long/Short Index represents equity securities that are favored by hedge funds and institutional investors in their public disclosures. The index is equal weighted with an overlap bias which gives a security held by twice the number of managers twice the weight. The index is reconstituted quarterly and can vary between being long only and market neutral. The index's adjustment in long/short positions does not guarantee the prevention of market loss. The S&P 500 Index is an unmanaged market index generally considered representative of the stock market as a whole. The index focuses on the Large-Cap segment of the U.S. Equities market. It is not possible to invest directly in an unmanaged index. Alpha is the abnormal return on a security or portfolio in excess of what would be predicted by an equilibrium model like the Capital Asset Pricing Model (CAPM). Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole. Correlation is a statistical measure of how two securities move in relation to each other.

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