SIMPLIFY ETFs

NMB | Simplify National Muni Bond ETF

As of September 9, 2024

Overview

The Simplify National Muni Bond ETF (NMB) seeks income.

The fund is an actively managed ETF that seeks to achieve its investment objective by investing primarily in investment grade U.S. municipal bonds, with attractive tax-free yields.

NMB also employs an actively managed municipal bond strategy that pursues opportunistic investing in securities overlooked by passive mandates. In addition, the fund runs a diversified, multi-asset options writing strategy seeking to further enhance returns.

Key Points

- Combines three sources of potential return: municipal bond coupons, actively municipal bond trading, and option-writing income
- Strives to achieve significantly higher after-tax returns than national muni bond indexes
- Income generated through the options strategy, as well as some portions of the active muni bond trading, will be taxable.
- Monthly distributions and no K-1's

Strategy Details

- NMB will employ an actively managed municipal bond strategy, with the goal of achieving high (tax-free) income through municipal bond coupons, while additionally generating (taxable) gains by opportunistically trading undervalued municipal securities.
- In addition to the muni bonds strategy, NMB will run a risk-managed, income generating (taxable) options selling strategy. The strategy will typically sell option spreads across a variety of instruments, which may include equity, fixed income, and commodity indices and ETFs.
- The income generated by the options strategy, as well as some gains from the municipal bond trading strategy, will be taxable.

Portfolio Applications

Investors seeking income: The combination of the actively managed municipal bond strategy with the options selling strategy can result in after-tax yields that far exceed that of national municipal bond indexes.

Capital efficiency: The portfolio seeks yields as high or higher than those offered by national muni indexes, via the active bond management and options income "stacked" on top, without requiring any additional investment outlay.

Details | **Ticker:** NMB | **Inception Date:** 09/09/2024

As of 09/09/24

SEC 30-Day Yield	SEC 30-Day Yield Unsubsidized	Gross Expense Ratio	Exchange	CUSIP	Net Assets
n/a	n/a	0.52%	NYSE	82889N442	$2,500,000

Current Holdings as of 09/09/24*

Position	Allocation	Notional (Delta=1)
—	—	—
—	—	—
—	—	—

*Holdings are subject to change without notice.

Performance as of 09/09/24

	Cumulative Total Return				Annualized Total Return	
	3 mo	6 mo	YTD	Since Inception	1-Year	Since Inception
NAV	—	—	—	—	—	—
Market Price	—	—	—	—	—	—
ICE AMT-Free US National Municipal Index	—	—	—	—	—	—

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:

Coupon: The annual interest rate paid on a bond, expressed as a percentage of the face value and paid from the issue date until maturity.

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.

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 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.

Fixed Income Securities Risk: 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. In general, the market price of fixed income securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities.

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