SIMPLIFY ETFs

As of June 30, 2021

CYA | Simplify Tail Risk Strategy ETF

Overview

The Simplify Tail Risk Strategy ETF seeks to provide income and capital appreciation while protecting against significant downside risk to investors with a standalone solution for hedging diversified portfolios against severe equity market selloffs. By investing a substantial annual budget in highly convex equity-hedging strategies, modest allocations to the fund are intended to be valuable as a total portfolio hedging solution.

The fund deploys advanced option strategies that are designed to handle multiple types of market dislocations and be robust to path dependency. The fund invests in high income strategies to help fund the option purchases.

Key Points

- **Designed as a standalone equity hedge that can help protect significant portions of equity-dominated portfolios with only modest allocations**
- **Advanced option overlay is designed to create a highly convex payoff during severe equity market selloffs**
- **Fund invests in high income strategies to help fund the option purchases**

Strategy Details

- Advanced option strategies are used to create convex payoffs when equity markets decline substantially
- Option strategies are designed to handle various types of market dislocations and be robust to path dependency via systematic laddering, rebalancing, and monetization
- Fund invests in high income strategies to help fund the option purchases
- Substantial annual investment in the hedging strategies is intended to create payoffs sizable enough to be used as a portfolio-wide equity hedging solution during extreme market stress

Portfolio Applications

- **Portfolio Equity Hedge:** The option overlay is explicitly designed and sized to hedge against substantial drawdowns in equity markets, hence can be used to hedge a portfolio against equity risk.

Details | **Ticker: CYA**

Inception Date: 9/13/2021

SEC 30-Day Yield	SEC 30-Day Yield Unsubsidized	Gross Expense Ratio	Net Expense Ratio*	Exchange	CUSIP	Net Assets
7.17%	6.91%	0.75%	0.50%	NYSE	82889N780	$104,401,586.00

*The Fund's adviser has contractually agreed, until at least October 31, 2022, to waive certain fees and/or pay expenses, in order to limit specified expenses to 0.50% of the Fund's average daily net assets.

CURRENT HOLDINGS*

Position	Allocation	Notional Exposure (Delta=1)
CDX	25.88%	-
PFIX	9.55%	-
SVOL	29.32%	-
TYA	21.25%	-
SPY 09/16/22 P370	4.15%	104%
SPY 07/15/22 P340	0.68%	334%
SPY 08/19/22 P355	6.01%	319%
SPXW 07/27/22 P3650	2.88%	178%
Cash	0.28%	-

*Holdings are subject to change without notice.

Performance as of 06/30/22

Cumulative Total Return					Annualized Total Return	
CYA	MTD	3 Months	6 Months	Since Inception	1-Year	Since Inception
NAV	1.61%	0.45%	-11.65%	-14.92%	-	-
Market Price	0.86%	1.33%	-12.40%	-14.97%	-	-
Ice BofA 3 Mnt Treasury Bill Index (G0O1)(4PM)	0.02%	0.10%	0.14%	0.16%	-	-

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:

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.

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.

G0O1 Index: The BofA Merrill Lynch US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue.

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

Moneyness: Represents how far the option strike is from current market price. In-the-money and out-of-the-money describe options whose market price is beyond the strike and not beyond the strike, respectively.

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.

DEFINITIONS CONTINUED:

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 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.

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 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.

The Fund is subject to the risk that the investment management strategy may not produce the intended results and may negatively impact Fund performance. The adviser's overlay strategy will not fully protect the Fund from declines in the market.

Fund risks include and are not limited to: credit default swaps - involves investment techniques and risks different from those associated with ordinary portfolio security transactions, such as potentially heightened counterparty, concentration and exposure risks, geopolitical risk - the occurrence of global events similar to those in recent years may result in market volatility and may have long term effects on both the U.S. and global financial markets, and real estate risks may change in response to changes in the real estate market such as declines in the value of real estate, lack of available capital or financing opportunities, and increases in property taxes or operating costs.

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.

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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