

SPAK

Defiance Next Gen SPAC Derived ETF

Fund Description

SPAK tracks an index of US-listed, Special Purpose Acquisitions Corporations (SPACs) and SPAC-derived companies.

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is August 29, 2022. SPAK is the first ETF to offer exposure to Special Purpose Acquisitions Corporations (SPACs), also known as blank check companies, and the stocks in which they invest. SPACs are companies with no commercial operations other than to raise capital for the purpose of acquiring others. The fund will track an index of US-listed SPACs and actively traded SPAC-derived companies, most often recent IPOs. To be eligible for index inclusion, securities must meet minimum market capitalization of \$250 million, have free float of 10%, meet minimum trading volume and liquidity requirements. At the annual reconstitution and rebalance, in July, the index is weighted 60% to SPAC-derived companies and 40% to SPACs themselves. Within each category, individual holdings are market-cap weighted and subject to capping requirements. In addition to the annual reconstitution in July and quarterly rebalance, new SPACs and SPAC-derived companies may be added on a monthly basis. Prior to February 1, 2021, the index was allocated 80% to SPAC-derived companies and 20% to SPACs themselves.

