

# DO YOU HAVE YOUR LIQUIDITY PROGRAM IN PLACE? MONITOR BOTH EQUITIES & FIXED INCOME

# RULE 22E-4 ANALYTICS LIQUIDITY+

Liquidity Categories		Parameters:
<b>Highly Liquid</b>	Any investment that the fund reasonably expects to be convertible into cash in current market conditions in three business days or less.	Liquidity Amount: 10%
<b>Moderately Liquid</b>	Any investment that the fund reasonably expects to be convertible into cash in current market conditions in more than three calendar days but in seven calendar days or less.	Participation Rate <sup>1</sup> : 20%
<b>Less Liquid</b>	Any investment that the fund reasonably expects to be able to sell or dispose of in current market conditions in seven calendar days or less ... but where the sale or disposition is reasonably expected to settle in more than seven calendar days.	Acceptable Market Impact <sup>2</sup> : 1.00%
<b>Illiquid</b>	Any investment that the fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less.	Min. "Highly Liquid" Fund Threshold: 40%
		Max. "Illiquid" Fund Threshold: 15%

This report assumes that 10% of the fund will be liquidated evenly across all positions. For equity and futures positions, the Liquidity Category and Estimated Market Impact are based on a 20% participation rate. For fixed income positions, the Liquidity Category is based on a maximum acceptable Market Impact of 1.00% (or 100 basis points).

**Alerts:**  
 Highly Liquid: The fund contains 39.78% Highly Liquid positions. This is below the minimum target of 40%.  
 Illiquid: No alerts at this time.

<sup>1</sup>Applies to equity and futures positions only  
<sup>2</sup>Applies to fixed income positions only

**What is the SEC Liquidity Rule?**  
 SEC Rule 22e-4, also called the Liquidity Rule, requires U.S. exchange-traded funds or open-end management investment companies to assess, manage, and review liquidity risk on a regular basis. Liquidity risk, in this case, refers to the risk that a fund may not be able to meet share redemption requests without significantly impacting the market value of remaining investors' interests in the fund.

## Compliance Requirements

Open-end mutual funds and ETF complexes, to be in compliance with SEC Rule 22e-4, will need to implement a liquidity risk program according to published deadlines relating to amounts under management. For affected funds, advisers must certify each portfolio holding into one of four classifications of liquidity.

## Liquidity Categories

- **HIGHLY LIQUID** - Any investment that a fund reasonably expects can be convertible into cash in current market conditions in three business days or less.
- **MODERATELY LIQUID** - Any investment that a fund reasonably expects can be convertible into cash in current market conditions in more

than three calendar days but in seven calendar days or less.

- **LESS LIQUID** - Any investment that a fund reasonably expects can be sold or disposed of in current market conditions in seven calendar days or less, but where the sale or disposition is reasonably expected to settle in more than seven calendar days.
- **ILLIQUID** - Any investment that a fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less.

## Abel Noser Compliance Services

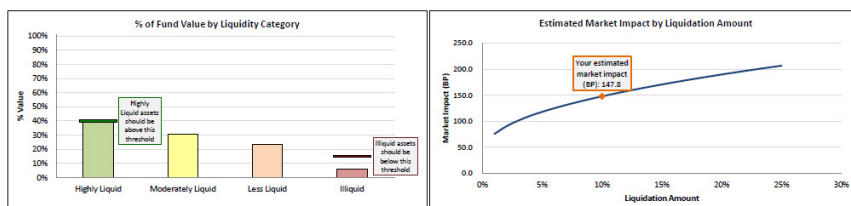
We can assist with SEC Rule 22e-4 reporting requirements by helping you:

- Custom design a daily load-in process to input your portfolio holdings into our integrated analytics platform

- Use our pre-trade tool, Trade Compass, to estimate your daily position liquidity or run projection scenarios
- Automatically calculate the percentage of your overall portfolio in each liquidity category
- Apply user-defined risk tolerance factors for each complex or individual fund
- Use our post-trade tool, Trade-Zoom, to create an overview report showing results per holding

## Your Compliance Partner

Abel Noser has over three decades of experience providing liquidity holdings analysis, daily data handling, and next-day reporting to fund complexes. Contact us today to see why we are uniquely qualified to be your liquidity risk partner.



Security Type	Total		Highly Liquid		Moderately Liquid		Less Liquid		Illiquid	
	Value (USD)	Value (%)	Value (USD)	Value (%)	Value (USD)	Value (%)	Value (USD)	Value (%)	Value (USD)	Value (%)
Equity	58,766,758	58.35%	21,993,051	21.84%	7,849,926	7.79%	23,840,000	23.67%	5,083,801	5.05%
Fixed Income	28,028,649	27.83%	5,033,500	5.00%	22,995,149	22.83%				
Futures	10,527,674	10.45%	9,647,674	9.58%					880,000	0.87%
Cash	3,392,077	3.37%	3,392,077	3.37%						
<b>Grand Total</b>	<b>100,715,157</b>	<b>100.00%</b>	<b>40,066,202</b>	<b>39.78%</b>	<b>30,845,074</b>	<b>30.63%</b>	<b>23,840,000</b>	<b>23.67%</b>	<b>5,963,801</b>	<b>5.92%</b>

Summary report of a fund's liquidity based on SEC regulations