

# RDMIX

## RATIONAL/RESOLVE **ADAPTIVE ASSET** ALLOCATION FUND

RDMIX | RDMAX | RDMCX



### LIPPER FUND AWARDS FROM REFINITIV

*Best Fund over 3 Years  
Alternative Managed Futures Funds 2020  
Winner United States Refinitiv Lipper Fund  
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# Thought Leaders in Quantitative Investing

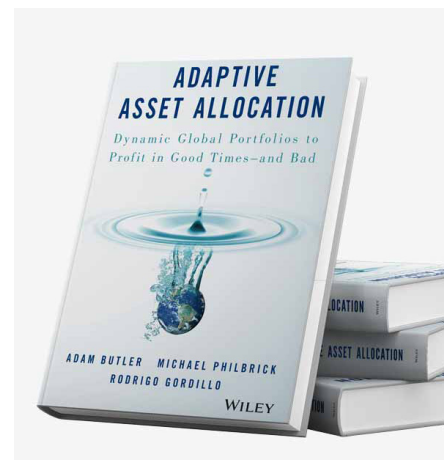
ReSolve Asset Management's ("ReSolve")\* principals have contributed to the world of financial education with over 200 published articles, many whitepapers, a book, and over 300 thousand engagements across a wide array of blogs, podcast and educational videos.

Passionate educators, the ReSolve team have authored the book ***Adaptive Asset Allocation - Dynamic Global Portfolios Designed to Profit in Good Times and Bad***, published by Wiley, as well as several whitepapers highly ranked at the top of the academically renowned SSRN network. The team contributes weekly to the popular GestaltU blog with articles, podcasts and educational videos helping advisors not just with robust investment products but also with client education.

## A Manager with Deep Quantitative Experience

**ReSolve designs and deploys systematic investment strategies enhanced by proprietary machine learning innovations to maximize results in live trading.**

- ReSolve principals have over 80 years of combined experience in developing and deploying systematic investments strategies.
- ReSolve develops multi-asset global investment strategies using quantitative methods with a deep focus on risk management.
- Global client base comprised of Institutions, HNWI individuals and financial advisors.



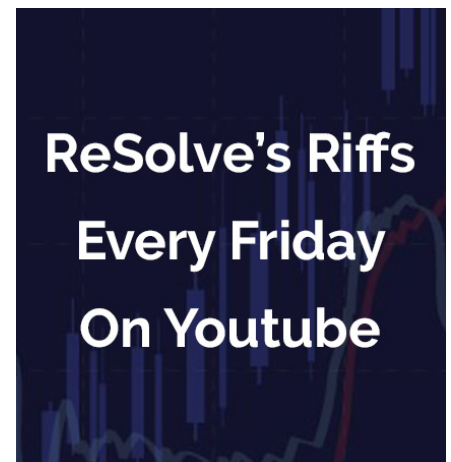
*Performance of ReSolve Asset Management SEZC (Cayman) does not represent that past or future performance of the Rational/ReSolve Adaptive Asset Allocation Fund and should not be considered indicative of future performance of any strategy account or the Fund.*

*"ReSolve" refers to ReSolve Asset Management SEZC (Cayman) which serves as the trading advisor for the Fund.*

**“Many Investors seek comfort in economic intuition, expert opinions, peer reviewed academia, recent performance and broad adoption. Sadly, these can be the very qualities that destroy future returns. Alpha lives in the crevices and dark corners; lonely places where most investors don’t want to go.”**

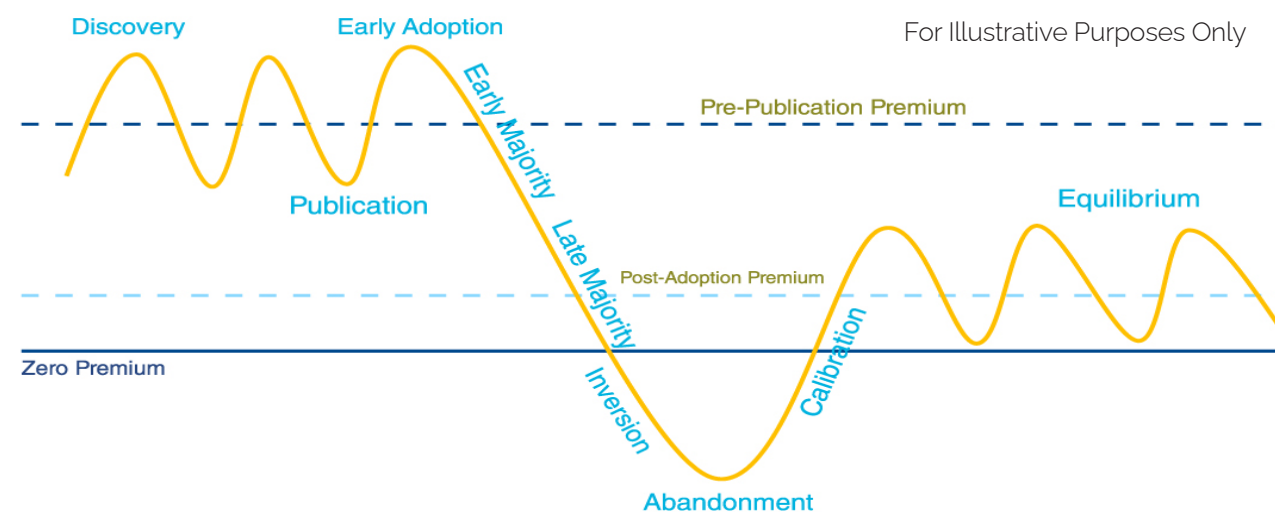
– Adam Butler,  
Chief Investment Officer

## Educational Materials that Help Advisors



# Continuous Innovation is at the Core of Our Success

## Trajectory of New Investment Concepts



## Unique Machine Learning Framework Designed to Find New Edges

The Portfolio Managers' research has evolved over the years to create an adaptable, machine learning framework that filters a wide array of bespoke factors. Our goal is to continuously seek new data sources that can be used within this framework, with the explicit goal of finding new and under-grazed sources of return.

Evolution of ReSolve Research



# The Investment Strategy

The Fund invests in futures contracts to obtain dynamic exposure to global market opportunities across global equity indices and sovereign bonds, currencies, and commodities.

Portfolios are formed using proprietary quantitative and machine learning innovations that emphasize characteristics such as, but not limited to: total return momentum, trends, seasonal patterns, carry measures, mean reversion and others, while simultaneously maximizing diversification based on changing estimates of volatility and correlations across its global universe of asset classes.

As portfolio weights and estimates of volatility and correlations change through time, the Fund will increase and decrease its gross exposure in an effort to maintain its target level of 12% annualized portfolio volatility.

*There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.*

## Adaptive Asset Allocation: A Global and Diverse Portfolio

Trading Over 60 Liquid Futures Markets

### Agriculture

Live Cattle  
Cocoa  
Coffee  
Corn  
Cotton #2  
Lean Hogs  
Palm Oil  
Canola Oil  
Rubber  
Soybean Meal  
Soybean Oil  
Soybeans  
Sugar #11  
Wheat  
Milling Wheat

### Bonds

Australian Gov't Bond  
Canadian Gov't Bond  
Euro German Bobl  
Euro German Bund  
Italian Gov't Bond  
Japanese Gov't Bond  
US T-Bond  
US T-Note (10 Year)  
US T-Note (5 Year)

### Energy

Crude Oil (Light Sweet)  
Euro Carbon Emissions  
Heating Oil #2  
London Gas Oil  
Gasoline (RBOB)  
Kerosene  
UK Natural Gas  
US Natural Gas

### Equities

DAX  
Euro STOXX 50  
FTSE 100  
Hang Seng  
IBEX 35  
KOSPI 200  
MIB S&P  
Nasdaq 100  
Nikkei 225  
S&P 500  
SPI 200

### Rates

Australian Bank Bills  
Bankers Acceptance  
Eurodollar  
Euroyen  
Interbank Euribor  
Short Sterling

### Metals

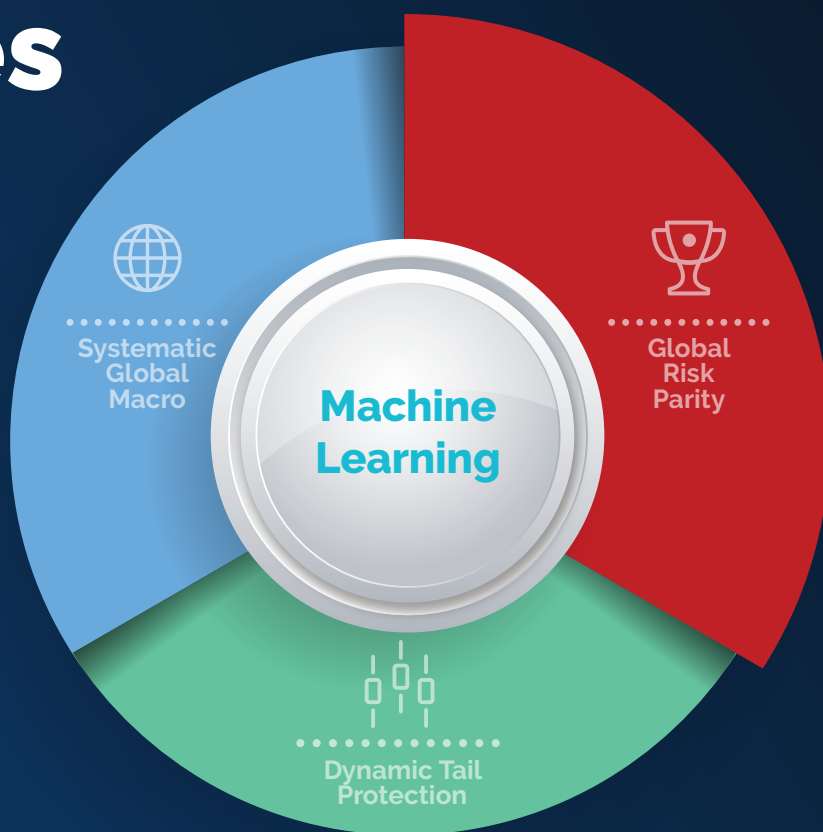
Gold  
HG Copper  
London Nickel  
London Zinc  
Palladium  
Platinum  
Silver

### Forex

Australian Dollar  
British Pound  
Canadian Dollar  
Euro  
Japanese Yen  
Mexican Peso  
New Zealand Dollar  
Swiss Franc

*The Fund is classified as "nondiversified" for purposes of the Investment Company Act of 1940 (the "1940 Act"), which means a relatively high percentage of the Fund's assets may be invested in the securities of a limited number of companies that could be in the same or related economic sectors. † Traded on regulated exchanges or the interbank FX market. Markets traded are as of September 30, 2023 and are subject to change.*

# Three Foundational Styles



## Global Risk Parity

A properly diverse and balanced portfolio that is designed to weather most economic storms. This approach seeks to ensure that each global asset class (diverse equity indices, sovereign bonds, gold, commodities, currencies) contribute an equal amount of risk to the portfolio. It prioritizes long only diversity and balance to hedge exposures to the primary risks that drive capital markets: unexpected inflation and growth shocks.

We apply machine learning techniques to improve the accuracy of our volatility and correlation measurements, striving to keep the portfolio truly risk balanced at all times.

## Systematic Global Macro

The Fund deploys proprietary quantitative models (based on advanced machine learning techniques) to over 70 global futures markets, going both long and short, in response to complex relationships and patterns that emerge from a variety of data sources.

These include momentum, trend, carry and value, as well as novel features such as: the volatility surface, dealer gamma, dark index flows, cross-market information, and other alternative data sources. Finally, to attenuate today's faster moving markets the strategy is designed to predict returns over time frames as short as several days.

## Dynamic Tail Protection

While diversification and risk balance across asset classes, along with advanced systematic alpha generation, are the first and second lines of defense against abrupt market dislocations, the manager rounds out the Fund's risk management with a strategy overlay designed to produce out-sized returns during acute bouts of market volatility.

ReSolve applies a proprietary dynamic volatility program that can go modestly long and short volatility futures to help protect against very large and rapid market selloffs.

*There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.*

**Diversification does not ensure profit or prevent losses.**

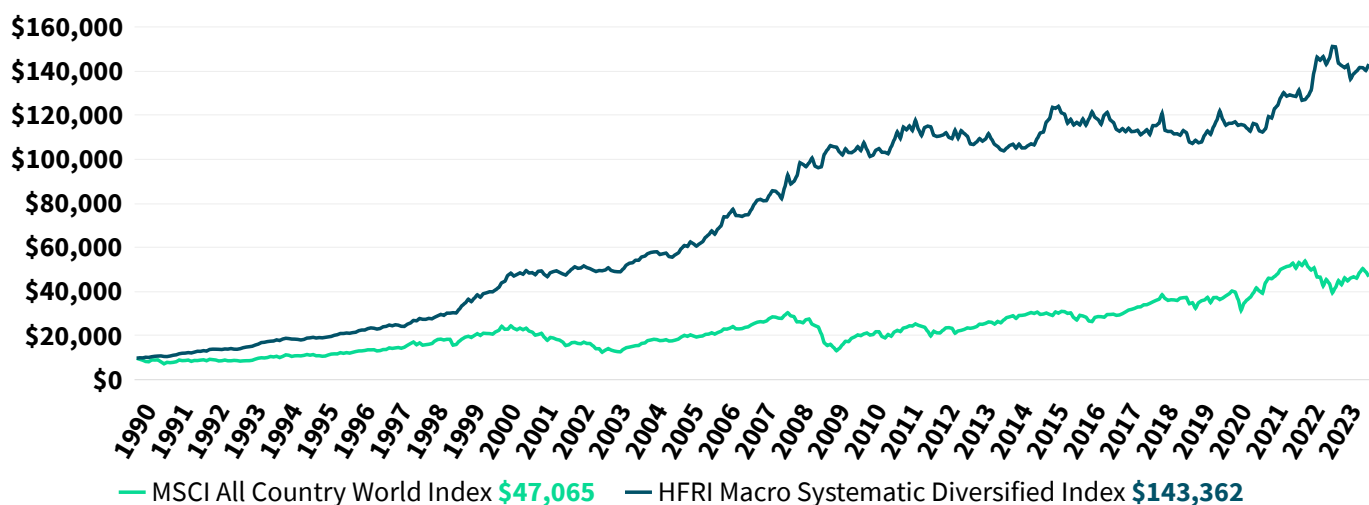
## Complementary Characteristics

Each style **provides** a unique return profile.

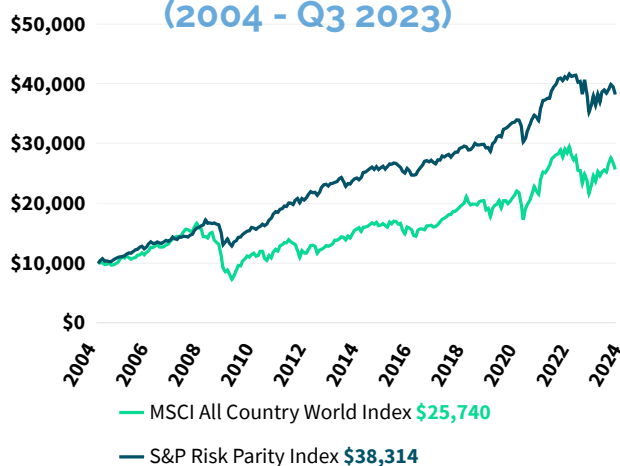
The charts below show the performance of three unique investment styles, represented by the *S&P Global S&P Risk Parity Index - 8% Target Volatility*, *HFRI Systematic Diversified Index*, *CBOE Eureka hedge Long Volatility Hedge Fund Index*. Prospective investors should note that ReResolve did not manage any account represented in these indices, and that the charts are presented for illustrative purposes only to convey the performance of each style during different periods in contrast to equities, represented by the MSCI All Country World Index. Prospective investors should also note that the indices' performances do not represent the performance of the Fund. The indices are not subject to certain investment restrictions, diversification requirements and other constraints from the 1940 Act or the Code which, if applicable, could have adversely affected their performance.

**Past performance of these indices is not an indicator of future results.**

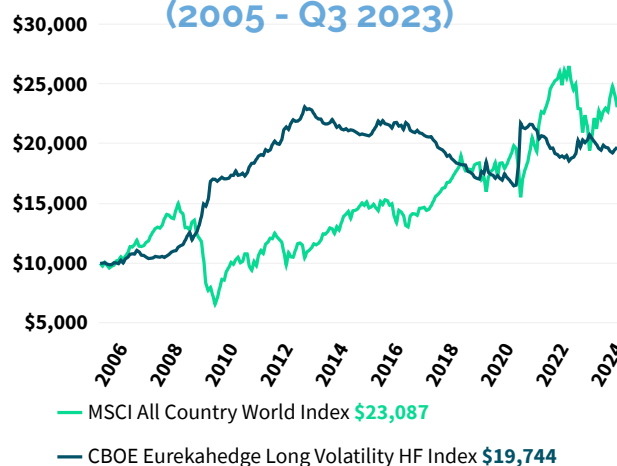
### Systematic Global Macro vs Equities (1990 - Q3 2023)



### Risk Parity vs Equities (2004 - Q3 2023)



### Long Volatility vs Equities (2005 - Q3 2023)



Source: Bloomberg. *S&P Global S&P Risk Parity Index - 8% Target Volatility*, *HFRI Systematic Diversified Index*, *CBOE Eureka hedge Long Volatility Hedge Fund Index*. MSCI All Country World Index (Ticker:ACWI).

The indices shown are for informational purposes only and are not reflective of any investment. As it is not possible to invest in the indices, the data shown does not reflect or compare features of an actual investment, such as its objectives, costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, or tax features. Past performance is no guarantee of future results.

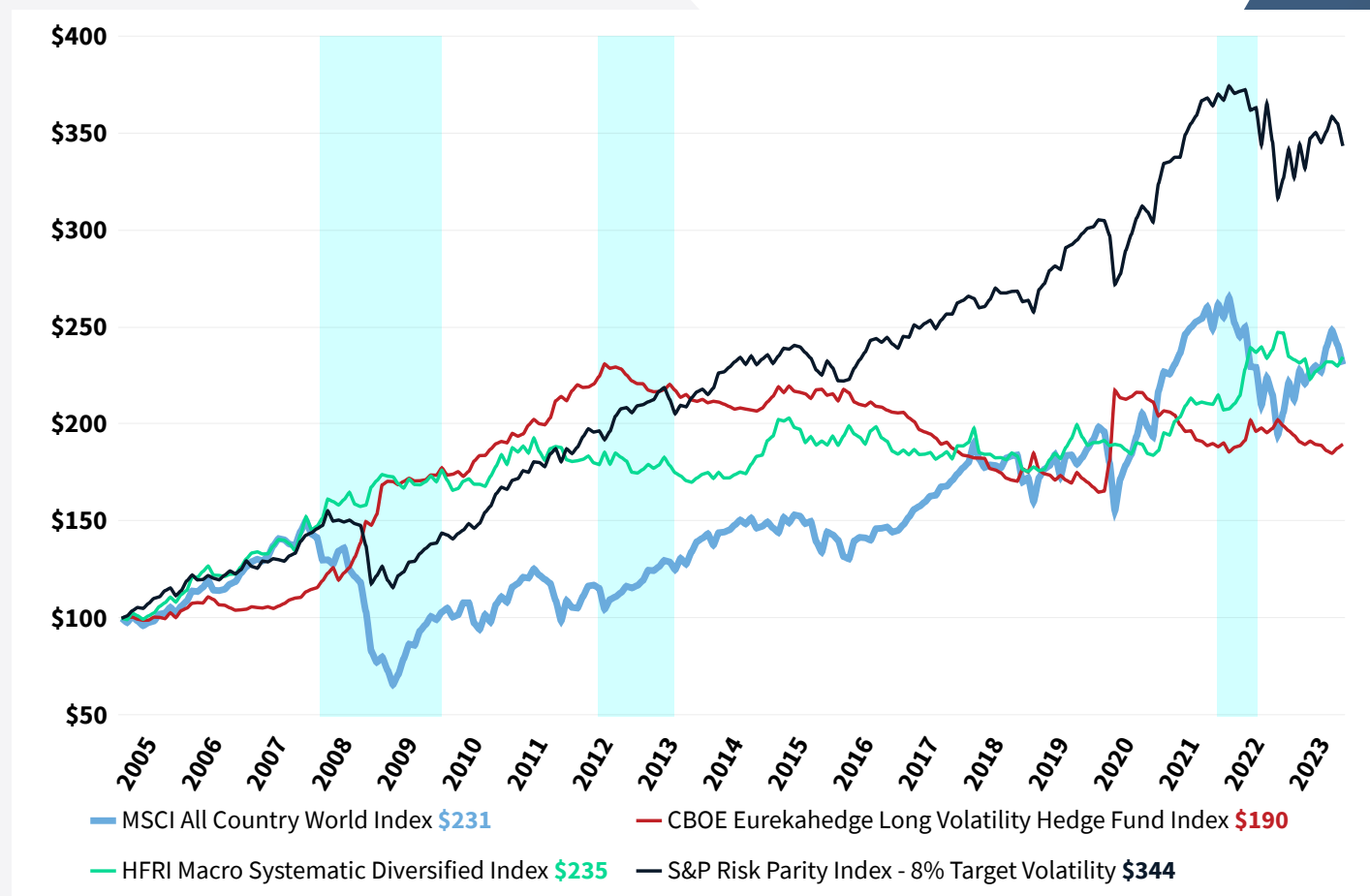
## Complimentary Characteristics

The Fund combines these three non-correlated styles to provide **differentiated returns** through diverse economic regimes.

The chart below shows the performance of three unique investment styles, represented by the *S&P Global S&P Risk Parity Index - 8% Target Volatility*, *HFRI Systematic Diversified Index*, *CBOE EurekaHedge Long Volatility Hedge Fund Index*.

Past performance of these indices is not an indicator of future results.

### Three Styles vs Global Equities (2005 - Q3 2023)

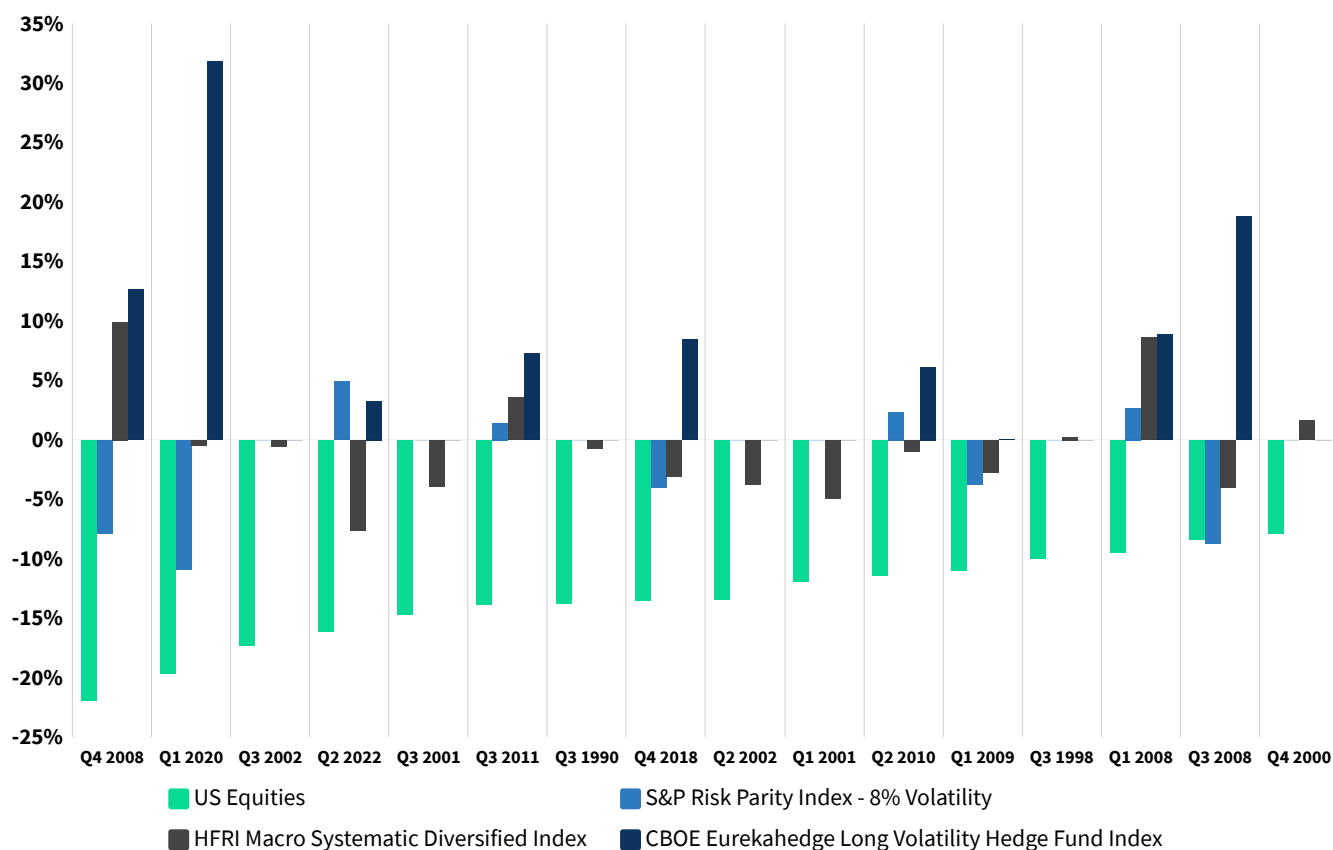


Source: Bloomberg. S&P Global S&P Risk Parity Index - 8% Target Volatility, HFRI Systematic Diversified Index, CBOE EurekaHedge Long Volatility Hedge Fund Index. MSCI All Country World Index (Ticker:ACWI).

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There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

## 16 Worst Quarters for US Equities since 1990



Source: Bloomberg, S&P Global S&P Risk Parity Index - 8% Target Volatility, HFRI Systematic Diversified Index, CBOE Eurekahedge Long Volatility Hedge Fund Index. US Equity Returns Sourced From S&P 500 Index.

The indices shown are for informational purposes only and are not reflective of any investment. As it is not possible to invest in the indices, the data shown does not reflect or compare features of an actual investment, such as its objectives, costs and expenses, liquidity, safety, guarantees or insurance, fluctuation of principal or return, or tax features. Past performance is no guarantee of future results.

### All Styles Demonstrate Strong Risk Management During Periods of Stress

The investment styles shown above have performed well during periods of duress to global equity markets, including during some of the worst periods seen in the history of the US equity markets.

**Past performance of these indices is not an indicator of future results.**

*There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.*

# An Approach Designed to Thrive Across Most Market Environments

The three foundational styles are combined and enhanced using ReSolve's proprietary quantitative expertise to create a robust approach designed to navigate most market and economic regimes.



Source: ReSolve Asset Management

*There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.*

# Experienced Leadership Team



**Michael Philbrick, CIM®, AIFP**  
**Portfolio Manager of ReSolve Global**  
 Co-Founder, CEO and Portfolio Manager of ReSolve Global  
 Co-Founder, President and Portfolio Manager of ReSolve Canada from 2015 to 2019  
 Previous experiences include portfolio manager roles at Dundee Private Wealth, Macquarie and Richardson GMP



**Adam Butler, CFA, CAIA**  
**CIO of ReSolve Global**  
 CIO of ReSolve Global since 2021  
 Co-Founder, Chief Executive Officer, Chief Investment Officer, Ultimate Designated Person, and Portfolio Manager of ReSolve Canada from 2015 to 2020  
 Previous experiences include portfolio manager roles at Dundee Private Wealth, Macquarie and Richardson GMP



**Rodrigo Gordillo, CIM®**  
**President of ReSolve Global**  
 President of ReSolve Global since 2021  
 Co-Founder, President, Secretary, and Portfolio Manager of ReSolve Canada from 2015 to 2020  
 Previous experiences include portfolio manager roles at Dundee Private Wealth and Macquarie

## Investment Sub-Advisor

ReSolve Asset Management Inc.  
 (ReSolve Canada)

## Investment Trading Advisor

ReSolve Asset Management SEZC (Cayman)  
 (ReSolve Global)

ReSolve's leadership team has extensive experience in asset management working with high net worth individuals, family offices and institutions. The team's investment approach blends the rigors of the scientific method with the pragmatic realism required to develop and deploy functional strategies in global markets. Passionate educators, Adam, Mike and Rodrigo have authored the book *Adaptive Asset Allocation - Dynamic Global Portfolios Designed to Profit in Good Times and Bad*. The team is also responsible for the popular [ReSolve's research blog](#).

**Past Performance is not a guarantee of future results.**

**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](http://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. and ReSolve Asset Management Inc. are not affiliated with Northern Lights Distributors, LLC.**

### **Risk Considerations**

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. Investing in the commodities markets (directly or indirectly) may subject the Fund to greater volatility than investments in traditional securities. Commodity prices may be influenced by unfavorable weather, animal and plant disease, geologic and environmental factors as well as changes in government regulation such as tariffs, embargoes or burdensome production rules and restrictions. Derivatives are investments in which the value is "derived" from the value of an underlying asset, reference rate, or index. The value of derivatives may rise or fall more rapidly than other investments. For some derivatives, it is possible to lose more than the amount invested in the derivative. The Fund acquired all of the assets and liabilities of Chesapeake Fund, LLC (the "Predecessor Fund") in a tax-free reorganization on December 31, 2016. In connection with this acquisition, shares of the Predecessor Fund were exchanged for Institutional Shares of the Fund. At the time of the reorganization, the Predecessor Fund had an investment objective and strategies that were, in all material respects, the same as those of the Fund, and was managed in a manner that, in all material respects, complied with the investment guidelines and restrictions of the Fund. Effective February 27, 2018, the Fund's investment strategy changed and a new Sub-Advisor replaced the prior sub-advisor. Consequently, prior performance may not reflect the Fund's current operations.

1The Refinitiv Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is an objective, quantitative, risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Refinitiv Lipper Fund Award. For more information, see [lipperfundawards.com](http://lipperfundawards.com). Although Refinitiv Lipper makes reasonable efforts to ensure the accuracy and reliability of the data used to calculate the awards, their accuracy is not guaranteed. For Asset Class Group Awards, awards will be given to the best large and small groups separately.

Large fund family groups with at least five equity, five bond or three mixed-asset portfolios in the respective asset classes are eligible for a group award. Small fund family groups will need to have at least three distinct portfolios in one of the asset classes – equity, bond or mixed-asset. The lowest average decile rank of the three years' Consistent Return measure of the eligible funds per asset class and group will determine the asset class group award winner over the three-year period. In cases of identical results, the lower average percentile rank will determine the winner.

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