

OBJECTIVE & STRATEGY

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Northern Trust Quality Dividend IndexSM (Underlying Index). The Fund pursues a strategy that, in line with its stated investment objective, provides exposure to the long-term growth potential of U.S. securities while providing dividend payments. It attempts to provide investors with a U.S. core large cap stock market option that may also help meet their income needs.

Designed to replace traditional large cap U.S. equity products, the strategy applies a proprietary scoring model approach that determines a “quality factor” and an optimization process that seeks to maximize this factor, match the Parent Index’s beta and improve on the Parent Index’s dividend yield. Realized capital gains are anticipated to be paid out at least annually and income dividends are anticipated to be paid out at least quarterly.

INVESTOR PROFILE

FlexShares Quality Dividend Index Fund may be suited to investors seeking to achieve their income needs while still participating in capital growth through the U.S. equity market.

PERFORMANCE Quarter End Performance (%) as of 06/30/2013

FlexShares Quality Dividend Index Fund (QDF)	1 Month	QTD	YTD	1 Year	Since Inception
Market Price Returns	-0.49%	4.17%	18.11%	-	18.88%
NAV Returns	-0.26%	4.31%	18.48%	-	18.96%
Northern Trust Quality Dividend Index (NTUQDTR)	-0.21%	4.42%	18.75%	-	19.26%
Dow Jones US Select Dividend Total Return Index (DJDVY)	-0.05%	1.86%	13.85%	-	14.48%

One cannot invest directly in an index.

Performance 1-year and less are cumulative; performance over 1-year are average annualized total returns.

Performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the original cost. For the most recent month-end performance, please visit the Fund’s website at www.flexshares.com.

TOP TEN HOLDINGS as of 06/30/2013

EXXON MOBIL	XOM	Energy	4.92%
WELLS FARGO	WFC	Financials	3.81%
PFIZER INC	PFE	Health Care	3.26%
VERIZON	VZ	Telecommunications Services	3.19%
JPMORGAN CHASE	JPM	Financials	2.55%
MERCK	MRK	Health Care	2.35%
BOEING	BA	Industrials	2.17%
ALTRIA	MO	Consumer Staples	2.16%
MICROSOFT	MSFT	Information Technology	2.13%
CONOCOPHILLIPS	COP	Energy	2.05%

FUND CHARACTERISTICS as of 06/30/2013

Total # of Holdings	203
Total Net Assets	\$112,002,882
Shares Outstanding	3,800,001
30-Day SEC Yield	2.81%
Price to Earnings	19.21
Price to Book	4.60
Price to Cash	11.20
Price to Sales	2.02
Weighted Average Beta	1.04
Average Market Cap	\$ 85,962,438,280

Holdings data and fund characteristics are subject to change.

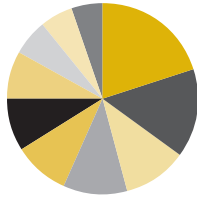
Fund Facts	
Inception	12/14/2012
CUSIP	33939L860
Gross Expense Ratio	.38%
Net Expense Ratio	.37%*
Index Provider	Northern Trust
Primary Exchange	NYSE Arca, Inc.
Options Available	No
Marginable	Yes
Derivative Use	Yes
Securities Lending	No
ETF Ticker	QDF
Underlying Index	Northern Trust Quality Dividend Index SM
NAV	QDF.NV
IOPV	QDF.IV
Estimated Cash	QDF.EU
Total Cash	QDF.TC

*NTI has contractually agreed to reimburse the fees and expenses of the Fund’s independent trustees and independent legal counsel until March 1, 2014.

Sector Allocation as of 06/30/2013

Allocations are subject to change.

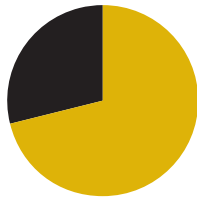
Financials	20.33%
Information Technology	14.83%
Energy	10.93%
Consumer Discretionary	10.87%
Industrials	9.25%
Health Care	8.95%
Consumer Staples	8.20%
Materials	5.87%
Utilities	5.78%
Telecommunication Services	4.99%



Market Cap Breakdown

as of 06/30/2013

Large Cap	70.70%
Mid Cap	29.30%



All data is subject to change.

INVESTMENT MANAGER

Northern Trust is one of the world's largest investment managers with U.S. \$803 billion in assets under management (as of June 30, 2013). Northern Trust serves individuals and institutional investors in more than 40 countries.

INDEX DESCRIPTION

The Northern Trust Quality Dividend Index is designed to provide exposure to a high-quality income-oriented portfolio of long-only U.S. equity securities, with an emphasis on long-term capital growth and a targeted overall beta that is similar to that of the Northern Trust 1250 Index (Parent Index). Companies included in the index are selected based on expected dividend payment and fundamental factors such as profitability, management expertise, and cash flow.

FOR MORE INFORMATION

Consult with your financial professional concerning how FlexShares Quality Dividend Index Fund can help you pursue your investment objectives. Or contact FlexShares at 1-855-FlexETF (1-855-353-9383).

IMPORTANT INFORMATION

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.

Foreside Fund Services, LLC, distributor.

An investment in FlexShares is subject to numerous risks, including possible loss of principal. Fund returns may not match the return of the respective indexes. The Funds are subject to the following principal risks: asset class; commodity; concentration; counterparty; currency; derivatives; dividend; emerging markets; equity securities; fluctuation of yield; foreign securities; geographic; income; industry concentration; inflation-protected securities; interest rate / maturity risk; issuer; management; market; market trading; mid cap stock; natural resources; new funds; non-diversification; passive investment; privatization; small cap stock; tracking error; value investing; and volatility risk. A full description of risks is in the prospectus.

FlexShares Quality Dividend Index Fund is passively managed and uses a representative sampling strategy to track its Underlying Index. Use of a representative sampling strategy creates Tracking Risk where the Fund's performance could vary substantially from the performance of the Underlying Index. Additionally, the Fund is at increased Dividend Risk, as the issuers of the underlying stock might not declare a dividend, or the dividend rate may not remain at current levels. The Fund is also at increased risk of Industry Concentration, where it may be more than 25% invested in the assets of a single industry. Finally, the Fund may also be subject to increased Volatility Risk, where volatility may not equal the target of the Underlying Index.

Beta is a statistical measure of the volatility, or sensitivity, of rates of return on a portfolio or security compared to a market index. The beta for an ETF measures the expected change in return of the ETF relative to the return of a designated index. By definition, the beta of the Standard & Poor's (S&P) 500 Index is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the S&P 500 Index in rising markets and 10% worse in falling markets.

Performance reflects reinvestment of all dividend and capital gain distributions. During the period, some of the Fund's fees were waived and/or reimbursed; otherwise the Fund's performance would have been lower. The Fund inception date is generally several days prior to when the Fund begins trading. NAV prices are used to calculate market price performance prior to 12/19/12, when the Fund first traded on the New York Stock Exchange.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Market performance is determined using the bid/ask midpoint at 4:00pm Eastern time, when the NAV is typically calculated. They do not represent the returns you would receive if you traded shares at other times. NAV is a fund's price per share, which is calculated by dividing the total value of all the securities in the fund's portfolio plus cash, interest and receivables less any liabilities by the number of fund shares outstanding.

