



S-Network BlackSwan Core Index (SWANXT)

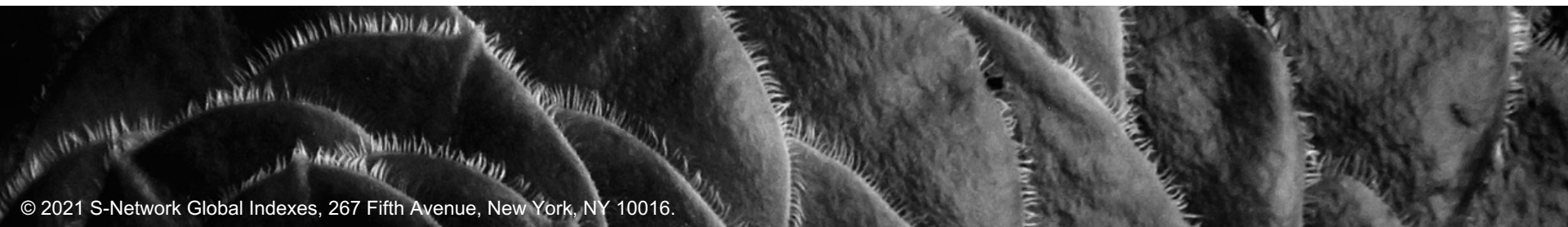
Q1 2022



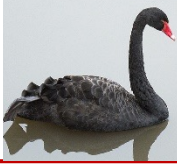
Index Description



- A Black Swan event is one that is rare, unpredictable, impactful and difficult to attribute to reason, even after its occurrence.
- The index is designed to help protect capital against Black Swan events.
- With the majority of assets in historically low-volatility Treasuries, remaining assets are used to purchase “in-the-money” calls (options with a strike price below the market price on the SPXT ETF Trust).
- The goal is to achieve capital appreciation above inflation while minimizing volatility as compared to standard asset-allocated investments.



Index Rationale



Allocation:

- 90% Treasury bond ladder targeting near 10-year Treasury's modified duration (rebalanced twice per year)
- 5% June 70 delta SPY option target (rebalanced once per year)
- 5% December 70 delta SPY option target (rebalanced once per year)

Rebalancing of options:

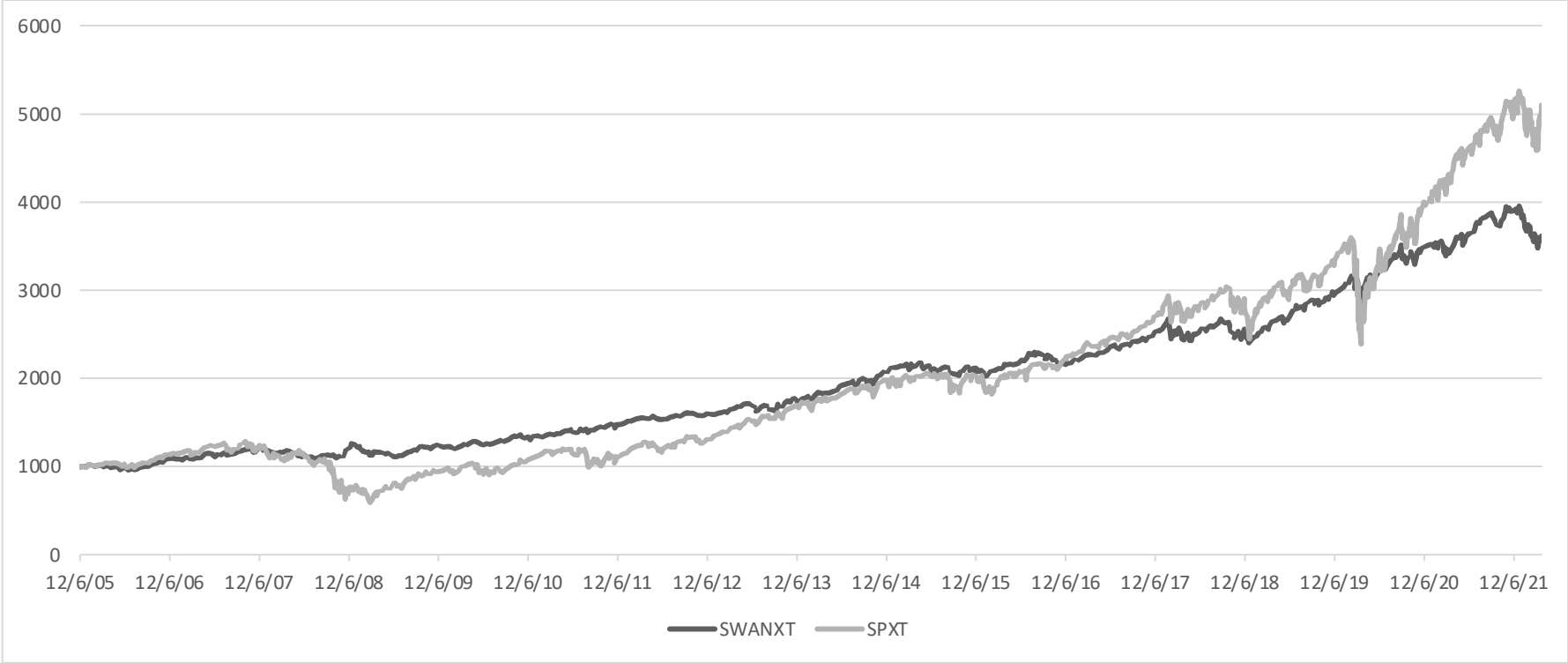
- Every 6 months, either the June option or the December option will be rolled to the following year.
- If options are at a net loss on the first trading day of rebalance month, the index is rebalanced on the first business day of trading of that rebalance month (June or December).
- If options are at a gain, rebalance occurs at 365+1 trading days for the option to make the gain long-term.



Historical Performance



S-Network BlackSwan Core TR vs. SPXT TR
(12/6/2005-3/31/2022)



Source: Bloomberg, as of 3/31/2022

Return Statistics



Calendar Year Returns		
	S-Network BlackSwan Core TR	SPXT TR
12/31/06	8.54%	15.79%
12/31/07	9.65%	5.49%
12/31/08	5.26%	-37.00%
12/31/09	-3.12%	26.46%
12/31/10	10.79%	15.06%
12/31/11	11.37%	2.11%
12/31/12	6.27%	16.00%
12/31/13	11.71%	32.39%
12/31/14	18.18%	13.69%
12/31/15	-1.07%	1.38%
12/31/16	4.91%	11.96%
12/31/17	16.71%	21.83%
12/31/18	-4.09%	-4.38%
12/31/19	22.76%	31.49%
12/31/20	18.00%	18.40%
12/31/21	11.36%	28.71%

Source: Bloomberg, as of 3/31/2022



Max Drawdown



**S-Network BlackSwan Core TR Index Max Drawdown
(Since Inception)**

Peak	12/18/08	
Trough	6/10/09	-13.09%
Recovery	4/13/10	15.13%

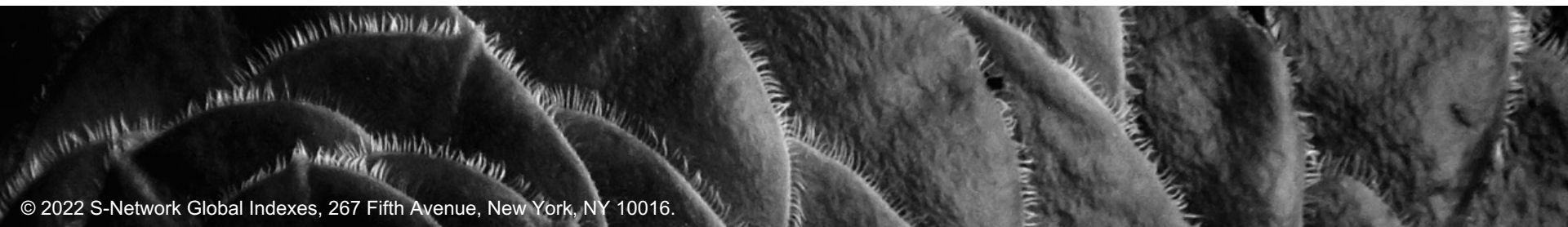
	Days
Drawdown Period	174
Recapture Period	307
Total	481

**SPXT TR Index Max Drawdown
(Since 12/6/2005)**

Peak	10/9/07	
Trough	3/9/09	-55.25%
Recovery	4/2/12	123.65%

	Days
Drawdown Period	517
Recapture Period	1120
Total	1637

Source: Bloomberg, as of 3/31/2022



Statistical Profile I



Total Return Appreciation		
	S-Network BlackSwan Core TR	SPXT TR
Since Inception*	259.75%	404.65%
10 Year	131.63%	291.97%
5 Year	58.35%	109.94%
3 Year	35.97%	68.20%
1 Year	4.30%	15.65%

Compound Annual Growth Rate		
	S-Network BlackSwan Core TR	SPXT TR
Since Inception*	8.20%	10.47%
10 Year	8.76%	14.64%
5 Year	9.63%	15.99%
3 Year	10.79%	18.92%
1 Year	4.30%	15.65%

*Since first month's end, 12/31/2005

Source: Bloomberg, as of 3/31/2022

Statistical Profile II



Annualized Standard Deviation		
	S-Network BlackSwan Core TR	SPXT TR
Since Inception*	7.69%	14.92%
10 Year	7.88%	13.24%
5 Year	8.96%	15.78%
3 Year	9.22%	17.76%
1 Year	10.82%	13.62%

Sharpe Ratio		
	S-Network BlackSwan Core TR	SPXT TR
Since Inception*	0.9273	0.6302
10 Year	1.0340	1.0593
5 Year	0.9529	0.9444
3 Year	1.0967	1.0275
1 Year	0.3872	1.1405

*Since first month's end, 12/31/2003

Source: Bloomberg, as of 3/31/2022

Statistical Profile III



Upside Capture Ratio (vs. SPXT TR)	
	S-Network BlackSwan Core TR
Since Inception*	47.02%
10 Year	53.34%
5 Year	52.82%
3 Year	45.59%
1 Year	54.52%

Downside Capture Ratio (vs. SPXT TR)	
	S-Network BlackSwan Core TR
Since Inception*	27.21%
10 Year	45.11%
5 Year	45.09%
3 Year	33.46%
1 Year	82.60%

*Since first month's end, 12/31/2005

Source: Bloomberg, as of 3/31/2022

Statistical Profile IV



Correlation (vs. SPXT TR)	
	S-Network BlackSwan Core TR
Since Inception*	0.6112
10 Year	0.7579
5 Year	0.7963
3 Year	0.7641
1 Year	0.8725

Beta (vs. SPXT TR)	
	S-Network BlackSwan Core TR
Since Inception*	0.3148
10 Year	0.4512
5 Year	0.4524
3 Year	0.3966
1 Year	0.6927

*Since first month's end, 12/31/2003

Source: Bloomberg, as of 3/31/2022

Statistical Profile V



R-Squared (vs. SPXT TR)	
	S-Network BlackSwan Core TR
Since Inception*	0.3735
10 Year	0.5743
5 Year	0.6342
3 Year	0.5838
1 Year	0.7612

Source: Bloomberg, as of 3/31/2022

*Since first month's end, 12/31/2005

Key Highlights



- Goal is to achieve capital appreciation above inflation while minimizing volatility
- Stable long-term annualized returns create lowered standard deviation
- Since inception, Sharpe ratio greater than that of SPXT
- Favorable upside-to-downside capture ratios
- Low Correlation, R-Squared, and Beta to SPXT

