Vivaldi Merger Arbitrage - Portfolio Manager Insights

Q4 2020 Summary

Three Significant Portfolio Challenges for Advisors in 2021

1. Low return expectations for fixed income
2. Seeking diversified returns outside of conventional equity and fixed income*
3. Identifying investments with the potential for positive returns in down equity markets

** Fixed income available in bank or credit union savings accounts are backed by guarantees from the FDIC and NCUAA. Fixed income bonds are guaranteed by the issuer; and Treasuries are backed by the full-faith and credit of the US Government."*

> "VARBX might help with all of these adviser concerns."
>
> — Craig Kirkpatrick, Managing Partner, Orinda Asset Management

Fund Strategy Overview

- VARBX seeks to take advantage of the return opportunity presented by the natural deal spread after the announcement of a merger/acquisition.
- Portfolio is typically comprised of 15-25 diverse positions within US and Canada. Positions are sized and deals are capped according to potential downside risk.
- Fund is continuously analyzed and monitored for potential deals and risk.

2021 M&A Outlook

1. Increased confidence should lead to increased transactions
2. Re-emergence of M&A activity
3. Companies seeking scale for growth and competitive edge
4. Pent up demand from hard stop of M&A activity in 2020
5. Increased opportunities in SPAC Arbitrage*

** In a traditional IPO, underwriters conduct significant and thorough due diligence on a company and assume liability for the information disclosed in the registration statement. There may be no similar "gatekeeper" function by underwriters in connection with the acquisition target of a SPAC. SPAC managers may have a limited operating history and may lack a track record of past performance. While waiting for an acquisition to be completed, investors must either bear the opportunity cost of waiting for a determination about whether an acquisition will occur or sell in the secondary market before the outcome is determined. Should an acquisition not occur, a customer's investment may decline in value even if the acquisition is completed. In most cases, investors will receive nearly all of their principal invested, but will not share in any of the returns generated from the funds held in escrow as such proceeds are used to cover the operating expenses of the SPAC. FINRA research indicates that most SPAC share prices significantly lag the market after the acquisition is completed.*

> "2021 Will Be The Year of Mergers and Acquisitions."
>
> — Banyan Hill

SPAC Market Overview

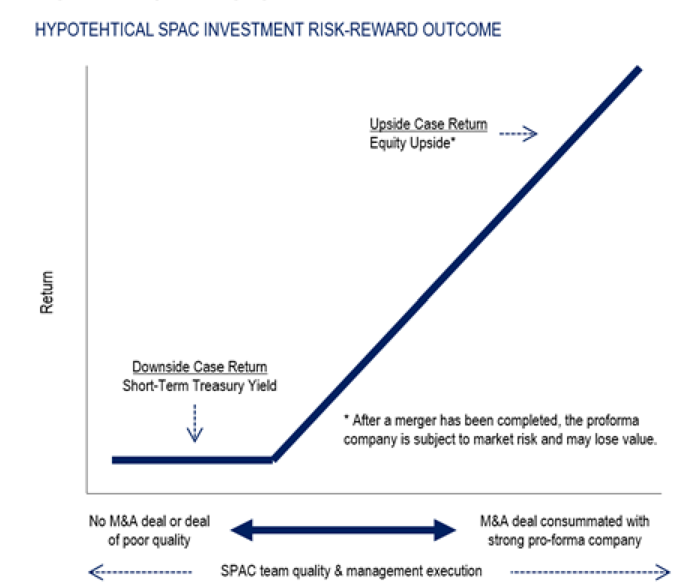
- SPAC investing compliments VARBX due to the unique risk/reward return profile of structure.
- We believe that investing in SPACs offer an asymmetric risk/reward opportunity.

SPAC Arbitrage: Combines Principal Security with Equity Risk/Reward Potential

ASYMMETRIC
The SPAC common stockholder can redeem its shares for trust value (principal + interest minus fess and charges).

WARRANT
Creates upside optionality if the pro-forma company is considered strong

UNCORRELATED
SPAC investing has limited directionality to the broader stock and bond market indices, creating a differentiated source of potential return



The deal example above is for illustrative purposes only. There is no guarantee an investor will achieve results similar to these scenarios. Until a merger has been completed, an investor's cash is held in escrow. After a merger has been completed, the proforma company is subject to loss.

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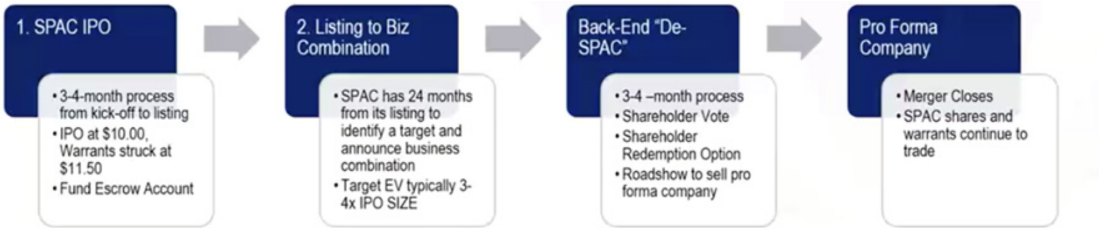
SPAC: Timeline



Areas of Opportunities in SPAC Arbitrage

1. Participate in IPO
   - Receive Units (Common + Fraction of Warrants) at $10
   - When deal is announced, observe market reaction:
     - If positive, share price will potentially trade above the underlying trust value presenting an upside exit opportunity to sell.
     - If negative, share price may potentially trade below trust value; if below then redeem at trust value (treasuries plus accrued interest minus any fees).

SPACs generally will not exceed +35% of VARBX NAV

2. Secondary Market Inefficiencies for Yield with Potential Upside
   - Purchase the SPAC shares at a discount in secondary markets before a potential deal announcement to earn baseline yield (interest + return from closing trust minus any fees or charges).
3. Short Term Tail End Arbitrage to Cash in Trust
   - Purchase SPAC shares at a discount to trust as they head to liquidation. This is short-duration trade, in which the Fund earns underlying treasury yield plus the trust value up to the SPAC's liquidation minus any fees or charges.

Performance Recap | 2020

	VARBX	S&P 500	Barc. Agg.
2020 Return:	**4.00%**	**18.38%**	**7.46%**
Annualized Vol:	4.72%	34.17%	4.71%
Beta to S&P:	0.14	--	-0.03
Jan-20	0.19%	-0.04%	1.91%
Feb-20	-0.28%	-8.24%	1.78%
Mar-20	-2.10%	-12.35%	-0.59%
Apr-20	0.97%	12.80%	1.51%
May-20	0.10%	4.76%	0.45%
Jun-20	0.10%	1.99%	0.62%
Jul-20	0.10%	5.63%	1.50%
Aug-20	0.19%	7.17%	-0.80%
Sep-20	0.48%	-3.79%	-0.05%
Oct-20	-0.38%	-2.66%	-0.25%
Nov-20	1.63%	10.96%	1.06%
Dec-20	2.92%	3.86%	0.13%
Jan-21 (as of 1/13)	**2.21%**	**1.25%**	**-1.08%**

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost, and the current performance may be lower or higher than the performance quoted.

**VARBX performance is net of all fees & expenses.*
Performance quoted represents past performance and does not guarantee future results.
Barclays Aggregate: The price and interest earned from bonds are backed by guarantees by their issuers, if held to maturity.

Click here to see updated YTD performance

Click here to see the prospectus for the Vivaldi Merger Arbitrage Fund.

Please click here for the Fund's standardized performance returns.

Performance quoted represents past performance and does not guarantee future result. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may lower or higher than that shown here. Performance as of the most recent month-end is available at 877- 779-1999.

Vivaldi Asset Management LLC is the Advisor to the Vivaldi Merger Arbitrage Fund which is distributed by IMST Distributors, LLC.

Mutual Fund Investing Involves Risk. Principal loss is possible. The fund can make short sales of securities, which involves the risk that losses in securities may exceed the original amount invested. The fund may use leverage which may exaggerate the effect of any increase or decrease in the value of portfolio securities or the Net Asset Value of the fund, and money borrowed will be subject to interest costs. Investments in smaller and medium companies involve greater risks such as limited liquidity and greater volatility. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer- term debt securities. Investment by the fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher rated securities. The fund may use certain types of investment derivatives such as futures, forwards, and swaps. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Diversification does not assure a profit or protect against a loss in a declining market. Investments in absolute return strategies are not intended to outperform stocks and bonds during strong market rallies. Outcomes depend on the skill of the sub-advisers and adviser and the allocation of assets amongst them. The Fund may invest in Exchange Traded Funds (ETFs), which may trade at a discount to the aggregate value of the underlying securities and although expense ratios for ETFs are generally low, frequent trading of ETFs by the Fund can generate brokerage expense. For a complete description of risks please read the prospectus. Market Turbulence Resulting from COVID-19: The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies, and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the fund.