

BMAX

REX Bitcoin Corporate Treasury Convertible Bond ETF

Fund Description

BMAX structured as a C-Corp, invests in OTC convertible bonds issued by US public companies that hold bitcoin on their balance sheets. The fund aims for total return, without limitations on credit quality or duration. The fund is registered as actively managed.

FactSet Analyst Report

BMAX is an actively managed, concentrated selection of convertible bonds from companies that hold bitcoin in their corporate treasury. The advisor defines such companies as those that maintain 15% or more of its assets in bitcoin or bitcoin-linked financial instruments, derives 15% or more of its income from bitcoin, or bitcoin mining companies. Most of the bonds the fund may invest in are traded over-the-counter. The fund targets around 10 to 15 positions from less than 10 issuers, regardless of credit quality. A significant portion of the funds assets may be held in just one issuer. Unlike most ETFs, BMAX will be taxed as a regular subchapter C corporation, which means taxable income must be recognized at both the fund and shareholder level. The fund may also invest up to 20% of portfolio assets in equity securities of these companies.

