

About The Fund

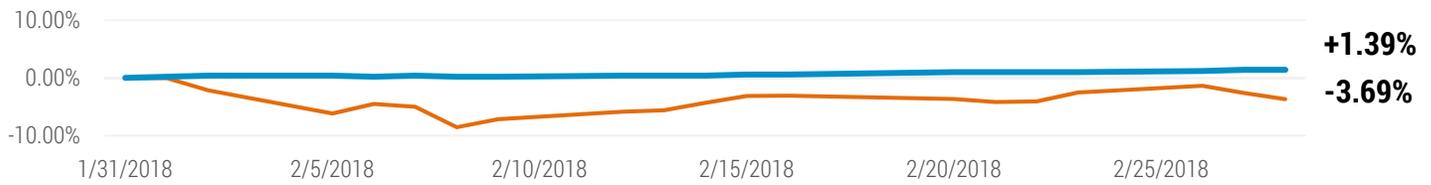
The Rational Tactical Return Fund, which is an alternative, non-correlated fund to the S&P 500, has historically performed well during times of market volatility, as we experienced in 2018 and 2019. The Fund returned 9.66% in 2018. Warrington Asset Management is the sub-advisor for HRSTX. Warrington's decades of trading experience and ability to hedge positions quickly helped investors avoid the significant drawdowns during periods of volatility this year and will attempt to capitalize on new opportunities presented by the heightened volatility.

How the Strategy is Performing

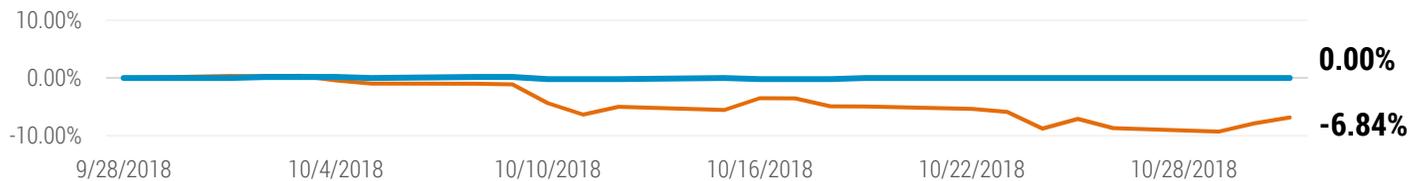
The charts below show how the Fund performed during recent periods of volatility versus the broader market.

■ HRSTX Total Return (%) ■ S&P 500 TR (%)

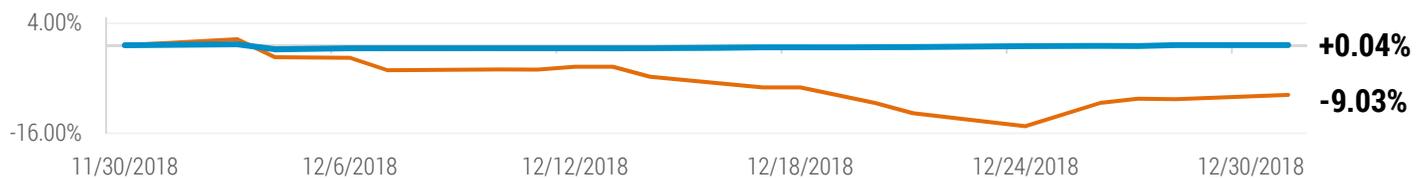
Volatility Spike #1: February 2018



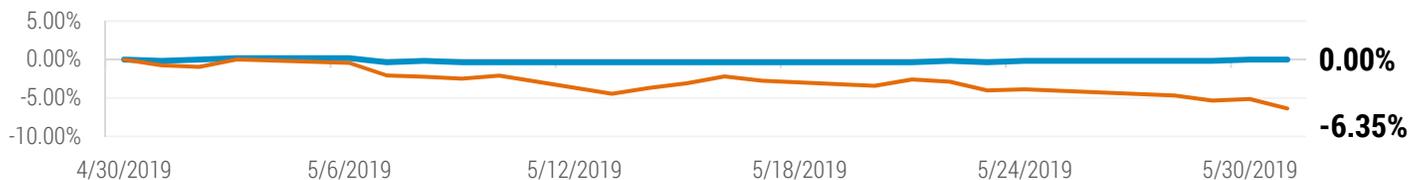
Volatility Spike #2: October 2018



Volatility Spike #3: December 2018



Volatility Spike #4: May 2019

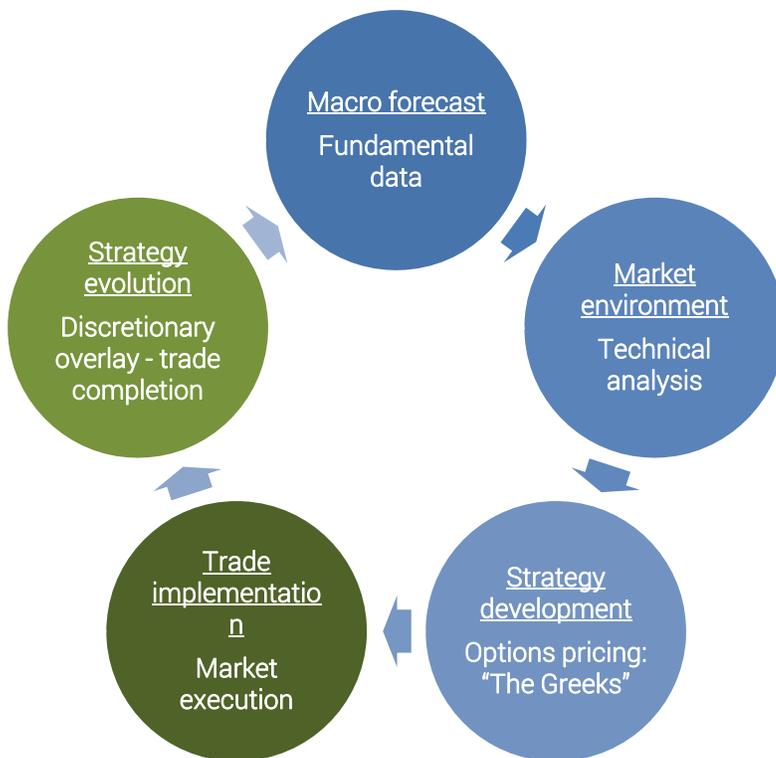


How the Investment Process Works

HRSTX offers advisors and clients a way to make an investment that seeks to be uncorrelated to the broader markets, and targets making profits in different market scenarios. It does this by investing primarily in long and short call and put options on futures contracts on the S&P 500 Index. These trades are done in a very short time frame, typically less than two weeks to expiration, and the strategy employs disciplined risk management.

The strategy primarily uses very short-term options combined with strict risk management with the intent of producing steady returns, while managing drawdowns. In addition, the Fund has very low correlation to stocks, bonds, and commodities, which helped its performance this year in periods of volatility like February and October. Above all, the Fund seeks to provide non-correlated returns with an emphasis on risk management.

Investment Strategy



What we do

- We combine technical and fundamental analysis to formulate a near term outlook.
- We then express our opinion using options on the S&P 500 Futures Contract.

Rational Tactical Return Fund Implementation

- Sells short-term strangles
- Trades volatility, follows trends
- Goes to cash in high volatility events

Fund Information, Performance, and Risk Statistics

The Fund's investment objective is to seek total return consisting of long-term capital appreciation and income. The Fund seeks to achieve its investment objective in three ways:

- (1) Premium Collection – the Fund collects premiums on options it sells;
- (2) Volatility Trading – the Fund may enter into positions designed to hedge or profit from either an increase or a decrease in Index volatility; and
- (3) Trend Following – the Fund may increase or decrease the balance of puts and calls based on trending market direction. An important point is that the positions in the Fund are very short-term in nature; typically held for one week on average.

The Fund is designed to produce returns that are not correlated with equity market returns. HRSTX employs risk management procedures, supported by both technical and fundamental analysis, which are intended to provide consistency of returns and to mitigate the extent of losses.

How Warrington Asset Management Drives Performance

In an attempt to drive performance—especially in periods of volatility that we have experienced thus far this year—the sub-advisor’s experienced investment team develops a macro view using technical analysis combined with fundamental data that incorporates non-quantifiable risks. For risk management, the sub-advisor employs a Band Chart as the primary indicator of the short-term market outlook and combines that with other technical analysis. The bands frame the risk parameters for all trading decisions and are updated tick by tick (see chart below). It also trades options based on current macro and volatility forecasts, with a strong emphasis on the mathematical properties of options pricing. Regarding market execution and trading, the sub-advisor’s forecast is expressed through options, and the defined risk points inform a clear risk management plan. The resulting positions aim to provide optimal risk/reward characteristics.

Warrington’s Band Chart: Bands Capture 90%-96% of All S&P Price Action Back to the 1950’s

Red Band: 5.75% above/below 21 day moving average = 96% of S&P 500 history

Yellow Band: 3.5% above/below 21 day moving average = 90% of S&P 500 history

- Warrington employs a Proprietary Band Chart as our primary indicator of risk
- Bands frame risk parameters for all trading decisions – and are updated tick by tick



Additional technical data Warrington considers include:

- MACD
- RSI
- Arms Index
- Maclellan Oscillators
- Volume/Open Interest Delta
- Put-Call Ratios
- New Highs/New Lows
- VIX & VIX derivatives
- Fear & Greed Index

Rational Tactical Return Fund Performance (%): Ending June 30, 2019¹

(Annualized if greater than 1 year)

¹Prior to 12/5/2017, the Rational Tactical Return Fund was named the Rational Real Strategies Fund, which implemented a different investment strategy and used a different sub-advisor.

	YTD	1yr	Since 12/5/17	3yrs	5yrs	10yrs	Inception*
Institutional Class	4.81	10.51	9.91	7.91	-3.68	3.78	-1.84
Class A	4.77	10.51	9.69	7.75	-3.72	3.62	-2.01
Class A w/ Sales Charge	-0.17	5.27	6.34	6.04	-4.65	3.12	-2.40
Class C	4.24	9.54	9.08	n/a	n/a	n/a	6.97
S&P 500 TR	18.54	10.42	9.54	n/a**	n/a**	n/a**	n/a**

* Inception: 05/01/2007 (Class A & Inst.), 05/31/2016 (Class C)

** S&P 500 TR Index not relevant to strategy prior to 12/5/2017 strategy change.

The maximum sales charge for Class "A" Shares is 4.75%. Class "C" Shares held for less than one year are subject to a 1% CDSC. The Fund's total annual fund operating expenses were 3.58%, 4.24%, and 3.24% for Class A, C, and I shares, respectively. 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 Fund's prospectus please call 800-253-0412 or visit www.RationalMF.com.

ABOUT THE SUB-ADVISOR

Warrington Asset Management, an alternative asset manager founded by Scott C. Kimple in 1997, is the sub-advisor for HRSTX. Warrington Asset Management, has a track record of only two down years in 22 among their strategies – winning the Pinnacle Award in 2017 & 2019 for the best five-year option strategy.

This alternative investment strategy focuses on trading options on S&P 500 Index Futures, and has a 20+ year track record delivering consistent, non-correlated returns with a strong focus on risk management. Prior to January of 2015, Warrington was an independent but affiliated group within Morgan Stanley (and predecessor firms) and only available to their customers. Warrington is registered with the CFTC as a CPO and CTA, and as an investment advisor with the SEC. Warrington is also a member of the NFA.

IMPORTANT RISK DISCLOSURES

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. There are risks associated with the sale and purchase of call and put options. As the buyer of a put option, the Fund assumes the risk of a rise in the market price of the underlying security above the exercise price of the option which will cause a loss of the premium paid for the option. As a seller (writer) of a put option, the Fund will lose money if the value of the security falls below the strike price. The Fund may experience losses that exceed those experienced by funds that do not use futures contracts, options and hedging strategies.

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.