

# BUCK | Simplify Treasury Option Income ETF

## Overview

The **Simplify Treasury Option Income ETF (BUCK)** seeks to provide monthly income by investing at least 80% of its net assets in U.S. Treasury securities, while adding additional value through an options income strategy.

The Treasury component is actively managed to seek the highest total returns while maintaining a duration of 1 year or less.

The risk-managed options writing strategy is designed to provide additional income as well as add to the fund's total returns.

## Key Points

- Designed as a cash or fixed income alternative
- Maintains a core position in what we believe are the most efficient short-term U.S. Treasury securities
- Options selling strategy used to help increase yield above the core fixed income exposure
- Monthly distributions and no K-1's

## Strategy Details

- The fund invests in U.S. Treasury securities such as bills, notes, bonds, and Treasury Inflation-Protected Securities (TIPS), as well as fixed income ETFs that invest primarily in U.S. Treasuries.
- An actively managed strategy is used to select those Treasury securities that can provide the highest total returns while maintaining a duration under 1 year. For example, the fund might exploit temporary pricing anomalies between Treasury Bills and short-term TIPS to select the asset that maximize yield.
- An options writing strategy on fixed income indices, futures and ETFs is utilized to generate additional income and add to the fund's total return.
- Calls and call spreads might be written when the fund believes that an asset's near-term price might remain flat or down, while put spreads might be written when the fund believes an asset's near-term price might increase.

## Portfolio Applications

**Cash Alternative:** Can be used by investors seeking a higher yield than cash and are willing to accept a higher degree of volatility.

**Core Bond Alternative:** For investors seeking a similar or higher yield than core bond funds but with a lower level of volatility.

**Details** | Ticker: BUCK | Inception Date: 10/27/2022

As of 09/30/24

SEC 30-Day Yield	SEC 30-Day Yield Unsubsidized	Gross Expense Ratio	Exchange	CUSIP	Net Assets
4.90%	4.90%	0.35%	NYSE	82889N640	\$200,332,394

## Current Holdings as of 09/30/24

Position	Allocation	Notional (Delta=1)
T Bills	75.10%	—
T Bills	24.91%	—
US TRS BND FRI WK1Oct24C 134	0.00%	—
US BOND FUTR OPTN Nov24C 134	-0.03%	—
US BOND FUTR OPTN Nov24C 132	-0.05%	—
US BOND FUTR OPTN Nov24P 118	-0.05%	—
US BOND FUTR OPTN Nov24P 120	-0.16%	—
Cash	0.27%	—

\*Holdings are subject to change without notice.

## Performance as of 09/30/24

Cumulative Total Return					Annualized Total Return	
BUCK	3 mo	6 mo	YTD	Since Inception	1 Year	Since Inception
NAV	2.44%	2.46%	5.85%	11.50%	6.53%	5.81%
Market Price	2.29%	2.43%	5.75%	11.05%	6.56%	5.60%
ICE BofA US 3-Month Treasury Bill Index	1.37%	2.71%	4.03%	10.02%	5.46%	5.08%

The performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance data current to the most recent month-end please call (855) 772-8488 or go to <https://www.simplify.us/etfs>.

## DEFINITIONS:

**Duration:** A measure of the sensitivity of an asset price to movements in yields.

**Global Market Portfolio:** Represents all assets—stocks, bonds, real estate, commodities, and other investments issued by governments and corporations—weighted in proportion to their relative market values.

**K-1:** Schedule K-1 a federal tax document used to report the income, losses, and dividends of a business' or financial entity's partners or an S corporation's shareholders.

**Market Price:** The current price at which shares are bought and sold. Market returns are based upon the last trade price.

**NAV:** The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.

**Notional Exposure:** The full market exposure a derivatives contract provides after accounting for the leverage embedded in the derivative, expressed as a percentage of the fund's total assets. We assume each option's delta (sensitivity to changes in underlying) is 1 in this calculation, implying that we are measuring the exposure afforded by the options in the instance where extreme markets are being realized. This metric provides a measure of the protection afforded to the underlying security by a given option position.

**Option:** An option is a contract that gives the buyer the right to either buy (in the case of a call option) or sell (in the case of a put option) an underlying asset at a pre-determined price ("strike") by a specific date ("expiry"). An "outright" is another name for a single option leg. A "spread" is when options are bought at one strike and an equal amount of options are sold at a different strike, all at the same expiry.

**SEC 30-Day Yield:** The yield is calculated with a standardized formula and represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price. The yield includes the effect of any fee waivers and/or reimbursements. Without waivers, yields would be reduced. This is also referred to as the "standardized yield", "30-Day Yield" and "Current Yield". The unsubsidized SEC 30-Day Yield does not reflect the effect of any fee waivers and/or expense reimbursements.

## IMPORTANT INFORMATION

**Investors should carefully consider the investment objectives, risks, charges, and expenses of Exchange Traded Funds (ETFs) before investing. To obtain an ETF's prospectus or Summary prospectus containing this and other important information, please call (855) 772-8488, or visit [SimplifyETFs.com](https://SimplifyETFs.com). Please read the prospectus carefully before you invest.**

**An investment in the fund involves risk, including possible loss of principal.**

The fund is actively-managed is subject to the risk that the strategy may not produce the intended results. The fund is new and has a limited operating history to evaluate. The Fund invests in ETFs (Exchange-Traded Funds) and entails higher expenses than if invested into the underlying ETF directly. The lower the credit quality, the more volatile performance will be. When junk bonds sell off, the lowest-rated bonds are typically hit hardest known as blow up risk. Likewise, the riskiest bonds typically rise fastest in a bull market however these investments that don't have a credit rating are typically the most volatile, hard to price and the least liquid.

The use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) the risk that the counterparty to a derivative transaction may not fulfill its contractual obligations; (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate, or index. Derivative prices are highly volatile and may fluctuate substantially during a short period of time. The use of leverage by the Fund, such as borrowing money to purchase securities or the use of options, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses. The Fund's investment in fixed income securities is subject to credit risk (the debtor may default) and prepayment risk (an obligation paid early) which could cause its share price and total return to be reduced. Typically, as interest rates rise the value of bond prices will decline and the fund could lose value.

While the option overlay is intended to improve the Fund's performance, there is no guarantee that it will do so. Utilizing an option overlay strategy involves the risk that as the buyer of a put or call option, the Fund risks losing the entire premium invested in the option if the Fund does not exercise the option. Also, securities and options traded in over-the-counter markets may trade less frequently and in limited volumes and thus exhibit more volatility and liquidity risk.

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