

ILSAX | ILSCX | ILSIX

FUND OBJECTIVE

Total return by investing in reinsurance risk premiums through income-producing catastrophe bonds and other insurance-related investments.

FUND BENEFITS

Insurance linked investing may:

Diversify your current portfolio

- Insurance event risk strategy returns have historically shown low correlation to traditional equity and debt strategies.

Diversify your reinsurance risk holdings

- Cat bonds are the most liquid ILS product and have focused on insurance event risk with the highest risk premiums, complimenting a beta reinsurance risk premium portfolio.

Hedge against rising interest rates

- Catastrophe bonds are typically floating rate notes and may protect a portfolio against rising interest rates.

INVESTMENT STRATEGY

- The Fund pursues its investment objective by investing primarily in income producing insurance-related investments such as catastrophe bonds and insurance sector debt and preferred stock.
- Catastrophe bonds provide exposure to insurance event risk premiums whose returns have historically shown low correlation to traditional equity and debt market returns.
- Insurance sector debt and preferred equity provide additional exposure to the insurance industry capital structure and may provide returns comparable to catastrophe bonds.

HOW TO INVEST

Share Class	Ticker	CUSIP
Class A	ILSAX	628255481
Class C	ILSCX	628255473
Institutional	ILSIX	628255465

Min. Initial Investment: \$1,000

Min. Subsequent Investment:

Class A & C \$50
Institutional \$500

The **Context Insurance Linked Income Fund** seeks total return by investing in an actively managed portfolio of insurance-linked securities "ILS" (primarily catastrophe ["cat"] bonds) and other income-oriented insurance-related investments.

✓ Why Cat Bonds are Attractive Non-Traditional Fixed Income Products:

- The most liquid instrument in the insurance-linked securities ("ILS") asset class.
- Provides exposure to pure reinsurance event risk, a sector dominated by institutions and hedge funds.
- Principal loss is tied to insurance event risk—not the same as drivers of risk in stocks, corporate bonds, and other traditional capital market securities.
 - Therefore, cat bond returns can be minimally correlated to stock and bond returns.
- Floating rate design pays a fixed risk premium rate above a reference rate and may protect against rising interest rates.
 - Typical risk premium rates of 3%-8% depending on risk type.
- Tends to have short-term average maturity of approximately three years.

✓ Sub-advisor brings unique expertise to the Fund's management

- Over 50 years of combined reinsurance and asset management experience.
- Actively managed, fundamental analysis-based portfolio.
- Experience trading through multiple insurance market stress periods:
 - September 2001 terror attacks, 2004 tsunami, 2004/05/12 hurricane seasons, 2008 credit crisis and hurricanes, 2011 events (Japan earthquake, U.S. tornadoes, Thailand floods).
- In-depth knowledge of catastrophe models.
- Extensive trading relationships with reinsurers, brokers and investment banks.

Growth of \$10,000: Ending December 31, 2018



Performance (%): Ending December 31, 2018

Annualized if greater than 1 year

	YTD	1 Year	3 Years	5 Years	10 Years	Inception*
Institutional Class	n/a	n/a	n/a	n/a	n/a	n/a
ICE BofA ML 3-month U.S. Treasury Bill Index	n/a	n/a	n/a	n/a	n/a	n/a
Class A	n/a	n/a	n/a	n/a	n/a	n/a
Class A w/ Sales Charge	n/a	n/a	n/a	n/a	n/a	-5.75

* Inception: 12/31/2018

The maximum sales charge for Class "A" Shares is 4.75%. In the case of investments of \$1 million or more (where you do not pay an initial sales charge), a 1.00% contingent deferred sales charge ("CDSC") may be assessed on shares redeemed within two years of purchase. Performance is historic and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the funds prospectus please call 800-253-0412 or visit www.RationalMF.com.

Context Insurance Linked Income Fund

4Q 2018 Fact Sheet

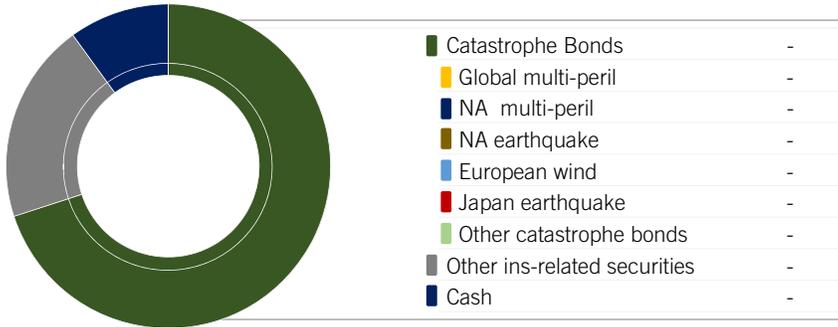
Class A: ILSAX | Class C: ILSCX | Institutional: ILSTX

rationalfunds

Investment Process

- Identify target geographic locations and event risk types
- Source risk from broker/dealers & strategic reinsurance relationships
- Analyze available securities to determine portfolio suitability
- Add selected securities to portfolio
- Monitor risk factors for potential portfolio impact and adjust holdings as needed

Sector Weights



Top 5 Portfolio Holdings

Fund holdings are subject to change and should not be considered investment advice.

RISK CONSIDERATIONS:

Past performance is not a guarantee of future results.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Rational Funds. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling (800) 253-0412 or at www.RationalMF.com. The prospectus should be read carefully before investing. The Rational Funds are distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Rational Advisors, Inc. is not affiliated with Northern Lights Distributors, LLC.

An investment in the Fund involves a high degree of risk. The insurance-related securities in which the Fund invests are typically considered "high yield" and many insurance-related debt securities may be rated less than investment grade or unrated. It is possible that investing in the Fund may result in a loss of some or all of the amount invested. Before making an investment or allocation decision, investors should (i) consider the suitability of this investment with respect to an investor's or a client's investment objectives and individual situation and (ii) consider factors such as an investor's or a client's net worth, income, age, and risk tolerance. Investment should be avoided where an investor or client has a short-term investing horizon and/or cannot bear the loss of some or all of the investment. The insurance-related securities in which the Fund invests will be subject to credit risk. Credit risk may be substantial for the Fund. The Fund may invest in derivatives with a limited number of counterparties, and events affecting the creditworthiness of any of those counterparties may have a pronounced effect on the Fund, its value and the valuation of individual securities. The use of derivatives involves risks that are in addition to, and potentially greater than, the risks of investing directly in securities and other more traditional assets. When the Fund invests in fixed income securities, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities owned by the Fund. A significant percentage of the insurance-related securities in which the Fund invests are expected to be variable rate, or floating-rate, event-linked bonds. Floating-rate instruments and similar investments may be illiquid or less liquid than other investments. The principal risk of an investment in an event-linked bond or swap is that a trigger event(s) (e.g., (i) natural events, such as a hurricane, tornado or earthquake; or (ii) man-made events, such as large aviation disasters, building explosions or cyberattacks) will occur and the Fund will lose all or a significant portion of the principal it has invested in the security and the right to additional interest payments with respect to the security. The Fund may invest in countries with newly organized or less developed securities markets. There are typically greater risks involved in investing in emerging markets securities. There are risks associated with an options hedging strategy. Generally, options may not be an effective hedge because they may have imperfect correlation to the value of the Fund's portfolio securities. There can be no assurance that the Fund's hedging strategy will reduce risk or that hedging transactions will be either available or cost effective.

ILSAX

ILSCX

ILSIX

FUND MANAGEMENT

Investment Advisor

Rational Advisors, Inc.

Investment Sub-Advisor

Context Insurance Strategies, LLC

Peter Vloedman

Portfolio Manager

- 28+ years in reinsurance & ILS sectors
- Former Chairman & Lead Underwriter, Bermuda reinsurance company
- U.S. Naval Academy, B.S. Marine Eng., Columbia Business School, MBA

Andrew Sterge

Portfolio Manager

- 33 years in reinsurance & asset mgt.
- Former Chairman of Bermuda reinsurer portfolio management committee
- Wake Forest University, B.S. Mathematics and Cornell University, Ph.D. Mathematics

SHARE CLASS INFORMATION

Share Class	Inception	Net Exp.*	Gross Exp.
Class A	12/31/2018	2.03%	2.51%
Class C	12/31/2018	2.78%	3.26%
Institutional	12/31/2018	1.78%	2.26%

*The Fund's investment advisor, Rational Advisors, Inc. (the "Advisor") has contractually agreed to waive all or a portion of its management fee and/or reimburse certain operating expenses of the Fund to the extent necessary in order to limit the Fund's total annual fund operating expenses (after the fee waivers and/or expense reimbursements, and exclusive of acquired fund fees and expenses, brokerage costs, interest, taxes and dividends, and extraordinary expenses) to not more than 1.75%, 2.00% and 2.75% of the Institutional Shares, Class A Shares and, Class C Shares daily net assets, respectively, through April 30, 2020.

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