RATIONAL SPECIAL SITUATIONS INCOME FUND

RFXAX / RFXCX / RFXIX

March 31, 2024

rationalmf.com

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The Special Situations Income Strategy

Key Facts About the Fund

- Non-traditional fixed income mutual fund that seeks to offer a significant **“pure alpha”** component
- Primarily focuses on legacy, non-agency residential mortgage-backed securities (RMBS) but may invest in a variety of securitized products
- RFXIX has generated a **12.34% annualized net return** with a 6.90% standard deviation since inception (as of March 31, 2024)
- Distributes income on a monthly basis
- A diverse option for portfolio allocation purposes, with options ranging from core fixed income, to alternative, to equity replacement

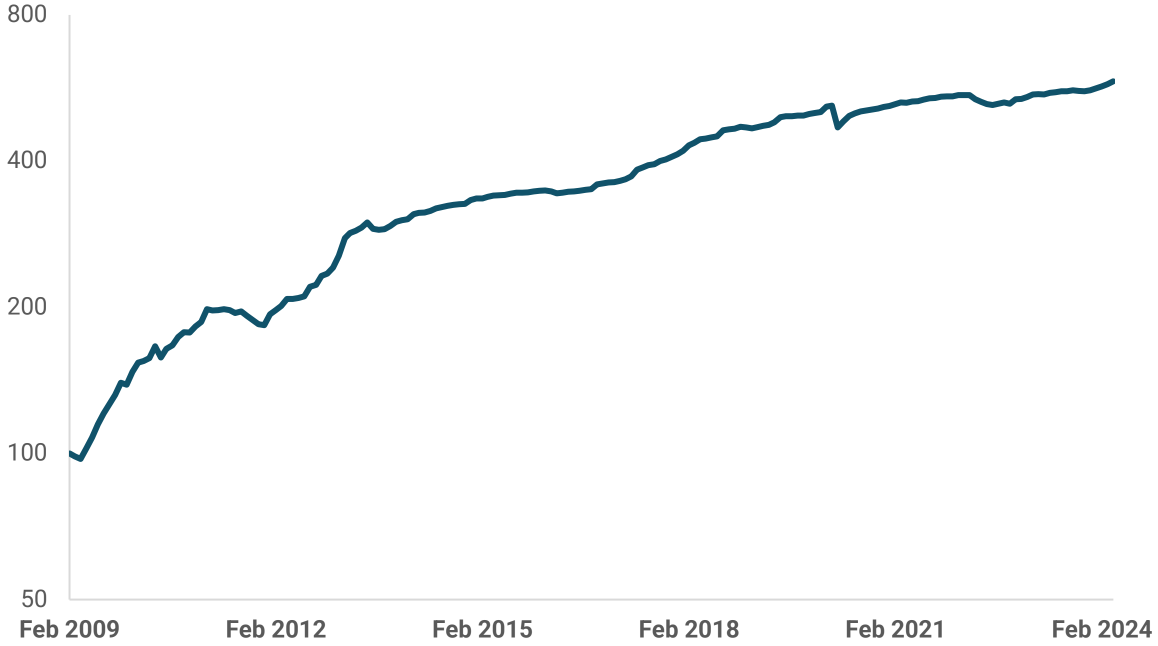
Source: Rational Advisors, Inc. Based on monthly returns from February 2009 to March 2024. ***Past performance is no guarantee of future results.***
Note: Prior to July 17, 2019, RFXIX operated as ESM Fund I, L.P. (the “Predecessor Fund”). See Important Risk Considerations sections for more information.

A long history of strong risk-adjusted returns

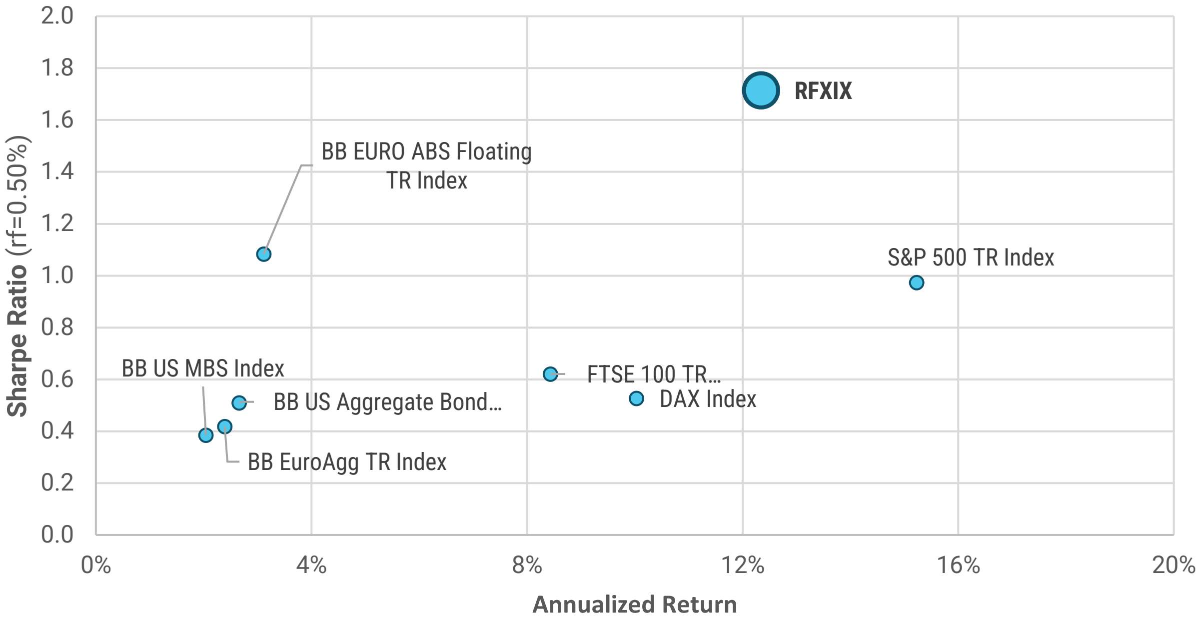
The Fund seeks total return consisting of capital appreciation and income

by primarily investing in U.S. non-agency residential mortgage-backed securities ("NARBMS") and identifying special situations that offer an asymmetric risk/return profile.

Historical Performance of Strategy



Risk/Return Profile Since Inception in 2009



Source: Rational Advisors, Inc. Based on monthly returns from February 2009 to March 2024.
Note: Prior to July 17, 2019, RFXIX operated as ESM Fund I, L.P. (the "Predecessor Fund"). See Important Risk Considerations sections for more information. Indexes are presented for informational purposes only. Investors cannot invest directly in an index, and unmanaged index returns do not reflect the impact of any fees or expenses.

Past performance is no guarantee of future results. There is no assurance that the Fund will achieve its investment objective, generate profits or avoid losses.

RMBS: A Potentially Compelling Opportunity for Fixed Income

ABS & MBS allow investors to diversify fixed income exposure

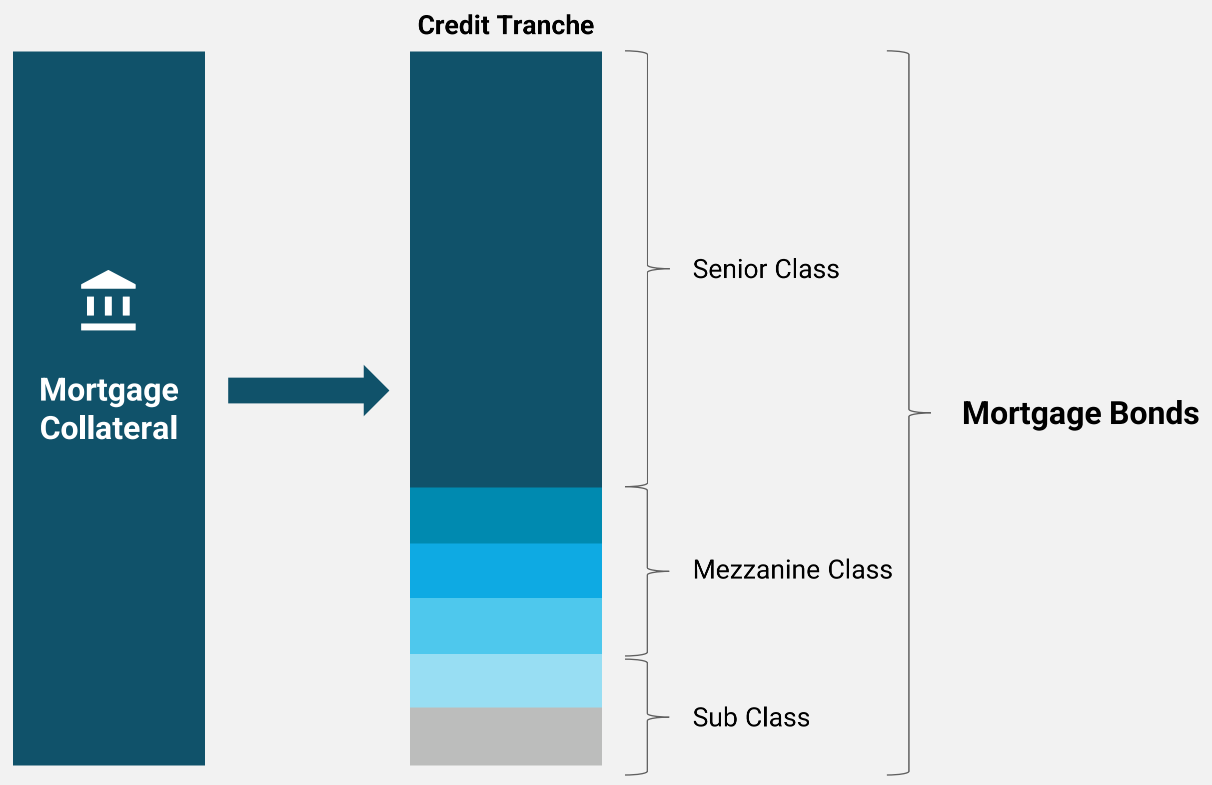
ABS

- Asset-backed securities (ABS) are financial securities collateralized by assets such as credit card receivables, student loans, automobile loans, etc.
- ABS offer investors an alternative to investing in corporate debt or government debt. In today's environment, ABS tend to offer investors compelling yields for risk they take on.

MBS

- Mortgage-backed securities (MBS) are like ABS except that they are backed by mortgages.
- MBS may be backed by pools of residential (RMBS) or commercial (CMBS) mortgages.
- MBS bond prices are driven by many factors beyond those which impact traditional credit and therefore may offer investors a diversified stream of risk and return in their fixed income portfolio.
- There are two common types of MBSs:
  1. **Pass-Throughs:** Trusts that collect mortgage payments and pass them through to investors.
  2. **Collateralized Mortgage Obligations:** Consists of pools of securities known as tranches that are given credit ratings that determine the rates that are returned to investors.

Example MBS Structure



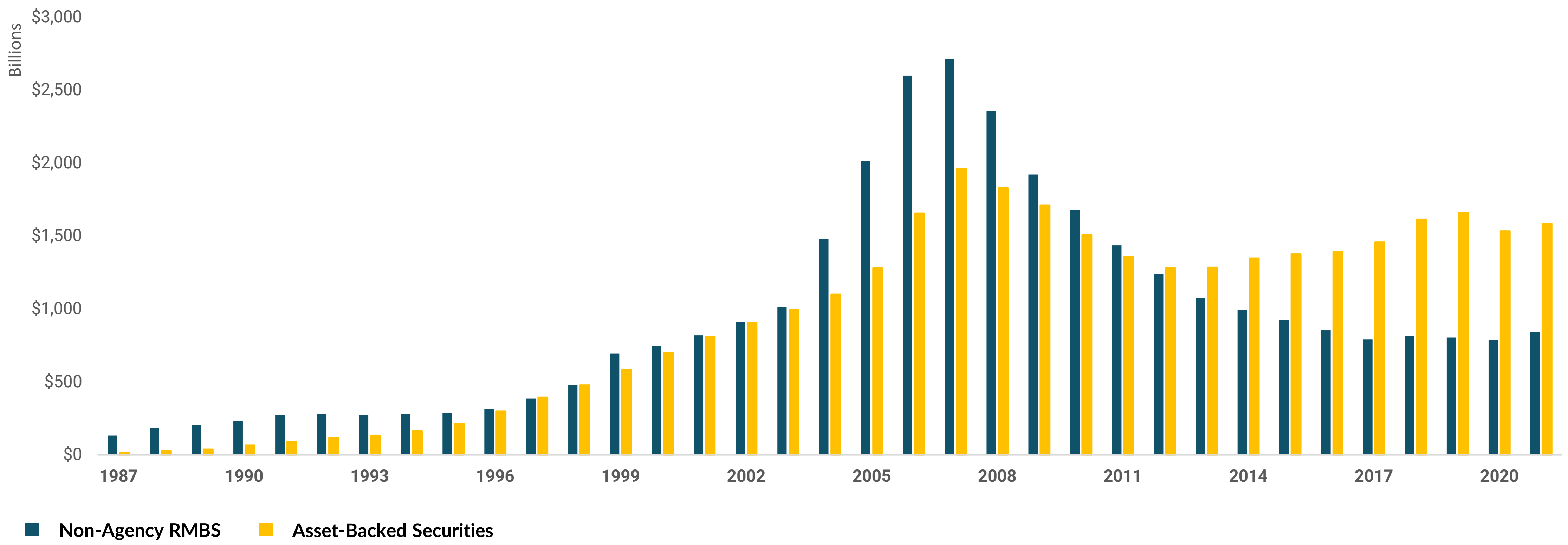
What are non-agency RMBS bonds?

- Non-agency RMBS bonds are collateralized by pools of residential mortgages.
- The bonds have a wide variety of payment characteristics and preferences and can have fixed or floating interest rates.
- Unlike agency RMBS, non-agency RMBS are not insured by government-sponsored entities such as Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC) and Government National Mortgage Association (GNMA).
- Instead, the bonds are issued by private institutions such as trusts and special purpose vehicles.
- The bonds tend to have a sophisticated subordination structure which directs cash flows from the underlying mortgages to the individual bonds based on a set of rules that are designed to create tranches with specific risk, coupon, and maturity characteristics.

A significant market opportunity in non-agency RMBS & ABS

$1.1T in Non-agency RMBS and $1.8T in ABS Outstanding as of Q4 2021

RMBS and ABS markets present a compelling opportunity due to their large size and limited number of investors.



Source: SIFMA as of December 2021.

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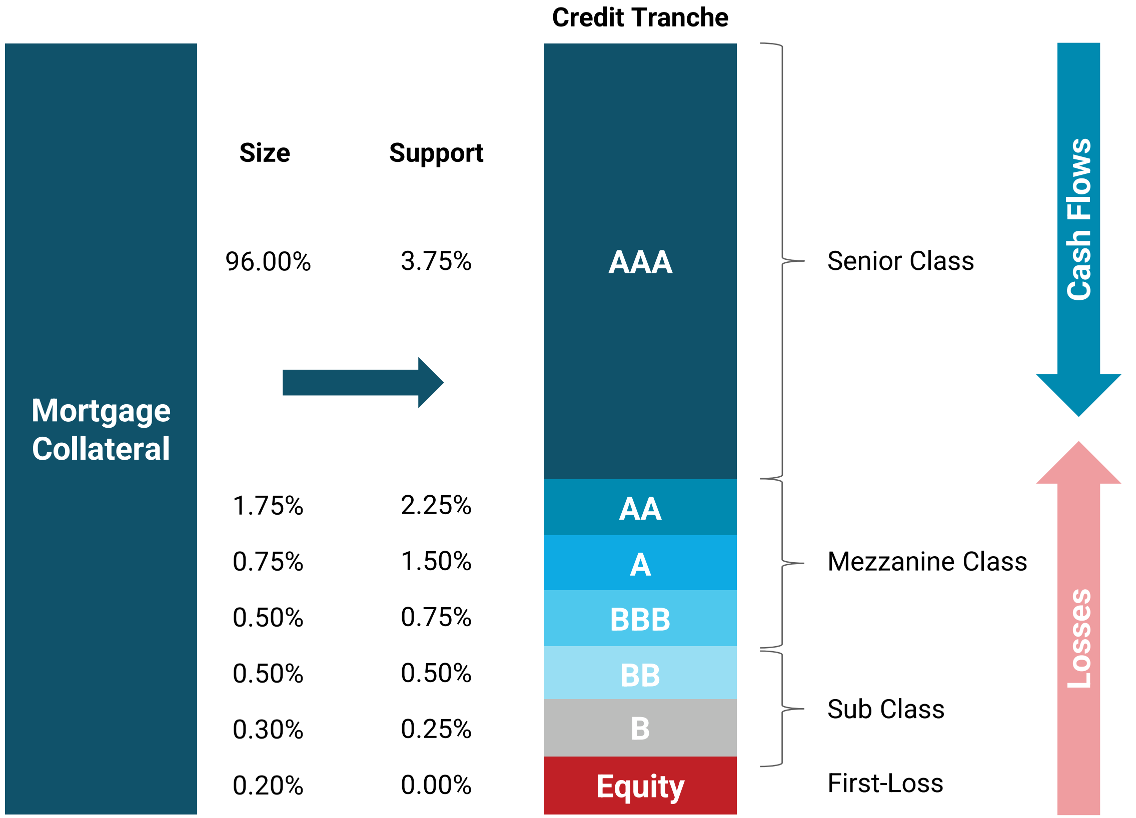
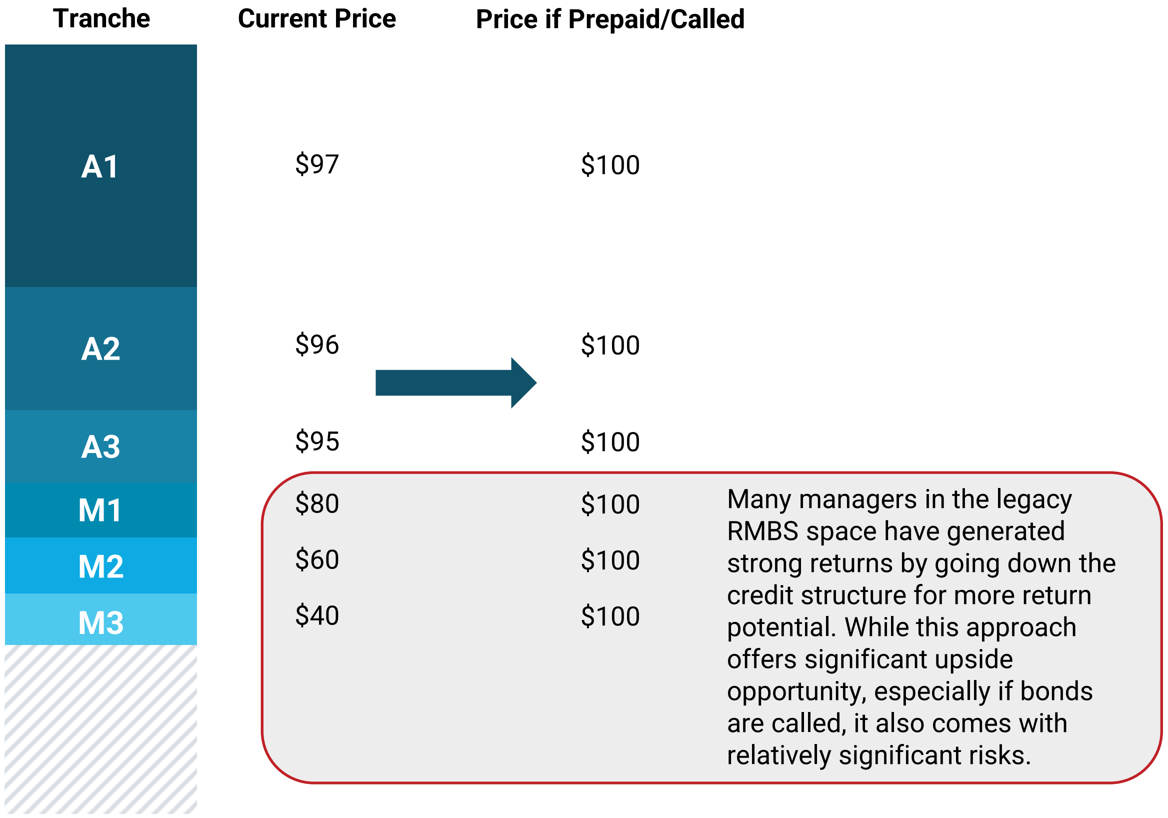
Legacy non-agency RMBS present a compelling opportunity

Legacy RMBS bonds were issued prior to the U.S. housing market collapse in 2007. Today, these bonds are supported by a resilient housing market, are backed by seasoned mortgages with lower LTVs, possess low interest rate sensitivity, and can benefit from refinancing/prepayment because they tend to trade at a discount.

Example RMBS Tranche Structure at Time of Issue (Pre-Crisis)

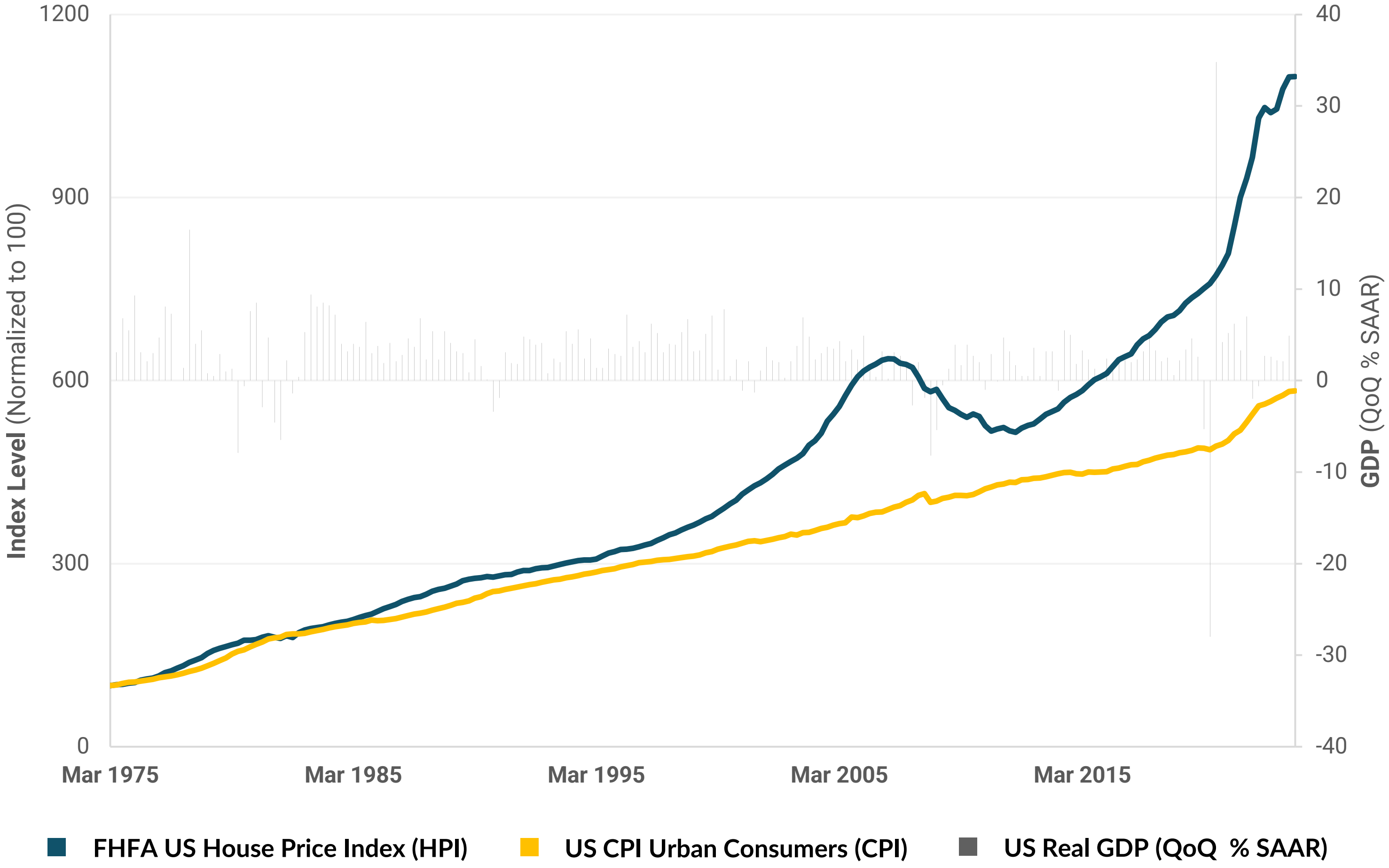


Example RMBS Tranche Structure Today (Post-Crisis)



U.S. housing has historically been a strong investment

U.S. Home Prices Outperformed Inflation and Generated Strong Returns Even During Most Recessionary Periods



Source: Bloomberg LP and Rational Advisors, Inc. as of December 31, 2023 (based on available data). Based on quarterly return data since September 30, 1975 for the following indexes: HPI LEVL Index, CPI INDX Index, and EHGDUS Index. FHFA US House Price Index and US CPI Urban Consumers Index normalized to 100 on September 30, 1975 for comparison purposes. Investors cannot invest directly in an index, and index returns do not reflect the impact of any fees or expenses. Past performance is no guarantee of futures results.

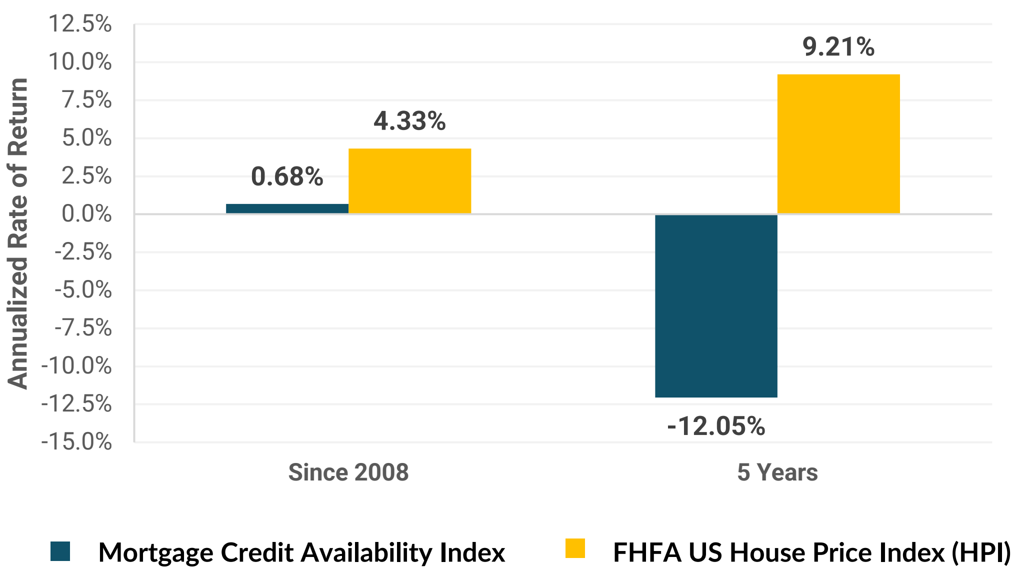
A strong housing market may support the continued outperformance of the RMBS asset class.

Time Period	HPI Annualized	CPI Annualized
1975 – 1999	10.99%	8.24%
1980 – 1989	5.28%	5.09%
1990 – 1999	3.23%	2.94%
2000 – 2009	3.87%	2.56%
2010 – 2019	3.02%	1.75%
2020 - 2023	10.28%	4.47%
1975 – 2023	**5.01%**	**3.66%**

% GDP Change QoQ (SAAR)	Average HPI Return
-10% to -5%	0.27%
-5% to 0%	0.57%
0% to 5%	1.26%
5% to 10%	1.58%
10% to 15%	n/a
15% to 20%	4.00%

Improving housing fundamentals continue to support RMBS

Home Prices and Mortgage Credit Availability Have Improved

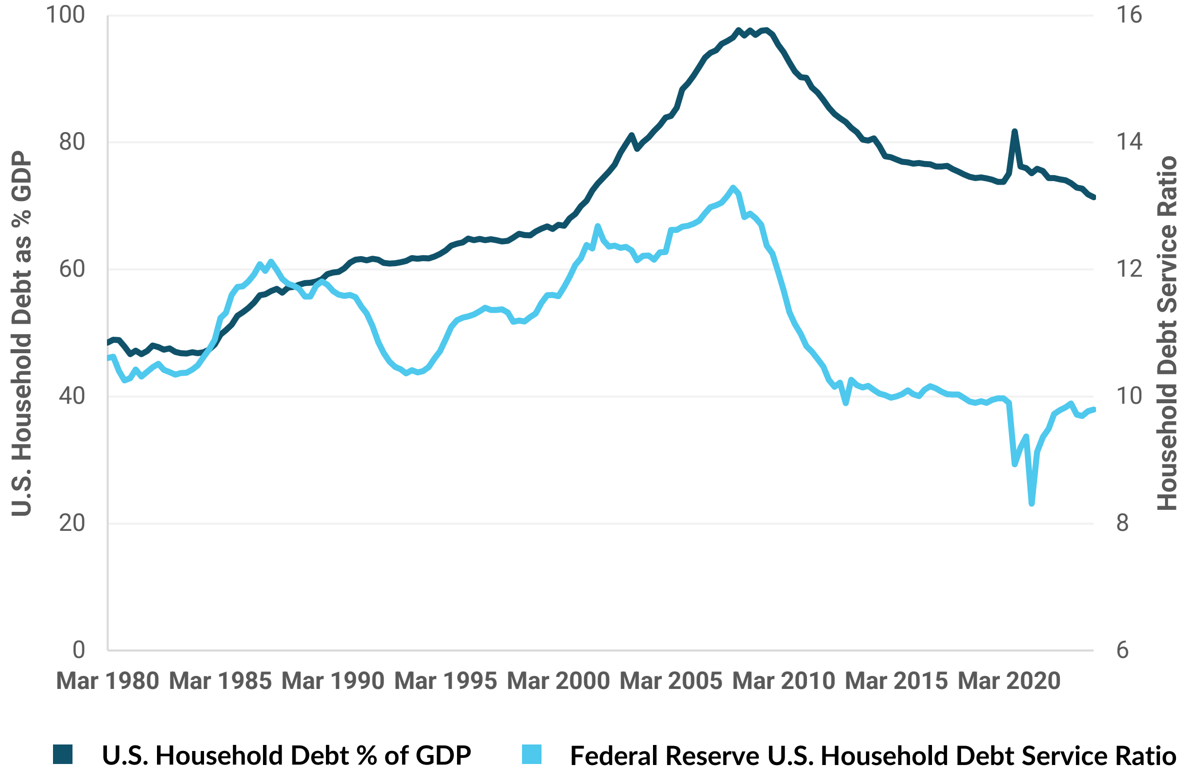


However Mortgage Credit Availability Remains Selective

Period Ending	Mortgage Credit Availability Index Level
30 June 2006 (Peak)	868.7
31 December 2008 (Low)	83.2
31 December 2018 (5 Years)	175.0
31 December 2023 (Current)	92.1

Source: Bloomberg LP and Mortgage Bankers Association. Analysis as of March 2024. Mortgage Credit Availability Index represented by .MCAI G Index (only calculated semi-annually) prior to March 2012 and MBACTTL Index after 2012. Investors cannot invest directly in an index, and index returns do not reflect the impact of any fees or expenses. Past performance is no guarantee of futures results.

U.S. Household Debt Service Ratio Reaches Historical Lows



Household debt service ratio is the ratio of total required household debt payments to total disposable income.

Source: Bloomberg LP. Analysis as of March 2024. Based on quarterly return data since September 30, 1980 for the following indexes: HHLDHDGD Index and DSPBTOTL Index. Investors cannot invest directly in an index, and index returns do not reflect the impact of any fees or expenses. Past performance is no guarantee of futures results.

Legacy (pre-2008) RMBS tend to exhibit more favorable LTVs

Hypothetical Mortgage Loan-to-Value (LTV) as of December 31, 2023 Based on Market Index Data

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Mortgage Issuance Year (31 December)	Years Paid	Interest Rate	Loan Balance as % Original Face	Home Value as % Original Value	Estimated Loan-to-Value (%)
2003	20	5.53%	52%	222%	21%
2004	19	5.47%	56%	202%	25%
2005	18	5.36%	59%	181%	29%
2006	17	5.70%	64%	173%	33%
2007	16	5.75%	67%	175%	35%
2008	15	5.79%	70%	189%	34%
2009	14	5.26%	72%	199%	32%
2010	13	5.33%	75%	203%	33%
2011	12	4.99%	76%	210%	33%
2012	11	3.94%	76%	209%	33%
2013	10	3.40%	77%	200%	35%
2014	9	4.54%	83%	190%	39%
2015	8	3.99%	84%	181%	42%
2016	7	3.90%	86%	172%	45%
2017	6	4.06%	88%	163%	49%
2018	5	3.85%	90%	155%	52%
2019	4	4.51%	93%	148%	57%
2020	3	3.86%	94%	139%	61%
2021	2	2.87%	96%	118%	73%
2022	1	3.27%	98%	106%	83%
2023	0	6.66%	100%	100%	90%

The mortgages backing these seasoned bonds (issued prior to 2008) include homeowners that survived one of the worst housing market declines in history and are still paying.

Default is generally less likely when LTVs are lower because there is more equity in the home.

Therefore, low LTVs provide a good indication of higher credit quality.

Key Assumptions:

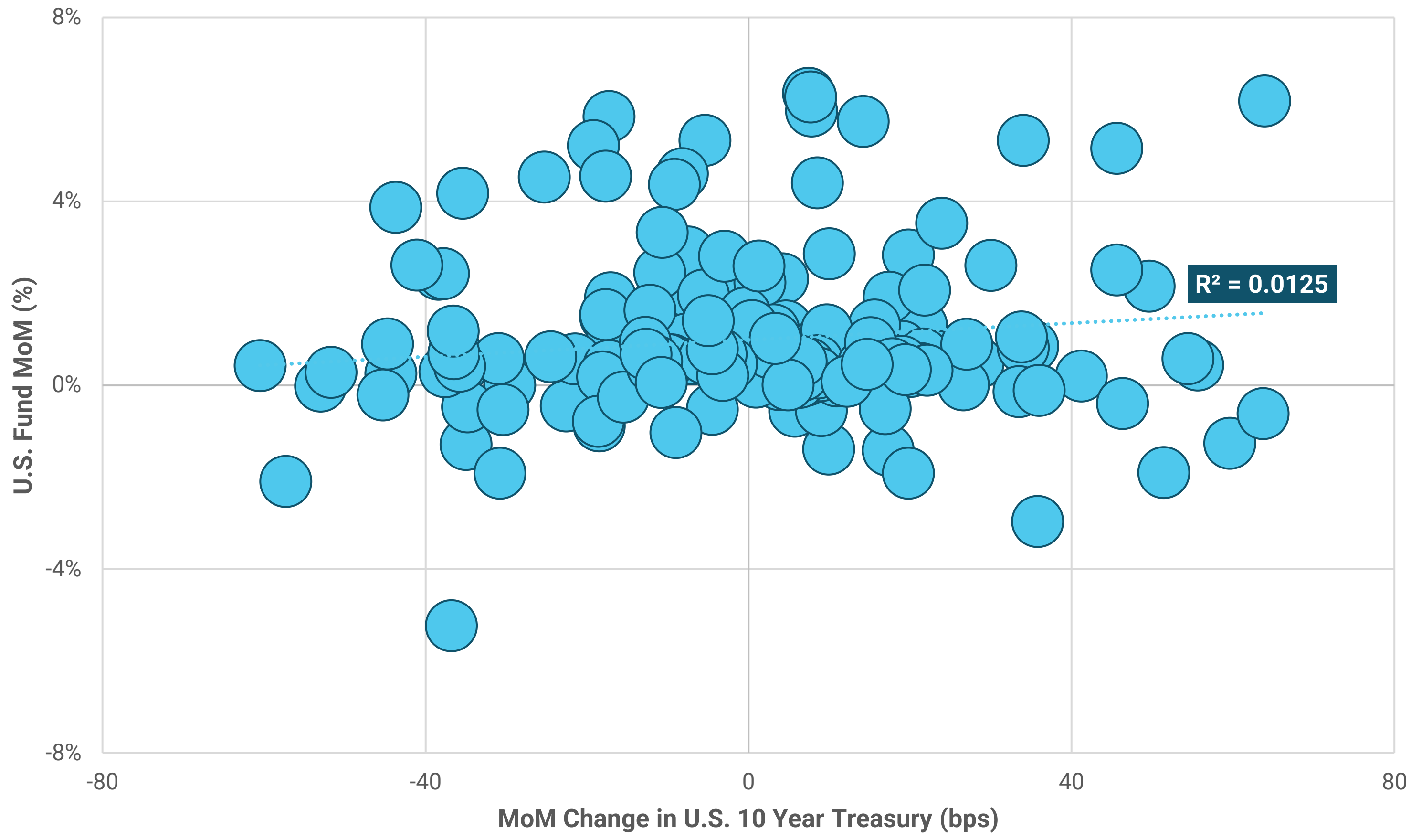
1. 30-year fixed rate mortgage (for calculation simplicity only; many bonds are floating rate)
2. Monthly payments
3. Prevailing interest rate
4. 90% LTV at origination
5. Home value increase in line with Home Price Index

These assumptions are used to present how LTVs improve with improving housing fundamentals and bond seasoning and do not represent any actual LTVs.

Source: Bloomberg LP and Rational Advisors, Inc. as of December 31, 2023. Based on monthly data since December 31, 1999 for the following indexes: HPI LEVL Index (FHFA US House Price Index) and ILM3NAVG Index (Bankrate.com US Home Mortgage 30 Year Fixed National Average). Investors cannot invest directly in an index, and index returns do not reflect the impact of any fees or expenses. Past performance is no guarantee of futures results.

An investment with low interest rate sensitivity

Month-over-Month (MoM) RFXIX % Change versus MoM Change in U.S. 10 Year Treasury Yields



As interest rates go up, traditional bonds decline in value. RMBS bonds tend to be less sensitive to changes in interest rates.

Floating Rate Features

Many non-agency RMBS bonds have floating rate features. As market interest rates change, the bond rates will adjust accordingly. The prices on these bonds are not typically adversely impacted like fixed rate corporate bonds or other fixed rate securities when interest rates rise.

Price a Result of Many Factors

While interest rates do have the potential to impact non-agency RMBS bond prices, particularly fixed rate bonds, many other factors drive bond pricing, including credit conditions, voluntary prepayments, and housing market conditions. Unlike traditional, fixed-rate corporate bonds, a relatively similar fixed-rate non-agency RMBS bond may react quite differently to a change in interest rates due to these other factors.

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 2024. MoM Change in U.S. 10 Year Treasury from GT10 Govt. ***Past performance is no guarantee of future results.***

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Investment Strategy: Targeting Asymmetric Risk/Return

Strategy's strong returns are not from taking on excess risk

01 — Returns from MBS Asset Class

+

02 — Optionality from Special Situations Investing

=

03 — Potential for Yield and Above-Average Returns

80%
MBS
The Fund primarily invests in seasoned, MBS to achieve its objective.

85%
Floating Rate
Currently, the Fund targets holding 90% of assets in floating rate bonds with the goal of mitigating interest rate risk.

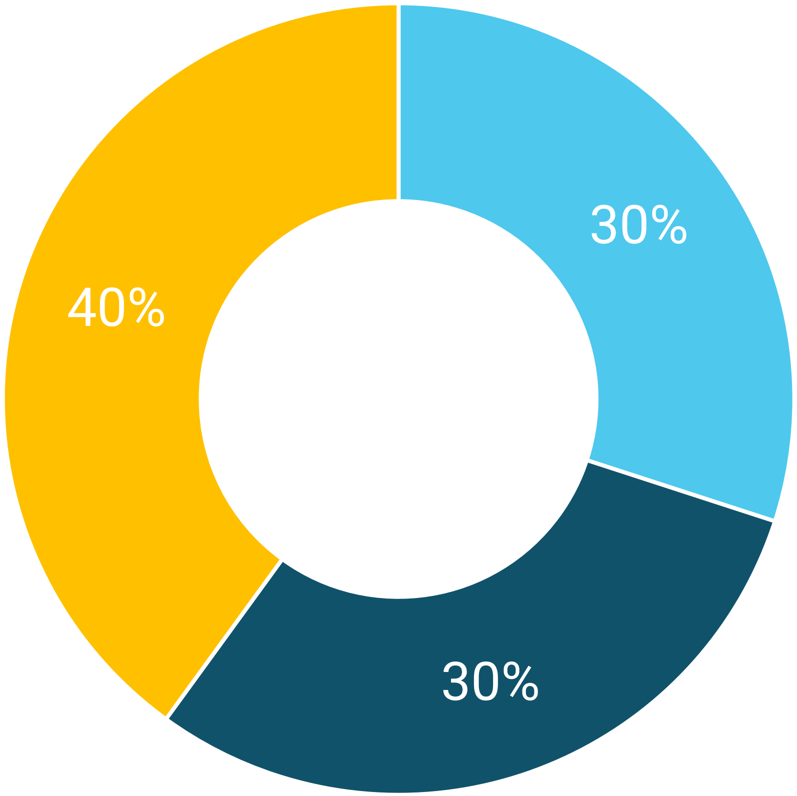
85%
Senior Bonds
RFXIX focuses on senior bonds as it seeks alpha-driven returns from its activist strategy versus from taking on excess credit risk.

+50%
Special Situations
The portfolio managers attempt to allocate at least 50% of assets to special situations trades.

0%
Leverage
The Fund does not employ leverage. It has never used financial leverage to achieve its strong returns.

Allocations are presented as target allocations. Certain market conditions or events (i.e., the resolution of a large special situations trade) may result in the portfolio not meeting these targeted allocations. Allocations are subject to change. There is no guarantee that these allocations will mitigate adverse performance from factors such as interest rates or defaults. There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

Strategy allocations overweight special situations approach



Allocations are presented as target allocations. The managers seek to allocate at least 50% of net assets to special situations, including litigation strategies and structural inefficiency and incremental yield strategies. Certain market conditions or events (i.e., the resolution of a large special situations trade) may result in the portfolio not meeting these targeted allocations. Allocations are subject to change. There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

Litigation Strategies

The managers identify products in which either the cash flows are not being directed properly by the trustee or the managers believe there are significant errors of this type that are likely to occur.

Structural Inefficiency & Incremental Yield Strategies

The portfolio managers find products in which the inner workings are extremely complex, often introducing the potential for significant upside that is either not considered or not properly priced by the market.

Core Income Holdings

This includes holdings that provide a baseline yield. The managers believe that non-agency bonds provide a yield that is in excess of the yields from more traditional fixed income products with similar credit profiles.

Special situations strategies offer asymmetric return opportunities

Special Situations Strategy Return Profile

01 Prior to pursuing the special situations trade, the bonds typically do not reflect any upside potential from the strategy.

02 While pursuing the special situation, the market often does not recognize the opportunity, and the bond continues to trade in line with similar bonds in the asset class.

03 A successful special situations outcome typically means a significant price appreciation in the price of the bond, sometimes +100%. Downside is typically limited to similar bonds in the asset class. Historically, the managers have only lost one legal case, and the outcome was a +8% return after all fees and expenses.

Example Unsuccessful Outcome

5% to +10%
in line with
asset class

Example Successful Outcome

20% to +100%
after market reacts
to bond remedies

Principle Special Situations Strategies

- **Structural Inefficiencies:** Seek out opportunities in more sophisticated bonds with collateral types or other structures for which standardized modeling tools are not available or are materially flawed.
- **Servicing Issues:** Work with trustees and servicers to remedy issues that arise in the form of flaws of logic or interpretation in a debt security's pooling and servicing agreements or bond indentures.
- **Litigation:** Use litigation or threat of litigation to remedy issues with identified inefficiencies or flaws in the underlying legal or technical structures of certain debt issuances if the issue cannot be resolved through negotiation.

Examples are based on historical situations and may not be representative of future events. Examples are provided for illustrative purposes only and do not imply any return guarantees. It is possible that a special situations trade could result in a material loss to investors.

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Structural Inefficiency Trade Example

Background

- In October 2019, the managers identified and purchased bonds of a 2003 MBS.
- The MBS structure was atypical due to a loss recoupment feature.

Process

- Through the investment process, the managers identified bonds with a pricing anomaly given the features of those bonds.
- The market was not valuing the loss recoupment feature in the bonds. Therefore, the bonds were trading at a significant discount.
- When the bonds were called in November 2019, the recouped losses were paid out.

Outcome

+97.9% **Aggregate Return**

from purchase in October 2019 to the bond being called in November 2019

- The downside risk was that the bonds traded in line with the asset class, which performed well during the trade.
- The upside was a significant increase in bond price in the event of the bonds being called or when the market realized the pricing anomaly.

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Litigation Trade Example

Background

- A non-agency RMBS issue, when issued, included certain subordinated bonds that had been insured by a third-party insurer against loss from default that would impact those tranches.
- The Pooling and Service Agreement (PSA) contained a mechanism that allowed the insurer, under certain conditions, to recover any payouts it had made under the policy.
- **The standard industry pricing model assumed that in the event of a payout by the insurer, its subrogation rights to recover any payments were senior to the most senior tranches of the structure.**

Process

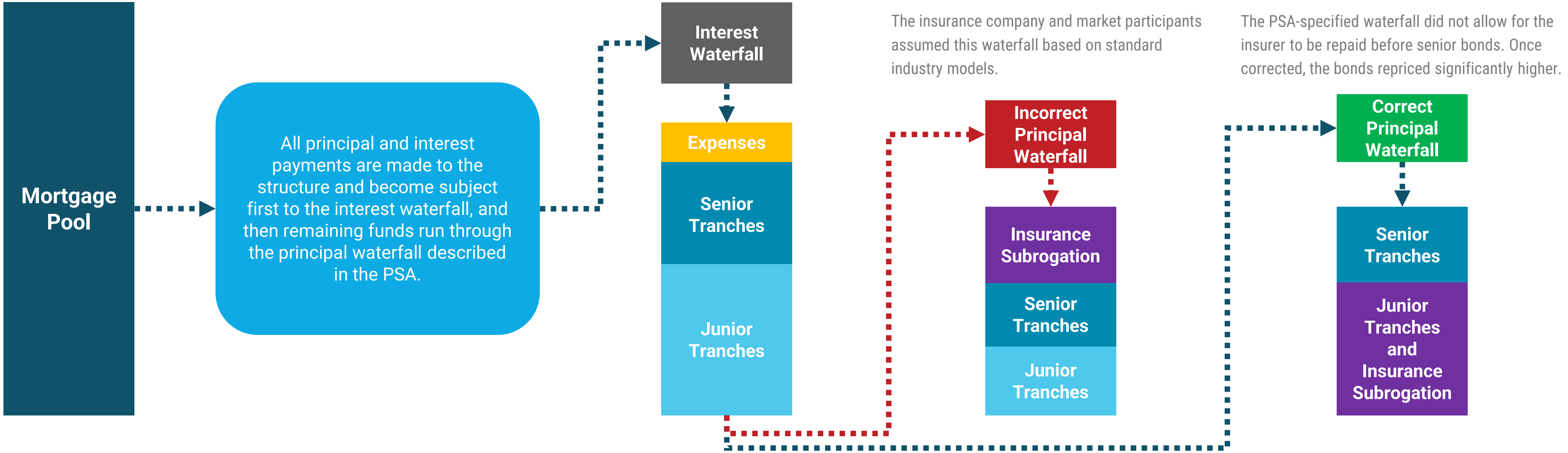
- Through fundamental research, the managers found that the PSA did not allow for the insurer to be repaid before senior bonds.
- The managers began purchasing the senior tranches in 2009.
- In July 2010, the insurer paid out a claim, and the next month, cash flow began to be diverted from the senior note holders to reimburse the insurance company.
- **Court action was initiated with the contention that the PSA stated the Insurer's recovery was not senior to the senior tranches and that the subrogation rights effectively were step-in rights to the tranches for which it had paid out claims.**

Outcome

+150% Aggregate Return

after legal expenses between purchase in 2009 and when both the circuit and appellate Courts ruled in favor of the managers in December 2012.

Litigation Trade Example (continued)



Overview

The managers identified a bond where the service provider was not correctly interpreting the payout and was instead paying the interest to an insurance subrogation before the senior tranches of the bond. We bought the senior bonds and challenged the service provider.

Outcome #1 (Limited Downside)

Service provider does not change the payout, even through litigation, and the senior bonds continue to price as they were before. No losses are incurred as a result of litigation failure as it was never priced into the market when the securities were acquired. (Note other market factors, credit shifts, unexpected losses on underlying loans, etc. may result in negative performance).

Outcome #2 (Asymmetric Upside Potential)

After successful litigation, the service provider begins paying out the senior tranches first, and these tranches see significant price appreciation as a result of the new structure.

Investment Process

Successful execution of the Special Situations Income strategy requires expertise in the following areas: 1) the fundamentals of the bonds, 2) the legal structure of the bonds with a high level of proficiency in law, and 3) the mathematical ability to model complex structures.

Screening

Investment team actively searches broker lists and other screens to identify bonds with pricing anomalies after considering all the bond's attributes.

Fundamental Review

Once an atypical bond price is identified, the investment team reads through the PSA and prospectus to determine if something is causing the pricing anomaly. Cash flows and other assumptions are modeled in Bloomberg as part of the fundamental analysis.

Investing and Trading

The portfolio managers determine whether to purchase or sell a bond. Proprietary software is used to analyze the impact of a potential purchase or sale on the portfolio. Bonds are purchased through negotiation in the interbank market.

Activist Strategies

The portfolio managers in consultation with the investment committee spearhead activist strategy efforts, including reaching out to trustees and servicers. Many legal aspects can be done in-house. The potential for any legal fees is evaluated at the investment committee level.

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Risk Management Process

Portfolio-Level Risk Management

Proprietary software is used to monitor the impact of trading on a pre-trade and post-trade basis for both compliance and risk purposes. An experienced professional is dedicated to the strategy's risk management.

Chief Risk Officer

Portfolio holdings are automatically published in Bloomberg for the CRO. Monitoring includes portfolio attributes, daily performance, and stress testing. The CRO reports to the risk committee on a weekly basis.

Risk Management Committee

The risk management committee includes the senior personnel at the firm, including the CEO. While never anticipated, the risk management committee can trade on behalf of the strategy to mitigate risk if absolutely necessary.

"Managing risk has been a critical component of the strategy since inception in 2009. The strategy has always sought to limit traditional risks such as interest rate and credit risk and instead **focus on opportunities that offer asymmetric upside potential with limited downside.**"

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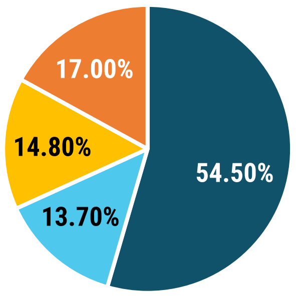
Portfolio Characteristics

A Low Duration Portfolio

1.50 years average duration

A Focus on Super Senior Tranches



- Super Senior Tranche (54.5%)
- Quasi-Senior Tranche (13.7%)
- Sub-Senior Tranche (14.8%)
- Corporates (17.0%)

Source: Rational Advisors, Inc., Bloomberg LP, and ICE. Portfolio holdings as of March 2024. Liquidity data as of March 2024.

Portfolio Holdings

883 holdings

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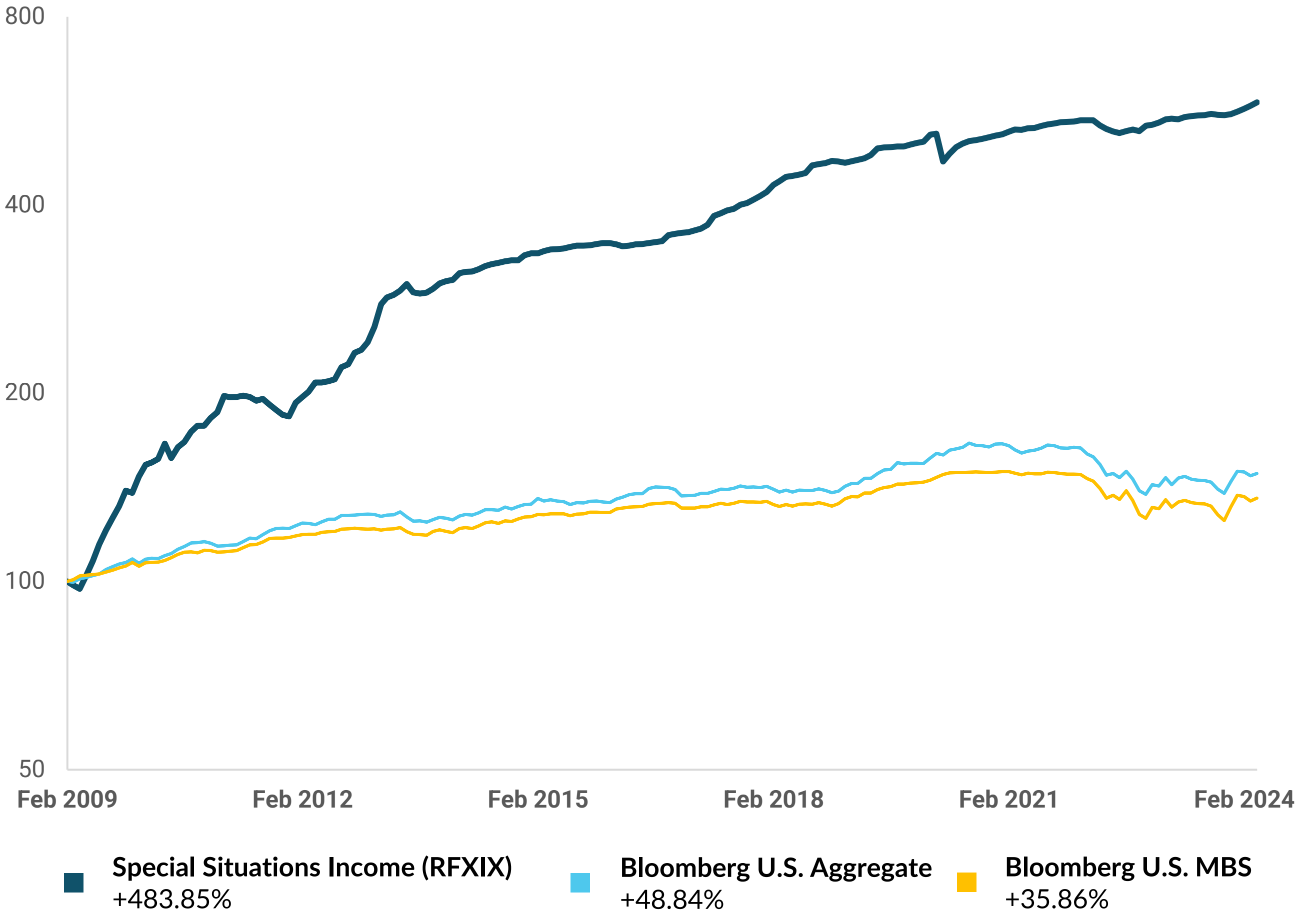
RFXIX Returns: A Long History of Strong Risk-Adjusted Returns

Strong performance versus fixed income benchmarks

Cumulative Returns Relative to Benchmarks



Key Performance & Risk Statistics

	Special Situations Income	Bloomberg U.S. Aggregate	Bloomberg U.S. MBS
Aggregate Return	483.85%	48.84%	35.86%
Annualized Return	12.34%	2.66%	2.04%
Standard Deviation	6.90%	4.23%	3.99%
Sharpe (rf=0.50%)	1.71	0.51	0.39
Beta vs. Agg.	0.21	-	0.87
Alpha vs. Agg. (rf=0.50%)	11.38%	-	-0.34%
R-Squared vs. Agg	1.72%	-	86.07%
Worst Drawdown	-9.76%	-17.18%	-16.53%
% Positive Months	84.07%	59.89%	62.64%

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 2024.
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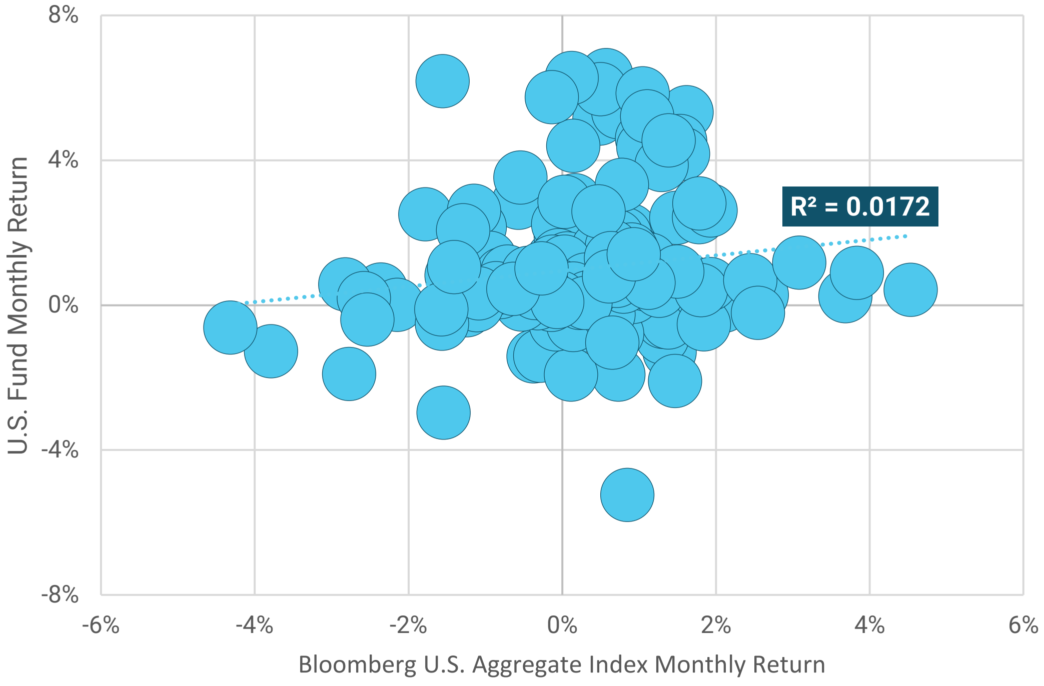
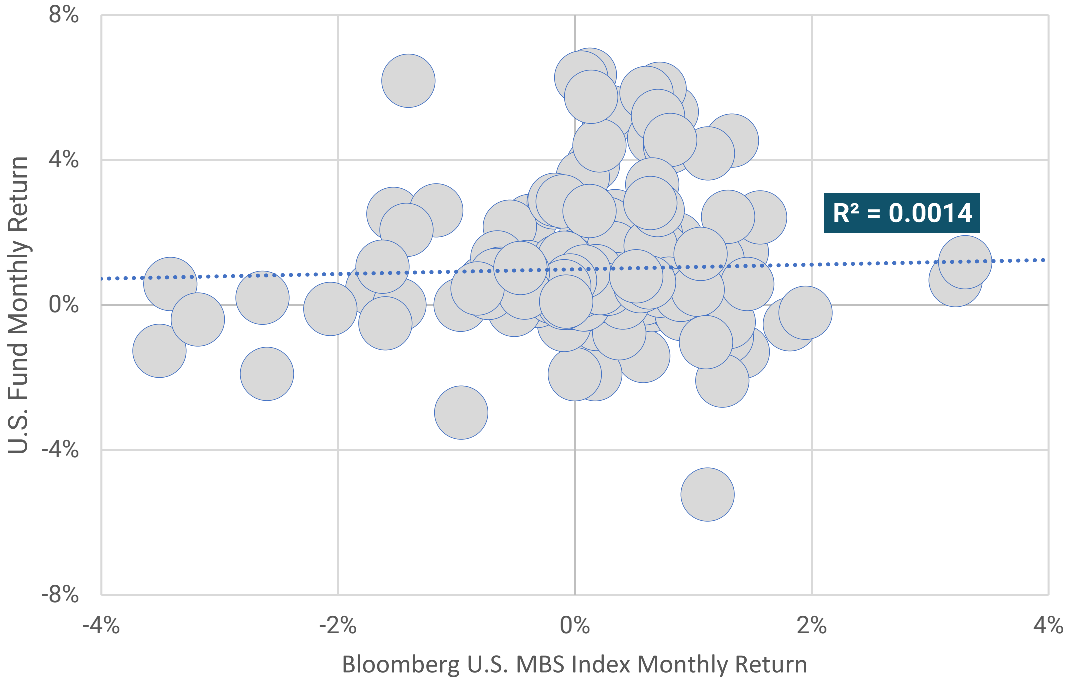
Low correlation to benchmarks provided diversification benefits

Low Correlation to Bloomberg U.S. Aggregate Index



Low Correlation to Bloomberg U.S. MBS Index



Special Situations Income
% Positive Months: 84.1%

Bloomberg Bloomberg U.S. Aggregate
% Positive Months: 59.9%

Bloomberg Bloomberg U.S. MBS
% Positive Months: 62.6%

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 2024.
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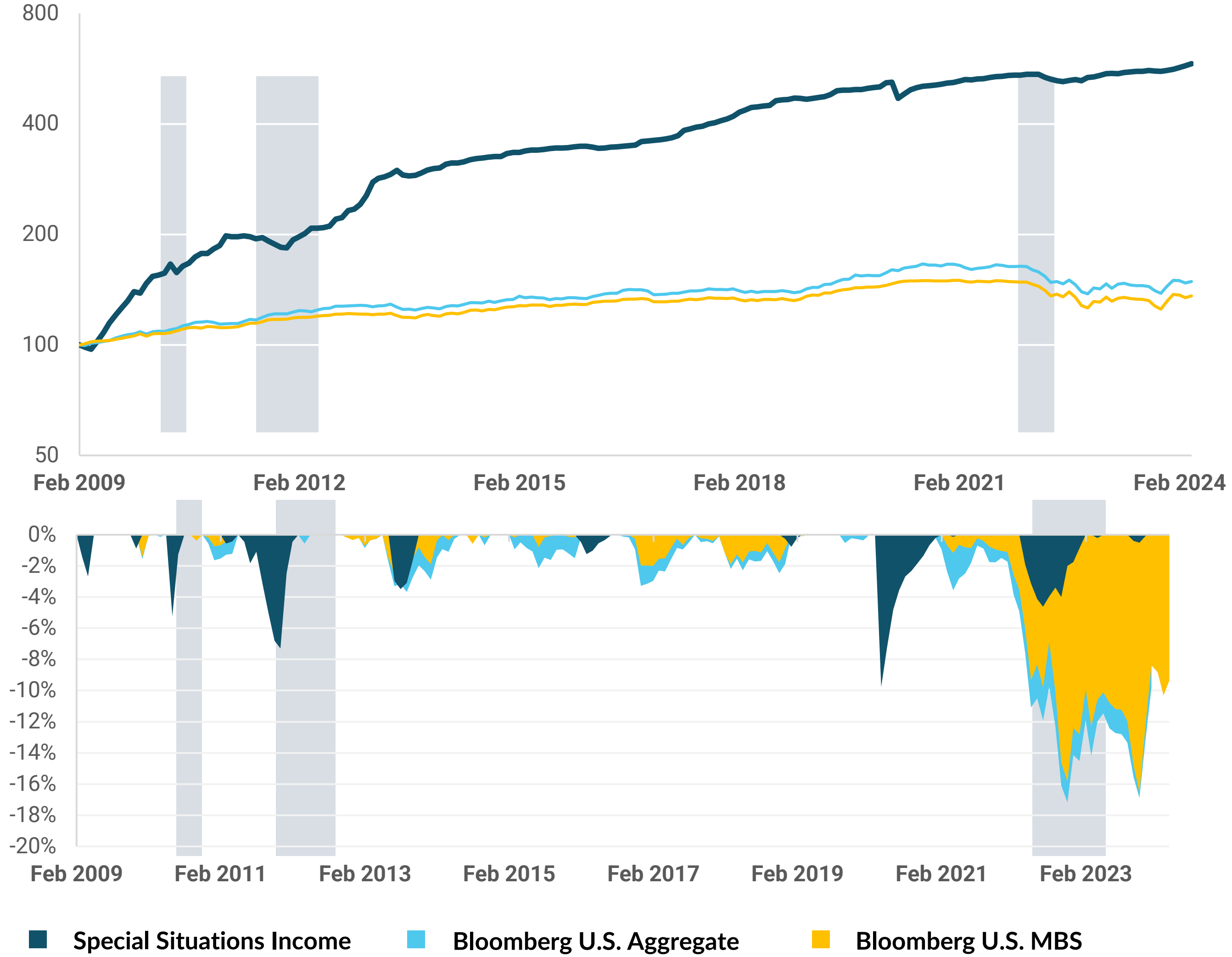
Historically quick recovery from drawdowns

Historical Drawdowns versus Benchmarks



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Summary of Worst Three Drawdowns

May 2010 (-5.23%)

Macroeconomic factors (e.g., European debt crisis) led to a selloff in RMBS and high yield corporate bonds. The fundamental performance of the bonds remained strong, and the strategy recovered in just one month. **Total months in drawdown: 2. Months to recovery from peak drawdown: 2.**

November 2011 (-7.30%)

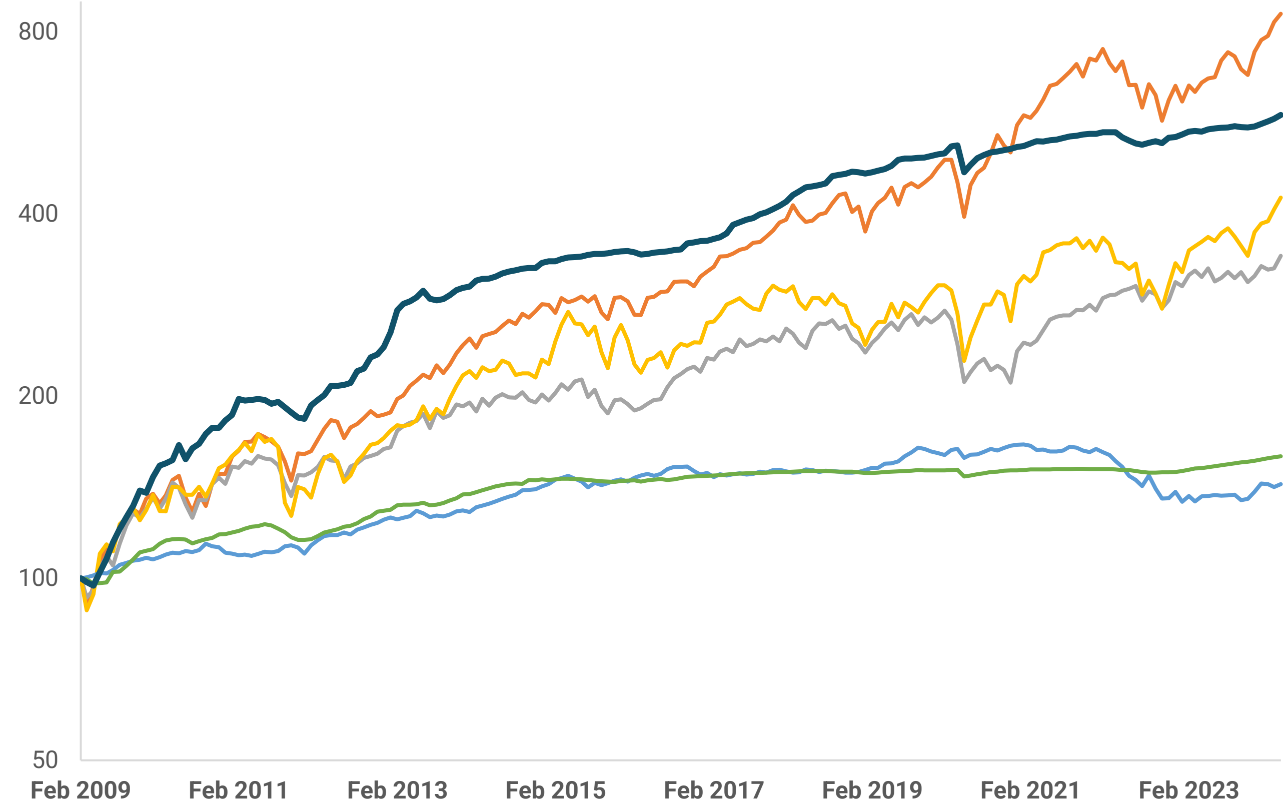
"Robo-signing" scandal slowed down the foreclosure process with mortgage servicers and created some news-driven risk. The fundamentals of the bonds were not materially impacted, and the strategy recovered quickly. **Total months in drawdown: 9. Months to recovery from peak drawdown: 3.**

March 2020 (-9.76%)

In the wake of the COVID-19 outbreak, non-agency RMBS, like many other asset classes, was subjected to significant selling pressure. There were many leveraged mortgage REITs that had forced liquidations, driving down prices to levels that were not supported by fundamentals. The strategy's focus on senior mortgage bonds helped avoid some of the more serious drawdowns that occurred in the asset class. The managers believe that this has created an opportunity not seen in years in certain senior mortgage bonds. **Total months in drawdown: 1. Months to recovery from peak drawdown: 10.**

Strong performance versus other benchmarks, including equities

Cumulative Returns Relative to Benchmarks



Select Performance & Risk Statistics

	Annualized Return	Sharpe Ratio (rf=0.50%)	Worst Drawdown
Special Situations Income	12.34%	1.71	-9.76%
S&P 500 TR Index	15.23%	0.97	-23.87%
FTSE 100 TR	8.43%	0.62	-24.00%
DAX Index	10.03%	0.53	-26.78%
Bloomberg EuroAgg TR	2.39%	0.42	-19.54%
Bloomberg Euro ABS Floating Rate	3.11%	1.08	-5.84%

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 2024.
Note: Prior to July 17, 2019, RFXIX operated as ESM Fund I, L.P. (the "Predecessor Fund"). See Important Risk Considerations sections for more information.
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Special Situations Income Fund Historical Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	Bloomberg Agg YTD	Bloomberg MBS YTD
2009	-	-1.41%	-1.29%	5.16%	5.33%	6.35%	5.33%	4.61%	4.37%	5.97%	-0.88%	6.19%	**47.03%**	6.87%	5.69%
2010	4.53%	0.81%	1.30%	5.85%	-5.23%	4.18%	1.82%	3.87%	2.32%	-0.06%	2.83%	2.16%	**26.74%**	6.54%	5.37%
2011	6.27%	-0.56%	0.13%	0.46%	-0.45%	-1.39%	0.76%	-2.09%	-1.91%	-1.91%	-0.52%	5.22%	**3.68%**	7.84%	6.23%
2012	2.07%	1.92%	3.53%	0.00%	0.37%	0.82%	4.55%	1.00%	4.40%	1.05%	2.90%	5.74%	**32.10%**	4.22%	2.59%
2013	8.76%	2.45%	1.02%	1.48%	2.51%	-2.96%	-0.54%	0.41%	1.47%	1.97%	0.85%	0.49%	**18.97%**	-2.02%	-1.41%
2014	2.42%	0.58%	0.11%	0.74%	1.26%	0.68%	0.52%	0.57%	0.27%	0.05%	1.90%	0.71%	**10.22%**	5.97%	6.08%
2015	-0.02%	0.86%	0.58%	0.10%	0.21%	0.64%	0.43%	0.02%	0.18%	0.47%	0.29%	0.06%	**3.87%**	0.55%	1.51%
2016	-0.47%	-0.78%	0.24%	0.47%	0.20%	0.30%	0.44%	0.32%	2.24%	0.43%	0.44%	0.21%	**4.08%**	2.65%	1.67%
2017	0.64%	0.69%	1.39%	3.33%	1.01%	1.05%	0.52%	1.54%	0.68%	1.29%	1.21%	1.57%	**15.95%**	3.54%	2.47%
2018	2.61%	1.31%	1.63%	0.36%	0.56%	0.51%	2.86%	0.56%	0.31%	0.86%	-0.25%	-0.53%	**11.28%**	0.01%	0.99%
2019	0.59%	0.57%	0.58%	1.21%	2.43%	0.40%	0.07%	0.28%	0.02%	0.71%	0.54%	0.45%	**8.13%**	8.72%	6.35%
2020	2.62%	0.42%	-9.75%	2.81%	2.60%	1.30%	0.94%	0.37%	0.47%	0.52%	0.68%	0.47%	**2.83%**	7.51%	3.87%
2021	0.93%	0.82%	-0.14%	0.52%	0.22%	0.67%	0.62%	0.27%	0.47%	0.22%	0.06%	0.52%	**5.30%**	-1.54%	-1.04%
2022	0.01%	0.01%	-1.90%	-1.26%	-1.03%	-0.51%	0.69%	0.58%	-0.62%	2.07%	0.26%	0.90%	**-0.85%**	-13.01%	-11.81%
2023	1.18%	0.20%	-0.21%	0.80%	0.33%	0.34%	0.09%	0.45%	-0.39%	-0.11%	0.43%	0.90%	**4.08%**	5.53%	5.05%
2024	1.02%	1.05%	1.41%										**3.52%**	-0.78%	-1.04%

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 2024.

Note: Prior to July 17, 2019, RFXIX operated as ESM Fund I, L.P. (the "Predecessor Fund"). See Important Risk Considerations sections for more information.

Past performance is no guarantee of future results. There is no assurance that the Fund will achieve its investment objective, generate profits or avoid losses.

Annualized Performance (%): Ending March 31, 2024

	YTD	1yr	3yrs	5yrs	10yrs	Inception*
Class I	3.52	6.50	3.45	4.21	6.43	12.34
Bloomberg US Agg TR Index	-0.78	1.70	-2.46	0.36	1.54	2.66
Bloomberg MBS TR Index	-1.04	1.39	-2.84	-0.39	1.12	2.04
Class A	3.41	6.18	3.18	3.94	6.16	12.07
Class C	3.24	5.42	2.43	3.16	5.37	11.23
Class A w/ Sales Charge	-1.49	1.16	1.52	2.93	5.64	11.70

*Inception: 02/01/2009. The performance shown prior to July 17, 2019 is that of the Predecessor Fund, which reflects all of the Predecessor Fund's actual fees and expenses adjusted to include any fees of each share class.

Maximum sales charge for Class A is 4.75%. Maximum Deferred Sales Charge of 1.00% on Class C Shares applies to shares sold within 12 months of purchase. Gross expense ratios for the fiscal year were 2.06%, 2.77% and 1.80% for Class A, C and I shares, respectively. The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. Results shown reflect the waiver, without which the results could have been lower. A fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. To obtain the most recent month end performance information or the Fund's prospectus please call 800-253-0412 or visit www.RationalMF.com.

Source: Rational Advisors, Inc. and Bloomberg LP. Based on monthly returns from February 2009 to March 31 2024.
Note: Prior to July 17, 2019, RFXIX operated as ESM Fund I, L.P. (the "Predecessor Fund"). See Important Risk Considerations sections for more information.
Past performance is no guarantee of future results. There is no assurance that the Fund will achieve its investment objective, generate profits or avoid losses.

A Management Team with Significant Experience

Investment Team Background

'95 '96 '97 '98 '99 '00 '01 '02 '03 '04 '05 '06 '07 '08 '09 '10 '11 '12 '13 '14 '15 '16 '17 '18 '19 '20

Education

Dr. Eric S. Meyer, CFA
Portfolio Manager

D.E. Shaw & Co.
Researcher

Susquehanna International Group
Built and Managed Various Fixed Income & Tax Groups

ESM Management LLC
Founder and Portfolio Manager

Ph.D. in Physics
Harvard University

A.B. in Physics
Harvard University

William Van de Water
Portfolio Manager

Susquehanna
MBS Research

ESM Management LLC
Managing Director and Portfolio Manager

B.S. in Physics, Business, Economics, and Management
California Institute of Technology

Dr. David Jelinek
Head of Research & Risk

Susquehanna
Research

D.E. Shaw & Co.
Analyst

Carlyle Commodity Management *(formerly Vermillion)*
Director of Quantitative Strategies

ESM
Risk & Research

Ph.D. in Computer Science
University of Pennsylvania

B.S. in Mathematics
Brown University

Portfolio Manager Biographies

Dr. Eric S. Meyer, CFA
Fund Portfolio Manager

- Founder & Portfolio Manager, ESM Management LLC
- Portfolio Manager, Rational Special Situations Income Fund
- Fixed Income Strategy Developer and Manager, Susquehanna International Group
- Quantitative Researcher, D.E. Shaw & Co.
- Postdoctoral Associate, National Institute of Standard and Technology
- J.D., Boston College Law School
- Ph.D. in Physics and A.B. in Physics (summa cum laude), Harvard University
- National Science Foundation Graduate Fellow
- Over a dozen publications in physics journals or conference proceedings

William Van de Water
Fund Portfolio Manager

- Managing Director & Portfolio Manager, ESM Management LLC
- Previously RMBS Trader & Analyst with ESM Management LLC
- Portfolio Manager, Rational Special Situations Income Fund
- RMBS Researcher & Trader, Susquehanna International Group
- B.S. in Physics, California Institute of Technology
- B.S. in Business, Economics, and Management, California Institute of Technology

Important Risk Considerations

Important Risk Information

Past performance is no guarantee of future results.

Investing in the Fund carries certain risks. The value of the Fund may decrease in response to the activities and financial prospects of an individual security in the Fund's portfolio. The Fund is a new mutual fund and has a limited history of operations for investors to evaluate. Investors in the Fund bear the risk that the Fund may not be successful in implementing its investment strategies. The Fund may invest a greater percentage of its assets in a particular issue and may own fewer securities than other mutual funds; the Fund is subject to concentration risk. When the Fund invests in asset-backed securities and mortgage-backed securities, the Fund is subject to the risk that, if the underlying borrowers fail to pay interest or repay principal, the assets backing these securities may not be sufficient to support payments on the securities. Interest rate risk is the risk that bond prices overall, including the prices of securities held by the Fund, will decline over short or even long periods of time due to rising interest rates. Bonds with longer maturities tend to be more sensitive to interest rates than bonds with shorter maturities. Lower-quality bonds, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. Credit risk is the risk that the issuer of a security will not be able to make principal and interest payments when due. These factors may affect the value of your investment.

The Fund commenced operations by acquiring all of the assets and liabilities of ESM Fund I, L.P. (the "Predecessor Fund") in a tax-free reorganization on July 17, 2019 (the "Reorganization"). In connection with the Reorganization, investors in the Predecessor Fund received Institutional Shares of the Fund. The Fund's investment objectives, policies, guidelines and restrictions are, in all material respects, equivalent to those of the Predecessor Fund. However, the Predecessor Fund was not registered under the 1940 Act and, therefore, was not subject to certain investment restrictions, limitations and diversification requirements that are imposed by the 1940 Act or Subchapter M of the Internal Revenue Code, which, if they had been applicable, might have adversely affected the Predecessor Fund's performance. The Fund's Sub-Advisor was the investment adviser to the Predecessor Fund. The Fund's fees and expenses are expected to be higher than those of the Predecessor Fund, so if the Fund's expenses were applied to the Predecessor Fund's performance, the performance would have been lower.

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

5299-NLD-4/19/2024

Rational Advisors, Inc.

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