Q1 2025

MBSF

Regan Floating Rate MBS ETF

An Exchange Traded Fund, seeking high yields and low duration by investing in high quality, floating-rate, agency RMBS.

20250423-4429314

Key Facts

- **Launch Date**
  February 28, 2024
- **Ticker**
  MBSF
- **CUSIP**
  92046L338
- **Exchange**
  NYSE
- **Lead Market Maker**
  SIG Susquehanna
- **Distributor**
  Northern Lights Distributors
- **Custodian**
  Brown Brothers Harriman & Co.
- **Legal Counsel**
  DLA Piper
- **Management Fee**
  0.49%
- **Gross Expense Ratio**
  0.49%
- **Distribution**
  Monthly
- **Benchmark**
  Bloomberg US Mortgage-Backed Securities (MBS) Index
- **Objective**
  The Fund seeks to provide current income by investing primarily in floating rate RMBS.

Executive Summary

Regan Capital ("Regan") has been a leading participant in the RMBS market since the Firm's 2011 founding. Senior portfolio managers have over 40 years combined experience in the asset class, and in the aftermath of bank failures and rate hikes seen throughout 2023, responded to the demand for a solution that seeks to outperform traditional products, like money market funds and treasury bills, by investing primarily in agency, floating-rate RMBS.

MBSF was launched in an effort to meet the demand for low duration, high quality fixed income and aims to outperform traditional cash instruments while maintaining high liquidity in an ETF structure.

Fund Focus

Quality

Agency RMBS are **backed by either the U.S. government or a government-sponsored entity**[1] – doubling as a credit quality enhancement to an overall fixed income allocation. These securities exhibit low volatility, and their floating rate coupon can mitigate risks of rising interest rates.

Diversification

Agency, floating rate RMBS **exhibit low correlation to traditional fixed income**. MBSF will target a duration of less than one year, while also playing a **dynamic role within an overall fixed income allocation.**

Performance

Agency floating rate RMBS **trade at yields above treasuries** and thus, over time, may outperform traditional cash instruments. **Active management by an experienced team** aids in sourcing potentially advantageous opportunities and identifying, what management believes, to be mispriced securities in an attempt to outperform cash.

Monthly Income

Mortgage borrowers pay both **principal and interest monthly**. These payments flow through the RMBS and to MBSF holders as net income generated by the fund via **monthly dividends**.

1.) While some agency floating rate RMBS are government guaranteed as to principal and interest payments (Ginnie Mae), Fannie Mae and Freddie Mac issues are solely the obligation of the issuer and are not considered "guaranteed", but rather possess an expectation that the U.S. Government will back such obligations.

Investors may find that their cash can do more

ETF Advantages

Accessibility
Because ETFs trade on an exchange, investors buy and sell via their broker, providing trading flexibility and intraday portfolio management.

Liquidity
ETFs can be bought and sold throughout the day, giving investors the ability to execute trades quickly at their discretion.

Relatively Lower Costs
ETFs have relatively low expense ratios.

Potential Tax Efficiency
Low portfolio turnover can help manage the impact of capital gains taxes.

Transparency
Portfolio holdings are disclosed on a daily basis.

No Minimum
Many ETFs tend to have no minimum purchase requirements.

As a result of factors like interest rate hikes, quantitative easing, and multiple bank failures seen throughout 2023, investors' cash management optionality expanded to higher-yielding products.

While cash alternatives like money market funds and treasuries remain popular in the market, agency floating rate residential mortgage-backed securities (RMBS) offer a compelling opportunity for investors to diversify their cash allocation into agency RMBS that may earn higher yields than traditional cash alternatives.

We believe the agency floating rate sector offers one of the most affordable and attractive risk reward opportunities in short duration investments.

Advantages of Floating Rate Agency RMBS

We find the compelling qualities of floating rate agency RMBS make the asset class a viable alternative to cash products like money market funds, with similar risk, minimal volatility and little correlation to fixed income and equity markets.

We believe these attributes may allow MBSF to be an attractive solution for investors looking to add quality, income, and diversification to their fixed income allocations.

Yield Premium

The asset class currently exhibits a significant yield premium to traditional cash alternatives like Treasury Bills or money market funds. Currently, agency MBS are trading 100 basis points over US Treasury Bills[1].

Portfolio Diversification

Agency MBS offer diversification benefits due to their low correlation to equities and traditional fixed income, especially during times of market stress.

Quality

The portfolio will primarily be invested in government agency-backed assets that have comparable risk profiles to traditional cash alternative products like treasury bills. Additionally, these bonds trade at a spread over treasury bills, providing the potential for additional return with similar risk.

1.) Agency Floater spread data sourced from Goldman Sachs, as of March 1, 2025.

Highlights of Asset Class

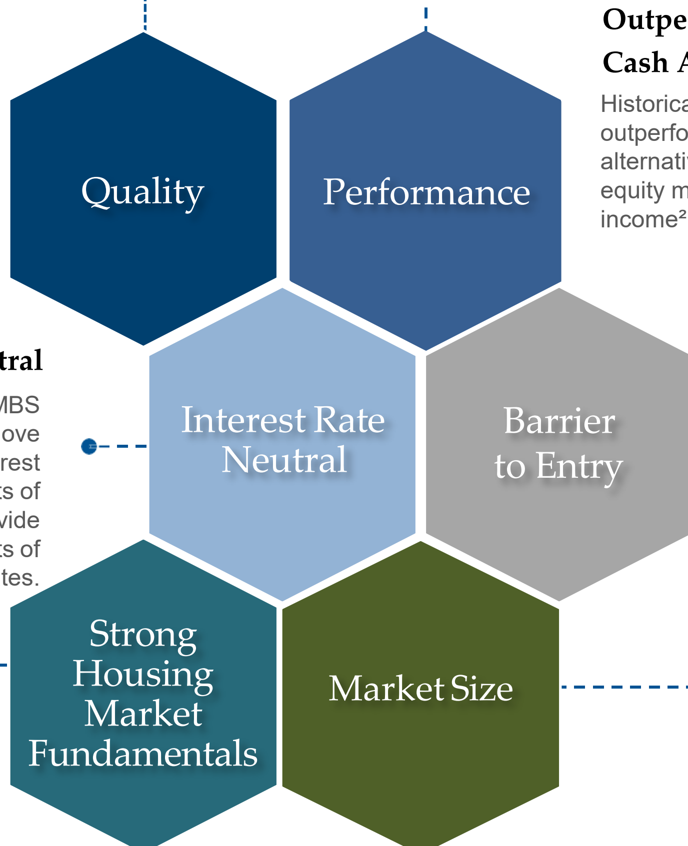
Floating-rate agency MBS are securities issued, secured, or collateralized by government sponsored entities (Fannie Mae or Freddie Mac) or by a government agency (Ginnie Mae). Coupons on MBS are floating rate and are collateralized with a mix of floating and fixed rate residential mortgage loans.

Quality

Ginnie Mae MBS are explicitly backed by the U.S. federal government, with principal and interest payments guaranteed. Fannie Mae and Freddie Mac RMBS are backed solely by the obligation of the issuer as government- sponsored entities and are understood to have limited credit risk.

Outperforming Traditional Cash Alternatives

Historically, agency RMBS have outperformed traditional cash alternatives[1] with lower correlation to equity markets than traditional fixed income[2].



Interest Rate Neutral

As the coupon on floating-rate MBS primarily reset monthly, they will move in line with rising or falling interest rates. Increased prepayments of discounted securities can provide defense in environments of decreasing interest rates.

High Barrier to Entry

Unlike municipal, treasury and corporate bonds which primarily trade electronically and can be accessed directly by individual investors, mortgage bonds primarily trade over the counter by institutions.

Supported by Strong Housing Market Fundamentals

Underlying mortgages are first liens on U.S. single family homes and timely payments of principal and interest are guaranteed by government-sponsored agencies or entities[3].

Second Largest Segment Of The U.S. Bond Market Behind Treasuries

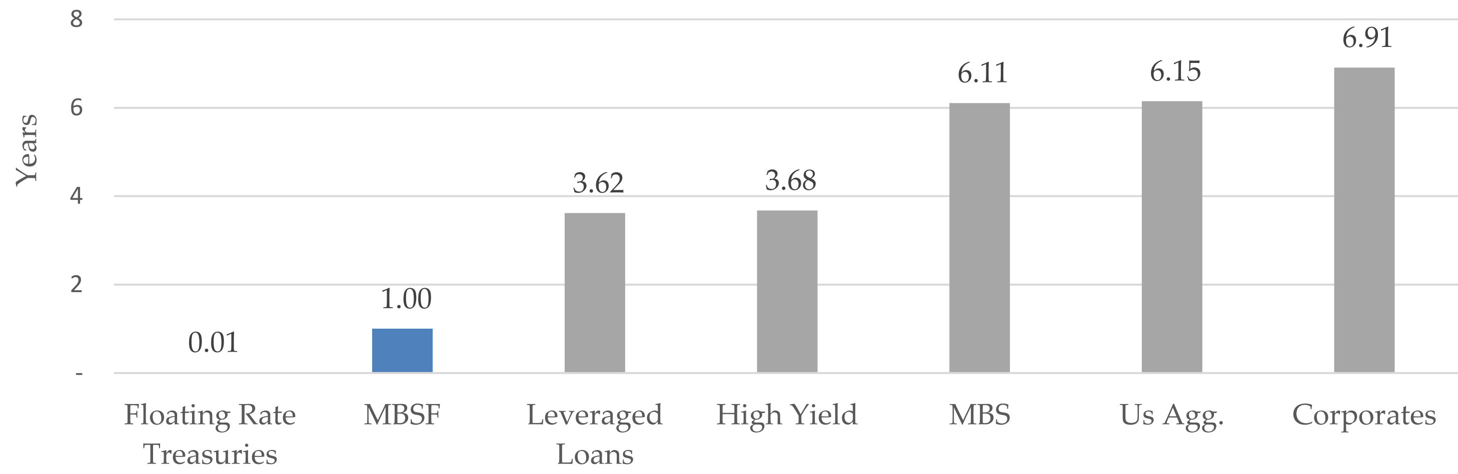
At approximately $10.7 trillion, the agency MBS segment is larger than the entire corporate bond market, over two times the size of the municipal bond market and constitutes over ¼ of the Bloomberg US Aggregate Bond Index. The significant market size and frequency of new issues can allow for liquidity and long-term participation.

See disclosures for glossary of indices. Note that investors cannot directly invest in an index. Past performance is no guarantee of future results. There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. 1.) Based on data showing Total Return of the Bloomberg US MBS Index versus Bloomberg US Treasury Total Return Index, measured from (1/30/1976 – 12/31/2024). Data sourced from Bloomberg. 2.) Measured by correlation of the S&P 500 Index, the Bloomberg U.S. Aggregate Bond Index and the Bloomberg US MBS Index. The S&P 500 index representing the broader equity market, the Agg index representing the broader fixed income market, and the MBS index representing agency MBS. Data sourced from Bloomberg as 12/31/2024. 3.) Source: Webbs Hill Advisors statistical data as of January 31, 2024.

Today's Opportunity

We believe agency floating-rate MBS can be an attractive option for investors during times of market uncertainty. In environments of heightened interest rate volatility, securities with longer duration profiles are more adversely affected.

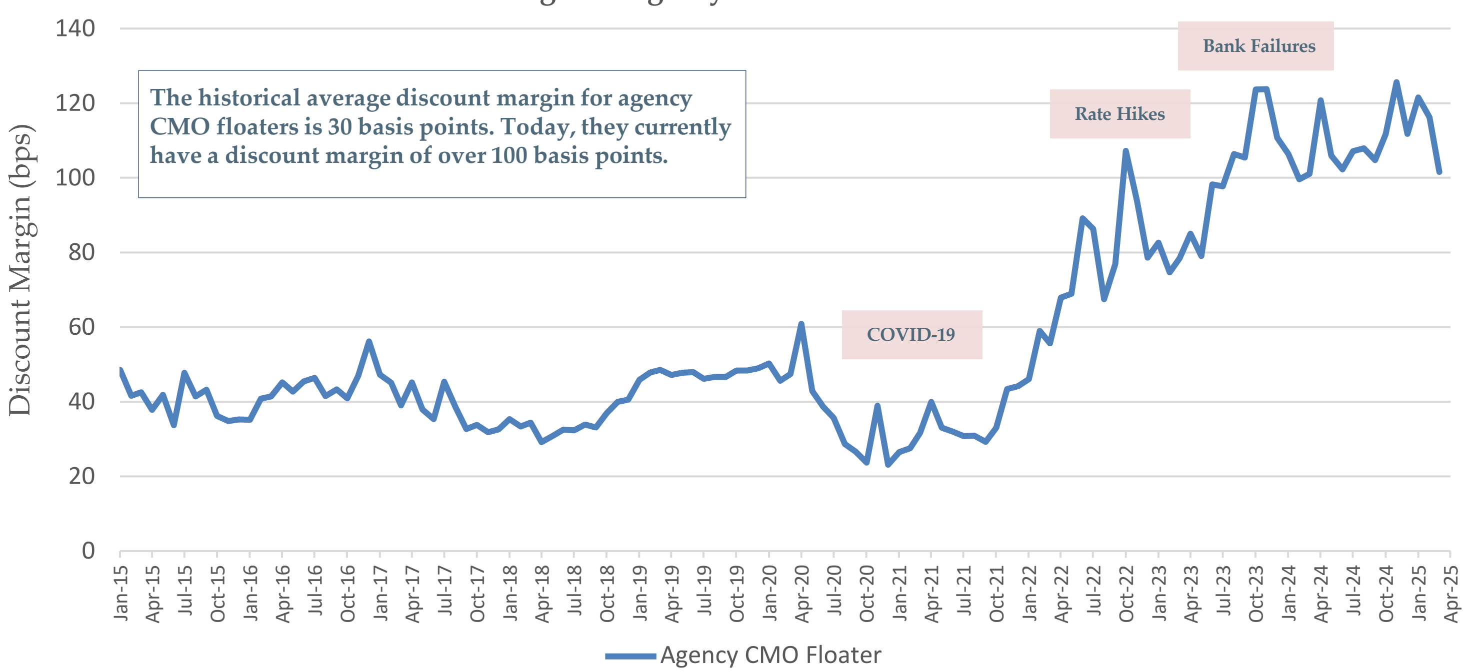
Current Duration of MBSF vs. Current Duration of Traditional Fixed Income[1]



Currently Trading at Attractive Valuations

Agency floating rate MBS are at historically wide spreads. This is largely due to their two largest buyers, U.S. commercial banks and the Federal Reserve, being out of the market for much of the last 3 years. Below is a chart showing the discount margin of Agency Collateralized Mortgage Obligation Floating Rate Securities ("CMO Floaters"), a type of Agency RMBS.

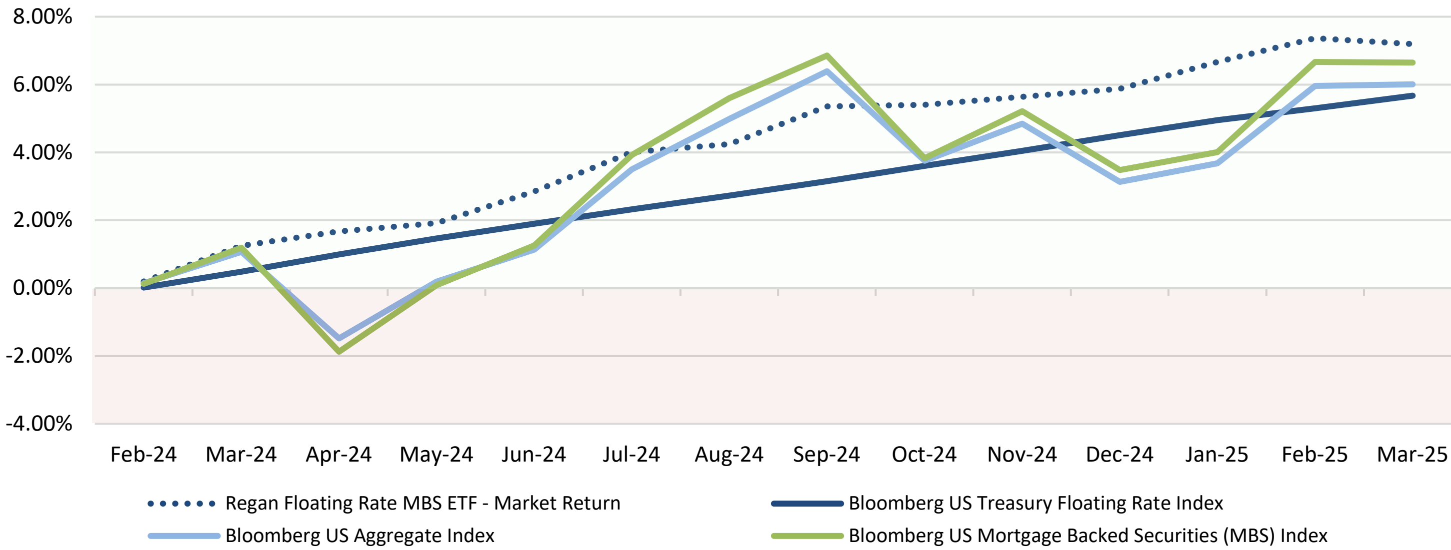
Discount Margin of Agency CMO Floaters Over T-Bills[2]



1.) Data as of April 14, 2025, and sourced from Bloomberg. Duration metrics based on The Bloomberg US Treasury Floating Rate Index ("Floating Rate Treasuries"), The U.S. Leveraged Loan 100 Index ('Leveraged Loans"), The Bloomberg US Corporate High Yield Index ("High Yield"), The Bloomberg US Mortgage-Backed Securities (MBS) Index ("MBS"), The Bloomberg U.S. Aggregate Bond Index ("US Agg"), and The Bloomberg US Corporate Total Return Index ("Corporates"). Investors cannot directly invest in an index. See the glossary of terms at the end of this document for index definitions. 2.) Agency CMO Floater spread data sourced from Goldman Sachs, as of March 1, 2025.

A Track Record of Excellence

Cumulative Performance as of March 31st, 2025



Quarterly Performance (%)

As of March 31st, 2025

Note: Returns Greater Than 1 Year are Annualized

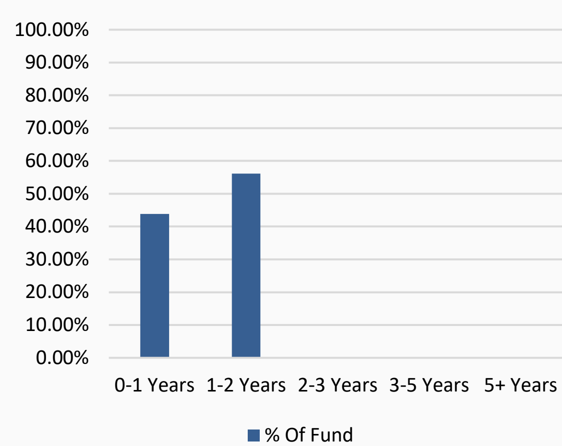
	1 Month	3 Months	YTD	1 Year	Since Inception (2/27/24)
NAV	0.19%	1.17%	1.17%	6.29%	6.67%
Market Price	-0.16%	1.24%	1.24%	5.89%	6.57%
Benchmark	-0.02%	3.06%	3.06%	5.39%	6.50%

*Gross Expense Ratio 0.49%

Fund Statistics: 02/27/24 - 3/31/25

	MBSF
Fund Assets	$149,622,686
Number of Holdings	184
Weighted Average Life *(Years)*	5.59
Expected Loss Adj. Yield to Maturity (Spot Curve)	5.18%
Expected Loss Adj. Yield to Maturity (Forward Curve)	4.53%
Weighted Average Coupon	5.21%
Interest Rate Duration *(Years)*	0.98
Effective Spread Duration *(Years)*	4.65
30-Day SEC Yield	4.53%

Duration Breakdown (%)

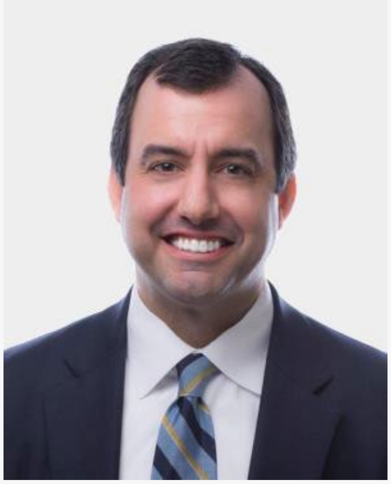


NAV Return represents the closing price of underlying securities. Market Return is calculated using the price which investors buy and sell ETF shares in the market. The market returns in the table are based upon the midpoint of the bid/ask spread at 4:00 pm EST, and do not represent the returns you would have received if you traded shares at other times. ***The performance data quoted represents past performance. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. For performance information current to the most recent month-end, please call toll-free, (844)-988-6273.***

Seasoned Management Team

As a 100% employee-owned investment boutique, our mission is to provide active management in markets where inefficiencies exist. The collective experience of Regan's team of 19 has positioned the Firm to deliver comprehensive portfolio management, client service, and fixed income solutions through a variety of investment vehicles.

Skyler Weinand, CFA
Managing Partner & CIO



— Prior to forming Regan Capital in May 2011, Mr. Weinand was head of residential and consumer asset-backed securities trading at Cantor Fitzgerald from July 2007 to March 2011, where he generated more then $132 million in revenue. From July 2005 to June 2007, Mr. Weinand was responsible for trading a $2+ billion mortgage-backed securities portfolio at Sit Investment Associates. Prior to that, Mr. Weinand was employed with GMAC-RFC from 2001 to 2005, where he was responsible for portfolio valuation on a $1 billion MBS subordinate book, structuring CDOs and structuring the first re-performing securitizations to come to market. Mr. Weinand is a graduate of the Carlson School of Management at the University of Minnesota with B.S. Degrees in Finance and Management Information Systems.

Chris Hall
Senior Portfolio Manager

— Prior to joining Regan in June 2013, Mr. Hall was Partner and Co-Head of Sales at Auriga USA, LLC, a broker-dealer located in New York City. Mr. Hall served as Director of Fixed Income Sales at KeyBanc Capital Markets, where he focused on selling residential and asset- backed securities to money managers, hedge funds, and insurance companies. From 2005-2008, Mr. Hall was Vice President of Mortgage Derivatives Institutional Trading at Cantor Fitzgerald and started his career in 2002 at Merrill Lynch & Co. Mr. Hall is a graduate of Williams College with a B.A. in Economics.

For more information

For more information about our fixed income solutions, visit our website at **www.regancapital.com/etf-mbsf** or contact our Investor Relations team at either **IR@regancapital.com** or 214-550-1710.

The Regan Floating Rate MBS ETF (ticker: MBSF) is available for purchase through the New York Stock Exchange

Investors should consider the investment objective, risks, and charges and expenses of the Fund(s) before investing. The prospectus contains this and other information about the Fund(s) and should be read carefully before investing. The prospectus may be obtained by calling the Fund toll-free at (844)-988-6273 or at www.regancapital.com/etf-mbsf. Regan Floating Rate MBS ETF is distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Regan Capital, LLC is not affiliated with Northern Lights Distributors, LLC.

Important Risks

- Exchange Traded Fund investing involves risk. Principal loss is possible. Investments in asset-backed and mortgage-backed securities include additional risks that investors should be aware of, including credit risk, prepayment risk, possible illiquidity, and default, as well as increased susceptibility to adverse economic developments. Investments in debt securities typically decrease when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower-rated and nonrated securities present a greater risk of loss of principal and interest than higher-rated securities do. The Fund is newly formed and has limited operating history. An investment in the Fund is not a deposit of any bank and is not insured or guaranteed by any government agency. There is no guarantee that any investment strategy will achieve its objectives, generate profits, or avoid losses.
- The Fund may effect creations and redemptions in cash and therefore may recognize gains that may not have been recognized if it were to distribute portfolio securities in-kind. Investments in shares may be less tax-efficient that an investment in an ETF that distributes portfolio securities entirely in- kind.
- Diversification does not ensure a profit or guarantee against loss.
- While the shares of ETFs are tradeable on secondary markets, they may not readily trade in all market conditions and may trade at significant discounts in periods of market stress. ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETF's net asset value. Brokerage commissions and ETF expenses will reduce returns.
- As a result of its active trading strategy, the Fund may incur higher levels of brokerage fees and commissions, and cause higher levels of current tax liability to shareholders in the Fund.

Glossary

- **Coupon**: The annual interest rate paid on a bond, expressed as a percentage of the face value and paid from the issue date until maturity.
- **Market Price**: The current price at which shares are bought and sold.
- **NAV**: The dollar value of a single share, based on the value of the underlying assets of the fund minus its liabilities, divided by the number of shares outstanding. Calculated at the end of each business day.
- **Mortgage-Backed Securities (MBS):** Investment products similar to bonds. Each MBS consists of a bundle of home loans and other real estate debt bought from the banks that issued them. Investors in mortgage-backed securities receive periodic payments similar to bond coupon payments.
- **SEC 30-Day Yield**: The yield is calculated with a standardized formula and represents net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price. The yield includes the effect of any fee waivers and/or reimbursements. Without waivers, yields would be reduced. This is also referred to as the "standardized yield", "30-Day Yield" and "Current Yield". The unsubsidized SEC 30-Day Yield does not reflect the effect of any fee waivers and/or expense reimbursements.
- **Yield to Maturity**: The rate of return anticipated on a bond if it is held until the maturity date. YTM is considered a long-term bond yield expressed as an annual rate. The calculation of YTM takes into account the current market price, par value, coupon interest rate and time to maturity. It is also assumed that all coupons are reinvested at the same rate.
- **Duration**: Measures the sensitivity of bond prices to changes in interest rates. Bonds with a higher duration experience greater price volatility from interest rate movements.
- **Agency CMOs** are a more complex type of Mortgage-Backed Security ("MBS") that have various structures which affect the timing of payment of principal and interest. Floating rate CMOs are bonds whose coupon resets periodically (typically monthly) based on a pre-determined index plus a margin.
- **Floating Rate**: is an investment with interest payments that float or adjust periodically based upon a predetermined benchmark.
- **Discount Margin**: is the rate of return on a floating-rate bond above the value of a fixed-rate bond that an investor stands to earn by taking on extra risk.
- **Volatility** is a measure of the rate of fluctuations in the price of a security over time. It indicates the level of risk associated with the price changes of a security.
- **Correlation** is a statistical measure of how two securities move in relation to another. Index used for comparison is The Bloomberg US Aggregate Bond Index.
- **Treasury Bill (T-Bill)** is a short-term U.S. government debt obligation backed by the Treasury Department with a maturity of one year or less.
- **The Bloomberg US Mortgage-Backed Securities (MBS) Index** tracks fixed-rate agency mortgage-backed pass-through securities guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).
- **The Bloomberg US Treasury Total Return Index** measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury
- **The Bloomberg US Aggregate Bond Index** is a broad-based flagship benchmark that measures the investment grade, US dollar denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, fixed rate agency MBS, ABS and CMBS (agency and non-agency).
- **The Bloomberg USD High-Yield Corporate Bond Index** is a rules-based, market-value-weighted index engineered to measure publicly issued non-investment grade USD fixed-rate, taxable and corporate bonds.
- **The Morningstar LSTA US Leveraged Loan 100 Index** is designed to measure the performance of the 100 largest facilities in the US leveraged loan market. Underpinned by PitchBook | LCD data, the index brings transparency to the performance, activity, and key characteristics of the most tradeable loans in the market.
- **The Bloomberg US Corporate Total Return Index** measures the investment grade, fixed-rate, taxable corporate bond market.
- **The Bloomberg US Treasury Floating Rate Index** measures the performance of floating rate bonds issued by the US Treasury.

Not FDIC Insured	May Lose Value	Not Bank Guaranteed