



ASYMMETRIC SMART INCOME INDEX
GUIDELINE

Version 1.0

01 January 2023

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INTRODUCTION

This document (the “GUIDELINE”) is to be used as a guideline with regard to the composition, calculation and maintenance of the ASYMMetric Smart Income Index (the “INDEX”). Any amendments to the rules made to the GUIDELINE are approved by the COMMITTEE specified in Section 5.4. The INDEX is owned and administrated by ASYMMetric Investment Solutions, LLC, the “INDEX ADMINISTRATOR”). The INDEX ADMINISTRATOR has engaged Solactive AG (“SOLACTIVE”) as the calculation and publication agent (the “INDEX CALCULATION AGENT”). The INDEX is calculated and published for the INDEX ADMINISTRATOR by SOLACTIVE. The name “Solactive” is trademarked.

The text uses defined terms which are formatted with “SMALL CAPS”. Such Terms shall have the meaning assigned to them as specified in Section 6 (Definitions).

The GUIDELINE and the policies and methodology documents referenced herein contain the underlying principles and rules regarding the structure and operation of the INDEX. Neither the INDEX ADMINISTRATOR nor the INDEX CALCULATION AGENT offer any explicit or tacit guarantee or assurance, neither pertaining to the results from the use of the INDEX nor the level of the INDEX at any certain point in time nor in any other respect. The INDEX CALCULATION AGENT strives to the best of its ability to ensure the correctness of the calculation but accepts no liability from the willful negligence, fraud or default of any person in connection with the calculation and publication of the INDEX. The INDEX CALCULATION AGENT does not make any warranties, express or implied, to the INDEX ADMINISTRATOR, any of its customers, or anyone else regarding the INDEX, including, without limitation, any warranties with respect to the timeliness, sequence, accuracy, completeness, correctness, merchantability, quality or fitness for a particular purpose or any warranties as to the results to be in connection with the use of the INDEX. There is no obligation for the INDEX ADMINISTRATOR or the INDEX CALCULATION AGENT – irrespective of possible obligations to issuers – to advise third parties, including investors and/or financial intermediaries, of any errors in the INDEX. The publication of the INDEX by the INDEX CALCULATION AGENT for the INDEX ADMINISTRATOR does not constitute a recommendation for capital investment and does not contain any assurance or opinion of the INDEX ADMINISTRATOR or the INDEX CALCULATION AGENT regarding a possible investment in a financial instrument based on this INDEX.

1. INDEX SPECIFICATIONS

1.1. SCOPE OF THE INDEX

Category	Description
Asset Class	Equity
Strategy	The ASYMmetric Smart Income Index is engineered to generate higher income and better performance than the S&P 500 [®] with less risk. The Index seeks to accomplish these goals by dynamically allocating to high income producing asset classes (MLPs, REITs, Utilities or fixed income) when they are in a bull market and away from them in a bear market. MORE is a quantitatively driven rules-based strategy powered by ASYMmetric Risk Management Technology™.
Regional Allocation	Developed Markets
Rebalancing Frequency	Monthly

1.2. IDENTIFIERS AND PUBLICATION

The INDEX is published under the following identifiers:

Name	ISIN	Currency	Type	RIC	BBG ticker
ASYMmetric Smart Alpha 500 Index	TBD	USD	Tactical Allocation	.MORE	MORE Index

The INDEX is published for the INDEX ADMINISTRATOR on the website of the INDEX CALCULATION AGENT (www.solactive.com) and is, in addition, available via the price marketing services of Boerse Stuttgart GmbH and may be distributed to all of its affiliated vendors. Each vendor decides on an individual basis as to whether it will distribute or display the INDEX via its information systems.

Any publication in relation to the INDEX (e.g. notices, amendments to the GUIDELINE) will be published for the INDEX ADMINISTRATOR and available at the website of the INDEX CALCULATION AGENT: <https://www.solactive.com/news/announcements/> and INDEX ADMINISTRATOR website <https://www.ASYMolutions.com/>.

1.3. INITIAL LEVEL OF THE INDEX

The initial level of the INDEX on the 31/12/1999, the START DATE, is 1000. Historical values from the 01/01/2023, the LIVE DATE, will be recorded in accordance with Article 8 of the BMR. Levels of the INDEX published for a period prior to the LIVE DATE have been back-tested.

1.4. PRICES AND CALCULATION FREQUENCY

The level of the INDEX is calculated on each CALCULATION DAY from 9:30 a.m. to 16:50 p.m. EST based on the TRADING PRICES on the EXCHANGES on which the INDEX COMPONENTS are listed. TRADING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the current Intercontinental Exchange (ICE) spot foreign exchange rate. Should there be no current TRADING PRICE for an INDEX COMPONENT, the later of: (i) the most recent CLOSING PRICE; or (ii) the last available TRADING PRICE for the preceding TRADING DAY is used in the calculation.

In addition to the intraday calculation a closing level of the INDEX for each CALCULATION DAY is also calculated. This closing level is based on the CLOSING PRICES for the INDEX COMPONENTS on the respective EXCHANGES on which the INDEX COMPONENTS are listed. The CLOSING PRICES of INDEX COMPONENTS not listed in the INDEX CURRENCY are converted using the 04:00 p.m. London time WM Fixing quoted by Reuters. If there is no 04:00 p.m. London time WM Fixing for the relevant CALCULATION DAY, the last available 04:00 p.m. London time WM Fixing will be used for the closing level calculation.

1.5. LICENSING

Licenses to use the INDEX as the underlying value for financial instruments, investment funds and financial contracts may be issued to stock exchanges, banks, financial services providers and investment houses by the INDEX ADMINISTRATOR.

2. INDEX SELECTION

On each SELECTION DAY, the INDEX ADMINISTRATOR will revise the composition of the INDEX.

In a first step, the INDEX ADMINISTRATOR determines the INDEX UNIVERSE in accordance with Section 2.1. The INDEX UNIVERSE comprises all those financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS (as specified in Section 2.1) and will constitute a starting pool from which the components of the INDEX will be selected. Based on this INDEX UNIVERSE, the new composition of the INDEX will be determined by applying the rules outlined in Section 2.2.

Each new INDEX COMPONENT will be assigned a weight as described in Section 2.3.

2.1. INDEX UNIVERSE REQUIREMENTS

The INDEX UNIVERSE is comprised of MLPs, REITs, Utilities, and Fixed Income securities.

The determination of the INDEX UNIVERSE is fully rule-based and the INDEX ADMINISTRATOR cannot make any discretionary decisions.

2.2. RISK ENVIRONMENT

The Index is powered by ASYMmetric Risk Management Technology™ which at its core can measure the Risk Environment of any asset class. It is engineered to determine whether an asset class is in a bull market (Risk-On) or bear market (Risk-Off). The ASYMmetric Smart Income Index harnesses the technology to measure the Risk Environment of MLPs, REITs, Utilities, and U.S. Treasuries. The Index will allocate to asset classes identified as in a bull market and away from those in a bear market.

The ASYMmetric Smart Income Index uses the Price Momentum Indicator (“PMI”) to determine the current Risk Environment for the high income producing asset classes of MLPs, REITs and Utilities. The Price Momentum Indicator is driven by the 200 Day Simple Moving Average (“200 Day SMA”). The Price Momentum Indicator is signaling Risk-On, if an index is trading above its 200 Day SMA and Risk-Off, if the index is trading below the 200 Day SMA.

Price Momentum Indicator	
Risk-On	Risk-Off
<u>Above</u> 200 Day SMA	<u>Below</u> 200 Day SMA

2.3. DYNAMICALLY MANAGED EXPOSURE

The ASYMmetric Smart Income Index is engineered to dynamically allocated to high income producing asset classes in a bull market and away from those in a bear market. The Risk Environment determines the exposure each high income producing asset class receives in the Index. In a Risk-Off

Environment (bear market), exposure is 0%. In a Risk-On Environment (bull market), exposure will range from 1/3 to 100% of the Index. The amount of exposure to MLPs, REITs, and Utilities is determined by how many are identified as being in a bull market.

Dynamically Managed Exposure		
High Income Producing Asset Class	Risk-Off Exposure	Risk-On Exposure
MLPs	0%	33-100%
REITs	0%	33-100%
Utilities	0%	33-100%

2.4. WEIGHTING OF INDEX COMPONENTS

There are four possible outcomes. One extreme is all (MLPs, REITs and Utilities) are in a bull market. The other extreme is all are in a bear market. In the case where all three are in a bull market, each will receive 1/3 allocation. In the case where two are in a bull market, each will receive 50% allocation. In the case where one is in a bull market, that asset class will receive 100% allocation. This dynamic allocation keeps the Index full invested and producing maximum income as long as there is a bull market.

Weighting of Index Components				
High Income Producing Asset Class	Risk-On	Risk-On	Risk-On	Risk-On
Number in Bull Market	3	2	1	0
Weight	33.3%	50%	100%	0%

When all income producing asset classes (MLPs, REITs, and Utilities) are in a bear market. ASYMMetric Risk Management Technology™ starts looking for bull markets in fixed income securities in order to maximum the income of the Index.

2.5. FIXED INCOME SELECTION AND WEIGHTS

ASYMMetric Risk Management Technology™ is used to measure the current Risk Environment of fixed income. The Price Momentum Indicator (“PMI”) is used to determine the current Risk Environment for 30-Year Treasuries, 10-Year Treasuries, and 90-Day T-Bills. The Price Momentum Indicator is driven by the 200 Day Simple Moving Average (“200 Day SMA”) of Yield. The Price Momentum Indicator is signaling Risk-Off, if the yield of fixed income asset class is trading above its 200 Day Average Yield and Risk-On, if it’s trading below its 200 Day Average Yield.

The Fixed Income Selection Process:

ASYMMETRIC SMART INCOME INDEX GUIDELINE

1. Risk Environment: Measure the Risk Environment of 30-Year Treasuries, 10-Year Treasuries, and 90-Day T-Bills using ASYMMetric Risk Management Technology™. Determine whether their current Risk Environment Risk-On (bull market) or Risk-Off (bear market).
2. Maximize Income: If any of the above fixed income asset classes are Risk-On (in a bull market), then select the one with the highest yield and invest 100% of the Index in it.
3. Maximize Protection: If all fixed income asset classes are Risk-Off (in a bear market), then go into capital preservation mode and invest 100% of the Index in cash. No safe sources of income are available.

3. REBALANCE

3.1. ORDINARY REBALANCE

In order to reflect the new selection of the INDEX COMPONENTS determined on the SELECTION DAY (in accordance with Section 2) the INDEX is adjusted by the INDEX CALCULATION AGENT on the REBALANCE DAY after CLOSE OF BUSINESS.

This is carried out by implementing the shares as determined on the FIXING DAY based on the weights calculated on the SELECTION DAY.

For more information on the rebalance procedure please refer to the Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>

SOLACTIVE will publish for the INDEX ADMINISTRATOR any changes made to the INDEX COMPONENTS with sufficient notice before the REBALANCE DAY on the SOLACTIVE website under the section "Announcement", which is available at <https://www.solactive.com/news/announcements/>

3.2. EXTRAORDINARY REBALANCE

The INDEX is not rebalanced extraordinarily.

4. CALCULATION OF THE INDEX

4.1. INDEX FORMULA

The LONG INDEX is calculated as a gross total return Index, the LONG SHORT INDEX is calculated as a combination of LONG INDEX, SHORT COMPONENT and CASH COMPONENT.

The calculation is performed according to the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. The standard index formula stipulates that the level of the INDEX changes based on the change of the prices of its INDEX COMPONENTS taking into account their weight in the INDEX and any currency conversion in case the price of an INDEX COMPONENT is quoted in a currency other than the INDEX CURRENCY.

Any dividends or other distributions are reinvested back into the INDEX COMPONENT paying the dividend or other distribution at the opening of the effective date (the so called ex-date) of the payment of such dividend or other distribution.

A more detailed description of the mechanics of the index calculation formula can be found in the Solactive Equity Index Methodology under Section 1.2.

4.2. ACCURACY

The level of the INDEX will be rounded to 2 decimal places. TRADING PRICES and foreign exchange rates will be rounded to six decimal places.

4.3. ADJUSTMENTS

Under certain circumstances, an adjustment of the INDEX may be necessary between two regular REBALANCE DAYS. Such adjustment has to be made if a corporate action (as specified in Section 4.4 below) in relation of an INDEX COMPONENT occurs. Such adjustment may have to be done in relation to an INDEX COMPONENT and/or may also affect the number of INDEX COMPONENTS and/or the weighting of certain INDEX COMPONENTS and will be made in compliance with Section 2.1 of the Equity Index Methodology, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>.

In the case an extraordinary event is not outlined the Equity Index Methodology, the COMMITTEE will instruct the INDEX CALCULATION AGENT on the INDEX adjustments.

SOLACTIVE will announce for the INDEX ADMINISTRATOR the INDEX adjustment giving a notice period of at least two TRADING DAYS (with respect to the affected INDEX COMPONENT) on the SOLACTIVE website under the Section “Announcements”, which is available at <https://www.solactive.com/news/announcements/>.

The INDEX adjustments will be implemented on the effective day specified in the respective notice.

4.4. CORPORATE ACTIONS

As part of the INDEX maintenance the INDEX CALCULATION AGENT will consider various events – also referred to as corporate actions – which result in an adjustment to the INDEX between two regular REBALANCE DAYS. Such events have a material impact on the price, weighting or overall integrity of INDEX COMPONENTS. Therefore, they need to be accounted for in the calculation of the INDEX. Corporate actions will be implemented from the cum-day to the ex-day of the corporate action, so that the adjustment to the INDEX coincides with the occurrence of the price effect of the respective corporate action.

Adjustments to the INDEX to account for corporate actions will be made by the INDEX CALCULATION AGENT in compliance with Section 2.1 of the Equity Index Methodology, which is available on the SOLACTIVE website: <https://www.solactive.com/documents/equity-index-methodology/>. This document contains for each corporate action a brief definition and specifies the relevant adjustment to the INDEX variables.

While the INDEX CALCULATION AGENT aims at creating and maintaining the methodology for treatment of corporate actions as generic and transparent as possible and in line with regulatory requirements, the INDEX ADMINISTRATOR retains the right to deviate from these standard procedures specified in the Equity Index Methodology in case of any unusual or complex corporate action or if such a deviation is made to preserve the comparability and representativeness of the INDEX over time. The INDEX ADMINISTRATOR will instruct the INDEX CALCULATION AGENT on the INDEX adjustments.

The INDEX CALCULATION AGENT considers following, but not conclusive, list of corporate actions as relevant for INDEX maintenance:

- > Cash Distributions (e.g. payment of a dividend)
- > Stock distributions (e.g. payment of a dividend in form of additional shares)
- > Stock distributions of another company (e.g. payment of a dividend in form of additional shares of another company (e.g. of a subsidiary))
- > Share splits (company's present shares are divided and therefore multiplied by a given factor)
- > Reverse splits (company's present shares are effectively merged)
- > Capital increases (such as issuing additional shares)
- > Share repurchases (a company offer its shareholders the option to sell their shares to a fixed price)
- > Spin-offs (the company splits its business activities into two or more entities and distributes new equity shares in the created entities to the shareholders of the former entity)
- > Mergers & Acquisitions (transaction in which the ownership of a company (or other business organizations) are transferred or consolidated with other entities, e.g. fusion of two or more separate companies into one entity)
- > Delistings (company's shares are no longer publicly traded at a stock exchange)
- > Nationalization of a company (effective control of a legal entity is taken over by a state)

> Insolvency

4.5. RECALCULATION

The INDEX CALCULATION AGENT makes the greatest possible efforts to accurately calculate and maintain the indices for the INDEX ADMINISTRATOR. However, errors in the determination process may occur from time to time for variety reasons (internal or external) and therefore, cannot be completely ruled out. The INDEX CALCULATION AGENT endeavors to correct all errors that have been identified within a reasonable period of time. The understanding of “a reasonable period of time” as well as the general measures to be taken are generally depending on the underlying and is specified in the Solactive Correction Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/correction-policy/>.

4.6. MARKET DISRUPTION

In periods of market stress the INDEX CALCULATION AGENT calculates indices following predefined and exhaustive arrangements as described in the Solactive Disruption Policy, which is incorporated by reference and available on the SOLACTIVE website: <https://www.solactive.com/documents/disruption-policy/>. Such market stress can arise due to a variety of reasons, but generally results in inaccurate or delayed prices for one or more INDEX COMPONENTS. The determination of the INDEX may be limited or impaired at times of illiquid or fragmented markets and market stress.

5. MISCELLANEOUS

5.1. METHODOLOGY REVIEW

The methodology of the INDEX is subject to regular review, at least annually. In case a need of a change of the methodology has been identified within such review (e.g. if the underlying market or economic reality has changed since the launch of the INDEX, i.e. if the present methodology is based on obsolete assumptions and factors and no longer reflects the reality as accurately, reliably and appropriately as before), such change will be made by the Index Administrator.

Such change in the methodology will be announced and published by the INDEX CALCULATION AGENT for the INDEX ADMINISTRATOR on the SOLACTIVE website under the Section “[Announcement](#)”, which is available at <https://www.solactive.com/news/announcements/>. The date of the last amendment of this INDEX is contained in this GUIDELINE.

5.2. CHANGES IN CALCULATION METHOD

The application by the INDEX ADMINISTRATOR and the INDEX CALCULATION AGENT of the method described in this document is final and binding. The INDEX ADMINISTRATOR and the Index Calculation Agent shall apply the method described above for the tasks assigned to them with regard to the composition, determination, calculation, maintenance and publication of the INDEX. However, it cannot be excluded that the market environment, supervisory, legal and financial or tax reasons may require changes to be made to this method. The INDEX ADMINISTRATOR may also make changes to the terms and conditions of the INDEX and the method applied to calculate the INDEX, and instruct the INDEX CALCULATION AGENT accordingly, that it deems to be necessary and desirable in order to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. Neither the INDEX ADMINISTRATOR nor the INDEX CALCULATION AGENT obliged to provide information on any such modifications or changes. Despite the modifications and changes, the INDEX ADMINISTRATOR and the INDEX CALCULATION AGENT will take the appropriate steps to ensure a calculation method is applied that is consistent with the method described above.

5.3. TERMINATION

The INDEX ADMINISTRATOR makes the greatest possible efforts to ensure the resilience and continued integrity of its indices over time. Where necessary, the INDEX ADMINISTRATOR follows a clearly defined and transparent procedure to adapt Index methodologies to changing underlying markets (see Section 5.2 “Methodology Review”) in order to maintain continued reliability and comparability of the indices. Nevertheless, if no other options are available the orderly cessation of the INDEX may be indicated. This is usually the case when the underlying market or economic reality, which an index is set to measure or to reflect, changes substantially and in a way not foreseeable at the time of inception of the index, the index rules, and particularly the selection criteria, can no longer be applied coherently or the index is no longer used as the underlying value for financial instruments, investment funds and financial contracts.

5.4. OVERSIGHT

The INDEX ADMINISTRATOR is responsible for decisions regarding any amendments to the rules of the INDEX.

6. DEFINITIONS

“BUSINESS DAY” is a day on which New York Stock Exchange is open for general business.

“CALCULATION DAY” is every weekday from Monday to Friday. A day on which New York Stock Exchange is not open for general business is not a CALCULATION DAY.

“CLOSE OF BUSINESS” is the calculation time of the closing level of the INDEX as outlined in Section 1.4.

The “CLOSING PRICE” in respect of an INDEX COMPONENT and a TRADING DAY is a security's final regular-hours TRADING PRICE published by the EXCHANGE and determined in accordance with the EXCHANGE regulations. If the EXCHANGE has no or has not published a CLOSING PRICE in accordance with the EXCHANGE rules for an INDEX COMPONENT, the last TRADING PRICE will be used.

“EXCHANGE” is with respect to the INDEX and every INDEX COMPONENT, the respective exchange where the INDEX COMPONENT has its listing as determined in accordance with the rules in Section 2.

“FIXING DAY” is the SELECTION DAY.

“GUIDELINE” shall have the meaning as defined in Section “Introduction”.

“INDEX” shall have the meaning as defined in Section “Introduction”.

“INDEX ADMINISTRATOR” shall have the meaning as defined in Section “Introduction”.

“INDEX CALCULATION AGENT” shall have the meaning as defined in Section “Introduction”.

“INDEX COMPONENT” is each security reflected in the INDEX.

“INDEX COMPONENT REQUIREMENTS” shall have the meaning as defined in Section 2.2.

“INDEX CURRENCY” is the currency specified in the column “Currency” in the table in Section 1.2.

“INDEX UNIVERSE REQUIREMENTS” shall have the meaning as defined in Section 2.1.

“INDEX UNIVERSE” is the sum of all financial instruments which fulfill the INDEX UNIVERSE REQUIREMENTS.

“LIVE DATE” shall have the meaning as defined in Section 1.3.

PRICE MOMENTUM INDICATOR” is an algorithm that measures the price risk of a market.

“REBALANCE DAY” is the 4th Business Day following the SELECTION DAY. If that day is not a TRADING DAY the REBALANCE DAY will be the immediately following TRADING DAY.

“RISK ENVIRONMENT” determine by the scores of the Price Momentum.

“RISK-ON ENVIRONMENT” is when the Price Momentum Indicator is above the 200-day SMA.

“RISK-OFF ENVIRONMENT” is when the Price Momentum Indicator is below the 200-day SMA.

“SELECTION DAY” is the last business day of each month of the year.

“SOLACTIVE” shall have the meaning as defined in Section “Introduction”.

“START DATE” shall have the meaning as defined in Section 1.3.

“TRADING DAY” is with respect to an INDEX COMPONENT included in the INDEX at the REBALANCE DAY and every INDEX COMPONENT included in the INDEX at the CALCULATION DAY immediately following the REBALANCE DAY (for clarification: this provision is intended to capture the TRADING DAYS for the

securities to be included in the INDEX as new INDEX COMPONENTS with close of trading on the relevant EXCHANGE on the REBALANCE DAY) a day on which the relevant EXCHANGE is open for trading (or a day that would have been such a day if a market disruption had not occurred), excluding days on which trading may be ceased prior to the scheduled EXCHANGE closing time and days on which the EXCHANGE is open for a scheduled shortened period. The INDEX ADMINISTRATOR is ultimately responsible as to whether a certain day is a TRADING DAY.

The “TRADING PRICE” in respect of an INDEX COMPONENT and a TRADING DAY is the most recent published price at which the INDEX COMPONENT was traded on the respective EXCHANGE.

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