



The Impact of Adding Quality to Your Portfolio

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FlexShares Value Proposition

Our Specialty

differentiated ETF strategies that improve and simplify the investment decision process

Our Approach

indexed and active portfolio construction

Our Relationships

collaborative relationships with investing clients

Our Proficiency

deep investment expertise

Our Firm

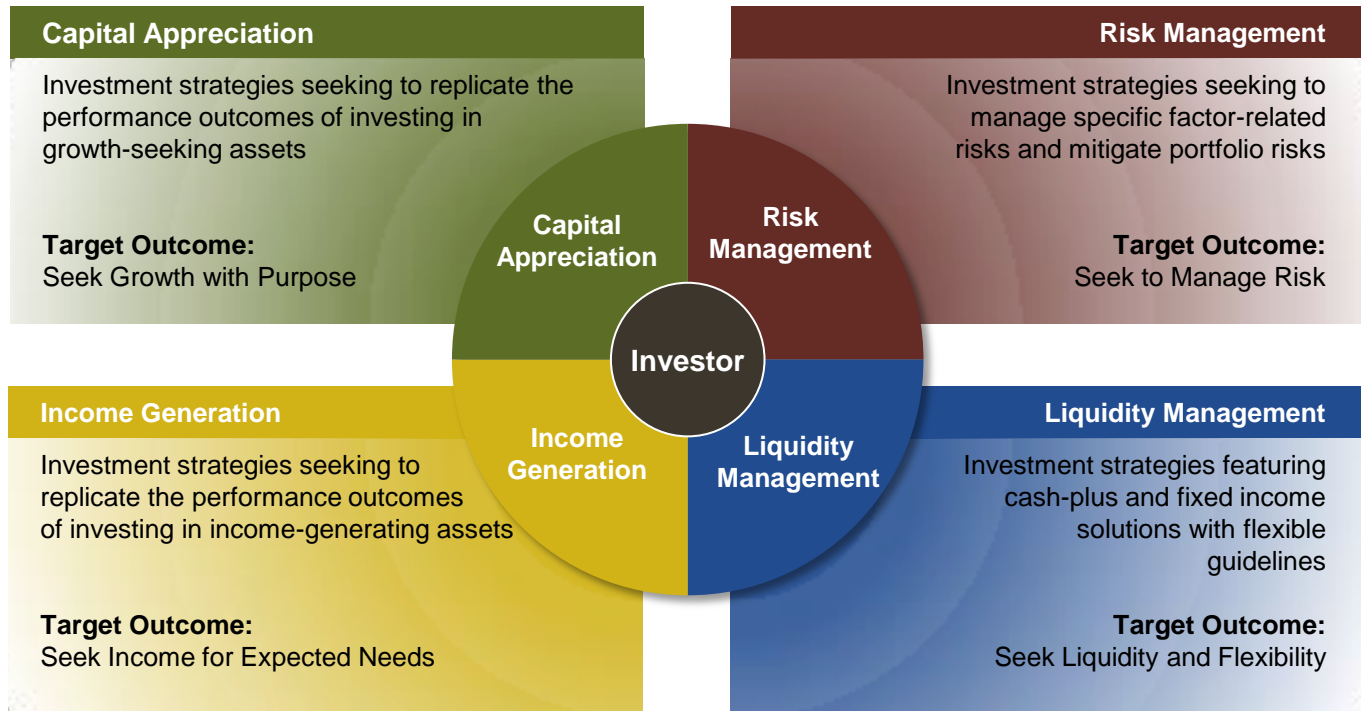
rich fiduciary heritage





Investment Solutions Framework

FlexShares ETF strategies are developed within a framework of fundamental investor needs – to offer both Focus and Flexibility



There is no guarantee FlexShares ETFs will meet the stated outcome.



3D Asset Management

John O'Conner, *President & CIO*



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Northern Trust

Firm Overview

3D Asset Management (“3D”) works with investment advisors to deliver the benefits of Exchange-Traded Funds (“ETFs”) to investors. 3D provides services for national broker/dealers, fiduciary investors, retirement plans, trusts, Taft-Hartley plans, municipalities, corporations and private individual accounts.

- Firm Specialty: ETF Portfolio Strategist
- Category: Global Asset Allocation
- Style: Strategic
- Founded in 2006 to provide outsourced investment management and practice management solutions to advisors
- Offers managed ETF portfolios for wealth management clients and 401(k) retirement plan sponsors and participants
- Market leader in outsourced portfolio management, qualified plan capabilities and retirement income planning



3D Mission:

Help advisors build more profitable and valuable practices...

3D Asset Management (“3D”) provides financial advisors **scalable solutions** that make it easier to build the value of their fee-based advisory business.

Advisor Profile:

- Are Fee-Based
- Believe time equals revenue
- Value client relationships
- Are dedicated to financial planning
- Want scalability
- Use 3D as “All in Solution” or “Core Holding”



Investment Philosophy

- Markets are generally efficient
- Asset allocation is a primary driver of expected returns
- Asset class indexing can generally be improved by using factors other than market cap to weight the index
- Over the long term, active securities-pickers will not out perform the market or the asset class in which they operate
- Global economic and behavioral influences can create valuation and risk factor anomalies between asset classes, regions and markets; and these anomalies can provide investment opportunities as mean reversion occurs
- Use these tenets to provide tools to financial advisors where targeted rates of return are a key component of their planning process



Investment Methodology

- Always fully invested; long only; broad/global diversification among and within asset classes
- Allocate equity across US, developed foreign and EM. Using an ACWI base model we tilt exposures based on relative valuations
- Allocate each global category using an ACWI base model, tilt exposures
- Product selection is then based on fit within each desired asset class
 - Regression testing determines correlation between candidate ETFs
- Equity exposure drives capital appreciation goals
- Fixed income is used to moderate risk





Riverfront Investment Group

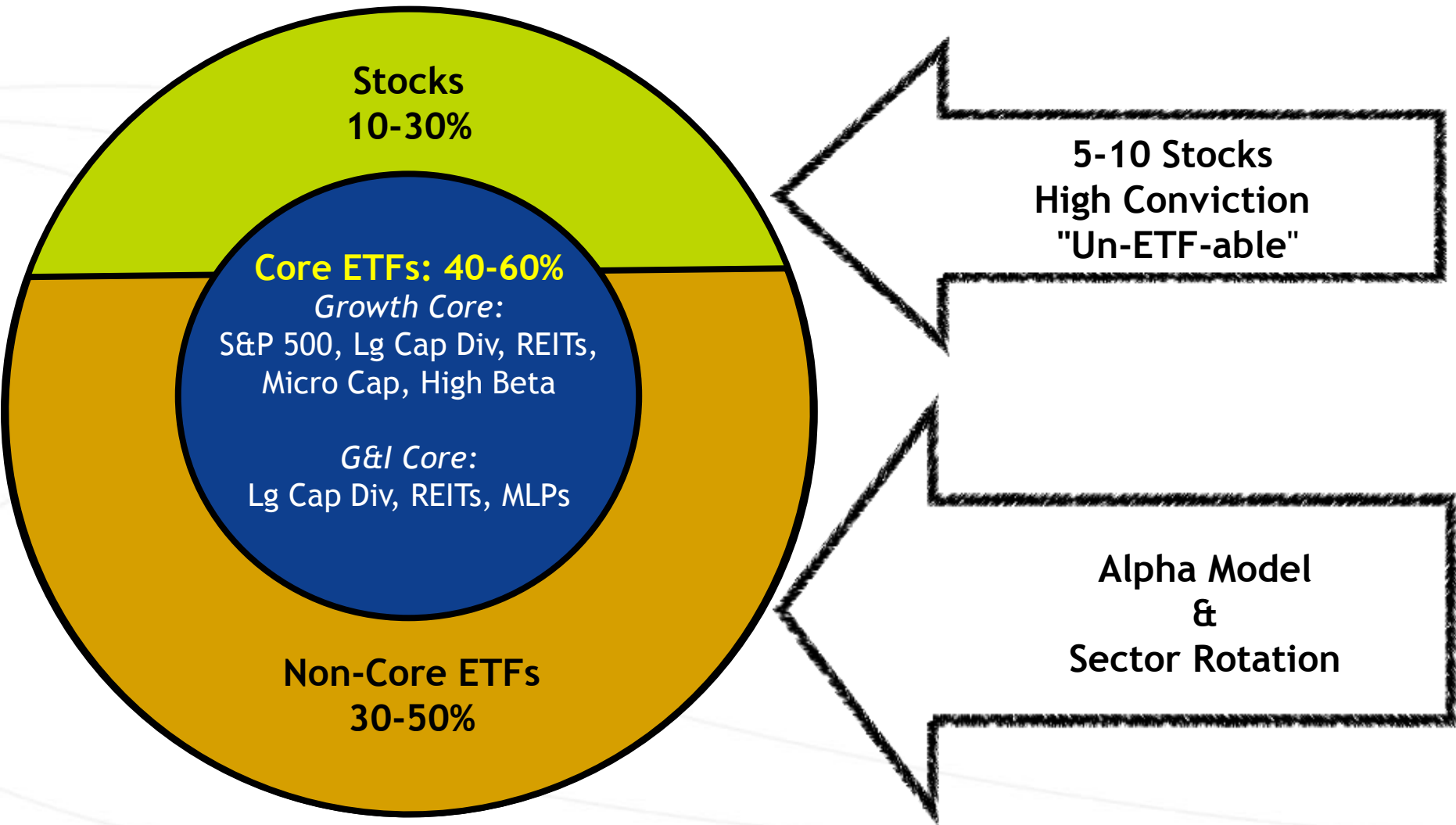
Sam Turner, *Director of US Equity*



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DOMESTIC EQUITY INVESTMENT PROCESS

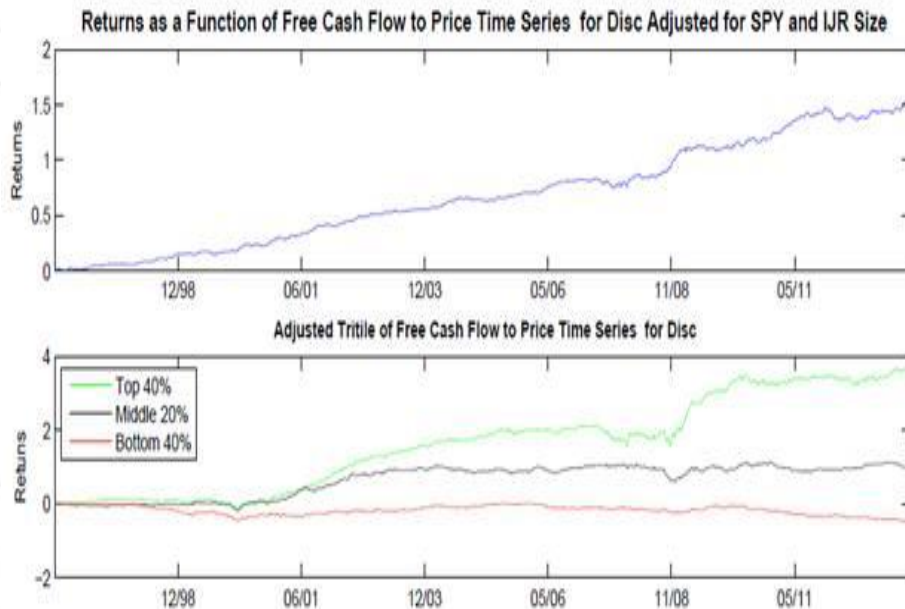
BLENDING THE POWER OF PRICE MATTERS® WITH SECURITY SELECTION



INCLUDING ALPHA ENGINE

ISHARES U.S. HOME CONSTRUCTION ETF (ITB)

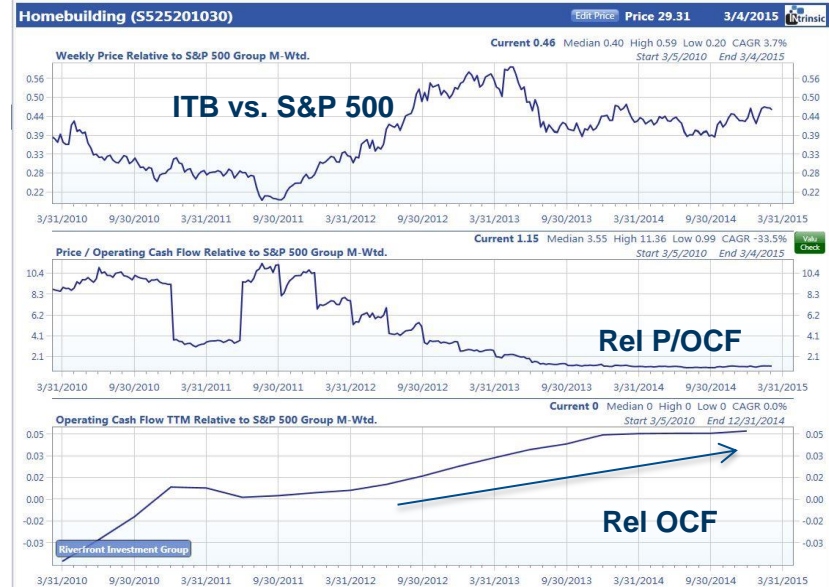
1. Free Cash Flow (FCF) Yield = Best Value Metric Tested



Source: RiverFront Investment Group, FactSet Research Systems
Past performance is no guarantee of future results.

Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risk, charges and expenses carefully before investing. The prospectus, which contains this and other information, can be obtained by contacting the fund sponsor. Read it carefully before you invest.

2. Home Builders remain Cheap



Source: Intrinsic; Past performance is no guarantee of future results.

3. Does it Make Sense?

Economic Trends

- Demographic Demand
- Labor Market Improvements
- Household Balance Sheets
- Loosening Lending Standards

INCLUDING INDIVIDUAL STOCK

CBS CORPORATION (CBS)

1. Is it high conviction?

Investment Points:

- Strong Brands (CBS, Showtime, Simon & Schuster)
- Large pipeline of shows for future syndication
- Broadcast rights to upcoming Super Bowl 50
- Experienced Management Team

2. Is it “ETF-able”?

Consumer Discretionary Sector

- Sector rewards stock selection
- Limited correlation to Consumer Discretionary ETFs: RCD, VCR, and XLY
- Specific investment catalysts identified

3. And is it the right time?



Source: Intrinsic; Past performance is no guarantee of future results.

Q&A





FlexShares Quality Dividend Index ETF Suite

Income Generation Strategies

Designed to provide exposure to high quality, income-oriented equity securities, at targeted volatility levels; tracks Northern Trust branded indices which cover large cap and mid cap securities in the U.S.

Domestic Funds	QDF	QDEF	QDYN
Inception Date	12/14/2012	12/14/2012	12/14/2012
Related Index Ticker	NTUQD	NTUQDDF	NTUQDDY
Net Expense Ratio	0.37%	0.37%	0.37%
Dividends Distributed	At least quarterly	At least quarterly	At least quarterly
Capital Gains Distributed	At least annually	At least annually	At least annually



FlexShares Quality Dividend Index ETF Suite

Income Generation Strategies

Designed to provide exposure to high quality, income-oriented equity securities, at targeted volatility levels; tracks Northern Trust branded indices which cover large cap securities across international markets

International Funds	IQDF	IQDE	IQDY
Inception Date	04/12/2013	04/12/2013	04/12/2013
Related Index Ticker	NTIQD	NTIQDDF	NTIQDDY
Net Expense Ratio	0.47%	0.47%	0.47%
Dividends Distributed	At least quarterly	At least quarterly	At least quarterly
Capital Gains Distributed	At least annually	At least annually	At least annually



FlexShares Global Quality Real Estate Index Fund – Risk Management Strategy

Designed to provide exposure to the potential inflation-hedging characteristics and long-term growth prospects of a diversified portfolio of global real estate equities; Maximizes exposure to quality, value and momentum factors

GQRE	
Inception Date	11/05/2013
Related Index Ticker	NTGQRE
Net Expense Ratio	0.45%
Dividends Distributed	At least quarterly
Capital Gains Distributed	At least annually





Disclosure

An investment in FlexShares is subject to investment risk, including the possible loss of principal amount invested. Funds' returns may not match the returns of their respective Indexes. The Funds may invest in emerging and foreign markets, derivatives and concentrated sectors. In addition, the Funds may be subject to asset class risk, small cap stock risk, value investing risk, non-diversification risk, fluctuation of yield, income risk, interest rate/maturity risk, currency risk, passive investment risk, inflation protected security risk, market risk and manager risk. For a complete description of risks associated with each Fund please refer to the prospectus.

Before investing carefully consider the FlexShares investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting www.flexshares.com. Read the prospectus carefully before you invest. FlexShares ETFs are distributed by Foreside Fund Services, LLC, not affiliated with Northern Trust.





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Market risk, small companies risk, risk of concentrating in the real estate industry, foreign securities and currencies risk, emerging markets risk, banking concentration risk, interest rate risk, risk of investing for inflation protection, risk of municipal securities, and/or fund of funds risk. To more fully understand the risks related to an investment in the funds, investors should carefully read each fund's prospectus.

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Securities of US Small Cap, Int'l Small Cap are often less liquid than those of large companies. As a result, small company stocks and the ETF's which invest in them may fluctuate relatively more in price. Although securities of larger firms, including US Large Cap Blend, US Mid Cap Blend, and Int'l Large Cap Blend fluctuate relatively less, economic, political and issuer specific events will cause the value of all securities and the funds which invest in them to fluctuate as well.

Real Estate investments through REITS and Real Estate Stocks are concentrated in the real estate industry. The ETF's exclusive focus on the real estate industry may cause its risk to approximate the general risks of direct real estate ownership. Their performance may be materially different from the broad US equity market.

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- Technology and Internet-related stocks, especially of smaller, less-seasoned companies, tend to be more volatile than the overall market.
- There are special risks associated with an investment in real estate, including credit risk, interest rate fluctuations and the impact of varied economic conditions.
- Standard & Poor's (S&P) 500 Index measures the performance of 500 large cap stocks, which together represent about 75% of the total US equities market. It is not possible to invest directly in an index.
- Small- mid- and micro-cap companies may be hindered as a result of limited resources or less diverse products or services and have therefore historically been more volatile than the stocks of larger, more established companies.
- Master Limited Partnership (MLP) investing includes risks such as equity- and commodity-like volatility. Also, distribution payouts sometimes include the return of principal and, in these instances, references to these payouts as "dividends" or "yields" may be inaccurate and may overstate the profitability/success of the MLP. Additionally, there are potentially complex and adverse tax consequences associated with investing in MLPs. This is largely dependent on how the MLPs are structured and the vehicle used to invest in the MLPs. It is strongly recommended that an investor consider and understand these characteristics of MLPs and consult with a financial and tax professional prior to investment.
- Beta measures volatility relative to a benchmark. A result greater than 1.0 implies that a security is more volatile than the benchmark; a result less than 1.0 suggests that the security is less volatile than the benchmark. Betas may change over time.
- Alpha refers to the performance differential between a specific investment and its benchmark.
- RiverFront's Price Matters® discipline compares inflation-adjusted current prices relative to their long-term trend to help identify extremes in valuation.
- LKQ Corporation (LKQ-NASDAQ) and iShares U.S. Home Construction ETF (ITB) are currently in the RiverFront portfolios.
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