



Cirdan Nemesis Index

Index Proprietary Methodology v1.0

13 October 2022



C I R D A N
CAPITAL

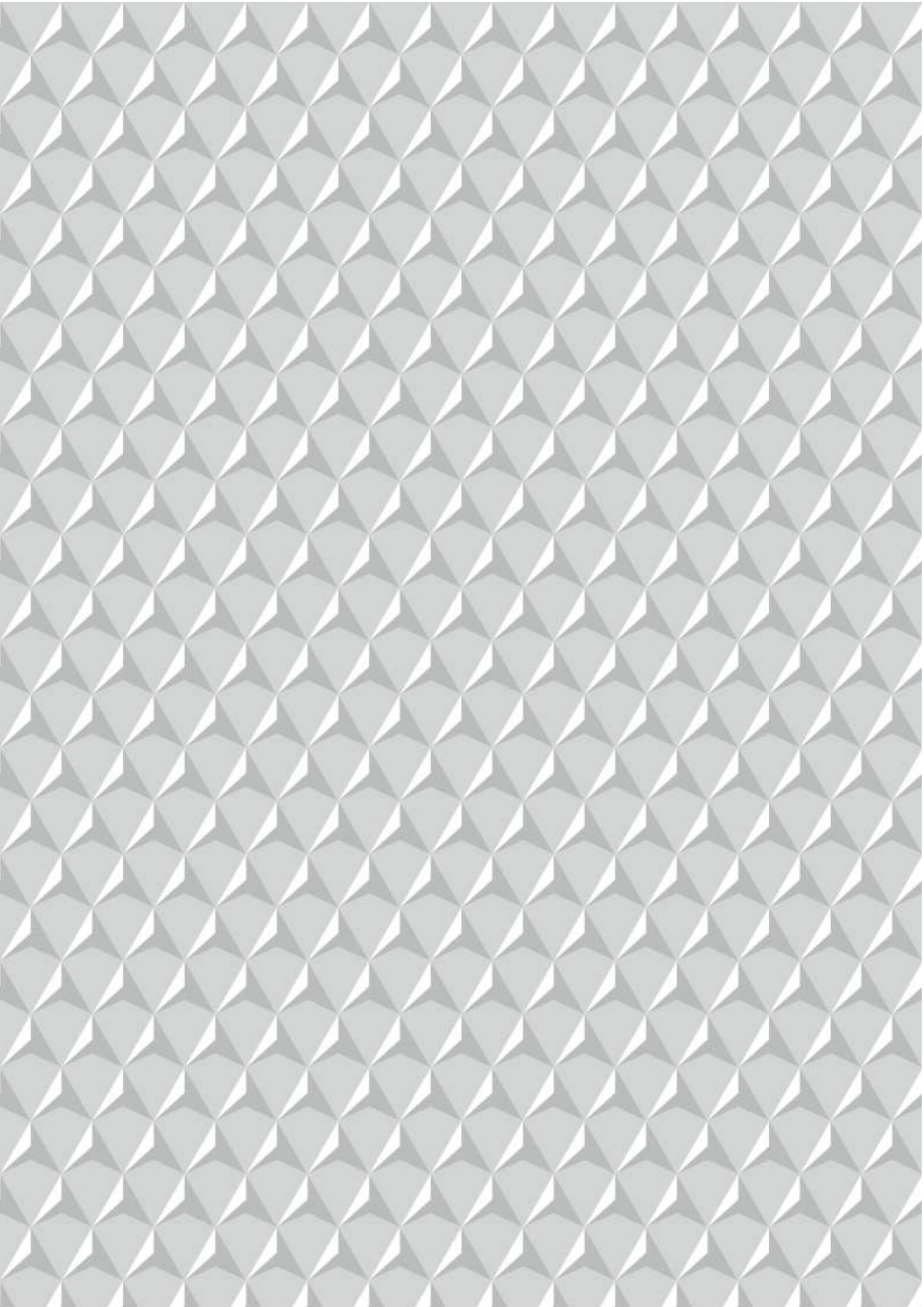


Table of Contents

Section 1 - Introduction.....	4
Section 2 - The Benchmark Administrator.....	6
Section 3 - The Technical Committee.....	8
Section 4 - General Information.....	9
Section 5 - Eligible Securities.....	10
Section 6 - Rebalancing.....	11
Section 7 - Index Calculation.....	12
Section 8 - Index Opening and Closing Hours....	13

Section 1 - Introduction

- 1.1. The *Cirdan Nemesis Index* (the “Index”) is a benchmark designed to provide diversified exposure over a variety of assets to capture high returns.
- 1.2. The components include Stocks, ETFs, ETNs, Options and Futures.
- 1.3. The Index has been created to be suitable for trading all asset classes with liquidity, as a benchmark index for Exchange Traded Products such as Exchange Traded Funds (ETFs).
- 1.4. The components of the Index are selected using a proprietary systematic algorithmic strategy.
- 1.5. The following variants are, or if requested may be, calculated for certain indexes within the index series:
 - Capital and total return indexes.
 - Net total return indexes based on specified withholding tax rates.
 - Indexes calculated in currencies other than the base currency (EUR).

Selected indexes are calculated and disseminated on a real time basis.

- 1.6. The base currency of the benchmark is EUR. Index values may also be published in other currencies.

1.7. IOSCO

1.7.1. Cirdan Capital Management Ltd ("Cirdan") considers that the Index meets the IOSCO Principles for Financial Benchmarks as published in 2013.

Full details can be accessed at www.iosco.org

1.7.2. Cirdan hereby notifies users of the Index that it is possible that circumstances, including external events beyond the control of Cirdan, may necessitate changes to, or the cessation of, the Index and therefore, any financial contracts or other financial instruments that reference the Index or investment funds which use the Index to measure their performance should be able to withstand, or otherwise address the possibility of changes to, or cessation of, the Index.

1.7.3. Index users who choose to follow this index or to buy products that claim to follow this index should assess the merits of the index's rules-based methodology and take independent investment advice before investing their own or client funds. No liability whether as a result of negligence or otherwise is accepted by Cirdan for any losses, damages, claims and expenses suffered by any person as result of:

- any reliance on this methodology, and/or
- any errors or inaccuracies in this methodology, and/or
- any non-application or misapplication of the policies or procedures described in this methodology, and/or
- any errors or inaccuracies in the compilation of the Index or any constituent data.

Section 2 -The Benchmark Administrator

- 2.1. Cirdan is the benchmark administrator of the Index.
- 2.2. Cirdan is responsible for the daily calculation, production and operation of the Index and will:
 - maintain records of the Index weightings of all constituents;
 - make changes to the constituents and their weightings in accordance with the methodology;
 - carry out the periodic Index reviews and apply the changes resulting from the reviews as required by the methodology;
 - publish changes to the constituent weightings resulting from their ongoing maintenance and the periodic reviews;
 - disseminate the Index.
- 2.3. Cirdan is responsible for the methodology and any other associated index methodology documents, and for approving all changes to the Proprietary Methodology and any other associated index methodology documents.
- 2.4. Cirdan Technical Committee has been established to advise on the periodic reviews of the Index, to support the management of corporate actions affecting Index constituents, to review changes to the methodology and other methodology documents and to recommend other changes for subsequent review and approval by the Cirdan Product Governance Board.

- 2.5. The methodology shall be subject to regular review by Cirdan to ensure that they continue to best reflect the aims of the Index. Any proposals for significant amendments to the methodology will be subject to consultation with Cirdan advisory committees and other stakeholders if appropriate. The feedback from these consultations will be considered by the Cirdan Product Governance Board before approval is granted.
- 2.6. Where Cirdan determines that the methodology is silent or does not specifically and unambiguously apply to the subject matter of any decision, any decision shall be based as far as practical on the Statement of Principles. After making any such determination Cirdan shall advise the market of its decision at the earliest opportunity. Any such treatment will not be considered as an exception or change to the methodology, or to set a precedent for future action, but Cirdan will consider whether the methodology should be subsequently updated to provide greater clarity.

Section 3 - The Technical Committee

3.1. The Members of the Technical Committee are:

- Adrien Khatchadourian (Structuring)
- Roberto Infante (Data and IT Infrastructure)
- Dimitris Bekos (Quantitative Analytics)

3.2. The Substitute Members are:

- Basile Rovel (Structuring)
- Reed Roberts (Quantitative Analytics)
- Matthew Jeffrey (Quantitative Analytics)

3.3. The members of the Technical Committee will meet at least once a month.

3.4. If an exceptional event occurs, an Extraordinary Meeting of the Technical Committee may be convened. The Technical Committee shall base its decision only in the interest of the smooth running of the Index.

Section 4 – General Information

- 4.1 The Index is distributed under ISIN GB00BMD5V025.
- 4.2 The Index has been established on 14 October 2019 ("Index Start Date") with an initial level of 20,000.00 index points ("Initial Index Value").
- 4.3 The Index Value is published by Cirdan under a subsection of <https://cirdancapital.com/> as of each Index Valuation Date, no later than one Business Day following the respective Index Valuation Date
- 4.4 The Index Value is published in Bloomberg under the ticker CB CQI SNESI Index.

Section 5 – Eligible Securities

- 5.1 The Index constituents are selected by a proprietary algorithm and implemented by Cirdan as the Benchmark Administrator.
- 5.2 The universe of eligible securities is: all liquid asset classes.
- 5.3 The universe of eligible stocks is traded on Milan, Paris, Madrid, Frankfurt, Helsinki, Bruxelles, Wien, Lisbon, LSE, NYSE, Nasdaq.
- 5.4 The universe of eligible futures is traded on Eurex, ICE, CBOE Holdings, NASDAQ and CME.
- 5.5 The universe of eligible ETF is traded on Milan, Paris, Madrid, Frankfurt, Helsinki, Bruxelles, Wien, Lisbon, LSE, NYSE, Nasdaq.
- 5.6 The universe of eligible Options is traded on Chicago Board Options Exchange (CBOE), Boston Options Exchange, Montreal Stock Exchange, Eurex Exchange and NYSE Arca.
- 5.7 Eligible securities are analysed on the basis of average daily volume and average daily trades to guarantee that the Index offers sufficient liquidity.
- 5.8 The number of constituents ranges from a minimum of 1 to a maximum of 50 at any given time subject to the allocation calculated by the proprietary algorithm.

Section 6 – Rebalancing

- 6.1 The Index will be rebalanced on a monthly basis on or around the beginning of the month (the "Rebalancing Date"). If the Rebalancing Date is a holiday, the Rebalancing Date will be the subsequent working day.
- 6.2 Holiday is any public holiday in either Italy, UK, USA or Zurich.
- 6.3 The rebalancing will be implemented at the close of business of the Rebalancing Date.
- 6.4 The rebalancing will be implemented using the Closing Price of the constituents on the Rebalancing Date, according to the Index Calculation detailed in the Index Calculation section.
- 6.5 On the Rebalancing date the composition and the number of the constituents may change.
- 6.6 The Index is a systematically weighted index, meaning that each component of the Index at the Rebalancing Date might have a different weight depending on systematic strategy.
- 6.7 The Index might have components with negative weights, a negative weight means that the position for the specific component is a Short position.

Section 7 – Index Calculation

- 7.1. The Index Value is calculated on real-time basis in EUR.
- 7.2. The Index Value is calculated using trading prices executed on regulated stock exchanges and MTFs during opening market hours.
- 7.3. The Closing Index Value is calculated using Closing Auction prices or, if there is not such price, the last executed price on the Continuous Trading phase.
- 7.4. The Index Value is calculated as a total return index.
- 7.5. Dividends, interests and other distributions will be allocated to the Index. A 35% withholding tax is applicable and will be deducted, before the corresponding unit size of an Index Component will be adjusted.
- 7.6. The Index Values is calculated according to the formula:

$$I_t = I_{r-1} \left[\sum_{i=1}^N w_{i,d} \left(\frac{A_{i,t}}{A_{i,r-1}} \right) - M \left(\frac{t-r+1}{\gamma} \right) - P \right]$$

Where:

t	is the index level on date, t .	$(r-1) \in \mathcal{T}$	It is on this day, at the close, that assets are bought or sold such that they have the correct exposure, $w_{i,d}$ from close-to-close on the Rebalancing Date, r and until the next Rebalancing Date.
N	is the total number of assets, A_i , in the portfolio.	γ	is the annual fee basis for M . $\gamma=360$.
$w_{i,d}$	is the weight to be used for asset, A_i on the date, r (immediately preceding date, d) through to the next Rebalancing Date where $w_{i,d} \in \mathcal{W}_d$.	M	is the management fee of the Index. $M=1.00\%$ per annum.
$A_{i,t}$	is the closing price of asset, A_i on date, t .	P	is the performance fee of the Index.
$r-1$	corresponds to the business day immediately preceding the Rebalancing Date, r where,	$P = \max[0; 10.00\% * (I_t - \max(I))/I_{r-1}]$	

Section 8 – Index Opening and Closing Hours

	<i>Open</i>	<i>Close</i>
<i>Cirdan Nemesis Index</i>	09:01	17:36*

- * Subject to receipt of final closing prices.
- The Index will be calculated on all business days of the year, except those defined as market holidays according to the EuroTLX market calendar.
- Timings are CET.

Appendix 1

Target Initial Composition and Index Portfolio Composition Guidelines

The table below sets forth the initial Reference Assets that will initially be included in the Portfolio, and the initial weighting to be applied on the Index Publication Date.

Name	Weight
EURO STOXX 50 Index	20%
S&P 500 Index	20%
DAX Index	20%
FTSE MIB Index	20%
Cash	20%

Appendix 2

Index Portfolio Composition Guidelines

Contract	Type	Currency
NQ E-mini NASDAQ 100 Futures	Futures	\$
DAX 40 Index	Futures	€
FTSE MIB Idex	Futures	€
ES E-mini S&P 500	Futures	\$
European Stocks	Stocks	€
European Stocks	Options	€
DAX	Futures	€
Mini Dax	Futures	€
DAX	Options	€
DJ Stoxx 50	Futures	€
DJ Stoxx 50	Options	€
FTSE MIB40	Futures	€
FTSE MIB40	Options	€
Euro - Bobl	Futures	€
Euro - Bonos	Futures	€
Euro - Btp	Futures	€
Euro - Bts	Futures	€
Euro - Bund	Futures	€
Euro - Buxl	Futures	€
Euro - Oat	Futures	€
Euro-Schatz	Futures	€
US Stocks	Stocks	\$
US Stocks	Options	\$
S&P 500	Options	\$
E-Mini S&P 500	Futures	\$
E-Micro S&P 500	Futures	\$
Nasdaq 100	Options	\$
E-Mini Nasdaq 100	Futures	\$
E-Micro Nasdaq 100	Futures	\$
VIX	Futures	\$
30 Yr T-Bond	Futures	\$
Ultra 30 YR T-Bond	Futures	\$
10 YR T-Note	Futures	\$
Ultra 10 YR T-Note	Futures	\$
5 YR T-Note	Futures	\$
2 YR T-Note	Futures	\$
Dollar Index (ICE)	Futures	\$

Australian Dollar	Futures	\$
British Pound	Futures	\$
Canadian Dollar	Futures	\$
Eurodollar	Futures	\$
Japanese Yen	Futures	\$
Mexican Peso	Futures	\$
New Zealand Dollar	Futures	\$
Swiss Franc	Futures	\$
Zar South African Rand	Futures	\$
Euro Currency	Futures	\$
EUR/CHF	Futures	\$
EUR/GBP	Futures	\$
EUR/JPY	Futures	\$
Brent Crude Oil	Options	\$
Brent Crude Oil	Futures	\$
WTI Crude Oil	Options	\$
WTI Crude Oil	Futures	\$
WTI Crude Oil (E-Mini)	Futures	\$
Light Sweet Crude Oil	Options	\$
Light Sweet Crude Oil	Futures	\$
Light Sweet Crude Oil (E-Mini)	Futures	\$
Heating Oil	Options	\$
Heating Oil	Futures	\$
Heating Oil (E-Mini)	Futures	\$
RB0B Gasoline	Options	\$
RB0B Gasoline	Futures	\$
RB0B Gasoline (E-Mini)	Futures	\$
Natural Gas	Options	\$
Natural Gas	Futures	\$
Natural Gas (E-Mini)	Futures	\$
Gold	Options	\$
Gold	Futures	\$
Gold (Mini)	Futures	\$
Gold (Micro)	Futures	\$
Silver	Options	\$
Silver	Futures	\$
Silver (Mini)	Futures	\$

Copper	Options	\$
Copper	Futures	\$
Copper (Mini)	Futures	\$
Palladium	Options	\$
Palladium	Futures	\$
Platinum	Futures	\$
Cocoa	Options	\$
Cocoa	Futures	\$
CottonNo. 2	Options	\$
CottonNo. 2	Futures	\$
Coffee	Options	\$
Coffee	Futures	\$
Orange Juice	Options	\$
Orange Juice	Futures	\$
Sugar No. 11	Options	\$
Sugar No. 11	Futures	\$
Class III Milk	Options	\$
Class III Milk	Futures	\$
Feeder Cattle	Options	\$
Feeder Cattle	Futures	\$
Lean Hogs	Options	\$
Lean Hogs	Futures	\$
Lumber	Options	\$
Lumber	Futures	\$
Live Cattle	Options	\$
Live Cattle	Futures	\$
Corn	Options	\$
Corn	Futures	\$
Soybean	Options	\$
Soybean	Futures	\$
Soybean Oil	Options	\$
Soybean Oil	Futures	\$
Soybean meal	Options	\$
Soybean meal	Futures	\$
Oats	Options	\$
Oats	Futures	\$
Rough Rice	Options	\$
Rough Rice	Futures	\$
Wheat	Options	\$
Wheat	Futures	\$

Exchange Traded Funds	ETFs	\$
Exchange Traded Notes	ETNs	\$
Exchange Traded Funds	ETFs	€
Exchange Traded Notes	ETNs	€

