2ND ENGINE BY PICTON

INDEX FACTSHEET

September 30, 2026

2ND ENGINE
LIQUID ALTERNATIVE 35 INDEX

Index Overview
The 2ND ENGINE Liquid Alternative 35 Index serves as an aggregate benchmark, encompassing the top 35 Canadian liquid alternative funds by AUM. This index represents a diverse set of strategies, providing a comprehensive view of the overall market performance.

Objective
Establish an appropriate and representative baseline for measuring the performance of the liquid alternative strategies in Canada.

Key Features
- Designed to measure the performance of the liquid alternative universe that is increasingly popular, but difficult to track
- Constituents comprised of NI 81-102 alternative mutual funds
- Consists of 1) an overall index, 2) seven strategy-based indices, and 3) three goal-based indices

Weighting
Equal weighted

Rebalance Frequency
Quarterly
(Mar, Jun, Sep, and Dec)

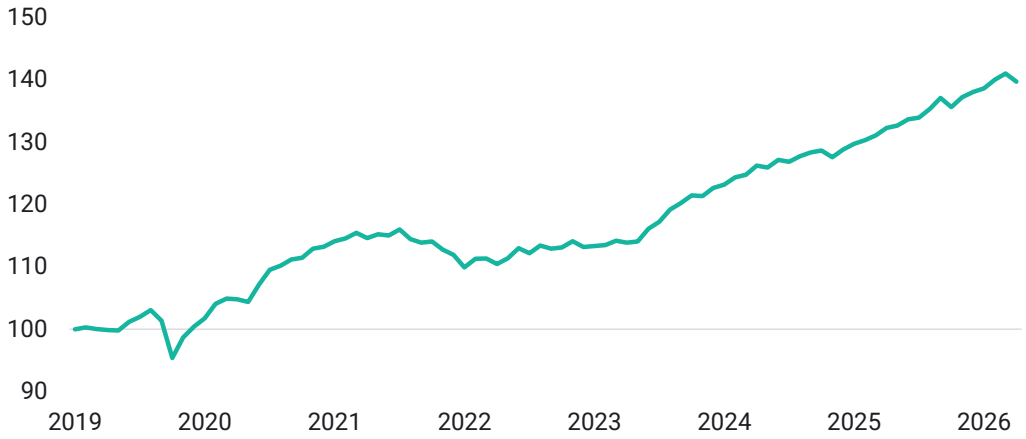
Re-constitution Frequency
Semi-annual - Jun and Dec

AUM Requirement
Inclusion: >C$20 million
Maintanance: >C$10 million

Base Value
Rebased to 100 on Jun 30, 2019

Number of Constituents
35

Cumulative Performance - Net Returns (CAD)
(Jun 30, 2019 - Sep 30, 2026)



Index Performance (%)

	1M	3M	YTD	1Y	3Y	5Y	Since 06/30/19
2ND ENGINE Liquid Alternative 35 Index	-0.9	0.8	4.3	5.6	7.1	4.0	4.7
S&P/TSX Composite Index	-2.6	1.6	13.0	20.0	25.1	15.2	14.4
ICE BofA Canada Broad Market Index	-1.2	-3.0	-0.9	-1.2	4.6	0.2	0.7

Index Risk and Return Characteristics

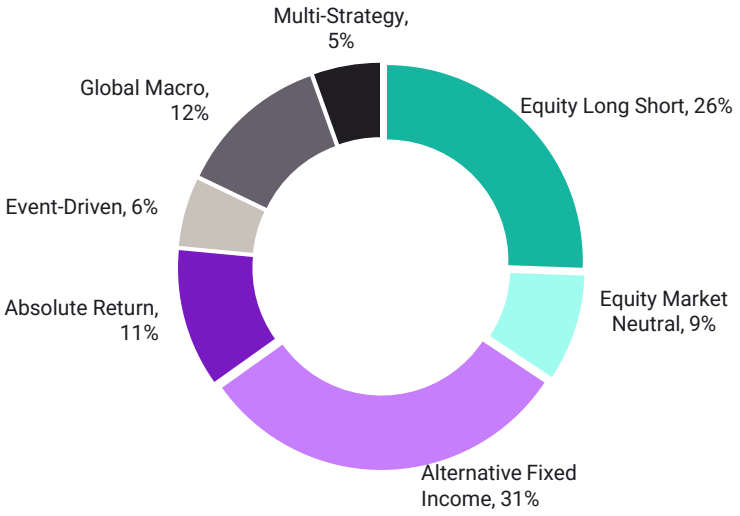
	Annualized Standard Deviation (%)			Sharpe Ratio			Maximum Drawdown	
	3Y	5Y	Since 06/30/19	3Y	5Y	Since 06/30/19	%	Period
2ND ENGINE Liquid Alternative 35 Index	2.3	2.8	3.9	1.54	-0.49	0.58	-7.5	Jan 2020 - Mar 2020
S&P/TSX Composite Index	10.6	12.5	14.2	2.03	0.78	0.84	-22.3	Jan 2020 - Mar 2020
ICE BofA Canada Broad Market Index	4.9	5.8	5.7	0.20	-0.89	-0.30	-15.6	Jul 2020 - Sep 2023

Correlation (06/30/2019 - 09/30/2026)

	2ND ENGINE Liquid Alternative 35 Index	ICE BofA Canada Broad Market Index	S&P/TSX Composite Index
2ND ENGINE Liquid Alternative 35 Index	1.00	--	--
ICE BofA Canada Broad Market Index	0.54	1.00	--
S&P/TSX Composite Index	0.86	0.54	1.00

The table above aims to show the correlation coefficient of the 2ND ENGINE Liquid Alternative 35 Index with broad Canadian equity and fixed income markets.

Strategy Weights



Index AUM Characteristics (C$ million)

Total	Mean	Median	Largest	Smallest
36,225	1,035	651	3,193	224

Family of 2ND ENGINE Liquid Alternative Indices

2ND ENGINE
LIQUID ALTERNATIVE 35 INDEX

STRATEGY-BASED

EQUITY

- 2ND ENGINE **Equity Long Short Index**
- 2ND ENGINE **Equity Market Neutral Index**

FIXED INCOME

- 2ND ENGINE **Alternative Fixed Income Index**
- 2ND ENGINE **Absolute Return Index**

MULTI-STRATEGY

- 2ND ENGINE **Multi-Strategy Index**

SPECIALTY

- 2ND ENGINE **Event-Driven Index**
  - 2ND ENGINE Merger Arbitrage Index
- 2ND ENGINE **Global Macro Index**

GOAL-BASED

- 2ND ENGINE **Equity Enhancer 10 Index**
- 2ND ENGINE **Fixed Income Enhancer 10 Index**
- 2ND ENGINE **Diversifier 10 Index**

OTHERS

- 2ND ENGINE **Option-Selling Index**
- 2ND ENGINE **Digital Assets Index**

Disclosure

For further information, please email inquiry@secondengine.com.

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