

# Vivaldi Merger Arbitrage (VARBX)

## ASSET CLASS RETURNS (%)

2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2005-2019	
															Ann.	Vol.
Em. Eq. 34.5	REITS 35.1	Em. Eq. 39.8	<b>VARBX 13.9</b>	Em. Eq. 79	REITS 27.9	REITS 8.3	REITS 19.7	US Small Cap 38.8	REITS 28	<b>VARBX 5.2</b>	US Small Cap 21.3	Em. Eq. 37.8	<b>VARBX 4.1</b>	US Large Cap 31.5	US Large Cap 9	REITS 22.2
Comdty. 21.4	Em. Eq. 32.6	<b>VARBX 20.5</b>	Agg. Fixed Inc. 5.2	High Yield 59.4	US Small Cap 26.9	Agg. Fixed Inc. 7.8	High Yield 19.6	US Large Cap 32.4	US Large Cap 13.7	REITS 2.8	High Yield 14.3	DM Equity 25.6	Cash 1.8	REITS 28.7	REITS 8.3	Em. Eq. 22.1
DM Equity 14	DM Equity 26.9	Comdty. 16.2	Cash 1.8	DM Equity 32.5	Em. Eq. 19.2	High Yield 3.1	Em. Eq. 18.6	DM Equity 23.3	Agg. Fixed Inc. 6	US Large Cap 1.4	US Large Cap 12	US Large Cap 21.8	Agg. Fixed Inc. 0	US Small Cap 25.5	US Small Cap 7.9	Comdty. 18.6
<b>VARBX 14</b>	<b>VARBX 18.6</b>	DM Equity 11.6	Asset Alloc. -25.4	REITS 28	Comdty. 16.8	<b>VARBX 3.0</b>	DM Equity 17.9	Asset Alloc. 14.9	Asset Alloc. 5.2	Agg. Fixed Inc. 0.5	Comdty. 11.8	US Small Cap 14.6	REITS -4	DM Equity 22.7	<b>VARBX 7.9</b>	US Small Cap 17.7
REITS 12.2	US Small Cap 18.4	Asset Alloc. 7.1	High Yield. -26.9	US Small Cap 27.2	US Large Cap 15.1	US Large Cap 2.1	US Small Cap 16.3	High Yield 7.3	US Small Cap 4.9	Cash 0	Em. Eq. 11.6	Asset Alloc. 14.6	High Yield -4.1	Asset Alloc. 19.5	Em. Eq. 7.8	DM Equity 17.3
Asset Alloc. 8.1	US Large Cap 15.8	Agg. Fixed Inc. 7.0	US Small Cap -33.8	US Large Cap 26.5	High Yield 14.8	Cash 0.1	US Large Cap 16	<b>VARBX 5.6</b>	<b>VARBX 4.8</b>	DM Equity -0.4	REITS 8.6	High Yield 10.4	US Large Cap -4.4	Em. Eq. 18.9	High Yield 7.2	US Large Cap 14
US Large Cap 4.9	Asset. Alloc. 15.3	US Large Cap 5.5	Comdty. -35.6	Asset Alloc. 25	Asset Alloc. 13.3	Asset Alloc. -0.7	Asset Alloc. 12.2	REITS 2.9	Cash 0	Asset Alloc. -2	Asset Alloc. 8.3	REITS 8.7	Asset Alloc. -5.8	High Yield 12.6	Asset Alloc. 6.6	High Yield 10.9
US Small Cap 4.6	High Yield 13.7	Cash 4.8	US Large Cap -37	Comdty. 18.9	DM Equity 8.2	US Small Cap -4.2	Agg. Fixed Inc. 4.2	Cash 0	High Yield 0	High Yield -2.7	Agg. Fixed Inc. 2.6	Agg. Fixed Inc. 3.5	US Small Cap -11	Agg. Fixed Inc. 8.7	DM Equity 5.3	Asset Alloc. 10
High Yield 3.6	Cash 4.8	High Yield 3.2	REITS -37.7	<b>VARBX 10</b>	<b>VARBX 7.3</b>	DM Equity -11.7	<b>VARBX 2.4</b>	Agg. Fixed Inc. -2	Em. Eq. -1.8	US Small Cap -4.4	<b>VARBX 1.7</b>	<b>VARBX 2.4</b>	Comdty. -11.2	Comdty. 7.7	Agg. Fixed Inc. 4.1	<b>VARBX 3.5</b>
Cash 3	Agg. Fixed Inc. 4.3	US Small Cap -1.6	DM Equity -43.1	Agg. Fixed Inc. 5.9	Agg. Fixed Inc. 6.5	Comdty. -13.3	Cash 0.1	Em. Eq. -2.3	DM Equity -4.5	Em. Eq. -14.6	DM Equity 1.5	Comdty. 1.7	DM Equity -13.4	<b>VARBX 4.3</b>	Cash 1.3	Agg. Fixed Inc. 3.4
Agg. Fixed Inc. 2.4	Comdty. 2.1	REITS -15.7	Em. Eq. -53.2	Cash 0.1	Cash 0.1	Em. Eq. -18.2	Comdty. -1.1	Comdty. -9.5	Comdty. -17	Comdty. -24.7	Cash 0.3	Cash 0.8	Em. Eq. -14.2	Cash 2.2	Comdty. -2.6	Cash 1

Source: Barclays, Bloomberg, FactSet, MSCI, NAREIT, Russell, Standard & Poor's, J.P. Morgan Asset Management. Large cap: S&P 500, Small cap: Russell 2000, EM Equity: MSCI EME, DM Equity: MSCI EAFE, Comdty: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Fixed Income: Bloomberg Barclays US Aggregate, REITS: NAREIT Equity REIT Index, Cash: Bloomberg Barclays 1-3m Treasury. The "Asset Allocation" portfolio assumes the following weights: 25% in the S&P 500, 10% in the Russell 2000, 15% in the MSCI EAFE, 5% in the MSCI EME, 25% in the Bloomberg Barclays US Aggregate, 5% in the Bloomberg Barclays 1-3m Treasury, 5% in the Bloomberg Barclays Global High Yield Index, 5% in the Bloomberg Commodity Index and 5% in the NAREIT Equity REIT Index. Balanced portfolio assumes annual rebalancing. Annualized (Ann.) return and volatility (Vol.) represents period of 12/31/04 – 12/31/19. Please see disclosure page at end for index definitions. All data represents total return for stated period. The "Asset Allocation" portfolio is for illustrative purposes only. Past performance is not indicative of future returns.

Source: VARBX Returns: Q4 2019 VARBX Fact Sheet

# VIVALDI MERGER ARBITRAGE FUND

VARBX | VARAX

Avg. Annualized Returns\*  
as of 6/30/2020

	QTD	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception (4/1/2000)
<b>Performance at NAV</b> without sales charge							
A share (VARAX)	1.08%	-1.15%	1.38%	2.14%	2.80%	3.32%	9.29%
I share (VARBX)	1.17%	-1.05%	1.65%	2.44%	3.12%	3.61%	9.58%
Barclays Agg. Bond Index	2.90%	6.14%	8.74%	5.32%	4.30%	3.82%	5.16%
S&P 500 Index	20.54%	-3.08%	7.51%	10.73%	10.73%	13.99%	5.70%
<b>Performance at MOP</b> includes maximum sales charge							
A share (VARAX)	-4.73%	-6.81%	-4.42%	0.15%	1.59%	2.71%	8.89%

\*For periods greater than 1 year.

Expense Ratio: A share 1.83% net (2.84% gross); I share 1.52% net (2.53% gross).

Vivaldi Asset Management, LLC has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses) do not exceed 1.85% and 1.55% of the avg. daily net assets of Class A and Class I shares of the Fund, respectively, until January 31, 2020.

Performance quoted represents past performance and does not guarantee future results. Performance shown includes the performance of the unregistered Predecessor Fund\* (incepted 4/1/2000) which converted its assets and performance into the Vivaldi Merger Arbitrage Fund on 10/01/2015. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. MOP (Maximum Offering Price) figures reflect maximum sales charge in class A shares of 5.75%. NAV (Net Asset Value) returns do not include the effect of any applicable sales charges. Current performance may be lower or higher than that shown here. The performance history is net of all current fund fees and reflects the impact of the Contractual Waiver Agreement. If the Contractual Waiver Agreement were not in place, the Fund's performance would be reduced. Performance data current to the most recent month-end is available at 877.779.1999.

**RISKS:** Investments in companies that are subject of a publicly announced transaction carry the risk that the proposed or expected transaction may not be completed or may be completed on less favorable terms than originally expected, which may lower the fund's performance. Investments in foreign securities involve greater volatility and political, economic, and currency risks and difference in accounting methods. Investments in small and medium sized companies involve additional risks such as limited liquidity or greater volatility. Derivatives involve special risks including correlation, counterparty, liquidity, operational, accounting and tax risks. These risks, in certain cases, may be greater than the risks presented by more traditional investments. The fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. The fund may use leverage which may exaggerate the effect of any securities or the net asset value of the fund, and money borrowed will be subjected to interest costs. In the case of an investment in a potential acquisition target, if the proposed merger, exchange offer or cash tender offer appears likely not to be consummated, in fact is not consummated, or is delayed, the market price of the security to be tendered or exchanged will usually decline sharply, resulting in a loss to the fund. If a put or call option purchased by the fund expires without being sold or exercised, the fund will lose the premium it paid for the option. The risk involved in writing a covered call option is the lack of liquidity for the option. The fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the fund is more exposed to individual stock volatility than a diversified fund. For a complete description of risks please read the prospectus. On 10/01/2015 the Highland Capital Management Institutional Fund, LLC, a Delaware limited liability company which commenced operations on April 1, 2000 (the "predecessor fund"), converted into the Vivaldi Merger Arbitrage Fund (1940 act registered fund) pursuant to which the predecessor fund transferred substantially all of its assets into the fund. The fund's objectives, policies, guidelines and restrictions are, in all material respects, substantially the same as those of the predecessor fund. The predecessor fund was not registered under the 1940 act and, therefore, was not subject to certain restrictions imposed by the 1940 act on registered investment companies and by the internal revenue code of 1986, as amended, on regulated investment companies, such as the fund. Please review the prospectus for additional details. The fund's investment objectives, risks, charges, and expenses must be considered carefully before investing.

**CONSIDER THE OBJECTIVES, RISK AND CHARGES CAREFULLY BEFORE INVESTING. THE SUMMARY OR STATUTORY PROSPECTUS CONTAINS THIS AND OTHER IMPORTANT INFORMATION ABOUT THE INVESTMENT COMPANY, AND IT MAY BE OBTAINED BY CALLING 312.248.8300 OR VISITING VIVALDIFUNDS.COM. READ CAREFULLY BEFORE INVESTING.**

Past performance does not guarantee future results.

MUTUAL FUND INVESTING INVOLVES RISK.

PRINCIPAL LOSS IS POSSIBLE.

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ASSET MANAGEMENT

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