

Overview

The Simplify Risk Parity Treasury ETF seeks to target the duration of the ICE 20+ Year US Treasury Index by investing in Treasuries and Treasury futures in the intermediate portion of the curve. The fund is designed to provide significant duration from only a modest capital allocation while simultaneously attempting to harvest yield curve efficiencies from the belly of the curve.

The fund can be used as a replacement for less efficient long duration holdings, as a means of increasing capital efficiency of intermediate duration portfolio allocations, or as a building block within innovative portfolio solutions such as risk parity.

Key Points

- **Targets the duration of the ICE 20+ Year US Treasury Index by investing in Treasuries and Treasury futures in the intermediate portion of the curve**
- **Improves capital efficiency of fixed income portfolios by providing significant duration from only a modest allocation**
- **Can potentially create more efficient long duration exposure by capitalizing on favorable roll coupon yields in the intermediate portion of the Treasury curve**

Strategy Details

- Fund targets the duration of the ICE 20+ Year US Treasury Index by investing in a combination of Treasuries and Treasury futures
- Treasury futures are rolled quarterly based on open interest

Portfolio Applications

- **Enhanced Long Duration:** Given the duration matching to the ICE 20+ Year US Treasury Index, the fund can be used as a core long duration holding with the potential for excess carry relative to cash investments in long-term Treasuries.
- **Enhanced Capital Efficiency:** Given the levered exposure to intermediate-term US Treasuries, the fund can be used to gain intermediate duration exposure with only a fraction of the capital required by an unlevered position.
- **Innovative Portfolio Solutions:** With the dual goal of capital and yield curve efficiency, the fund can be used as a compelling building block within more innovative portfolio strategies such as risk parity.

Details | Ticker: TYA

Inception Date: 9/27/2021

Core Exposure	SEC 30-Day Yield	SEC 30-Day Yield Unsubsidized	Gross Expense Ratio	Net Expense Ratio	Exchange	CUSIP	Net Assets
NA	0.70%	0.60%	0.25%	0.15%	Cboe BZX Exchange	82889N798	\$10,419,211.73

The Fund's adviser has contractually agreed to reduce its management fees, until at least October 31, 2022, to 0.15% of the Fund's average daily net assets.

Current Holdings

Position	Allocation
T 1 07/31/28 Govt	59.45%
TYZ1 - US 10Y NOTE (CBT) Dec21	255.91%
Cash	42.29%

Holdings are subject to change without notice.

Performance

Ticker	Average annual total returns as of 09/30/2021					
	MTD 10/31/2021	Q3 2021	1-Year	5-Year	10-Year	Inception
NAV	-2.21%	0.31%	—	—	—	0.31%
Market Price	-2.51%	0.54%	—	—	—	0.54%

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>.

The Adviser has voluntarily agreed to limit fees. This agreement may change or end at any time. Performance would have been lower without limitations in effect.

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.

DEFINITIONS:

Coupon Yield: The annualized return earned on a bond from its preset coupon payments (i.e. no curve changes and roll yield is ignored).

Duration: A measure of the sensitivity of the price of a bond to a change in interest rates.

ICE 20+ Year US Treasury Index: Common industry benchmark that measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury with 20+ years to maturity.

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.

DEFINITIONS CONTINUED:

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.

Risk Parity: A portfolio construction methodology that builds portfolios by equalizing risk contributions.

Roll Yield: The annualized return earned on a bond by virtue of a bond's yield moving up or down the curve via the passage of time (i.e. no curve changes and coupon payments are ignored).

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".

SEC Unsubsidized 30-Day Yield: The un-subsidized SEC yield is calculated with a standardized formula mandated by the SEC. The formula is based on maximum offering price per share and does not reflect waivers in effect. This is also referred to as the "unsubsidized standardized yield", "unsubsidized 30-Day Yield" and "unsubsidized Current Yield".

Yield Curve: A line that plots yields of bonds having equal credit quality but differing maturity dates.

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 containing this and other important information, please call (855) 772-8488, or visit SimplifyETFs.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.

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

The Simplify Risk Parity Treasury ETF (the "Fund") seeks to provide total return, before fees and expenses, that matches or outperforms the performance of the ICE US Treasury 20+ Year Index on a calendar quarter basis. The Fund does not seek to achieve its stated investment objective over a period of time different than a full calendar quarter. The fund is new and has a limited operating history to evaluate.

When the Fund invests in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities owned by the Fund.

The Fund invests in ETFs (Exchange-Traded Funds) and is therefore subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly.

Derivatives Risk: Options are a derivative investment. 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.

Short-term investment Risk: Investors holding shares of the Fund over longer-term periods may be subject to increased risk of loss. The Fund is intended to be used only for short-term investment horizons. An investor in the Fund can lose all or a substantial portion of his or her investment within a single day. The longer an investor's holding period in the Fund, the greater the potential for loss.

Futures Contract Risk: Futures contracts involve the following risks (a) the imperfect correlation between the change in market value of the instruments held by the Fund and the price of the forward or futures contract; (b) possible lack of a liquid secondary market; (c) leverage, which means a small percentage of assets in futures can have a disproportionately large impact on the Fund and the Fund can lose more than the principal amount invested; (d) losses are potentially unlimited; (f) the possibility that the counterparty will default in the performance of its obligations.

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