



**RATIONAL HEDGED RETURN FUND**  
*(formerly, the Rational Real Strategies Fund)*

Class A Shares: HRSAX    Class C Shares: HRSFX    Institutional Shares: HRSTX

**PROSPECTUS**

**December 5, 2017**

This Prospectus provides important information about the Fund that you should know before investing. Please read it carefully and keep it for future reference.

The Securities and Exchange Commission has not approved or disapproved these securities or determined if this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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## FUND SUMMARY – RATIONAL HEDGED RETURN FUND

**Investment Objective:** The Fund’s investment objective is to seek total return consisting of long-term capital appreciation and income.

**Fees and Expenses of the Fund:** This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. You may qualify for sales charge discounts on purchases of Class A shares if you and your family invest, or agree to invest in the future, at least \$50,000 in the Fund. More information about these and other discounts is available from your financial professional and is included in the section of the Fund’s prospectus entitled **How to Buy Shares** on page 10 and **Appendix A - Intermediary-Specific Sales Charge Reductions and Waivers**, and in the sections of the Fund’s Statement of Additional Information entitled **Waivers and Reductions of Up-Front Sales Charge on Class A Shares** on page 48.

<b>Shareholder Fees</b> (fees paid directly from your investment)	<b>Institutional Shares</b>	<b>Class A Shares</b>	<b>Class C Shares</b>
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of offering price)	None	4.75%	None
Maximum Deferred Sales Charge (Load) (as a percentage of the original purchase price)	None	1.00% <sup>(1)</sup>	1.00% <sup>(2)</sup>
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and other Distributions	None	None	None
Redemption Fee	None	None	None
Exchange Fee	None	None	None
<b>Annual Fund Operating Expenses</b> (expenses that you pay each year as a percentage of the value of your investment)	<b>Institutional Shares</b>	<b>Class A Shares</b>	<b>Class C Shares</b>
Management Fees	1.75%	1.75%	1.75%
Distribution (12b-1) Fees	None	0.25%	1.00%
Other Expenses (including shareholder services fee of 0.25% applicable to Institutional Shares and Class A Shares only) <sup>(3)</sup>	1.86%	1.86%	1.61%
Total Annual Fund Operating Expenses <sup>(3)</sup>	3.61%	3.86%	4.36%
Fee Waivers and/or Expense Reimbursements <sup>(3)(4)</sup>	(1.62)%	(1.62)%	(1.37)%
Total Annual Fund Operating Expenses After Fee Waivers and/or Expense Reimbursements <sup>(3)</sup>	1.99%	2.24%	2.99%

<sup>(1)</sup> 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.

<sup>(2)</sup> Maximum Deferred Sales Charge on Class C Shares applies to shares sold within 12 months of purchase.

<sup>(3)</sup> Restated to reflect expenses expected to be incurred during the current fiscal year.

<sup>(4)</sup> The Fund’s investment adviser, Rational Advisors, Inc. 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 1.99%, 2.24% and 2.99% of the Institutional Shares, Class A Shares and Class C Shares daily net assets, respectively, through April 30, 2019. This arrangement may only be terminated prior to this date with the agreement of the Fund’s Board of Trustees. Under certain conditions, the Advisor may recapture operating expenses waived and/or reimbursed under this agreement for a period of three years after the fees were waived or reimbursed, if the recapture can be achieved within the lesser of the expense limits in effect at the time of such reimbursement and the expense limits in place at the time of the recapture.

**Example:** This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem (or your hold, as applicable) all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating

expenses remain the same and that the expense reduction/reimbursement remains in place for the contractual period only. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Institutional Shares	\$202	\$956	\$1,731	\$3,766
Class A Shares	\$691	\$1,456	\$2,237	\$4,271
Class C Shares – no redemption	\$302	\$1,197	\$2,104	\$4,422
Class C Shares – with redemption	\$402	\$1,197	\$2,104	\$4,422

**Portfolio Turnover:** The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 246% of the average value of its portfolio.

### **Principal Investment Strategy**

Under normal circumstances, the Fund invests primarily in long and short call and put options on futures contracts on the Standard & Poor’s 500 Index (“SPX”), and in cash, and cash equivalents (including short term treasury securities).

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; however, in general, the strategy does not depend on a prediction of equity market direction and is designed to produce returns that are not correlated with equity market returns.

The Fund places a strong focus on risk management that is intended to provide consistency of returns and to mitigate the extent of losses. Positions are entered on a continuous basis across different option exercise prices and expiration dates. The foundation of the Fund’s trading methodology is determined by both technical and fundamental analysis on the S&P 500 Index futures. Technical analysis focuses on the statistical analysis of price movements of the SPX and provides the framework for trade decisions. However, the Sub-adviser also uses fundamental analysis of macroeconomic events such Federal Reserve policy statements, disputes between countries, political upheaval, and other geopolitical events to supplement the technical analysis for final trade execution. The Fund employs strict risk management procedures to adjust portfolio exposure as necessitated by changing market conditions, which may lead to higher transaction costs that may affect the Fund’s performance. In the event options on S&P 500 Index futures are unavailable for investment, in order to gain similar market exposure, the Fund may instead invest a significant portion of its assets in CBOE Volatility Index (“VIX”) futures and options, and SPX options. The VIX is measure of the implied volatility of S&P 500 Index options.

Exchange-traded options on broad-based equity indices that trade on a national securities exchange registered with the SEC, or a domestic board of trade designated as a contract market by the Commodity Futures Trading Commission, generally qualify for treatment as “section 1256 contracts,” as defined in the Internal Revenue Code of 1986, as amended (the “Code”). Under the Code, capital gains and losses on “section 1256 contracts” are generally recognized annually based on a marking-to-market of open positions at tax year-end, with gains or losses treated as 60% long-term and 40% short-term, regardless of holding period. The Fund intends to utilize primarily options that are “section 1256 contracts.”

The Fund actively trades its portfolio securities in an attempt to achieve its investment objective.

### **Principal Investment Risks**

As with any mutual fund, there is no guarantee that the Fund will achieve its objective. Investment markets are unpredictable and there will be certain market conditions where the Fund will not meet its investment objective and will lose money. The Fund's net asset value and returns will vary and you could lose money on your investment in the Fund and those losses could be significant. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

The following summarizes the principal risks of investing in the Fund. These risks could adversely affect the net asset value, total return and the value of the Fund and your investment.

**Cash or Cash Equivalents Risk:** At any time, the Fund may have significant investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time.

**Futures Risk.** The Fund's use of stock index futures involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) leverage risk (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the futures contract may not correlate perfectly with the underlying index. Investments in futures involve leverage, which means a small percentage of assets invested in futures can have a disproportionately large impact on the Fund.

**Hedging Risk.** Hedging is a strategy in which the Fund uses options or futures to offset the risks associated with other Fund holdings. 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. The Fund is not required to use hedging and may choose not to do so.

**Index Risk.** The options and futures in which the Fund invest will be subject to the risks associated with changes in the index to which they are linked.

**Leverage Risk.** The use of leverage by the Fund, such as the use of options or futures, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses..

**Liquidity Risk.** Liquidity risk exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

**Management Risk.** The portfolio manager's judgments about the attractiveness, value and potential appreciation of particular securities, options, and futures in which the Fund invests may prove to be incorrect and there is no guarantee that the portfolio manager's judgment will produce the desired results.

**Market Risk.** Overall market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets.

**New Sub-Advisor Risk.** The Sub-Advisor has limited experience managing a mutual fund. As a result, investors do not have a long-term track record of managing a mutual fund from which to judge the Sub-Advisor and the Sub-Advisor may not achieve the intended result in managing the Fund.

**Options Risk.** There are risks associated with the sale and purchase of call and put options. As the buyer of a put or call option, the Fund risks losing the entire premium invested in the option if the Fund does not exercise the option. As a seller (writer) of a put option or call option, the Fund will lose money if the value of the stock index futures falls below or rises above the respective option's strike price. The Fund's losses are potentially large in a written put transaction and potentially unlimited in an unhedged written call transaction.

**Regulatory Risk.** Changes in the laws or regulations of the United States, including any changes to applicable tax laws and regulations, could impair the ability of the Fund to achieve its investment objective and could increase the operating expenses of the Fund.

**U.S. Agency Securities Risk.** The Fund may invest in U.S. government or agency obligations. Securities issued or guaranteed by federal agencies and U.S. government sponsored entities may or may not be backed by the full faith and credit of the U.S. government.

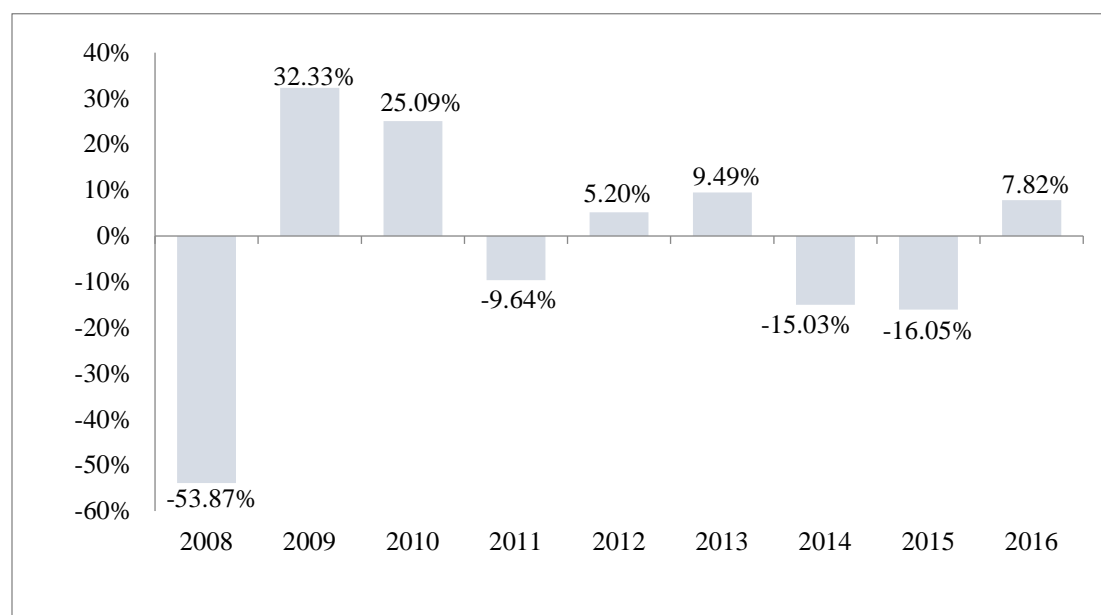
**Turnover Risk:** The Fund may have a high turnover of the securities held in its portfolio. Increased portfolio turnover causes the Fund to incur higher brokerage costs, which may adversely affect the Fund's performance and may produce increased taxable distributions.

For more information, please see "Principal Investment Strategies and Risks."

**Performance:** The bar chart and accompanying table shown below provide an indication of the risks of investing in the Fund by showing the total return of its Institutional shares for each full calendar year, and by showing how its average annual returns compare over time with those of a broad measure of market performance. Although Class A and Class C shares would have similar annual returns to Institutional Shares because the classes are invested in the same portfolio of securities, the returns for Class A and Class C shares would be lower than Institutional shares because Class A and Class C shares have higher expenses than Institutional shares. How the Fund has performed in the past (before and after taxes) is not necessarily an indication of how it will perform in the future. Performance for Class C Shares will be included in the Average Annual Total Return Table after the shares class has been in operation for one complete calendar year. Updated performance information is available at no cost by calling 1-800-253-0412.

Performance information for the period prior to December 2, 2017 does not reflect the Fund's current strategy, and the Fund's portfolio was not managed by the Fund's current sub-adviser.

## Annual Total Returns



During the period shown in the bar chart, the highest return for a quarter was 19.04% (quarter ended September 30, 2010), and the lowest return for a quarter was (35.61)% (quarter ended December 31, 2008). The Fund's Institutional shares year-to-date return for the period ended September 30, 2017 was 2.16%.

## Average Annual Total Returns (for the periods ended, December 31, 2016)

Institutional Shares	1 Year	5 Year	Since inception (May 1, 2007)
Return Before Taxes	7.82%	(2.51)%	(4.04)%
Return After Taxes on Distributions	1.91%	(4.18)%	(5.11)%
Return After Taxes on Distributions and Sale of Fund Shares	4.39%	(2.55)%	(3.30)%
<b>Class A</b>			
(with 4.75% sales charge) Return Before Taxes	1.80%	(3.61)%	(4.72)%
<b>S&amp;P 500 Total Return Index (reflects no deduction for fees, expenses or taxes)</b>	11.96%	14.66%	6.61%
<b>Standard &amp; Poor's Goldman Sachs Commodity Index® (S&amp;P GSCI) (reflects no deduction for fees, expenses or taxes)</b>	11.37%	(13.13)%	(8.75)%
<b>IQ Hedge Long/Short Beta Index (reflects no deduction for fees, expenses or taxes)</b>	1.60%	5.26%	1.40%

The Fund has changed the benchmark index used to compare the Fund's performance from the S&P GSCI to the S&P 500 Total Return Index. The Advisor believes that the S&P 500 Total Return Index is the appropriate benchmark index for the Fund's current strategy.

The IQ Hedge Long/Short Beta Index attempts to replicate the risk-adjusted return characteristics of hedge funds using a long/short equity investment style.

The After-tax returns are calculated using the highest historical individual federal marginal income tax rate and do not reflect the impact of state and local taxes. Actual after-tax returns depend on a shareholder's tax situation and may differ from those shown. After-tax returns are not relevant for shareholders who hold Fund shares in tax-deferred accounts or to shares held by non-taxable entities. After-tax returns are only shown for Institutional shares. After-tax returns for other share classes will vary.

**Advisor:** Rational Advisors, Inc., (“Rational” or the “Advisor”) is the Fund’s investment advisor.

**Sub-Advisor** Warrington Asset Management LLC (“Warrington” or the “Sub-Advisor”) is the Fund’s investment sub-advisor.

**Portfolio Managers:** Scott C. Kimple, Principal and Portfolio Manager of the Sub-Advisor, and Mark W. Adams, Assistant Portfolio Manager of Warrington GP, LLC (an affiliate of the Sub-Advisor), serve as the Fund’s portfolio managers and are primarily responsible for the day-to-day management of the Fund’s portfolio. Mr. Kimple is the Lead Portfolio Manager of the Fund. Messrs. Kimple and Adams have each served as Portfolio Manager of the Fund since December 2017.

**Purchase and Sale of Fund Shares:** The minimum initial purchase for the Fund’s Class A, Class C, and Institutional is \$1,000. For Class A Shares and Class C Shares, the minimum subsequent investment is \$50; for Institutional Shares, the minimum subsequent investment is \$500. For Class A Shares, Class C Shares, and Institutional Shares, the minimum initial and subsequent investment through the Systematic Investment Program (“SIP”) is \$50.

You may purchase and redeem shares of the Fund on any day that the New York Stock Exchange is open. Redemption requests may be made in writing, by telephone or through a financial intermediary to the Fund or the Transfer Agent and will be paid by check or wire transfer.

**Tax Information:** Dividends and capital gain distributions you receive from the Fund, whether you reinvest your distributions in additional Fund shares or receive them in cash, are taxable to you at either ordinary income or capital gains tax rates unless you are investing through a tax-deferred plan such as an IRA or 401(k) plan. If you are investing in a tax-deferred plan, distributions may be taxable upon withdrawal from the plan.

**Payments to Broker-Dealers and Other Financial Intermediaries:** If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s Web site for more information.

## **ADDITIONAL INFORMATION ABOUT THE FUND’S PRINCIPAL INVESTMENT STRATEGIES AND RELATED RISKS**

### **Investment Objective**

The Fund’s investment objective is to seek total return consisting of long-term capital appreciation and income. The investment objective of the Fund is non-fundamental and may be changed by the Board of



Trustees without shareholder approval. If the Board decides to change the Fund's investment objective, shareholders will be given 60 days' advance notice.

### **Rational Hedged Return Fund**

Under normal circumstances, the Fund invests primarily in long and short call and put options on futures contracts on SPX, and in cash, and cash equivalents (including short term treasury securities).

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; however, in general, the strategy does not depend on a prediction of equity market direction and is designed to produce returns that are not correlated with equity market returns.

The Fund places a strong focus on risk management that is intended to provide consistency of returns and to mitigate the extent of losses. Positions are entered on a continuous basis across different option exercise prices and expiration dates. The foundation of the Fund's trading methodology is determined by both technical and fundamental analysis on the S&P 500 Index futures. Technical analysis focuses on the statistical analysis of price movements of the SPX and provides the framework for trade decisions. However, the Sub-adviser also uses fundamental analysis of macroeconomic events such Federal Reserve policy statements, disputes between countries, political upheaval, and other geopolitical events to supplement the technical analysis for final trade execution. For example, if the technical indicators indicate a pending market decline, and the fundamental forecast confirms that near-term outlook, the Sub-adviser will position the Fund's portfolio to take advantage of a decline in the SPX. Conversely, if both technical and fundamental analysis point to a rising SPX, the Fund's portfolio can be adjusted rapidly to attempt to capture that potential upside. In the event that the fundamental and technical analysis disagree, the Fund can take a more market neutral posture or stay out of the market. The Fund employs strict risk management procedures to adjust portfolio exposure as necessitated by changing market conditions, which may lead to higher transaction costs that may affect the Fund's performance. In the event options on S&P 500 Index futures are unavailable for investment, in order to gain similar market exposure, the Fund may instead invest a significant portion of its assets in VIX futures and options, and SPX cash options. The VIX is measure of the implied volatility of S&P 500 Index options.

Exchange-traded options on broad-based equity indices that trade on a national securities exchange registered with the SEC, or a domestic board of trade designated as a contract market by the Commodity Futures Trading Commission, generally qualify for treatment as "section 1256 contracts," as defined in the Internal Revenue Code of 1986, as amended (the "Code"). Under the Code, capital gains and losses on "section 1256 contracts" are generally recognized annually based on a marking-to-market of open positions at tax year-end, with gains or losses treated as 60% long-term and 40% short-term, regardless of holding period. The Fund intends to utilize primarily options that are "section 1256 contracts."

The Fund actively trades its portfolio securities in an attempt to achieve its investment objective.

### **Temporary Defensive Positions**

From time to time, the Fund may take temporary defensive positions, which are inconsistent with the Fund's principal investment strategies, in attempting to respond to adverse market, economic, political, or other conditions. For example, the Fund may hold all or a portion of its assets in money market instruments, including cash, cash equivalents, U.S. government securities, other investment grade fixed income

securities, certificates of deposit, bankers acceptances, commercial paper, money market funds and repurchase agreements. If the Fund invests in a money market fund, the shareholders of the Fund generally will be subject to duplicative management fees. Although the Fund would do this only in seeking to avoid losses, the Fund will be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market. The Fund also may also invest in money market instruments at any time to maintain liquidity or pending selection of investments in accordance with its policies.

### **Principal Investment Risks**

All mutual funds carry a certain amount of risk. As with any mutual fund, there is no guarantee that the Fund will achieve its objective. Investment markets are unpredictable and there will be certain market conditions where the Fund will not meet its investment objective and will lose money. The Fund's net asset value and returns will vary and you could lose money on your investment in the Fund and those losses could be significant. An investment in the Fund is not a complete investment program. An investment in the Fund is not a bank deposit or an obligation of any bank. It is not insured or guaranteed by the Federal Depository Insurance Corporation or any other government agency.

The following summarizes the principal risks of the Fund. These risks could adversely affect the net asset value, total return and the value of the Fund and your investment. The risk descriptions below provide a more detailed explanation of the principal investment risks that correspond to the risks described in the Fund Summary section of the Prospectus.

**Cash or Cash Equivalents Risk:** At any time, the Fund may have significant investments in cash or cash equivalents. When a substantial portion of a portfolio is held in cash or cash equivalents, there is the risk that the value of the cash account, including interest, will not keep pace with inflation, thus reducing purchasing power over time. In addition, investments in cash and cash equivalents could reduce the benefit to the Fund from any upswing in the market.

**Futures Risk.** The Fund's use of stock index futures as a substitute for stocks or to enhance returns involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. These risks include (i) leverage risk (ii) risk of mispricing or improper valuation; and (iii) the risk that changes in the value of the futures contract may not correlate perfectly with the underlying index. Investments in futures involve leverage, which means a small percentage of assets invested in futures can have a disproportionately large impact on the Fund. This risk could cause the Fund to lose more than the principal amount invested. Futures contracts may become mispriced or improperly valued when compared to the adviser's expectation and may not produce the desired investment results. Additionally, changes in the value of futures contracts may not track or correlate perfectly with the underlying index because of temporary, or even long-term, supply and demand imbalances and because futures do not pay dividends unlike the stocks upon which they are based.

**Hedging Risk.** Hedging is a strategy in which the Fund uses a derivative to offset the risks associated with other Fund holdings. 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. The Fund is not required to use hedging and may choose not to do so.

**Index Risk.** If the derivative is linked to the performance of an index, it will be subject to the risks associated with changes in that index.

**Leverage Risk.** Using options and futures can create leverage, which can amplify the effects of market volatility on the Fund's share price and make the Fund's returns more volatile. The use of

leverage may cause the Fund to liquidate portfolio positions when it would not be advantageous to do so in order to satisfy its obligations. The use of leverage may also cause the Fund to have higher expenses than those of mutual funds that do not use such techniques.

**Liquidity Risk.** Liquidity risk exists when particular investments of the Fund would be difficult to purchase or sell, possibly preventing the Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

**Management Risk.** The portfolio manager's reliance on the Fund's strategy and his judgments about the value and potential appreciation securities in which the Fund invests may prove to be incorrect. The ability of the Fund to meet its investment objective is directly related to the Adviser's proprietary investment process. The Adviser's assessment of the relative value of securities, their attractiveness and potential appreciation of particular investments in which the Fund invests may prove to be incorrect and there is no guarantee that the Adviser's investment strategy will produce the desired results.

**Market Risk.** Overall securities market risks may also affect the value of the Fund. Factors such as domestic economic growth and market conditions, interest rate levels and political events affect the securities markets.

**New Sub-Advisor Risk.** The sub-advisor has limited experience managing a mutual fund. Mutual funds and their advisors are subject to restrictions and limitations imposed by the Investment Company Act of 1940, as amended, and the Internal Revenue Code that do not apply to the advisor's management of other types of individual and institutional accounts. As a result, investors do not have a long-term track record of managing a mutual fund from which to judge the Sub-Advisor and the Sub-Advisor may not achieve the intended result in managing the Fund.

**Options Risk.** There are risks associated with the sale and purchase of call and put options. As the buyer of a put or call option, the Fund risks losing the entire premium invested in the option if the Fund does not exercise the option. As a seller (writer) of a put option, the Fund will lose money if the value of the security or futures falls below the strike price. As a seller (writer) of a call option, the Fund will lose money if the value of the security or futures rises above the strike price. The Fund may lose the entire put option premium paid if the underlying security does not decrease in value at expiration. Purchased put options may decline in value due to changes in price of the underlying security, passage of time and changes in volatility. Written call and put options may limit the Fund's participation in equity market gains and may magnify the losses if the price of the written option instrument increases in value between the date when the Fund writes the option and the date on which the Fund purchases an offsetting position. The Fund will incur a loss as a result of a written options (also known as a short position) if the price of the written option instrument increases in value between the date when the Fund writes the option and the date on which the Fund purchases an offsetting position. The Fund's losses are potentially large in a written put transaction and potentially unlimited in an unhedged written call transaction.

**Regulatory Risk.** Changes in the laws or regulations of the United States or other countries, including any changes to applicable tax laws and regulations, could impair the ability of the Fund to achieve its investment objective and could increase the operating expenses of the Fund.

**Turnover Risk:** The Fund may have a high turnover of the securities held in its portfolio. Increased portfolio turnover causes the Fund to incur higher brokerage costs, which may adversely affect the Fund's performance and may produce increased taxable distributions.

**U.S. Agency Securities Risk.** Securities issued or guaranteed by federal agencies or authorities and U.S. government-sponsored instrumentalities or enterprises may or may not be backed by the full faith and credit of the U.S. government. The Fund may be subject to such risk to the extent it invests in securities issued or guaranteed by federal agencies or authorities and U.S. government-sponsored instrumentalities or enterprises.

### **Manager-of-Managers Order**

An affiliate of the Advisor has received an exemptive order (the "Order") from the SEC that permits the Advisor, with the Trust's Board of Trustees' approval, to enter into or materially amend sub-advisory agreements with one or more sub-advisors who are not affiliated with the Advisor without obtaining shareholder approval. Shareholders will be notified if and when a new sub-advisor is employed by the Advisor within 90 days of such change.

### **Portfolio Holdings Disclosure Policies**

A description of the Fund's policies regarding disclosure of the securities in the Fund's portfolio is found in the Statement of Additional Information and on the Fund's website at [www.rationalmf.com](http://www.rationalmf.com).

### **Cybersecurity**

The computer systems, networks and devices used by the Fund and its service providers to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized by the Fund and its service providers, systems, networks, or devices potentially can be breached. The Fund and its shareholders could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact the Fund's business operations, potentially resulting in financial losses; interference with the Fund's ability to calculate its NAV; impediments to trading; the inability of the Fund, the advisor, the sub-advisor and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which the Fund invests; counterparties with which the Fund engages in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions (including financial intermediaries and service providers for the Fund's shareholders); and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

## **HOW TO BUY SHARES**

### **Purchasing Shares**

You may buy shares on any business day. This includes any day that the Fund is open for business, other than weekends and days on which the New York Stock Exchange (“NYSE”) is closed, including the following holidays: New Year’s Day, Martin Luther King, Jr. Day, Presidents’ Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas Day.

The Fund calculates its net asset value (“NAV”) per share as of the close of regular trading on the NYSE every day the NYSE is open. The NYSE normally closes at 4:00 p.m. Eastern Standard Time (“EST”). The Fund’s NAV is calculated by taking the total value of the Fund’s assets, subtracting its liabilities, and then dividing by the total number of shares outstanding, rounded to the nearest cent.

All shares will be purchased at the NAV per share (plus applicable sales charges, if any) next determined after the Fund receives your application or request in good order. All requests received in good order by the Fund before 4:00 p.m. (EST) will be processed on that same day. Requests received after 4:00 p.m. EST will be processed on the next business day.

**Good Order:** When making a purchase request, make sure your request is in good order. “Good order” means your purchase request includes:

- the name of the Fund and share class
- the dollar amount of shares to be purchased
- a completed purchase application or investment stub
- check payable to the Fund

## Multiple Classes

The Fund offers four classes of Shares: Class A Shares, Class C Shares, Institutional Shares and Class T shares. Class T shares are offered through a separate prospectus. Not all share classes may be available in all states.

## Choosing a Share Class

To choose the share class of the Fund that is best suited to your needs and goals, consider the amount of money you want to invest, how long you expect to invest it and whether you plan to make additional investments. As shown below, a sales charge structure applies to Class A and Class C Shares. You should consider, for example, that it may be possible to reduce the front-end sales charges imposed on purchases of Class A Shares. Among other ways, Class A Shares have a series of “breakpoints,” which means that the front-end sales charges decrease (and can be eliminated entirely) as the amount invested increases. (The breakpoint schedule is set out below under “Sales Charges.”)

The following are some of the main differences between Class A Shares, Class C Shares and Institutional Shares of the Fund:

### *Class A Shares*

- Front-end sales charges, as described below under “Sales Charges.”
- Distribution (Rule 12b-1) fees of 0.25% of the Fund’s average daily net assets.
- A non-Rule 12b-1 shareholder servicing fee of 0.25% of the Fund’s average daily net assets.

### *Class C Shares*

- No front-end sales charges, all of your money goes to work for you right away.
- Back-end deferred sales charges on shares sold within 12 months of purchase and as described below under “Sales Charges.”
- Distribution (Rule 12b-1) fees of 1.00% of the Fund’s average daily net assets.

### *Institutional Shares*

- No sales charges.
- A non-Rule 12b-1 shareholder servicing fee of 0.25% of the Fund’s average daily net assets.

*For the estimated expenses of each share class, see the section entitled “Fees and Expenses of the Fund.”*

### **Sales Charge Waivers and Reductions Available Through Certain Financial Intermediaries**

The availability of certain sales charge waivers and discounts may depend on whether you purchase your shares directly from the fund or through a financial intermediary. Intermediaries may impose different sales charges other than those listed below for Class A shares and may have different policies and procedures regarding the availability of sales load and waivers or reductions. Such intermediary-specific sales charge variations are described in Appendix A to this prospectus, titled “Intermediary-Specific Sales Charge Reductions and Waivers”. Appendix A is incorporated by reference into (or legally considered part of) this prospectus.

In all instances, it is the shareholder’s responsibility to notify the Fund or the shareholder’s financial intermediary at the time of purchase of any relationship or other facts qualifying the shareholder for sales charge reductions or waivers. For reductions and waivers not available through a particular intermediary, shareholders will have to purchase Fund shares directly from the Fund or through another intermediary to receive these reductions or waivers.

### **Sales Charges**

Purchases of Class A Shares of the Rational Hedged Return Fund are subject to the following front-end sales charges.

Amount of Purchase	Sales Charge as % of Public Offering Price	Sales Charge as % of Net Amount Invested	Authorized Dealer Commission as % of Public Offering Price
Less than \$50,000	4.75%	4.99%	4.00%
\$50,000 but less than \$100,000	4.25%	4.44%	3.50%
\$100,000 but less than \$250,000	3.75%	3.90%	3.00%
\$250,000 but less than \$500,000	2.50%	2.56%	2.00%
\$500,000 but less than \$1,000,000	2.00%	2.04%	1.50%
\$1,000,000 and above *+	0.00%	0.00%	0.00%

\* Offering price includes the front-end sales load. The sales charge you pay may differ slightly from the amount set forth above because of rounding that occurs in the calculations used to determine your sales charge.

+ A contingent deferred sales charge of 1.00% of the redemption amount applies to Class A Shares redeemed up to 24 months after purchase under certain investment programs where an investment professional received an advance payment on the transaction. Certain intermediaries may provide different CDSC waivers or discounts which are described in Appendix A to this prospectus, entitled “Intermediary-Specific Sales Charge Reductions and Waivers”.

## **Class A Shares, Reductions and Waivers**

There are no sales charges on reinvested distributions. Reduced sales charges are available to shareholders with investments of \$50,000 or more. In addition, you may qualify for reduced sales charges under the following circumstances.

**Letter of Intent:** An investor may qualify for a reduced sales charge immediately by stating his or her intention to invest in the Fund, during a 13-month period, a dollar amount that would qualify for a reduced sales charge set forth in the table under the sub-section “Sales Charges” above, and by signing a Letter of Intent, which may be signed at any time within 90 days after the first investment to be included under the Letter of Intent. However, if an investor does not buy enough shares to qualify for the lower sales charge by the end of the 13-month period (or when you sell your shares, if earlier), the additional shares that were purchased due to the reduced sales charge credit the investor received will be liquidated to pay the additional sales charge owed.

**Rights of Accumulation:** You may add the current value of all of your existing Fund shares to determine the front-end sales charge to be applied to your current Class A purchase. Only balances currently held entirely at the Fund or, if held in an account through a financial services firm, at the same firm through whom you are making your current purchase, will be eligible to be added to your current purchase for purposes of determining your Class A sales charge. You may include the value of the Fund’s investments held by the members of your immediately family, including the value of Fund’s investments held by you or them in individual retirement plans, such as individual retirement accounts, or IRAs, provided such balances are also currently held entirely at the Fund or, if held in an account through a financial services firm, at the same financial services firm through whom you are making your current purchase. The value of shares eligible for a cumulative quantity discount equals the cumulative cost of the shares purchased (not including reinvested dividends) or the current account market value; whichever is greater. The current market value of the shares is determined by multiplying the number of shares by the previous day’s NAV. If you believe there are cumulative quantity discount eligible shares that can be combined with your current purchase to achieve a sales charge breakpoint, you must, at the time of your purchase (including at the time of any future purchase) specifically identify those shares to your current purchase broker-dealer.

**Investments of \$1 Million or More:** For the Fund, with respect to Class A shares, if you invest \$1 million or more, either as a lump sum or through our rights of accumulation quantity discount or letter of intent programs, you can buy Class A shares without an initial sales charge. However, you may be subject to a 1.00% CDSC on shares redeemed within two years of purchase (excluding shares purchased with reinvested dividends and/or distributions). The CDSC for these Class A shares is based on the NAV at the time of purchase. The holding period for the CDSC begins on the day you buy your shares. Your shares will age one month on that same date the next month and each following month. For example, if you buy shares on the 15<sup>th</sup> of the month, they will age one month on the 15<sup>th</sup> day of the next month and each following month. To keep your CDSC as low as possible, each time you place a request to sell shares we will first sell any shares in your account that are not subject to a CDSC. If there are not enough of these to meet your request, we will sell the shares in the order they were purchased.

**Class A Sales Charge Waivers:** The Fund may sell Class A shares at NAV (i.e. without the investor paying any initial sales charge) to certain categories of investors, including: (1) investment advisory clients or investors referred by the Fund’s Advisor or its affiliates; (2) officers and present or former Trustees of the Trust; directors and employees of selected dealers or agents; the spouse, sibling, direct ancestor or direct descendant (collectively “relatives”) of any such person; any trust, individual retirement account or retirement plan account for the benefit of any such person or relative; or the estate of any such person or relative; if such shares are purchased for investment purposes (such shares may not be resold except to the Fund); (3) the Fund’s Advisor or its affiliates and certain employee benefit plans for employees of the

Fund's investment Advisor; (4) fee-based financial planners and registered investment advisors who are purchasing on behalf of their clients where there is an agreement in place with respect to such purchases; (5) registered representatives of broker-dealers who have entered into selling agreements with the Fund's advisor for their own accounts; and (6) participants in no-transaction-fee programs of broker dealers that have entered into an agreement with respect to such purchases.

For more information regarding which intermediaries may have agreements with the Fund or distributor and their policies and procedures with respect to purchases at NAV, see Appendix A to this prospectus, titled "Intermediary-Specific Sales Charge Reductions and Waivers". In addition, certain intermediaries may also provide for different sales charge discounts, which are also described in Appendix A to this prospectus.

### **Sales Charges – Class C Shares**

Class C Shares are sold without an initial front-end sales charge so that the full amount of your purchase is invested in the Fund. A deferred sales charge of 1.00% applies, however, if Class C Shares are sold within 12 months of purchase.

Shares acquired through reinvestment of dividends or capital gains distributions are not subject to a deferred sales charge. In addition, the deferred sales charge may be waived in certain circumstances. See "Waiver of Deferred Sales Charge – Class C Shares" below. The deferred sales charge is based upon the lesser of: (1) the NAV of the shares redeemed or (2) the original purchase price of such shares.

The holding period for the deferred sales charge begins on the day you buy your shares. Your shares will age one month on that same date the next month and each following month. For example, if you buy shares on the 15<sup>th</sup> of the month, they will age one month on the 15<sup>th</sup> day of the next month and each following month. To keep your deferred sales charges as low as possible, each time you place a request to sell shares, we will first sell any shares in your account that are not subject to a deferred sales charge. If there are not enough of these shares available, we will sell shares that have the lowest deferred sales charge.

*For purposes of the deferred sales charge, we use the effective date for each individual purchase.*

### **Waiver of Deferred Sales Charge – Class C Shares**

Certain intermediaries may provide for sales charge discounts which are described in Appendix A to this prospectus, entitled "Intermediary-Specific Charge Reductions and Waivers".

### **Distribution Plans**

The Fund has adopted a Distribution Plan (the "12b-1 Plan") on behalf of its Class A Shares, and Class C Shares, which allows the Fund to pay fees to financial intermediaries (which may be paid through the Distributor) for the sale and distribution of these Shares. Pursuant to the Fund's 12b-1 Plan, The Fund may finance from the assets of Class A and Class C Shares, certain activities or expenses that are intended primarily to result in the sale of the Class A Shares and Class C Shares, as applicable.

The maximum Rule 12b-1 fee is 0.25% of the Fund's Class A Shares average daily net assets.

With respect to Class C Shares, the fee paid by the Fund to the Distributor is 1.00% of the average daily net assets of the Class C Shares. Of this amount, 0.75% represents distribution fees and 0.25% represents shareholder servicing fees paid to institutions that have agreements with the Distributor to provide such services.



Because these fees are paid out of the Fund's assets on an on-going basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges.

In addition to paying fees under the 12b-1 Plan, the Fund may pay service fees to intermediaries such as banks, broker-dealers, financial advisors or other financial institutions, including affiliates of the Advisor or Distributor, for sub-administration, sub-transfer agency and other shareholder services associated with shareholders whose shares are held of record in omnibus, other group accounts or accounts traded through registered securities clearing agents.

The Fund may waive or reduce the maximum amount of Rule 12b-1 fees they pay from time to time at their sole discretion. In addition, a financial intermediary (including the Distributor, the Advisor or their affiliates) may voluntarily waive or reduce any fees to which they may be entitled. From time to time, the Distributor may pay out of its reasonable profits and other resources (including those of its affiliates) advertising, marketing and other expenses for the benefit of the Fund.

### **Shareholder Servicing Plan**

The Trust has adopted a Shareholder Servicing Plan with respect to the Fund's Class A, Class C, and Institutional Class Shares. The Fund may pay Shareholder Services Fees up to 0.25% of the average daily NAV of Class A Shares, Class C Shares (included in the Fund's 12b-1 fees above for Class C Shares only), and Institutional Class Shares to financial intermediaries for providing shareholder assistance, maintaining shareholder accounts and communicating or facilitating purchases and redemptions of Shares.

### **Opening an Account**

You may purchase shares directly through the Fund's transfer agent or through a brokerage firm or other financial institution that has agreed to sell Fund shares. If you purchase shares through a brokerage firm or other financial institution, you may be charged a fee by the firm or institution.

If you are investing directly in the Fund for the first time, please call toll-free 800-253-0412 to request a Shareholder Account Application. You will need to establish an account before investing. Be sure to sign up for all the account options that you plan to take advantage of. For example, if you would like to be able to redeem your shares by telephone, you should select this option on your Shareholder Account Application. Doing so when you open your account means that you will not need to complete additional paperwork later.

If you are purchasing through the Fund's transfer agent, send the completed Shareholder Account Application and a check payable to the Fund to the following address:

Rational Funds  
c/o Gemini Fund Services, LLC  
17605 Wright Street, Suite 2  
Omaha NE 68130

All purchases must be made in U.S. dollars and checks must be drawn on U.S. banks. No cash, credit cards or third party checks will be accepted. A \$20 fee will be charged against your account for any payment check returned to the transfer agent or for any incomplete electronic funds transfer, or for insufficient funds, stop payment, closed account or other reasons. If a check does not clear your bank or the Fund is unable to debit your pre-designated bank account on the day of purchase, the Fund reserves the right to cancel the purchase. If your purchase is canceled, you will be responsible for any losses or fees imposed by your bank and losses that may be incurred as a result of a decline in the value of the canceled purchase. Your

investment in the Fund should be intended to serve as a long-term investment vehicle. The Fund is not designed to provide you with a means of speculating on the short-term fluctuations in the stock market. The Fund reserves the right to reject any purchase request that it regards as disruptive to the efficient management of the Fund, which includes investors with a history of excessive trading. The Fund also reserves the right to stop offering shares at any time.

If you choose to pay by wire, you must call the Fund's transfer agent, at 800-253-0412 to obtain instructions on how to set up your account and to obtain an account number and wire instructions.

Wire orders will be accepted only on a day on which the Fund, the custodian and the transfer agent are open for business. A wire purchase will not be considered made until the wired money and purchase order are received by the Fund. Any delays that may occur in wiring money, including delays that may occur in processing by the banks, are not the responsibility of the Fund or the transfer agent. The Fund presently does not charge a fee for the receipt of wired funds, but it may charge shareholders for this service in the future.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. This means that when you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask for other identifying documents or information, and may take additional steps to verify your identity. We may not be able to open your account or complete a transaction for you until we are able to verify your identity.

### **Minimum Purchase Amount**

The minimum initial purchase for the Fund's Class A, Class C and Institutional Shares is \$1,000. For Class A and Class C Shares, the minimum subsequent investment is \$50; for Institutional Shares, the minimum subsequent investment is \$500. For Class A Shares, Class C Shares and Institutional Shares, the minimum initial and subsequent investment through the Systematic Investment Program ("SIP") is \$50. The Fund reserves the right to change the amount of these minimums from time to time or to waive them in whole or in part for certain accounts. Investment minimums may be higher or lower for investors purchasing shares through a brokerage firm or other financial institution. To the extent investments of individual investors are aggregated into an omnibus account established by an investment advisor, broker or other intermediary, the account minimums apply to the omnibus account, not to the account of the individual investor.

### **Systematic Investment Program ("SIP")**

You may invest on a regular basis in Shares of the Fund through the SIP. To participate, you must open an account with the Trust by calling 800-253-0412, request and complete an application, and invest at least \$50 at periodic intervals (\$25 for Current Employees). Minimum initial and subsequent investment requirements may be different for accounts with your investment professional.

Once you have signed up for the SIP, the Trust will automatically withdraw money from your bank account and invest it, subject to any applicable sales charges, in either Class A Shares or Class C Shares of the Fund, as you specify. Your participation in the SIP may be canceled if you do not maintain sufficient funds in your bank account to pay for your investment.

## **Additional Investments**

The minimum subsequent investment in the fund is \$500. You may purchase additional shares of the Fund by check or wire. Your bank wire should be sent as outlined above. You also may purchase Fund shares by making automatic periodic investments from your bank account. To use this feature, select the automatic investment option in the account application and provide the necessary information about the bank account from which your investments will be made. You may revoke your election to make automatic investments by calling 800-253-0412 or by writing to the Fund at:

Rational Funds  
c/o Gemini Fund Services, LLC  
17605 Wright Street, Suite 2  
Omaha NE 68130

## **Other Purchase Information**

The Fund may limit the amount of purchases and refuse to sell to any person. If your electronic funds transfer is incomplete, payment is not completed due to insufficient funds, stop payment, closed account, a check does not clear your bank, or the Fund is unable to debit your predesignated bank account, you will be responsible for any loss incurred by the Fund. If you are already a shareholder, the Fund can, with notice, redeem shares from any identically registered account in the Fund as reimbursement for any loss incurred. You may be prohibited or restricted from making future purchases in the Fund.

You may invest in the Fund through brokers or agents who have entered into selling agreements with the Fund's distributor. The brokers and agents are authorized to receive purchase orders on behalf of the Fund. Such brokers are authorized to designate other intermediaries to receive purchase orders on the Fund's behalf. The Fund will be deemed to have received a purchase order when an authorized broker or, if applicable, a brokers authorized designee receives the order. The broker or agent may set their own initial and subsequent investment minimums. You may be charged a fee if you use a broker or agent to buy shares of the Fund. Finally, various servicing agents use procedures and impose restrictions that may be in addition to, or different from those applicable to investors purchasing shares directly from the Fund. You should carefully read the program materials provided to you by your servicing agent.

## **Market Timing**

The Fund discourages market timing. Market timing is an investment strategy using frequent purchases, redemptions and/or exchanges in an attempt to profit from short term market movements. To the extent that the Fund significantly invests in small or mid-capitalization equity securities, because these securities are often infrequently traded, investors may seek to trade Fund shares in an effort to benefit from their understanding of the value of these securities (referred to as price arbitrage). Market timing may result in dilution of the value of Fund shares held by long term shareholders, disrupt portfolio management and increase Fund expenses for all shareholders. The Board of Trustees has adopted a policy directing the Fund to reject any purchase order with respect to one investor, a related group of investors or their agent(s), where it detects a pattern of purchases and sales of the Fund that indicates market timing or trading that it determines is abusive. This policy applies uniformly to all Fund shareholders. While the Fund attempts to deter market timing, there is no assurance that it will be able to identify and eliminate all market timers. For example, certain accounts called "omnibus accounts" include multiple shareholders. Omnibus accounts typically provides the Fund with a net purchase or redemption request on any given day where purchasers of Fund shares and redeemers of Fund shares are netted against one another and the identities of individual purchasers and redeemers whose orders are aggregated are not known by the Fund. The netting effect often makes it more difficult for the Fund to detect market timing, and there can be no assurance that the Fund will be able to do so. Brokers maintaining omnibus accounts with the Fund have agreed to provide

shareholder transaction information to the extent known to the broker, to the Fund upon request. If the Fund becomes aware of market timing in an omnibus account, it will work with the broker maintaining the omnibus account to identify the shareholder engaging in the market timing activity. In addition, the Fund reserves the right to reject any purchase order for any reason, including purchase orders that it does not think are in the best interest of the Fund or its shareholders or if the Fund thinks that trading is abusive.

## HOW TO REDEEM SHARES

You may redeem your shares in the Fund through brokers or agents who have entered into selling agreements with the Fund's distributor. The brokers and agents are authorized to receive redemption orders on behalf of the Fund. Such brokers are authorized to designate other intermediaries to receive redemption orders on the Fund's behalf. The Fund will be deemed to have received a redemption order when an authorized broker or, if applicable, a brokers authorized designee receives the order. You may be charged a fee if you use a broker or agent to redeem shares of the Fund. Finally, various servicing agents use procedures and impose restrictions that may be in addition to, or different from those applicable to investors redeeming shares directly from the Fund. You should carefully read the program materials provided to you by your servicing agent.

Shares of the Fund may be redeemed by mail or telephone. You may receive redemption payments in the form of a check or federal wire transfer, subject to any applicable redemption fee. If you redeem your shares through a broker-dealer or other institution, you may be charged a fee by that institution.

**By Mail.** You may redeem any part of your account in the Fund at no charge by mail. Your request, in good order, should be addressed to:

Rational Funds  
c/o Gemini Fund Services, LLC  
17605 Wright Street, Suite 2  
Omaha NE 68130

“Good order” means your request for redemption must:

- Include the Fund name and account number;
- Include the account name(s) and address;
- State the dollar amount or number of shares you wish to redeem; and
- Be signed by all registered share owner(s) in the exact name(s) and any special capacity in which they are registered.

The Fund may require that the signatures be guaranteed if you request the redemption check be mailed to an address other than the address of record, or if the mailing address has been changed within 30 days of the redemption request. The Fund may also require that signatures be guaranteed for redemptions of \$50,000 or more. Signature guarantees are for the protection of shareholders. You can obtain a signature guarantee from most banks and securities dealers, but not from a notary public. For joint accounts, both signatures must be guaranteed. Please call the transfer agent at 800-253-0412 if you have questions. At the discretion of the Fund, you may be required to furnish additional legal documents to insure proper authorization.

**By Telephone.** You may redeem any part of your account in the Fund by calling the transfer agent at 800-253-0412. You must first complete the Optional Telephone Redemption and Exchange section of the

investment application to institute this option. The Fund, the transfer agent and the custodian are not liable for following redemption instructions communicated by telephone to the extent that they reasonably believe the telephone instructions to be genuine. However, if they do not employ reasonable procedures to confirm that telephone instructions are genuine, they may be liable for any losses due to unauthorized or fraudulent instructions. Procedures employed may include recording telephone instructions and requiring a form of personal identification from the caller.

The Fund may terminate the telephone redemption procedures at any time. During periods of extreme market activity it is possible that shareholders may encounter some difficulty in telephoning the Fund, although neither the Fund nor the transfer agent have ever experienced difficulties in receiving and in a timely fashion responding to telephone requests for redemptions or exchanges. If you are unable to reach the Fund by telephone, you may request a redemption or exchange by mail.

**Redemption Fee and CDSC.** Currently, the Fund does not charge a redemption fee. Shareholders in the Fund who purchased \$1 million or more Class A shares and did not pay a front-end sales charge will be assessed a 1.00% CDSC on shares redeemed less than 24 months after the date of their purchase. Shareholders who purchase Class C Shares do not pay an initial front-end sales charge but will be assessed a 1.00% CDSC on shares redeemed less than 12 months after the date of their purchase.

The Fund uses a "first in, first out" method for calculating the CDSC. This means that shares held the longest will be redeemed first, and shares held the shortest time will be redeemed last. The CDSC is paid to the Advisor to reimburse expenses incurred in providing distribution-related services to the Fund.

The Fund reserves the right to modify, waive or eliminate the CDSC at any time. If the Fund institutes a redemption fee, the Fund will notify you at least 60 days prior to the effective date of the change. The Statement of Additional Information contains further details about the CDSC and the conditions for waiving these fees.

**Redemptions in Kind:** The fund reserves the right to honor requests for redemption or repurchase orders by making payment in whole or in part in readily marketable securities ("redemption in kind") if the amount is greater than the lesser of \$250,000 or 1% of the Fund's assets. The securities will be chosen by the Fund, may be either a pro rata payment of each of the securities held by the Fund or a representative sample of securities, and will be valued under the Fund's NAV procedures. A shareholder will be exposed to market risk until these securities are converted to cash and may incur transaction expenses in converting these securities to cash.

**Additional Information.** If you are not certain of the requirements for redemption please call the transfer agent at 800-253-0412. Redemptions specifying a certain date or share price cannot be accepted and will be returned. You will be mailed the proceeds on or before the fifth business day following the receipt of your redemption request to pay out redemption proceeds by check or electronic transfer. The Fund typically expects to pay redemptions from cash, cash equivalents, proceeds from the sale of fund shares, any lines of credit and then from the sale of portfolio securities. These redemption payment methods will be used in regular and stressed market conditions. You may be assessed a fee if the Fund incurs bank charges because you request that the Fund re-issue a redemption check. Also, when the NYSE is closed (or when trading is restricted) for any reason other than its customary weekend or holiday closing or under any emergency circumstances, as determined by the Securities and Exchange Commission, the Fund may suspend redemptions or postpone payment dates.

Because the fund incurs certain fixed costs in maintaining shareholder accounts, the Fund may require you to redeem all of your shares in the Fund on 30 days written notice if the value of your shares in the Fund is less than \$1,000 due to redemption, or such other minimum amount as the Fund may determine from time

to time. You may increase the value of your shares in the Fund to the minimum amount within the 30-day period. All shares of the Fund are also subject to involuntary redemption if the Board of Trustees determines to liquidate the Fund. An involuntary redemption will create a capital gain or a capital loss, which may have tax consequences about which you should consult your tax advisor.

**Reinstatement Privilege:** Shareholders have a one-time right, within 60 days of redeeming Class A shares to reinvest the redemption proceeds at the next determined NAV in Class A shares without any sales charge. The investor must notify the Trust in writing of the reinvestment by the shareholder in order to eliminate a sales charge. If the shareholder redeems Class A shares and utilizes the reinstatement privilege, there may be tax consequences.

### **Exchanging Shares**

On any business day when the NYSE is open, you may exchange Shares of the Fund for the same class of Shares of any other Rational Fund offering such shares, including for shares of other Rational Funds.

### **Additional Information**

In order to exchange Shares of the Fund on a particular day, the Fund or its designated agent must receive your request before the close of regular trading on the NYSE (normally 4:00 p.m. Eastern Time) that day.

The Trust may terminate or modify the exchange privilege at any time. In the case of termination or material changes other than the elimination of applicable sales charges, you will be given 60 days prior notice. However, the Fund's management or Advisor may determine from the amount, frequency and pattern of exchanges that a shareholder is engaged in excessive trading that is detrimental to the Fund and other shareholders. If this occurs, the Fund may terminate the availability of exchanges to that shareholder and may bar that shareholder from purchasing other Funds. (See "Frequent Trading Policies")

An exchange is treated as a sale for federal income tax purposes and, depending on the circumstances, you may realize a short or long-term capital gain or loss. In addition, if you exchange shares of the Fund that imposes a sales charge into another Fund that imposes such a charge, there may be special tax consequences.

The SAI contains more information about exchanges.

### **Exchanging Class A Shares**

For Class A Shares, the Trust makes exchanges at NAV (determined after the order is considered received), plus any applicable sales charges. A CDSC is not imposed on exchanges of Class A shares.

## **Exchanging C Shares**

Class C Shares for the Fund may be exchanged for Class C Shares of any other Fund offering such shares. The Trust makes exchanges at NAV (determined after the order is considered received), without a sales charge.

## **Exchanging Institutional Shares**

For Institutional Shares, the Trust makes exchanges at NAV (determined after the order is considered received) without a sales charge.

## **How to Exchange Shares**

### **1. Satisfy the minimum account balance requirements**

- You must maintain the required minimum account balance in the Fund out of which you are exchanging Shares.

### **2. Satisfy the minimum investment requirements**

- You must meet the minimum investment requirements of the fund into which you are exchanging Shares.

### **3. Call (You must have completed the appropriate section on your account application)**

- The Fund at 800-253-0412
- Your Investment Professional

OR

### **Write**

- Mutual Fund and Variable Insurance Trust  
c/o Gemini Fund Services, LLC  
17605 Wright Street, Suite 2  
Omaha, NE 68130

### **4. Provide the required information**

- Name of the Fund from which you wish to make the exchange (exchange OUT OF)
- Specify the share class
- Your account number
- The name and address on your account (account registrations must be identical)
- The dollar amount or number of Shares to be exchanged

- Name of the Fund into which you wish to make the exchange (exchange INTO) — (Make sure this Fund offers the applicable class of shares)
- Your signature (for written requests)

(For corporations, executors, administrators, trustees and guardians, and in certain other special circumstances, telephone exchanges will not be available and you will need a New Technology Medallion Signature Guarantee in order to make an exchange.)

### **ADDITIONAL PAYMENTS TO FINANCIAL INTERMEDIARIES**

The Advisor and/or its affiliates may pay out of their own profits and reasonable resources amounts (including items of material value) to certain financial intermediaries that support the sale of Shares or provide services to Fund shareholders. The amounts of these payments could be significant, and may create an incentive for the financial intermediaries or their employees or associated persons to recommend or sell Shares of the Fund to you. These payments are not reflected in the fees and expenses listed in the fee table section of the Fund's Prospectus because they are not paid by the Fund.

These payments are negotiated and may be based on such factors as the number or value of Shares that the financial intermediary sells or may sell; the value of client assets invested; or the type and nature of services or support furnished by the financial intermediary. These payments may be in addition to payments made by the Fund to the financial intermediary under a Rule 12b-1 Plan and/or shareholder service fees arrangement. You can ask your financial intermediary for information about any payments it receives from the Advisor, its affiliates, or the Fund and any services the financial intermediary provides. The Fund's SAI contains additional information on the types of additional payments that may be paid.

### **VALUING FUND ASSETS**

The Fund's assets are generally valued at their market value. If market prices are not available or, in the Advisor's opinion, market prices do not reflect fair value, or if an event occurs after the close of trading on the domestic exchange or market on which the security is principally traded (but prior to the time the NAV is calculated) that materially affects fair value, the Advisor will value the Fund's assets at their fair value according to policies approved by the Fund's Board of Trustees. For example, if trading in a portfolio security is halted and does not resume before the Fund calculates its NAV, the Advisor may need to price the security using the Fund's fair value pricing guidelines. In these cases, the Fund's NAV will reflect certain portfolio securities' fair value rather than their market price. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security is materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available. If a security, such as a small cap security, is so thinly traded that reliable market quotations are unavailable, the Advisor may need to price the security using fair value pricing guidelines. Without a fair value price, short term traders could take advantage of the arbitrage opportunity and dilute the NAV of long term investors. Fair valuation of the Fund's portfolio securities can serve to reduce arbitrage opportunities available to short term traders, but there is no assurance that fair value pricing policies will prevent dilution of the Fund's NAV by short term traders. The Fund may use pricing services to determine market value. The Fund's NAV is calculated based upon the NAV of the underlying investment companies in its portfolio, and the prospectuses of those companies explain the circumstances under which they will use fair value pricing and the effects of using fair value pricing. Because the Fund may invest in securities primarily listed on foreign exchanges, and these exchanges may trade on weekends or other days when the Fund does not price its shares, the value of



some of the Fund's portfolio securities may change on days when you may not be able to buy or sell Fund shares.

## **DIVIDENDS, DISTRIBUTIONS AND TAXES**

### **Dividends and Distributions**

The Fund typically distributes substantially all of its net investment income in the form of dividends and taxable capital gains to its shareholders. These distributions are automatically reinvested in the Fund unless you request cash distributions on your application or through a written request to the Fund. The Fund expects that its distributions will consist of both capital gains and dividend income. The Fund may make distributions of its net realized capital gains (after any reductions for capital loss carry forwards) annually.

The Fund declares, have ex-dates and pay dividends on investment income, if any, annually.

### **Taxes**

In general, selling shares of the Fund and receiving distributions (whether reinvested or taken in cash) are taxable events. Depending on the purchase price and the sale price, you may have a gain or a loss on any shares sold. Any tax liabilities generated by your transactions or by receiving distributions are your responsibility. You may want to avoid making a substantial investment when the Fund is about to make a taxable distribution because you would be responsible for any taxes on the distribution regardless of how long you have owned your shares. The Fund may produce capital gains even if it does not have income to distribute and performance has been poor.

Early each year, the Fund will mail to you a statement setting forth the federal income tax information for all distributions made during the previous year. If you do not provide your taxpayer identification number, your account will be subject to backup withholding.

The tax considerations described in this section do not apply to tax-deferred accounts or other non-taxable entities. Because each investor's tax circumstances are unique, please consult with your tax advisor about your investment.

## **MANAGEMENT OF THE FUND**

### **Advisor**

Rational Advisors, Inc. has been retained by the Trust under Management Agreements to act as the investment advisor to the Fund subject to the authority of the Board of Trustees. Management of mutual funds is currently its primary business. The Advisor is under common control with Catalyst Capital Advisors LLC and AlphaCentric Advisors LLC, the investment advisers of other funds in the same group of investment companies also known as a "fund complex". Information regarding the funds in the Fund Complex can be found at <http://intelligentalts.com>. The Advisor oversees the day-to-day investment decisions for the Fund and continuously reviews, supervises and administers the Fund's investment program. The address of the Advisor is 36 North New York Avenue, Huntington, NY 11743.

Under the terms of the management agreement, the Advisor is responsible for formulating the Fund's investment policies, making ongoing investment decisions and directing portfolio transactions.

## **Sub-Advisor**

Warrington Asset Management LLC (the “Sub-Advisor”), a Delaware limited liability company located at 200 Dorado Beach Drive, Suite #3132, Dorado, PR 00646, is the investment sub-advisor to the Fund. In addition to serving as the investment sub-advisor to the Fund, the Sub-Advisor serves as the commodity trading advisor to private pooled investment vehicles and to separate commodity trading accounts for certain qualified investors. The Sub-Advisor has been registered with the Commodity Futures Trading Commission (“CFTC”) as a commodity trading advisor and commodity pool operator since January 30, 2012, and is a member of the National Futures Association (“NFA”) in such capacities. Scott C. Kimple indirectly owns 100% of the Sub-Advisor.

Under the supervision of the Advisor, the Sub-Advisor is responsible for making investment decisions and executing portfolio transactions for the Fund. In addition, the Sub-Advisor is responsible for maintaining certain transaction and compliance related records of the Fund. As compensation for the sub-advisory services it provides to the Fund, the Advisor will pay the Sub-Advisor 50% of the net advisory fees paid by the Fund.

## **Portfolio Managers:**

Scott C. Kimple and Mark W. Adams are primarily responsible for the day-to-day management of the Funds. Mr. Kimple is the Lead Portfolio Manager of the Fund.

### **Scott C. Kimple**

Scott C. Kimple is the Principal and Portfolio Manager of the Sub-Advisor. Mr. Kimple has been the Portfolio Manager of the Sub-Advisor, and predecessor firms, since its inception in 1997. Through the Sub-Advisor, Mr. Kimple also serves as the Portfolio Manager to private commodity pools sponsored by an affiliate of the Sub-Advisor, as well as to separate commodity trading accounts. From 1991 to 2015, Mr. Kimple was employed by Morgan Stanley Smith Barney LLC (“MSSB”) as a registered representative and was registered with the NFA as an Associated Person of MSSB during that period Mr. Kimple received a BBA in finance from Southern Methodist University and a MBA, with emphasis in Finance and Derivative Securities, from SMU’s Cox School of Business.

### **Mark W. Adams**

Mark W. Adams has been the Assistant Portfolio Manager to Warrington GP, LLC an affiliate of the Sub-Advisor since 2015. From 2009 to 2014, Mr. Adams was employed by Morgan Stanley Smith Barney LLC (“MSSB”) and was registered with the NFA as an Associated Person of MSSB. Mr. Adams graduated from Washington University in St. Louis where he received a BBA with a triple major in Finance, Management and International Business. He also received an MBA from Southern Methodist University’s Cox School of Business.

The Statement of Additional Information provides additional information about the Portfolio Managers’ compensation, other accounts managed and ownership of shares of the Fund.

## **Advisory and Sub- Advisory Services**

The Fund pays the Advisor a management fee of 1.75% of the Fund’s average daily net assets for its services as investment advisor

The Advisor has contractually agreed through April 30, 2019 to waive fees and/or reimburse expenses, but only to the extent necessary to maintain the Fund’s total annual operating expenses (excluding brokerage costs; underlying fund expenses; borrowing costs, such as (a) interest and (b) dividends on securities sold short; taxes; and extraordinary expenses) at a certain level. Fee waivers and expense reimbursements are subject to possible recapture from the Fund in future years on a rolling three year basis (within the three years after the fees have been waived or reimbursed) if the Fund is able to make the repayment without exceeding the lesser of the expense limitation in effect at the time of the waiver, and any expense limits in place at the time of recapture and the repayment is approved by the Board of Trustees. The following table describes the expense limitation for the Fund.

<b>Fund</b>	<b>Expense Limitation</b>
Rational Hedged Return Fund	2.24%, 2.99%, and 1.99% of the average daily net assets of Class A Shares, Class C Shares, and Institutional Shares, respectively, of the Fund

Prior to December 2, 2017, the management fee payable by the Fund to the Adviser was 0.75% for the first \$500 million in net assets, 0.70% the next \$500 million in assets and 0.65% thereafter. For the fiscal year ended December 31, 2016, the Fund paid the Advisor management fees (after waivers) as a percentage of the Fund’s average daily net assets:

<b>Fund</b>	<b>Net Advisory Fee Received</b>
Rational Hedged Return Fund	0.00%

The Fund may directly enter into agreements with financial intermediaries (which may include banks, brokers, securities dealers and other industry professionals) pursuant to which the Fund will pay the financial intermediary for services such as networking or sub-transfer agency, including the maintenance of “street name” or omnibus accounts and related sub-accounting, record-keeping and administrative services provided to such accounts. The fund, through its Rule 12b-1 distribution plan, or the fund’s respective Advisor or Sub-Advisor (not the Fund) may also pay certain financial intermediaries a fee for providing distribution related services for each respective Fund’s shareholders to the extent these institutions are allowed to do so by applicable statute, rule or regulation. Please refer to the section of the Statement of Additional Information entitled “Additional Compensation to Financial Intermediaries” for more information.

The Trust’s annual report to shareholders for the period ended December 31, 2015 contains discussions regarding the basis of the Board of Trustees’ approval of the management agreement with the Advisor for the Fund.

The Statement of Additional Information provides additional information about the Portfolio Managers’ compensation, other accounts managed and ownership of shares of the Fund.

**Prior Performance of the Sub-Advisor:**

Provided below is the historical performance of the Sub-Advisor’s Tactical Program Composite which include all client accounts managed by the Sub-Advisor with investment objectives, strategies and policies substantially similar to the Fund. The composite performance returns do not reflect the performance of any one account. Individual accounts may have realized more or less favorable results than the composite results provided. For comparison purposes, the Tactical Program Composite is measured against the S&P 500 Total Return Index and the IQ Hedge Long/Short Beta Index.

This information is provided to illustrate the past performance of the Sub-Advisor in managing accounts in a substantially similar manner as the Fund but does not represent the performance of the Fund. Past performance is no guarantee of future results. Performance results may be materially affected by market and economic conditions. Investors should not consider this performance data as an indication of future performance of the Fund, or the return an individual investor might achieve by investing in the Fund.

From May 1, 2012 to January 31, 2015, the Tactical Program Composite was composed of only proprietary accounts. These proprietary accounts did not pay any account fees. The performance returns set forth below from May 1, 2012 to January 31, 2015 are calculated and presented pro forma net of a 2% management fee and a 20% incentive fee, and net of all brokerage and trading related expenses in accordance with Commodity Futures Trading Commission and National Futures Association standards.

The performance of the Tactical Program Composite from February 1, 2015 to October 31, 2017 represent third party accounts and is calculated “net” of all actual separate account fees (i.e., it includes the impact of all account fees and expenses). None of the accounts in the Tactical Program Composite had a sales load. Fees and expenses of the private accounts included in the Sub-Advisor’s Tactical Program Composite are generally higher than those of the Fund and, therefore, the Fund’s results would be different than the returns reflected below. However, the Fund’s results may be lower because private accounts are not subject to certain investment limitations, diversification requirements and other restrictions imposed on mutual funds by the 1940 Act or the Internal Revenue Code, which, if applicable, could have adversely affected the performance of the private accounts.

The performance of the Tactical Program Composite have not been audited. The performance results are calculated substantially in accordance with Commodity Futures Trading Commission and the National Futures Association standards, which may differ from those of the SEC.

**Sub-Advisor’s Tactical Program Composite Net Dollar Weighted Annual Returns**

<b>For the Years Ended December 31</b>	<b>Tactical Program Composite</b>	<b>S&amp;P 500 Total Return Index</b>	<b>IQ Hedge Long/Short Beta Index</b>
<b>2012*</b>	1.62%	3.68%	5.57%
<b>2013</b>	10.63%	32.04%	10.32%
<b>2014</b>	14.62%	13.52%	3.56%
<b>2015</b>	7.58%	1.39%	0.32%
<b>2016</b>	6.04%	11.76%	1.60%
<b>2017+</b>	7.94%	16.89%	11.02%

**\*Returns for the period May 1, 2012 to December 31, 2012.**

**+Returns for the period January 1, 2017 to October 31, 2017.**

**Average Annual Total Returns (for the periods ended December 31, 2016)**

	<b>ONE YEAR</b>	<b>SINCE INCEPTION<sup>3</sup></b>
Tactical Program Composite	6.04%	8.30%
S&P 500 Total Return Index <sup>1</sup>	11.76%	8.53%
IQ Hedge Long/Short Beta Index <sup>2</sup>	1.60%	0.69%

<sup>1</sup> The S&P500 Total Return Index is a capitalization weighted index that measures the performance of 500 large-cap U.S. stocks chosen for market size, liquidity, sector representation and other factors. The S&P 500 Total Return Index reflects the effects of dividend reinvestment

<sup>2</sup> The IQ Hedge Long/Short Beta Index attempts to replicate the risk-adjusted return characteristics of the collective hedge funds using a long/short equity investment style

## FINANCIAL HIGHLIGHTS

### Rational Hedged Return Fund

The financial highlights tables that follow are intended to help you understand the Fund's financial performance during the last five fiscal years or since the commencement of operations if less than five years. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been derived from the Fund's financial statements. The information for the fiscal year ended December 31, 2016, has been audited by Cohen & Company, Ltd., the Fund's independent registered public accounting firm, whose report, along with the Fund's financial statements, is included in the Fund's Annual Report, which is available upon request. The information for the semi-annual period ended June 30, 2017 is unaudited.

The information for each fiscal period ended prior to December 31, 2016 has been audited by the Fund's former independent registered public accounting firm.

For a Share Outstanding Throughout Each Year

	Institutional Class					
	For the Six Months Ended June 30, 2017 (Unaudited)	For the Year Ended December 31, 2016	For the Year Ended December 31, 2015	For the Year Ended December 31, 2014	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012
Net asset value, beginning of period	\$ 5.12	\$ 5.39	\$ 6.73	\$ 8.05	\$ 7.42	\$ 7.15
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>						
Net investment income	0.03 (A)	0.06 (A)	0.19	0.13	0.15	0.11
Net realized and unrealized gain (loss) on investments	(0.51)	0.37	(1.32)	(1.35)	0.55	0.26
Total from investment operations	(0.48)	0.43	(1.13)	(1.22)	0.70	0.37
<b>LESS DISTRIBUTIONS:</b>						
From net investment income	—	(0.70)	(0.26)	(0.10)	(0.07)	(0.10)
Total distributions	—	(0.70)	(0.26)	(0.10)	(0.07)	(0.10)
From capital contributions from Advisor	—	—	0.05	—	—	—
Net asset value, end of period	\$ 4.64	\$ 5.12	\$ 5.39	\$ 6.73	\$ 8.05	\$ 7.42
Total return (B)	(9.38)(D,E)%	7.82% (D)	(16.05)% (C)	(15.03)%	9.49%	5.20%
<b>RATIOS/SUPPLEMENTAL DATA:</b>						
Net assets, end of period (in 000's)	\$ 2,447	\$ 4,747	\$ 6,032	\$ 29,453	\$ 89,571	\$ 96,292
Ratios to average net assets						
Expenses, before waiver and reimbursement	4.41% (F)	2.61%	2.49%	1.52%	1.36%	1.35%
Expenses, net waiver and reimbursement	1.00% (F)	1.00%	1.07%	1.04%	1.34%	1.35%
Net investment income	1.19% (F)	1.07%	2.99%	1.53%	1.93%	1.54%
Portfolio turnover rate	96% (E)	246%	13%	31%	43%	30%

	Class A					
	For the Six Months Ended June 30, 2017 (Unaudited)	For the Year Ended December 31, 2016	For the Year Ended December 31, 2015	For the Year Ended December 31, 2014	For the Year Ended December 31, 2013	For the Year Ended December 31, 2012
Net asset value, beginning of period	\$ 5.16	\$ 5.43	\$ 6.73	\$ 8.05	\$ 7.43	\$ 7.16
<b>INCOME (LOSS) FROM INVESTMENT OPERATIONS:</b>						
Net investment income	0.02 (A)	0.05 (A)	0.19	0.10	0.13	0.09
Net realized and unrealized gain (loss) on investments	<u>(0.49)</u>	<u>0.37</u>	<u>(1.30)</u>	<u>(1.33)</u>	<u>0.54</u>	<u>0.26</u>
Total from investment operations	<u>(0.47)</u>	<u>0.42</u>	<u>(1.11)</u>	<u>(1.23)</u>	<u>0.67</u>	<u>0.35</u>
<b>LESS DISTRIBUTIONS:</b>						
From net investment income	<u>—</u>	<u>(0.69)</u>	<u>(0.24)</u>	<u>(0.09)</u>	<u>(0.05)</u>	<u>(0.08)</u>
Total distributions	<u>—</u>	<u>(0.69)</u>	<u>(0.24)</u>	<u>(0.09)</u>	<u>(0.05)</u>	<u>(0.08)</u>
From capital contributions from Advisor	<u>—</u>	<u>—</u>	<u>0.05</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net asset value, end of period	<u>\$ 4.69</u>	<u>\$ 5.16</u>	<u>\$ 5.43</u>	<u>\$ 6.73</u>	<u>\$ 8.05</u>	<u>\$ 7.43</u>
Total return (B)	)% (9.11(D,E))	7.48% (D)	(15.75)% (C)	(15.23)%	9.09%	4.96%
<b>RATIOS/SUPPLEMENTAL DATA:</b>						
Net assets, end of period (in 000's)	\$ 615	\$ 964	\$ 979	\$ 1,656	\$ 2,366	\$ 2,173
Ratios to average net assets						
Expenses, before waiver and reimbursement	4.67% (F)	2.86%	2.74%	1.77%	1.61%	1.60%
Expenses, net waiver and reimbursement	1.25% (F)	1.25%	1.32%	1.29%	1.59%	1.60%
Net investment income	0.94% (F)	0.92%	3.10%	1.21%	1.68%	1.30%
Portfolio turnover rate	96% (E)	246%	13%	31%	43%	30%

(A) Per share amounts calculated using average shares method, which more appropriately presents the per share data for the period.

(B) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends and does not reflect the impact of sales charges. Had the Advisor not waived its fees and reimbursed expenses, total return would have been lower.

(C) Includes the impact of a contribution from the Advisor. Without such contribution, the returns would have been (16.98)% for Institutional Shares and (16.68)% for Class A Shares.

(D) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset values and returns for shareholder transactions.

(E) Not Annualized

(F) Annualized

	<b>Class C<sup>(A)</sup></b>	
	<b>For the Six Months Ended June 30, 2017</b>	<b>For the Period Ended December 31, 2016</b>
	(Unaudited)	
Net asset value, beginning of period	\$ 5.16	\$ 5.49
<b>LOSS FROM INVESTMENT OPERATIONS:</b>		
Net investment income (B)	0.00 (F)	0.00 (F)
Net realized and unrealized gain (loss) on investments	(0.49)	0.35
Total from investment operations	(0.49)	0.35
<b>LESS DISTRIBUTIONS:</b>		
From net investment income	—	(0.68)
Total distributions	—	(0.68)
Net asset value, end of period	\$ 4.67	\$ 5.16
Total return (C,D)	(9.50)% (G)	6.13% (G)
<b>RATIOS/SUPPLEMENTAL DATA:</b>		
Net assets, end of period (in 000's)	\$ 1	\$ 1
Ratios to average net assets		
Expenses, before waiver and reimbursement (E)	6.08%	3.61%
Expenses, net waiver and reimbursement (E)	2.00%	2.00%
Net investment Income (loss) (E)	(0.02)%	(0.14)%
Portfolio turnover rate (D)	96%	246%

(A) The Rational Real Strategies Fund Class C shares commenced operations on May 31, 2016.

(B) Per share amounts calculated using average shares method, which more appropriately presents the per share data for the period.

(C) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund assuming reinvestment of dividends. Had the Advisor not waived its fees and reimbursed expenses, total return would have been lower.

(D) Not annualized.

(E) Annualized.

(F) Amount is less than \$0.005.

(G) Includes adjustments in accordance with accounting principles generally accepted in the United States and, consequently, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset values and returns for shareholder transactions.



## Appendix A

### **INTERMEDIARY-SPECIFIC SALES CHARGE REDUCTIONS AND WAIVERS**

Specific intermediaries may have different policies and procedures regarding the availability of sales charge reductions and waivers, which are discussed below. In all instances, it is the shareholder's responsibility to notify the Fund or the shareholder's financial intermediary at the time of purchase of any relationship or other facts qualifying the shareholder for sales charge reductions or waivers.

#### **MERRILL LYNCH**

Shareholders purchasing Fund shares through a Merrill Lynch platform or account will be eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in the respective Fund's prospectus or SAI.

##### *Front-end Sales Load Waivers on Class A Shares available at Merrill Lynch*

- Employer-sponsored retirement, deferred compensation and employee benefit plans (including health savings accounts) and trusts used to fund those plans, provided that the shares are not held in a commission-based brokerage account and shares are held for the benefit of the plan
- Shares purchased by or through a 529 Plan
- Shares purchased through a Merrill Lynch affiliated investment advisory program
- Shares purchased by third party investment advisors on behalf of their advisory clients through Merrill Lynch's platform
- Shares purchased through the Merrill Edge Self-Directed platform
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same Fund (but not any other fund within the fund family)
- Shares exchanged from Class C (i.e. level-load) shares of the same Fund in the month of or following the 10-year anniversary of the purchase date
- Employees and registered representatives of Merrill Lynch or its affiliates and their family members
- Directors or Trustees of the Fund, and employees of the Fund's investment adviser or any of its affiliates, as described in the prospectus
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (known as Rights of Reinstatement)

##### *CDSC Waivers on A and C Shares available at Merrill Lynch*

- Death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the Fund's prospectus
- Return of excess contributions from an IRA Account
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching age 70½
- Shares sold to pay Merrill Lynch fees but only if the transaction is initiated by Merrill Lynch
- Shares acquired through a right of reinstatement
- Shares held in retirement brokerage accounts, that are exchanged for a lower cost share class due to transfer to certain fee based accounts or platforms (applicable to A and C shares only)

*Front-end load Discounts Available at Merrill Lynch: Breakpoints, Rights of Accumulation & Letters of Intent*

- Breakpoints as described in this prospectus
- Rights of Accumulation (ROA) which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser's household at Merrill Lynch. Eligible fund family assets not held at Merrill Lynch may be included in the ROA calculation only if the shareholder notifies his or her financial advisor about such assets
- Letters of Intent (LOI) which allow for breakpoint discounts based on anticipated purchases within a fund family, through Merrill Lynch, over a 13-month period of time

**RBC CAPITAL MARKETS, LLC ("RBC")**

*Front-end Sales Load Waivers on Class A Shares available at RBC*

- Employer-sponsored retirement plans.

**The information disclosed in the appendix is part of, and incorporated in, the prospectus**

## PRIVACY NOTICE

### MUTUAL FUND & VARIABLE INSURANCE TRUST

Rev. April 2016

#### **WHAT DOES MUTUAL FUND & VARIABLE INSURANCE TRUST DO WITH YOUR PERSONAL INFORMATION?**

##### **Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some, but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

##### **What?**

The types of personal information we collect and share depends on the product or service that you have with us. This information can include:

- Social Security number and wire transfer instructions
- account transactions and transaction history
- investment experience and purchase history

When you are *no longer* our customer, we continue to share your information as described in this notice.

##### **How?**

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Mutual Fund & Variable Insurance Trust chooses to share; and whether you can limit this sharing.

<b>Reasons we can share your personal information:</b>	<b>Does Mutual Fund &amp; Variable Insurance Trust share information?</b>	<b>Can you limit this sharing?</b>
<b>For our everyday business purposes</b> - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	<b>YES</b>	<b>NO</b>
<b>For our marketing purposes</b> - to offer our products and services to you.	<b>NO</b>	<b>We don't share</b>
<b>For joint marketing with other financial companies.</b>	<b>NO</b>	<b>We don't share</b>
<b>For our affiliates' everyday business purposes</b> - information about your transactions and records.	<b>NO</b>	<b>We don't share</b>
<b>For our affiliates' everyday business purposes</b> - information about your credit worthiness.	<b>NO</b>	<b>We don't share</b>
<b>For our affiliates to market to you</b>	<b>NO</b>	<b>We don't share</b>
<b>For non-affiliates to market to you</b>	<b>NO</b>	<b>We don't share</b>

**QUESTIONS? Call 1-800-253-0412**

# ***PRIVACY NOTICE***

## **MUTUAL FUND & VARIABLE INSURANCE TRUST**

<b>What we do:</b>	
<b>How does Mutual Fund &amp; Variable Insurance Trust protect my personal information?</b>	<p>To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.</p> <p>Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.</p>
<b>How does Mutual Fund &amp; Variable Insurance Trust collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>• open an account or deposit money</li> <li>• direct us to buy securities or direct us to sell your securities</li> <li>• seek advice about your investments</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes – information about your creditworthiness.</li> <li>• affiliates from using your information to market to you.</li> <li>• sharing for non-affiliates to market to you.</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>

<b>Definitions</b>	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• <i>Mutual Fund &amp; Variable Insurance Trust has no affiliates.</i></li> </ul>
<b>Non-affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li>• <i>Mutual Fund &amp; Variable Insurance Trust doesn't share with non-affiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>• <i>Mutual Fund &amp; Variable Insurance Trust doesn't jointly market.</i></li> </ul>

## FOR MORE INFORMATION

Several additional sources of information are available to you. The Statement of Additional Information (“SAI”), incorporated into this Prospectus by reference, contains detailed information on Fund policies and operations, including policies and procedures relating to the disclosure of portfolio holdings by the Fund’s affiliates. The annual reports contain management’s discussion of market conditions and investment strategies that significantly affected the Fund’s performance results as of the Fund’s latest annual fiscal year end.

Call the Fund at (800) 253-0412 to request free copies of the SAI, the annual report and the semi-annual report, to request other information about the Fund and to make shareholder inquiries. You may also obtain this information from the Fund’s internet site at [www.rationalmf.com](http://www.rationalmf.com).

You may review and copy information about the Fund (including the SAI and other reports) at the Securities and Exchange Commission (the “SEC”) Public Reference Room in Washington, D.C. Call the SEC at 1-202-551-8090 for room hours and operation. You also may obtain reports and other information about the Fund on the EDGAR Database on the SEC’s Internet site at <http://www.sec.gov>, and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing the SEC’s Public Reference Section, Washington, D.C. 20549-1520.