

Investment Plan for SPA3 Income Public Portfolio

1 MISSION STATEMENT

To actively continue to manage a **SPA3 Income Public Portfolio** with managed drawdown and maximum portfolio growth using leveraged ETFs (x2, x3) on the US markets so that:

1. Share Wealth Systems SPA3 Income customers can learn how to easily manage their own income portfolios, understand the returns and drawdowns that are possible and achieve their own investment objectives, both financial and skills based.
2. To grow the funds allocated to this portfolio over the long term for the stakeholders at a much faster rate than funds allocated to other slower growing less risky strategies such as SPA3 Investor.

2 GOALS AND OBJECTIVES

The overall objectives are to:

- demonstrate the benefits of using a simple, efficient and structured swing-trading methodology for shorter-term investing in high-growth instruments.
- demonstrate the risk management processes of mechanical investing with SPA3 Income with a core objective of managing risk while growing the allocated capital base by trading leveraged ETF's that provide more growth and volatility.
- accumulate growth for the stakeholders.
 - The portfolio started with US\$160,000 on 16 December, 2025, using the Totality (formerly SAXO) brokerage platform to trade U.S. leveraged ETFs.
 - This portfolio will continue to be traded with no capital withdrawals. Whilst SPA3 Income can be used as an income generating strategy due to its potential high growth rate, this portfolio will be a growth portfolio.

The **Reward Objective** or performance goal for the portfolio is to:

Double the annualised return of the S&P500 Total Return Index, as measured over a rolling seven-year period. That is, the goal is around 30% annualised return (using the \$SPXTR return over the last 7 years).

Note: SWS has used the Rule of 114 to determine how long it takes to triple a starting capital base, given an annualised return growth rate. A 25% annualised return rate of growth takes 4.56 years to triple an account.

The **Risk Objective** for the portfolio are:

The SPA3 Income Public Portfolio will not have any Risk Objective as it will accept whatever drawdown results from using the SPA3 Income Strategy.

This has been decided so that the portfolio can be used:

1. as a training tool for other SPA3 Income active investors, and
2. to stress test various portfolio risk management techniques and metrics to improve drawdowns and returns.

That said, the stakeholders expect that at least one Maximum Drawdown of 30% can occur in any rolling 5-year period.

The **Skills Objective** for the portfolio is:

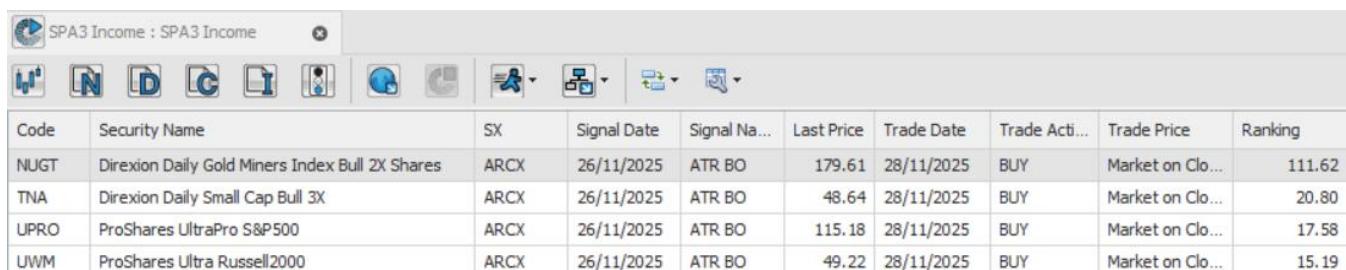
- To achieve skills-based targets with respect to mindset, position execution, market exposure, risk management, general market environment understanding, understanding of investing, journaling, practicing of investing and any other that you may wish to set.

The following bullet point provides a sample of Skills Objectives that may suit your risk profile, but are not applicable to this portfolio:

- *A schedule could be included here (or the next section of your Investing Plan) that details the books to be read, courses to attend, DVD's to watch, Blogs to follow, internet research to be done, etc to achieve your skills objectives.*

3 INVESTING SYSTEM

- The SPA3 Income process as described in the SPA3 Income Getting Started Manual will be used for ALL entry and exit signals.
- Positions will be opened and closed in strict accordance with the SPA3 Income rules.
 - Positions will be executed as SPA3 Income signals occur.
 - There are two types of Entry Signal, **ATR_BO** (ATR Break out signal), and an **Overbought Re-entry** as signalled in Beyond Charts or the SWS Alerts & PM App.
 - The Action Price is a reference point and represents the closing price one day after the original ATR_BO signal or an Overbought Re-entry signal.
 - In the event of multiple entry signals occurring on the same day, positions will be chosen on a **relative strength basis** according to their Ranking, **providing the ETF's are not of the same base index**. In the example below NUGT will be given priority over TNA as they are ETF's representing completely different base indices, the gold miners index and the small cap index.



Code	Security Name	SX	Signal Date	Signal Na...	Last Price	Trade Date	Trade Acti...	Trade Price	Ranking
NUGT	Direxion Daily Gold Miners Index Bull 2X Shares	ARCX	26/11/2025	ATR_BO	179.61	28/11/2025	BUY	Market on Clo...	111.62
TNA	Direxion Daily Small Cap Bull 3X	ARCX	26/11/2025	ATR_BO	48.64	28/11/2025	BUY	Market on Clo...	20.80
UPRO	ProShares UltraPro S&P500	ARCX	26/11/2025	ATR_BO	115.18	28/11/2025	BUY	Market on Clo...	17.58
UWM	ProShares Ultra Russell2000	ARCX	26/11/2025	ATR_BO	49.22	28/11/2025	BUY	Market on Clo...	15.19

- In the event where there are multiple entry signals representing the **same base index**, priority will be given to the ETF with the **highest leverage factor regardless of the relative ranking**.

Example: TQQQ & QLD both generate new buy signals on the same date. Both ETFs represent the same base index, the NASDAQ Tech 100 index - QQQ.

TQQQ (ProShares UltraPro QQQ 3X) – Ranking 6.2

QLD (ProShares Ultra QQQ X2) – Ranking 9.3

In this instance, TQQQ will be given priority because of the higher leverage factor (X3) despite QLD having a higher ranking.

- SPA3 Income Exit signals, **ATR_TS** (ATR Trailing Stop), **Overbought Exit** or **Weakness TimeStop** will be the sole criteria for closing a position apart from closing a position that was opened in error or becoming the subject of a takeover—this should only be applicable to SPA3 Income stocks.
- Where a position is opened in error the position will be closed immediately upon the error being uncovered.
- Where a stock position becomes the subject of a takeover it will be closed on the 20th trading days after the initial takeover announcement. (There are currently two stocks that are part of the SPA3 Income universe)
- All SPA3 Income Entry and Exit Signals will be acted upon as follows:
 - leveraged ETFs using a MoC (Market On Close) order, to align with the Action Price, as defined above.
- Execution Platforms:
 - The Totality platform will be used for:
 - Leveraged ETFs (x2, x3) / Stocks
- Execution rules and Order types will be revised from time-to-time based on:
 - Access to revised income data feeds into Beyond Charts
 - Re-research of income instruments
 - Execution platform modifications, such as 24/5 trading of ETFs, other platform modifications, or SWS changing execution platforms.

3.1 Universe of Income Instruments

This portfolio will take positions in leveraged ETFs and stocks listed on the USA market for which the SPA3 Income signals are available.

The list in which entry and exit signals are monitored will be confined to instruments in the **SWS USA ETF's – Leveraged Long for SPA3 Income** Watch List, which can be found in the Beyond Charts Industry Watch Lists.

This portfolio will focus on signals provided for just 5 leveraged ETF's/stocks:

- TQQQ (ProShares UltraPro QQQ 3X)
- SOXL (Direxion Daily Semiconductor Bull 3X Shares)
- UPRO (ProShares UltraPro S&P 500 3X)
- SPXL (Direxion Daily S&P 500 Bull 3X Shares)
- TECL (Direxion Daily Technology Bull 3X Shares)
- UDOW (ProShares UltraPro Dow 30 3X)
- URTY (ProShares UltraPro Russell 2000 3X)
- CURE (Direxion Daily Healthcare Bull 3X Shares)
- TNA (Direxion Daily Small Cap Bull 3X)
- TMF (Direxion Daily 20+ Year Treasury Bull 3X Shares)
- FAS (Direxion Daily Financial Bull 3X Shares)
- YINN (Direxion Daily FTSE China Bull 3X Shares)
- SSO (ProShares Ultra S&P 500 2X)
- SPUU (Direxion Daily S&P 500 Bull 2X Shares)
- QLD (ProShares Ultra QQQ 2X)
- MIDU (Direxion Daily Mid Cap Bull 3X Shares)
- DDM (ProShares Ultra DOW 30 2X)
- ERX (Direxion Daily Energy Bull 2X Shares)
- LABU (Direxion Daily S&P Biotech Bull 3X Shares)
- NAIL (Direxion Daily Homebuilders & Supplies Bull 3X Shares)
- SAA (ProShares Ultra SmallCap 600 2X)
- DFEN (Direxion Daily Aerospace & Defence Bull 3X Shares)
- RARE (Ultragenyx Pharmaceutical Inc Stock 1X)
- ROM (ProShares Ultra Technology 2X)
- UCO (ProShares Ultra Bloomberg Crude Oil 2X)
- UCTT (Ultra Clean Holdings Inc Stock 1X)
- UGL (ProShares Ultra Gold 2X)
- USD (ProShares Ultra Semiconductors 2X)
- UWM (ProShares Ultra Russell 2000 2X)
- AGQ (ProShares Ultra Silver 2X)
- NUGT (Direxion Daily Gold Miners Index Bull 2X Shares)

3.2 Reviewing Income Universe

From time-to-time Share Wealth Systems will review the income instrument trading Universe. Criteria that will be used include:

1. A major change occurs in the characteristics of an ETF or stock. For example, a stock undergoes a merger. This may not cause the stock to be dropped off the list but should cause a review.
2. A major change in the overall market such as the onset of a secular bear market.
3. Other ETFs or stocks are added to the SPA3 Income list that, based on research, they are determined to meet minimum market capitalisation, liquidity and longevity requirements.

4 RISK MANAGEMENT

The overall risks to be managed are:

- Market Risk
- Liquidity Risk.
- Exposure Risk

4.1 Definition of Market Risk

The definition of **Market Risk** is: The possibility of an investor experiencing losses due to factors that affect the overall performance of financial markets.

Market risk, also called "systematic risk," cannot be eliminated but can be minimised through diversification and other means. SPA3 Income will protect against **market risk** by moving 100% into cash whenever all the instruments on the list are closed positions.

4.2 Liquidity Risk

A liquidity test should be applied to all potential new ETF and stock positions.

No position will be taken in candidates whose daily liquidity averaged over the prior 3 months is less than 10 x the position size of the individual position. This is a simple precautionary rule that could be used to help minimise liquidity risk.

Whilst this not an issue with the small SPA3 Income universe as at December, 2025, this rule is in this Investment Plan should the Universe change in the future.

4.3 Exposure Risk

1. **Invested %** in the **Portfolio Values, Summary** tab in Portfolio Manager will not exceed 100%.
 - If this occurs for any reason, close open positions in the portfolio until **Invested %** is \leq 100%, starting with the lowest Ranking.
2. It is the aim of any active trading strategy to be 100% invested at all times, provided entry signals continue to be generated by the strategy. SWS research shows that SPA3 Income currently suffers

from the Exposure Risk of potentially being underexposed (see the SPA3 Income Getting Started Manual), due to the limited Universe at the moment.

However, the volatile nature of income instruments to date makes up for any lack of performance that would typically result from underexposure. Exposure Risk, over and under, must be monitored as the Universe changes.

5 MONEY MANAGEMENT

The SPA3 Income Portfolio Manager (PM) will be used in accordance with the risk management rules described above and the money allocation parameters that follow.

The SPA3 Income Public Portfolio will be equally spread across 5 simultaneously open positions on a first come first served basis or be partially or totally in cash.

5.1 Open Positions and Risk Distribution

The planned number of Open Positions will be from 0 to 5.

5.2 Money in the Market

The **key objective of managing an active portfolio is to have all capital exposed to the market**, without contravening any of the Entry, Exit, Risk and Money Management rules of this Investment Plan.

Up to 5 of the instruments from the list in section 3 can be open positions without exceeding 100% **Invested %**.

If none of the candidates listed in section 3 are open positions then the portfolio will be 100% in cash.

5.3 Position sizing

US\$160,000 was injected into the Beyond Charts Portfolio Manager (PM).

Capital can be added but not removed from the portfolio until **Return on Capital %** has reached 200%, that is, all capital injected has trebled.

PM will calculate the next position size based on the total portfolio value less the Open profit at Risk in open positions.

The formula, which is automatically calculated by PM, is:

Next Position Size = $(PV - (\text{Open Profit at Risk} / 2)) / 3$

From time to time some position sizes may be less than equally weighted due to the lack of available cash at the time of trade execution. Position sizes will be actively monitored to ensure the portfolio remains as evenly balanced as possible.

5.4 Starting the Portfolio

Refer to the SPA3 Income Getting Started Manual.

Being a publicly invested portfolio by Share Wealth Systems this portfolio should never miss entry signals but investors' portfolios may miss entry signals due to the investor not being involved with

investing at the time that they occur. If that happens, when restarting refer to the SPA3 Income Getting Started Manual.

5.5 Maximum Brokerage Percentage Rule

If the brokerage for any transaction is equal to or greater than 1% of the market value then the transaction will not be executed.

6 PROCESS MANAGEMENT

The details of all Positions will be entered into the SPA3 Investor Portfolio Manager (PM).

The above rules will be followed closely.

Any deviation from the Investing Plan will be noted. If the deviation results in a modification to the Investing Plan it will be formalised. If the deviation was an error, action will be taken to ensure that it does not reoccur.

The following statistics (not exhaustive) will be automatically updated using Portfolio Manager software that is tightly integrated into Beyond Charts, and analysis conducted:

- Total profit positions versus loss positions
- Average profit/loss per transaction
- Average hold period
- Return of portfolio versus the S&P500 Total Return Index for the month and since the portfolio started. (\$SPXTR)
- Profit/loss percentage
- Maximum Drawdown %
- Invested %

6.1 The Daily Process

- **Step 1** – Price data update

Ensure that the latest daily price data has been collected for the ASX market.

- **Step 2** – Check for an exit signal

There may be between 1 and 3 open income Positions in the portfolio. Check that all the currently open positions are still open positions, i.e. no Exit signal has occurred.

This is achieved by:

1. Stepping through a Watch List called **SWS USA ETF's Leveraged Long for SPA3 Income** for each of the charts of the open income positions and visually checking if an exit signal alert is displayed on the chart.
2. Or checking the **SWS Alerts & PM App** for Sell Alerts, or in your sync'ed portfolio in the **SWS Alerts & PM App**.
3. Or running a Scan in Beyond Charts.

If an Exit Signal has occurred then exit this position in the following trading session.

- **Step 3 – Check for entry signals**

This step is only required if there are < 5 open positions in the portfolio.

For the particular income instruments listed in section 3, if any of them have their last signals as an Exit signal, that is, they are closed SPA3 Income positions, then check these for Entry signal alerts being displayed on their charts.

If an Entry Signal has occurred in any of them then open a position on the next market session using the Position Sizing calculation in section 5.3, using a MoC.

- **Step 4 – Update the Portfolio Manager**

Enter trades, dividends or any other entries in the Beyond Charts Portfolio Manager.

- **Step 5 – Journaling**

This step should be completed when:

1. A new position is opened, or an open position is closed.
2. No trade is required but due to ‘noise’, market volatility or ‘societal paradigm’, the person executing the portfolio had conflicting thoughts about:
 - a. closing a position that, according to this Investment Plan, should NOT be closed today, or
 - b. opening a position that, according to this Investment Plan, should NOT be opened today.

Continue Journaling for at least the 1st 25 closed positions in this portfolio, or until:

1. you can “flawlessly execute” every Buy & Sell precisely according to the rules of this Investment Plan, and
2. your mind is free of any conflicting thoughts about whether to execute any trade according to the rules of this Investment Plan.
3. you are at peace with every outcome and action in the portfolio.
4. you are thinking in terms of probabilities, i.e., the long-term expectation of the Trading System.

6.2 The Monthly Process

- **Step 1 – Read all the entries recorded in your Journal for the last month.**
- **Step 2 – Report ALOUD to your ‘Board’ (imaginary, spouse, buddy, SWS team member)**
 - Report every occurrence of a rule being broken
 - Report how you felt about certain transactions and why
- **Step 3 –Review Portfolio Manager, Statistics & Equity Curve (can we be done Daily or Weekly too)**
 - observe how the portfolio is performing, looking for stats that could be exceeding the expected boundaries of the portfolio:
 - **Current Drawdown % < -40%**

- portfolio Equity Curve underperforming its benchmark Index
- any other benchmarks that you deem necessary – most are long-term metrics that require a large sample of closed trades (around 100)

END OF INVESTMENT PLAN