

VCAR | Simplify Volt Robocar Disruption and Tech ETF

As of 06/30/2022

Overview

The Simplify Volt Robocar Disruption and Tech ETF seeks to be exposed to the leader of autonomous driving technology while boosting performance during extreme moves up in Tesla.

Our first-principles investment strategy breaks down what is needed to capture market share in an autonomous robotaxi industry. A sophisticated options overlay then aims to capture moves if the shift to robotaxis indeed proves sudden and disruptive.

Key Points

- TSLA is identified as our winner-take-all anchor in the race to autonomous driving
- Highest single stock exposure is in Tesla with a target allocation of 10.55% target allocation split between 5.3% equity and 5.25% call options
- Advanced options strategy is designed to be robust across a variety of extreme market conditions

Strategy Design

Concentrated Exposure to a leader in autonomous technology

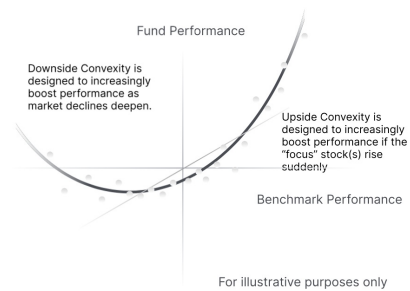
- In our view, there are often just a few winners that end up dominating a new industry
- Our first principles approach seeks to identify those companies poised to be the theme's leaders



Advanced Options Overlay

- Potentially boost equity performance if focus stock(s) makes a sudden move upward
- An intelligent put option overlay is deployed to potentially mitigate some risk from a broad tech selloff
- Idiosyncratic risk in anchor names is also capped via concentration limits

Payoff Profile



Portfolio Uses

Core Strategic Holding	Tactical Upside Exposure	Asset Class Flexibility
<ul style="list-style-type: none"> • Up to 25% allocation to Tesla and Tesla options with the ability for the allocation to grow past that provides core exposure to the real world data leader in autonomous driving 	<ul style="list-style-type: none"> • Option budget is designed to boost sudden upward moves in focus stocks if the focus stocks prove to be disruptive in their fields 	<ul style="list-style-type: none"> • Downside convexity seeks to offer some risk mitigation without diversifying into asset classes like bonds

Details

Ticker	Inception Date	Highest Exposure	Gross Expense Ratio	Exchanges	CUSIP	Net Assets
VCAR	12/28/2020	TSLA	0.95%	NYSE	82889N889	\$4,550,446.69

Equity Holdings *

Position	Allocation	Position	Allocation
TSLA	5.30%	AVGO	2.08%
NVDA	3.91%	SQM	2.02%
AMZN	3.21%	AMD	1.84%
AAPL	3.17%	KUKAY	1.67%
MSFT	2.93%	KO	1.62%
NFLX	2.89%	DE	1.61%
ASML	2.60%	QCOM	1.60%
FANUY	2.58%	GOOG	1.59%
INTC	2.35%	DIS	1.44%
SOND	2.16%	GLNCY	1.41%
		BHP	1.40%

Top 10 Options Holdings *

Position	Allocation	Notional**
TSLA US 06/21/24 C2000	2.66%	34%
TSLA US 01/19/24 C1250	1.49%	12%
QQQ US 08/19/22 P250	1.20%	70%
TSLA US 06/16/23 C980	1.10%	9%
SPY US 09/16/22 P370	0.87%	22%
AAPL US 07/15/22 C142	0.79%	62%
GOOGL US 07/15/22 C2200	0.54%	%
NVDA US 07/15/22 C180	0.34%	91%
NVDA US 07/15/22 C190	0.15%	104%
NDX US 09/16/22 P7000	0.10%	51%

Performance

Average annual total returns as of 6/30/2022					
Ticker	MTD	3 months	6 months	1 year	Inception
NAV	-15.41%	-36.21%	-40.93%	-22.73%	-26.86%
Market Price	-15.85%	-36.68%	-41.22%	-23.31%	-26.99%
S&P 500 Index	-8.26%	-16.11%	-19.97%	-10.64%	3.81%

SEC 30-Day Yield: .43%

Total returns are based on the closing market price of the ETF on 03/31/2022

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. Performance data for the most recent month-end is available by calling 1-855-772-8488.

* Holdings are subject to change without notice

** Delta = 1; Delta refers to the sensitivity of a derivative price to changes.

Definitions

Convexity: An investment strategy is convex if its payoff relative to its benchmark is curved upward. Convex investment strategies are expected to be highly correlated with the benchmark in typical market environments but diverge to the positive in extreme markets. There are no free lunches though, and convex strategies are expected to lag during quiet markets.

Focus Stock(s): The highest concentration securities that Volt Equity believes are strong leaders for the theme.

Expiry: The time until an option expires. In the context here expiry is used to describe the length of time from when an option position is initiated to when it will expire.

SEC 30-Day Yield: The SEC yield is calculated with a standardized formula mandated by the SEC. The formula is based on maximum offering price per share and includes the effect of any fee waivers. Without waivers, yields would be reduced. This is also referred to as the "standardized yield", "30-Day Yield" and "Current Yield".

Options: 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 by a specific date. Options are a powerful tool for creating a wide array of payoff profiles and can be used on a standalone basis or integrated into a broader portfolio strategy.

OTMness: Stands for out-of-the-moneyness and represents how far the option strike is from current market price. In the context here OTMness is used to describe how far the option strike is from the market price when the option position is initiated.

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.

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

Investors should carefully consider the investment objectives, risks, charges and expenses of Exchange Traded Funds (ETFs) before investing. To obtain an ETF's prospectus containing this and other important information, please call (855) 772-8488, or visit VoltFunds.com. Please read the prospectus carefully before you invest. An investment in the fund involves risk, including possible loss of principal. Past performance does not guarantee future results.

Principal Risks

The fund's investment objective is to seek capital appreciation. The funds are new and have a limited operating history.

The Fund focuses its assets (i.e., invests up to 25% of its assets) in securities of Tesla, and as a result, the Fund may be subject to greater volatility with respect to its portfolio securities than a Fund that is more broadly diversified. The Fund may make investments in certain ETFs that are concentrated in the Information Technology sector, which means the ETFs are more likely to be more adversely affected by any negative performance of the Information Technology sector than ETFs that have more diversified holdings across a number of sectors. Artificial intelligence companies typically engage in significant amounts of spending on research and development, and there is no guarantee that the products or services produced by these companies will be successful. Artificial intelligence companies, especially smaller companies, tend to be more volatile than companies that do not rely heavily on technology.

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 earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies. Small and medium sized companies normally have a lower trading volume than larger companies, which may tend to make their market price fall more disproportionately than larger companies in response to selling pressures and may have limited markets, product lines, or financial resources and lack management experience.

The Fund invests in companies that capitalize on disruptive innovation and developing technologies. Companies that initially develop a novel technology may not be able to capitalize on the technology or derive any revenue which may affect the value of the securities issued by the company.

The risk that the Model used by the Fund to determine or guide investment decisions may not achieve the objectives of the Fund. Additionally, the portfolio manager of the Fund is able, under certain adverse conditions, to deviate from the Model employed by the Fund. Such deviations may not achieve the objectives of the Fund and may produce lower returns and/or higher volatility compared to what the returns and volatility of the Fund would have been if the portfolio manager had not deviated from the Model.

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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