

SIL U.S. Corporate Tax Rate Index Methodology Guide

Introduction

This document is a guide for the composition, calculation and management of the Index. Any changes made to the guide are initiated by the Index Committee specified in Section 1.4. The Index is calculated and published by the Index Calculator, on behalf of SIG Index Licensing, LLC (SIL) (“**Index Owner**”).

1. Index Specifications

The SIL U.S. Corporate Tax Rate Index (the “**Index**”) is a SIG Index Licensing, LLC Index, and is calculated and distributed by the Index Calculator.

The Index tracks the highest marginal tax rate imposed for each taxable year by the United States federal government on the taxable income of corporations (the “**Corporate Tax Rate**”).

1.1 Short Name and ISIN

The Index is distributed under the following name and symbol:

Name	Bloomberg
SIL U.S. Corporate Tax Rate Index	SILXCTAX

1.2 Distribution

The Index is published and distributed via Bloomberg.

1.3 Calculation and Dissemination Frequency

The Index value is calculated each Business Day and disseminated at each Business Day at 9:00 a.m. ET.

1.4 Decision-making Bodies

A committee composed of representatives from Index Owner is responsible for decisions regarding the composition of the Index as well as any amendments to the terms and conditions of the Index or the method described in this document (in this document referred to as the “**Index Committee**”).

1.5 Publication

Information relevant for calculating the Index is made available on www.miaxoptions.com/ctax and sub-pages.

1.6 Historical Data

Live historical data will be maintained from the launch of the Index. Historical data is available from 1909.

1.7 Licensing

Licenses to use the Index as the underlying value for derivative instruments or investment products are issued to exchanges, banks, financial services providers and investment houses by Index Owner.

2. Index Calculation

The Index value is calculated based on the Corporate Tax Rate as published in Section 11(b) of the Internal Revenue Code of 1986 (as amended and as it may be further amended from time to time, and any successor statutes thereto) (the “Code”). The sole tax rate used as an input to the calculation is the highest marginal tax rate imposed for each taxable year by the United States federal government on the taxable income of corporations as described therein.

2.1 Index Formula

$$Index_t = (100\% - r_t) * 100$$

with: r_t = Corporate Tax Rate as published in Section 11(b) of the Code expressed as a percentage on Business Day t

2.2 Index Calculation Example

If the Corporate Tax Rate is 21%, the index is $((100\% - 21\%) * 100) = 79.00$

2.3 Settlement Value

The Settlement Value of the Index is calculated based on the Corporate Tax Rate in effect at the time of settlement.

Settlement Symbol: CTAXS

3. Definitions

A “**Business Day**” is a day on which the New York Stock Exchange is open for trading.

The “**Index Calculator**” is Devexperts Inc. or any other appropriately appointed successor in this function.

4. Appendix

4.1 Contact Data

Information regarding the Index concept.

SIG Index Licensing, LLC

SILInfo@sig.com

4.2 Data Sources

Corporate Tax Rate from Section 11(b) of the Code:

<https://uscode.house.gov/download/download.shtml>

4.3 Calculation of the Index – change in calculation method

The Index Calculator shall apply the method described in this document for the calculation of the Index (the “**Calculation Method**”) and such application is final and binding. However, neither the terms and conditions of the Index nor any set of procedures are capable of anticipating all possible circumstances and events that may occur with respect to the Index and the Calculation Method and it cannot be excluded that the market environment, supervisory, legal, financial, tax or other extraordinary and unforeseeable events or circumstances may adversely affect the Index and require action to be taken with respect to the Index. All such events or circumstances will be escalated to the Index Committee and the Index Committee may take such actions as it deems necessary or appropriate to address such event or circumstance, including, without limitation, suspension of the Index or making changes to the terms and conditions of the Index or the Calculation Method to prevent obvious or demonstrable error or to remedy, correct or supplement incorrect terms and conditions. The Index Committee is not obliged to provide information on any such actions, but will make reasonable efforts to promptly publish on www.miaxoptions.com notice of any suspension of the Index or material changes to the terms and conditions of the Index or the Calculation Method. In addition, if changes are made to the terms and conditions of the Index or the Calculation Method, the Index Committee will take appropriate steps to ensure a calculation method is applied that is consistent with the method described in this document.

4.4 Notice and Disclaimer

This document and all of the information contained in it (collectively, the “**Information**”) is the property of Index Owner, or Index Owner’s licensors, direct or indirect suppliers or any third party involved in making or compiling any Information (collectively, with Index Owner, the “**Information Providers**”) and is provided for informational purposes only. The Information may not be modified, reverse-engineered, reproduced or disseminated in whole or in part without prior written permission from Index Owner.

The Information may not be used to create derivative works or to verify or correct other data or information. For example (but without limitation), the Information may not be used to create indexes, databases, risk models, analytics, software, or in connection with the issuing, offering, sponsoring, managing or marketing of any securities, portfolios, financial products or other investment vehicles utilizing or based on, linked to, tracking or otherwise derived from the Information.

The user of the Information assumes the entire risk of any use it may make or permit to be made of the Information. NONE OF THE INFORMATION PROVIDERS MAKES ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE INFORMATION (OR THE RESULTS TO BE OBTAINED BY THE USE THEREOF), AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, EACH INFORMATION PROVIDER EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES (INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF ORIGINALITY, ACCURACY, TIMELINESS, NON-INFRINGEMENT, COMPLETENESS, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) WITH RESPECT TO ANY OF THE INFORMATION.

Without limiting any of the foregoing and to the maximum extent permitted by applicable law, in no event shall any Information Provider have any liability regarding any of the Information for any direct, indirect, special, punitive, consequential (including lost profits) or any other damages even if notified of the possibility of such damages.

Information containing any historical information, data or analysis should not be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. Past performance does not guarantee future results.

The Information should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. All Information is impersonal and not tailored to the needs of any person, entity or group of persons.

None of the Information constitutes an offer to sell (or a solicitation of an offer to buy), any security, financial product or other investment vehicle or any trading strategy.

It is not possible to invest directly in an index. Exposure to an asset class or trading strategy or other category represented by an index is only available through third party investable instruments (if any) based on that index. Index Owner does not issue, sponsor, endorse, market, offer, review or otherwise express any opinion regarding any security, investment, financial product or trading strategy that is based on, linked to or seeks to provide an investment return related to the performance of the Index (collectively, “**Index Linked Investments**”). Index Owner makes no assurance that any Index Linked Investments will accurately track index performance or provide positive investment returns. Index Owner is not an investment adviser or fiduciary and Index Owner makes no representation regarding the advisability of investing in any Index Linked Investments.

Information regarding the Index Calculator’s index governance policies is available at:

<https://indexit.dxfeed.com/docs/dxFeed%20Index%20Governance,%20Policies%20and%20IOSCO%20Compliance.pdf>

4.5 Special Risk Disclosure Regarding Tax Futures Contracts

The risk of loss in trading commodity futures contracts can be substantial. You should carefully consider the risks of trading commodity futures contracts generally and the unique risks of trading U.S. Corporate Tax Rate Index futures contracts (“**TAX Futures Contracts**”) in particular before entering into any trade. Because there are no comparable products like TAX Futures Contracts which reference and settle to a federal tax rate, there are unknown tax implications and tax treatments associated with trading these contracts. No federal guidance has been issued as to whether this product will qualify for treatment as a hedging transaction. Furthermore, no federal law or guidance exists on the deductibility of the costs incurred in trading TAX Futures Contracts, whether for speculative or hedging purposes. Likewise, the tax treatment related to Tax Futures Contracts for realizing, recognizing or offsetting gains or losses, whether capital or ordinary, is not known. Any of the above risks may result in adverse consequences, including non-deductibility of expenses or losses, and non-favorable tax treatment of gains or losses. EACH MARKET PARTICIPANT WHO CHOOSES TO TRADE TAX FUTURES CONTRACTS DOES SO AT THEIR OWN RISK, AND IS RESPONSIBLE FOR ANY TAX CONSEQUENCES AND REPORTING OF THEIR TRADE ACTIVITY UNDER RELEVANT GOVERNMENT AUTHORITIES AND JURISDICTIONS. THEREFORE, IT IS HIGHLY RECOMMENDED THAT EACH MARKET PARTICIPANT CONSULT THEIR PROFESSIONAL TAX ACCOUNTANT OR ATTORNEY BEFORE TRADING TAX FUTURES CONTRACTS.

corporate
tax futures™

 **SIG**
S U S Q U E H A N N A

For more information on the SIL U.S. Corporate Tax Rate Index visit: www.miaxoptions.com/ctax