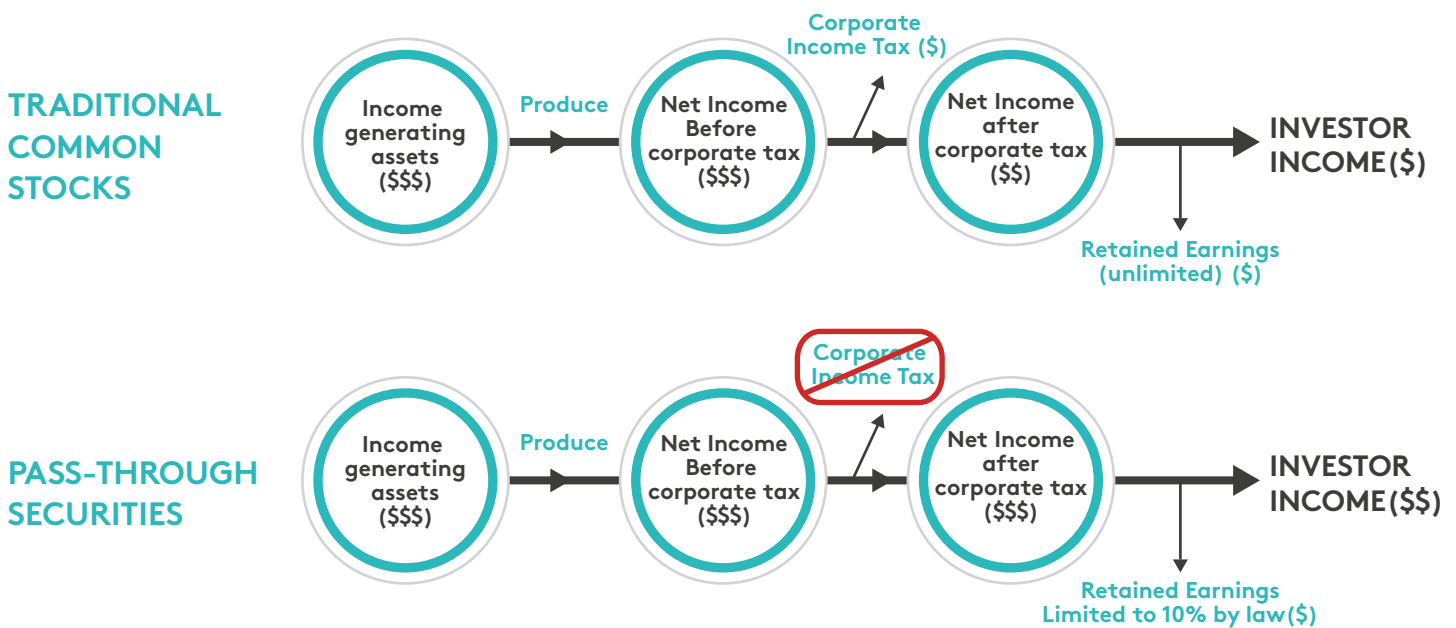


The GraniteShares HIPS US High Income ETF (NYSE Arca: HIPS) seeks to track the performance, before fees and expenses, of the TFMS HIPS 300 Index. The Index is constructed to capture up to 300 high income securities, typically with pass-through structures, across diversified sectors seeking consistent performance.

WHAT ARE PASS-THROUGH SECURITIES?

Pass-through securities are issued by pass-through entities. Pass-through entities are required to distribute almost all their earnings in the form of a cash distribution to end investors¹. As a result, pass-through entities don't pay corporate taxes and are able to pass on their earnings to end investors BEFORE any taxes, avoiding double taxation.



A DIVERSIFIED SOURCE OF INCOME

The GraniteShares HIPS US High Income ETF invests in different types of pass-through securities to help diversify the source of income, across different market cycles.

Closed-end funds ("CEFs")

CEFs included in the Index are limited to taxable, debt-based funds and may include CEFs that invest primarily in bank loans, high-yield securities, foreign securities (including those in emerging markets), and mortgage- or asset-backed securities. CEFs must distribute substantially all their income to shareholders².

Real Estate Investment Trusts: ("REITs")

REITs can either invest directly in income-producing real estate properties (commercial equity REITs or residential equity REITs) or invest in property mortgages (mortgage REITs). Some REITs invest in both properties and mortgages (hybrid REITs). REITs must distribute almost all of their income to shareholders³.

Asset management and Business development companies ("BDCs")

A BDC is an organization that invests in and helps small- and medium-size companies grow in the initial stages of their development. BDCs must distribute substantially all their income to shareholders⁴. Asset management firms structured as partnership are also eligible in the index.

¹Pass-Through Securities: A New Income Based Alternative Investment The Economist magazine, October 26, 2013, pp. 29-31

²https://www.ici.org/cef/background/bro_g2_ce

³<https://www.sec.gov/fast-answers/answersreitshtm.html>

⁴<https://www.forbes.com/sites/advisor/2014/12/01/the-abcs-of-business-development-companies/#7119355e69db>

INDEX SELECTION PROCESS: YIELD, DIVERSIFICATION AND LIQUIDITY

Diversification across sector

In an effort to smooth out the income across different market environments each sector is capped at 25% and no individual component can represent more than 20% of the total allocation.

Minimum yield threshold

To be eligible stocks must meet a minimum multiple of the S&P 500 yield⁷. Each security must also have a minimum daily trading volume of \$500,000 as well as meet minimum market capitalization thresholds.

Category	Minimum yield to be eligible ⁸	Minimum market capitalization ⁹
CEFs Mortgage REITs BDCs, asset management partnerships	1.5 x S&P 500 yield	\$150M \$500M \$150M
Commercial Equity REITs Residential/Diversified Equity REITs	2.0 x S&P 500 yield	\$1B \$200M
Energy production MLPs	2.5 x S&P 500 yield	\$1B
Energy processing and transportation MLPs	3.0 x S&P 500 yield	\$1B

⁷Yield is the 12-month trailing dividend yield of the S&P 500

⁸Index fact sheet produced by Trust and Fiduciary Management Services ("TFMS")

⁹Index fact sheet produced by Trust and Fiduciary Management Services ("TFMS")

EFFECTIVE AT CLOSE OF BUSINESS OF 12/18/2017, THE MASTER INCOME ETF WAS REORGANIZED AND ASSETS OF THE MASTER INCOME ETF WERE MERGED INTO THE GRANITESHARES HIPS US HIGH INCOME ETF.

IMPORTANT INFORMATION

Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the GraniteShares ETFs, please call (844) 476-8747 or visit www.graniteshares.com/etfs. Read the prospectus or summary prospectus carefully before investing.

Investing involves risk; Principal loss is possible. Investments in debt securities typically decrease when interest rates rise. This risk is usually greater for longer term debt securities. Investments in lower rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities. Investments in foreign securities involves greater volatility and political, economic, and currency risks and differences in accounting methods. Investments in smaller companies involve additional risks, such as limited liquidity and greater volatility. **Master Limited Partnerships ("MLPs")** are subject to certain risks inherent in the structure of MLPs, including complex tax structure risks, limited ability for election or removal of management, limited voting rights, potential dependence on parent companies or sponsors for revenues to satisfy obligations, and potential conflicts of interest between partners, members and affiliates. Investments in asset-backed and mortgage-backed securities include additional risks including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. **Real Estate Investment Trusts ("REITs")** share price may decline because of adverse developments affecting the real estate industry. REITs may have limited financial resources, may trade less frequently and in limited volume, and may be more volatile than other securities. The risks of investing in REITs include certain risks associated with the direct ownership of real estate and the real estate industry in general. **Business Development Companies ("BDCs")** may carry risks similar to a private equity or venture capital fund. BDCs usually trade at a discount to their NAV because they invest in unlisted securities and have limited access to capital markets. **Close-end Funds ("CEFs")** may be subject to leverage, liquidity risk, credit risk, and losses may be magnified due to the use of leverage. Leverage may increase the risk of loss and cause fluctuations in the market value of the Fund's portfolio to have disproportionately large effects or cause the NAV of the Fund generally to decline faster than it would otherwise.

Unlike mutual funds, ETFs may trade at a premium or discount to their net asset value. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. An investment in the Fund does not receive the same tax advantages as a direct investment in a Pass-Thru Security. Funds accrue deferred income taxes for future tax liabilities associated with the portion of Pass-Thru Security distributions considered to be a tax-deferred return of capital and for any net operating gains as well as capital appreciation of its investments. This deferred tax liability is reflected in the daily NAV and as a result the Fund's after-tax performance could differ significantly from the underlying assets even if the pre-tax performance is closely tracked. The potential tax benefits from investing in Pass-Thru Securities depend on them being treated as partnerships for federal income tax purposes. **Diversification does not assure a profit or protect against loss in a declining market.**

Upstream refers to the exploration and production of oil and gas from the wellhead.

Downstream refers to the sale of products after they are refined or processed.

High Yield refers to an asset designed to produce a given high return. Returns are not guaranteed.

The TFMS HIPS 300 Index is constructed to capture 300 high income securities, typically with pass-through structures, across the following sectors: (i) CEFs, (ii) mortgage REITs, (iii) commercial equity REITs, (iv) residential/diversified REITs, (v) asset management and BDCs, and (vi) energy production and energy transportation & processing companies. Energy-related companies included in the Index are expected to primarily be structured as MLPs. CEFs included in the Index are limited to taxable, debt-based funds and may include CEFs that invest primarily in bank loans, high-yield securities (also known as "junk bonds"), foreign securities (including those in emerging markets), and mortgage- or asset-backed securities. You may not directly invest in an index.

This information is not an offer to sell or a solicitation of an offer to buy shares of any Funds to any person in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities laws of such jurisdiction. Please consult your tax advisor about the tax consequences of an investment in Fund shares, including the possible application of foreign, state, and local tax laws.

You could lose money by investing in the ETFs. There can be no assurance that the investment objective of the Funds will be achieved. None of the Funds should be relied upon as a complete investment program. The investment program of the funds are speculative, entails substantial risks and include asset classes and investment techniques not employed by more traditional mutual funds. Investments in the ETFs are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

The Fund is distributed by Foreside Fund Services, LLC, which is not affiliated with GraniteShares or any of its affiliates.