

**RDMAX** | **RDMCX** | **RDMIX**

## FUND OBJECTIVE

The Fund's objective is capital appreciation uncorrelated to global equity markets.

## REASONS TO INVEST



**Targets Consistent Volatility**



**Globally Diversified Portfolio**

## INVESTMENT STRATEGY

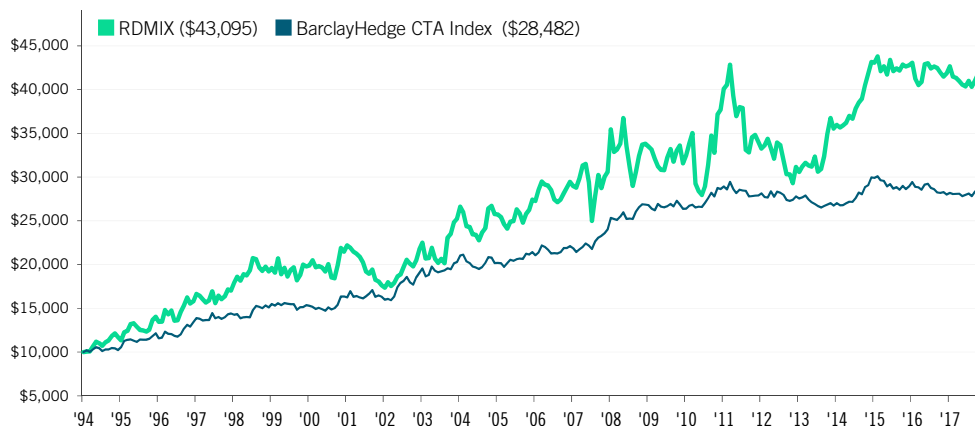
- The Fund invests in futures contracts and occasionally in exchange traded funds to gain dynamic exposure to global market opportunities across country equity indexes, fixed income, tradeable real estate, currencies, and commodities.
- Portfolios are formed using proprietary quantitative innovations to systematically emphasize global assets with strong and persistent trend and momentum characteristics, while maximizing diversification and minimizing total portfolio volatility.
- As portfolio weights and estimates of volatility and correlations change through time, the Fund will increase and decrease the gross exposure in an effort to maintain its target level of 12% annualized portfolio volatility.

## HOW TO INVEST

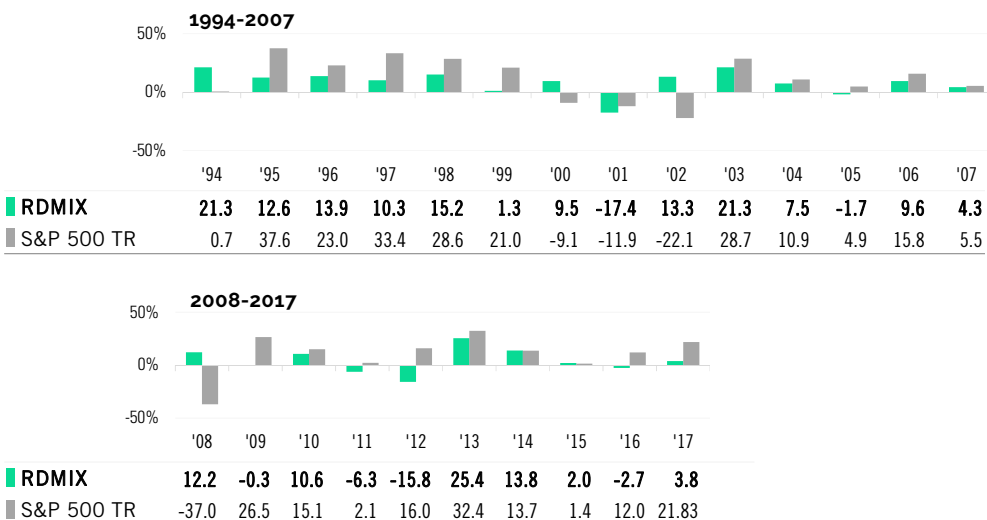
Share Class	Ticker	CUSIP
Class A	RDMAX	628255747
Class C	RDMCX	628255739
Institutional	RDMIX	628255721

Min. Initial Investment: \$1,000  
 Min. Subsequent Investment:  
 Class A & C \$50  
 Institutional \$500

## Growth of \$10,000 Investment



## Annual Returns (%)



## Performance (%): Ending December 31, 2017

	YTD	1yr	3yrs	5yrs	10yrs	Inception*
Institutional Class	3.85	3.85	1.01	8.01	3.68	6.32
BarclayHedge CTA Index	0.69	0.69	-0.68	0.77	1.91	4.49
S&P 500 TR Index	21.83	21.83	11.41	15.79	8.50	9.72
Class A	3.57	3.57	n/a	n/a	n/a	0.53
Class C	2.83	2.83	n/a	n/a	n/a	-0.07
BarclayHedge CTA Index	0.69	0.69	n/a	n/a	n/a	-0.38
S&P 500 TR Index	21.83	21.83	n/a	n/a	n/a	20.68
Class A w/ Sales Charge	-1.34	-1.34	n/a	n/a	n/a	-3.31

\*Inception: Institutional 02/01/1994, Class A & C 09/30/2016. Performance shown before 09/30/2016 is for the Fund's predecessor, the Chesapeake Diversified Program.

The maximum sales charge for Class "A" Shares is 5.75%. Class "C" Shares held for less than one year are subject to a 1% CDSC. 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](http://www.RationalMF.com).

The Fund has the same management practices and is in all material respects identical to the Chesapeake Fund, LLC (the predecessor fund) since the predecessor fund's inception on February 1, 1994. The Fund's management practices, investment goals, policies, objectives, guidelines and restrictions are, in all material respects, equivalent to the predecessor limited partnership. From its inception date, the predecessor limited partnership was not subject to certain investment restrictions, diversification requirements and other restrictions of the 1940 Act of the Code. If they had been applicable, it might have adversely affected its performance. In addition, the predecessor limited partnership was not subject to sales loads that would have adversely affected performance. Performance of the predecessor fund is not an indicator of future results.

# ReResolve Adaptive Asset Allocation Fund

4Q 2017 Fact Sheet

Class A: RDMAX | Class C: RDMCX | Institutional: RDMIX

rationalfunds

## Performance & Risk Statistics

	RDMIX	S&P 500 TR Index
Alpha (vs. S&P 500)	3.48%	-
Beta (vs. S&P 500)	0.17	-
Correlation (vs. S&P 500)	0.16	1.00

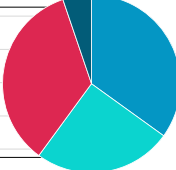
## RDMIX during Worst 10 Quarters for S&P 500

(March 1994 – December 2017)

	RDMIX	S&P 500 TR Index	Difference
4Q 2008	16.20%	-21.94%	+38.15%
3Q 2002	10.24%	-17.28%	+27.51%
3Q 2001	-9.37%	-14.68%	+5.31%
3Q 2011	-10.48%	-13.87%	+3.39%
3Q 2002	3.60%	-13.40%	+16.99%
1Q 2001	0.13%	-11.86%	+11.98%
3Q 2010	-15.99%	-11.43%	-4.56%
1Q 2009	-1.64%	-11.01%	+9.38%
3Q 1998	9.88%	-9.95%	+19.83%
1Q 2008	9.47%	-9.44%	+18.91%

## Asset Allocation (as of December 31, 2017)

Stocks	34.93%
Currencies	25.14%
Commodities	34.72%
Bonds/Interest Rates	5.21%



**Sharpe Ratio:** A risk-adjusted measure of a fund's performance that indicates a fund's return per unit of risk, defining risk as volatility (standard deviation). **Alpha:** A measure of the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. **Beta:** A measure of a fund's sensitivity to market movements. **Correlation:** A statistical measure of how two securities move in relation to each other. **BarclayHedge CTA Index** is a leading industry benchmark of representative performance of commodity trading advisors (CTAs). **S&P 500 TR Index** is used to represent the U.S. large-cap stock market.

## RISK CONSIDERATIONS:

Past performance is not a guarantee of future results.

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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](http://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. and ReResolve Asset Management Inc. are not affiliated with Northern Lights Distributors, LLC.

Investing in the Fund carries certain risks. The value of the Fund may decrease in response to the activities and financial prospects of an individual security in the Fund's portfolio. Because the Advisor is primarily responsible for managing both the Fund and certain Underlying Funds, the Advisor is subject to conflict of interest with respect to how it allocates the Fund's assets among the Underlying Funds. Investing in the commodities markets (directly or indirectly) may subject the Fund to greater volatility than investments in traditional securities. Commodity prices may be influenced by unfavorable weather, animal and plant disease, geologic and environmental factors as well as changes in government regulation such as tariffs, embargoes or burdensome production rules and restrictions. Derivatives are investments in which the value is "derived" from the value of an underlying asset, reference rate, or index. The value of derivatives may rise or fall more rapidly than other investments. For some derivatives, it is possible to lose more than the amount invested in the derivative. If the Fund uses derivatives to "hedge" the overall risk of its portfolio, it is possible that the hedge may not succeed. Options involve risks that are not suitable for all investors. No strategy, including option strategies, can eliminate risk. Options strategies in particular may result in the total loss of principal over a short period of time. An investment in an exchange-traded fund (ETF) generally presents the same primary risks as an investment in a conventional fund that has the same investment objectives, strategies, and policies. In addition, ETFs may be subject to the following risks that do not apply to conventional funds: the market price of an ETF's shares may trade above or below their net asset value; an active trading market for an ETF's shares may not develop or be maintained; trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are delisted from the exchange, or the activation of market-wide circuit breakers halts stock trading generally. Because the Fund may invest its assets in underlying mutual funds or ETFs that have their own fees and expenses in addition to those charge directly by the Fund, the Fund may bear higher expenses than a Fund that invests directly in individual securities. Emerging market securities tend to be more volatile and less liquid than securities traded in developed countries. The Fund is non-diversified and may invest a greater percentage of its assets in a particular issue and may own fewer securities than other mutual funds.

RDMAX | RDMCX | RDMIX

## FUND MANAGEMENT

### Investment Advisor

Rational Advisors, Inc.

### Investment Sub-Advisor

ReResolve Asset Management Inc.

### Adam Butler CFA, CAIA

#### Portfolio Manager

- Founder & Chief Investment Officer
- 13 years of experience in investment management
- Responsible for portfolio management, quantitative research and strategy development
- Lead author on several public research whitepapers and ReResolve research blog

### Michael Philbrick CIM®, AIFP®

#### Portfolio Manager

- Founder & President of ReResolve
- 25 years of experience in investment management
- Responsible for portfolio and risk management

### Rodrigo Gordillo CIM®

#### Portfolio Manager

- Founder & Managing Partner
- 13 years of experience in investment management
- Responsible for portfolio management and strategy development

### Andrew Butler CFA

#### Head of Quantitative Research

- Responsible for quantitative research efforts and systems development
- Expertise in Machine Learning modeling.
- Honors B.Sc. in Applied Mathematics & Physics, Memorial University
- M.A. in Applied Mathematics & Statistics, Financial Engineering Major at York University

## SHARE CLASS INFORMATION

Share Class	Net Expense*	Gross Expense
Class A	2.02%	2.93%
Class C	2.27%	3.68%
Institutional	3.02%	2.68%

\*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 1.97%, 2.22% and 2.97% of the Institutional Shares, Class A Shares and Class C Shares daily net assets, respectively, through April 30, 2019.

(800) 253-0412 | [www.RationalMF.com](http://www.RationalMF.com)