

Palmer Square Indices Summary Overview



Palmer Square CLO Senior Debt Index (CLOSE)

Palmer Square CLO Debt Index (CLODI)

July 31, 2023

Overview:

The Palmer Square CLO Senior Debt Index (ticker: CLOSE) and Palmer Square CLO Debt Index (ticker: CLODI) seek to reflect the investable universe for U.S. dollar denominated collateralized loan obligations (“CLOs”). CLOSE is comprised of original rated AAA and AA debt issued after January 1, 2009 subject to certain inclusion criteria, and CLODI is comprised of original rated A, BBB, and BB debt issued after January 1, 2009 subject to certain inclusion criteria. Please contact Palmer Square for more information on the methodology and inclusion criteria.

Index Constituents and Guidelines:

Both indices are comprised solely of cash and arbitrage CLOs backed by broadly syndicated leveraged loans. CLOs that do not fit these criteria include Middle-Market CLOs, ABS CDOs, Emerging Market CLOs, and Balance Sheet CLOs. Please contact Palmer Square for more information on the methodology and inclusion criteria.

Exhibit 1: Par amount and market value of each index.

	# of CUSIPs	Par Amount (\$bn)	Market Value (%)
CLOSE	628	137.07	100%
AAA	314	114.98	84.0%
AA	314	22.09	16.0%

	# of CUSIPs	Par Amount (\$bn)	Market Value (%)
CLODI	943	31.82	100%
A	314	11.79	38.5%
BBB	314	11.62	36.7%
BB	315	8.41	24.8%

Exhibit 2: Summary of index inclusion criteria. Please refer to the methodology for more detail.

Inclusion Criteria:	CLOSE
Currency Requirements	USD
INSTRUMENT REQUIREMENTS:	
CLO Type	Arbitrage only
Minimum Deal Size	\$600 million for deal issued Jan 1, 2009 - Dec 31, 2012
Minimum Deal Size	\$500 million for deal issued Dec 31, 2012 - current
Maturity Requirement	No WAL Limit
Manager Requirements	≥ 3 deals issued
Coupon Type	Floating
Issue Date	After Jan 1, 2009
Weighting	Market Value
Diversity Score	≥ 45 during reinv period

Addition/Removal of Instruments:

Both indices will be rebalanced at the close of the last business day of each month, following the U.S. holiday calendar. Deals will be added or removed based on our inclusion criteria listed above. In the event of a full call or refinancing, the removal of instruments will be removed on the final payment date. In the event of default, the CUSIP will be removed from the index.

Daily Production:

The NYSE is the calculation agent for both indices and will distribute daily total return levels following the U.S. bond market holiday schedule. Index levels should be available by the close of business (5:00 P.M. Eastern Standard Time).

Notes and Disclosure

This data is provided for informational purposes only and is not intended for trading purposes. This document shall not constitute an offering of any security, product or service. The addition, removal or inclusion of a security in the Palmer Square CLO Senior Debt Index and the Palmer Square CLO Debt Index (the "Indices") is not a recommendation to buy, sell, or hold that security, nor is it investment advice. It is not possible to invest directly in an index. Index performance does not reflect the deduction of any fees and expenses. Past performance is not a guarantee of future returns. There are risks involved with investing, including the possible loss of principal, that investors should be prepared to bear. The information contained herein should not be construed as personalized investment advice and should not be considered a solicitation to buy or sell any security or engage in a particular investment strategy.

The information contained in this document is current as of the publication date or as indicated herein. Palmer Square Capital Management LLC ("Palmer Square") makes no representations with respect to the accuracy or completeness of these materials and will not accept responsibility for damages, direct or indirect, resulting from an error or omission in this document. The methodology involves rebalancing and maintenance of the Indexes that is made periodically during each year and may not, therefore, reflect real time information.

The Indices are the exclusive property of Palmer Square. The Indices are calculated by NYSE Group, Inc. or its affiliates ("NYSE"). NYSE MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDICES OR ANY DATA INCLUDED THEREIN. IN NO EVENT SHALL NYSE HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

This material is subject to change without notice, and should not be relied upon by the reader as research or investment advice. With regard to sources of information, certain of the economic and market information contained herein has been obtained from published sources and/or prepared by third parties. While such sources are believed to be reliable, Palmer Square employees or representatives do not assume any responsibility for the accuracy of such information.

The securities issued under the CLO transactions have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This overview shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Palmer Square Capital Management LLC ("Palmer Square") is an SEC registered investment adviser with its principal place of business in the State of Kansas. Registration of an investment adviser does not imply a certain level of skill or training. Palmer Square and its representatives are in compliance with the current registration and notice filing requirements imposed upon registered investment advisers by those states in which Palmer Square maintains clients. Palmer Square may only transact business in those states in which it is notice filed, or qualifies for an exemption or exclusion from notice filing requirements. Any subsequent, direct communication by Palmer Square with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For additional information about Palmer Square, including fees and services, send for our disclosure statement as set forth on Form ADV using the contact information herein or refer to the Investment Adviser Public Disclosure web site (www.adviserinfo.sec.gov). Please read the disclosure statement carefully before you invest or send money.

No portion of this publication may be reproduced in any format or by any means including electronically or mechanically, by photocopying, or by any other form or manner whatsoever, without the prior written consent of Palmer Square.