BRADDOCK MULTI-STRATEGY INCOME FUND

BDKAX • BDKCX• BDKNX

SECOND QUARTER 2020 COMMENTARY

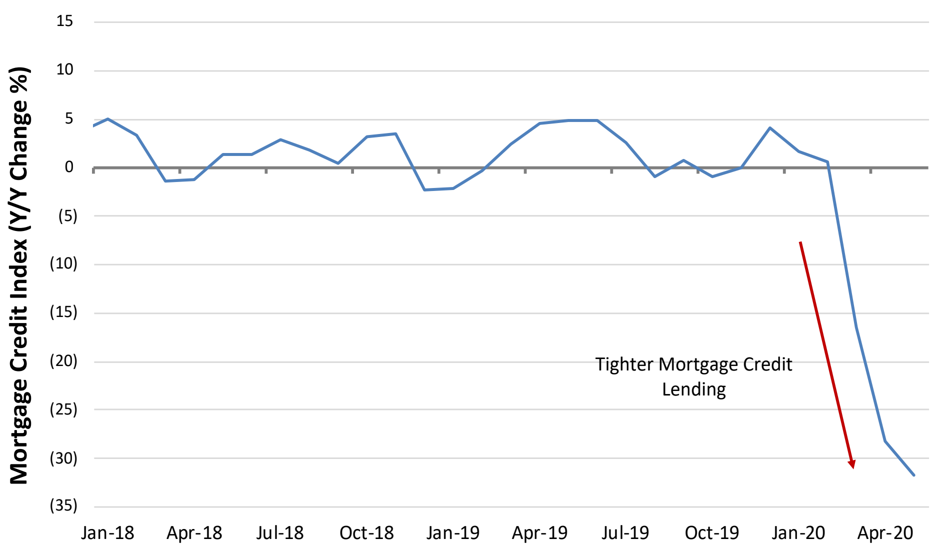
As the liquidity crisis in the financial markets unfolded in March of this year, all financial assets behaved similarly. Phrased differently, all assets appeared to be correlated. That correlated price performance is the classic hallmark of a liquidity crisis. After that phase has run its course, which, in this case, began winding down in the fourth week of March, a second phase begins where opportunistic buyers begin to create a floor for market prices. Eventually, this support allows financial assets to again begin trading based on estimates of fair value and return expectations.

Stock markets have led the way out of the recent collapse that was triggered by the sudden realization that the economy was shutting down due to COVID-19 and the additional shock from an oil supply war. Low oil prices are typically stimulative for the rest of the economy because they put more dollars in consumers' pockets and on the income statements of companies that consume energy in their processes. However, the rapid decline in oil prices experienced in March can make it difficult for people and businesses to plan for the future based on stable cost assumptions.

The oil price war seems to be over for now and stock markets appear to reflect very positive assumptions about the reopening economy. Unquestionably, many if not most market participants were caught by surprise at the speed and severity of the selloff and resulting liquidity crisis and many have also been caught by surprise at the timing and speed of the recovery in stock prices. Quick and massive monetary actions by the Federal Reserve, followed by an equally quick and massive fiscal response from Congress can be credited for reassuring markets and encouraging the resulting rallies. Whether the economy that ultimately emerges will meet the expectations currently being built into stock prices still remains to be determined or at least the timing is still to be determined.

In the structured finance bond markets we have seen steady appreciation of prices toward pre-COVID levels and the re-opening of the new issue markets. Both the pre-COVID bonds and the new issues represent good relative value in our estimation. The new issuance has been subjected to even stricter underwriting and structuring standards than the pre-Covid issuances. The country's already conservative mortgage underwriting standards[1] have tightened so that lenders are requiring even approved borrowers to re-verify current employment and income, increase down payments or update appraisals, among other stricter standards.

MORTGAGE CREDIT HAS TIGHTENED DUE TO COVID-19



Source: Mortgage Bankers Association, data as of 5/1/2020

In addition, rating agencies and investors are demanding better credit support. Existing securities have recovered significantly in price and liquidity but are still trading at levels that reflect greater credit risk, especially in the lower parts of the credit structure.

Despite initial fears about housing, home values and housing market activity have continued to benefit from a shortage of single-family homes. Pending Home Sales reported a snapback in the month-over-month number of +44.3% at the end of the quarter. Low mortgage rates helped push weekly purchase mortgage applications higher for 11 consecutive weeks before peaking at their highest level in 11 years.

[1] As represented by them Mortgage Credit Availability Index (Mortgage Bankers Association) and Housing Credit Availability Index (Urban Institute)

FUND COMPOSITION & ATTRIBUTION

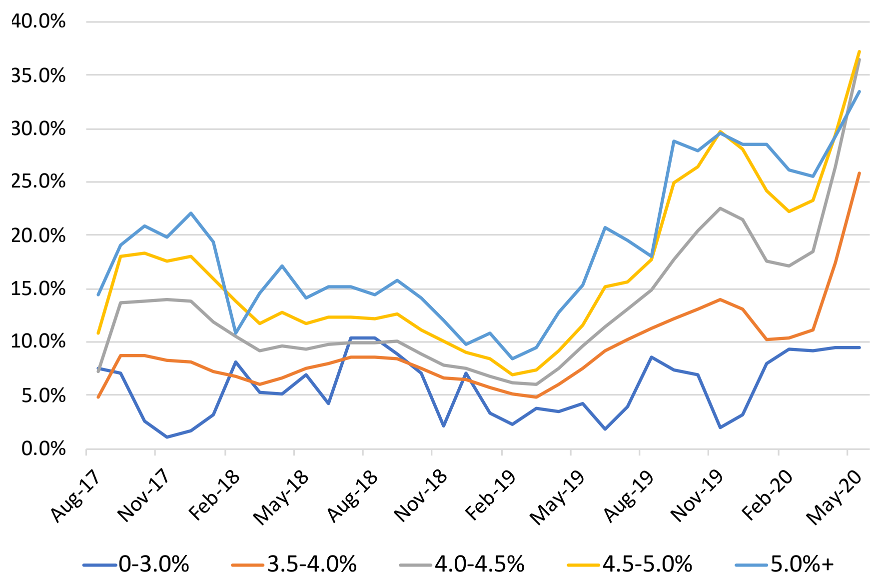
For Braddock, the 2nd quarter was a continuous research process on the effects of Covid-19 on the U.S. economy. We are focused on consumers, housing and mortgage markets, and are carefully weighing the negative effects of the economic downturn against the significant aid provided by the government and Federal Reserve.

Braddock's post Covid-19 credit models indicate that the majority of pre-liquidity crisis Residential Mortgage-Backed Securities (RMBS) and Asset Backed Securities (ABS) bonds would likely avoid principal write-downs. Recent research from industry researchers at JPMorgan, Bloomberg and others support this view of the fundamentals underlying those securities. The markets appeared to agree and have responded by bidding up bond prices throughout the quarter.

A majority of the Modern RMBS[2] and ABS rebounded from the risk asset sell-off in March. Modern RMBS and ABS sectors all contributed to the Fund's second quarter performance: RMBS produced +26.5%, ABS netted +6.3%, and Agency[3] Multifamily added +1.0%.

Performance across the Credit Risk Transfer (CRT) sector was the most pronounced in RMBS. For instance, M2 bonds rebounded to prices of 90%-100% of par and B1s rebounded to 80%-100% of par depending on the security. With 30 year mortgage rates falling to all-time lows, mortgage prepayment speeds (mortgage refinancing) continued the high pace that began early in the year. High prepayments reduce risk in an RMBS trust and, in addition, the low mortgage rates that encourage prepayments are a much-needed improvement to housing affordability. Monthly bond remittance reports have confirmed national reports of mortgage forbearance utilization being below initial Covid-19 forecasts. This confirms Braddock's belief that mortgage underwriting standards in place since the 2008 crisis reduced the number of higher risk borrowers who would struggle the most in an economic downturn.

CRT 1 MONTH VOLUNTARY PREPAYMENT RATES BY INTEREST RATE



Source: Moody's Analytics

The ABS market has seen significant spread retracement as participants have reacted positively to the positive borrower performance. Both the Consumer Loan and Auto Loan sectors have benefited from a lower than expected use of extensions or deferral payment programs and, more importantly, an increase in payments from borrowers that initially took relief from hardship related to the pandemic.

Prices in Agency Commercial Mortgage Backed Securities or CMBS (backed by loans on multifamily properties) mezzanine bonds have recovered to the low $90s level. Performance as measured by both rent collection rates and lower forbearance utilization continues to improve across the multifamily programs of Freddie Mac and Fannie Mae. As measured by the National Multifamily Housing Council, rent payments are only off one-tenth of a perce-

[2] Credit sensitive RMBS issued in 2013 or later

[3] Agency is government-backed; Non-agency (i.e. private) is not

ntage point from the June 2019 collections rate of 96.0%, as most renters were once again able to meet their obligation. Throughout the quarter, Braddock strengthened the credit quality and liquidity characteristics of the Fund by increasing investment grade holdings to 38.5% from pre-Covid levels in the low 20%. As of June 30, 2020, approximately 73% of the Fund is RMBS with CRT representing about 38% of the RMBS position. The Fund's Modern RMBS purchases were primarily in higher quality borrower products (CRT and Prime RMBS) in April and May and to new issue opportunities in June as the markets reopened. The Fund increased its ABS position from 14% to 18% over the quarter by adding consumer loan backed bonds with high levels of loss protection and solar loan ABS bonds, backed by the higher quality borrowers we prefer. Agency Multifamily exposure remained constant over the quarter at 7% of the Fund.

CONCLUSION

Inflows into the Fund have allowed us to be an active buyer of often distressed priced securities over the course of the second quarter. We thank you for your partnership with the Fund. Braddock will continue to draw on our experience and loan level expertise to identify bonds with the most compelling risk/reward profiles and to adjust our view as new fundamental data becomes available about the effects of the pandemic on the economy in general and structured finance securities in particular. We find this environment offers attractive investment opportunities and we view structured finance an attractive, and diversifying sector of the fixed income markets. That the Federal Reserve has not added structured finance to the list of securities they are buying has left this market to seek a more natural level, in our estimation, and a level we find represents very good relative value.

PERFORMANCE AS OF 6/30/20

	Q2 2020	YTD	1 Year	3 Year	5 Year	10 Year	Ann ITD*
BDKNX	33.84%	-33.74%	-32.06%	-9.15%	-3.52%	3.71%	4.68%
BDKAX	33.76%	-33.76%	-32.16%	-9.34%	-3.75%	3.71%	4.66%
BDKAX w/Load	27.98%	-36.57%	-35.05%	-10.64%	-4.88%	3.10%	4.09%
BDKCX	33.40%	-34.03%	-32.68%	-10.04%	-4.48%	2.93%	3.87%
Bloomberg Barclays Aggregate Bond Index	2.90%	6.14%	8.74%	5.32%	4.30%	3.82%	4.21%
ICE BOFA ML US High Yield Index	9.58%	-4.73%	-1.06%	-2.96%	4.58%	6.46%	7.67%

Performance data quoted represents past performance and is no guarantee of future results. *Total return figures include the reinvestment of dividends and capital gains. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (800) 207-7108. Returns showing less than one year are cumulative. The gross and net operating expense ratio for the Class A, C, and Institutional Shares are 1.77%, 2.52%, and 1.52%, respectively. The contractual agreement between the Fund and the Advisor for fee waiver and/or paying for operating expenses is in effect until April 30, 2021. Performance results with load reflect the deduction for Class A Shares of the 4.25% maximum front end sales charge. Class C Shares are subject to a contingent deferred sales charge of 1.00% when redeemed within 12 months of purchase. Performance represented without the load would be lower if this charge was reflected.* ***Because of ongoing market volatility, Fund performance may be subject to substantial short term changes.*** ***ITD represents inception-to-date, 7/31/2009.*

The Fund commenced investment operations on December 31, 2015, after the conversion of a limited partnership Account, Braddock Structured Opportunities Fund Series A, L.P., which commenced operations on 7/31/2009, (the "Predecessor Account"), into shares of the Fund's Institutional Class. Information portrayed in the performance table prior to December 31, 2015 is for the Predecessor Account. The Fund's objectives, policies, guidelines and restrictions are in all material respects equivalent to those of the Predecessor Account. The Predecessor Account was not registered under the Investment Company Act of 1940, as amended (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 on regulated investment companies. If the Predecessor Account had been registered under the 1940 Act, the Predecessor Account's performance may have been adversely affected.

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus and summary prospectus, a copy of which may be obtained by calling 800-207-7108 or visiting the Fund's website at www.libertystreetfunds.com. Please read the prospectus or summary prospectus carefully before investing.

RISKS AND OTHER DISCLOSURES:
An investment in the Braddock Multi-Strategy Income Fund is subject to risk, including the possible loss of principal amount invested and including, but not limited to, the following risks: **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. **Market** may exacerbate other risks that apply to the Fund. **Valuation:** From time to time, the Fund will need to fair-value portfolio securities at prices that differ from third party pricing inputs. This may affect purchase price or redemption proceeds for investors who purchase or redeem Fund shares on days when the Fund is pricing or holding fair-valued securities. Such pricing differences can be significant and can occur quickly during times of market volatility. **Mortgage-backed securities:** subject to prepayment risk, "extension risk" (repaid more slowly), credit risk, liquidity, and default risks. **Liquidity:** the Fund may not be able to sell some or all of the investments that it holds due to a lack of demand in the marketplace or it may only be able to sell those investments at a loss. Liquid investments may become illiquid or less liquid after purchase by the Fund, Illiquid investments may be harder to value, especially in changing markets. **High Yield ("Junk") bond: ("Junk") bond:** involve greater risk of default, downgrade, or price declines, can be more volatile and less liquid than investment-grade securities. **Sector Focus:** focus may present more risks than if broadly diversified. **Fixed income/interest rate**: Generally, fixed income securities decrease in value if interest rates rise, and increase in value if interest rates fall. **Real estate market:** property values may fall due to various economic factors. **Non-diversification**: focus in the securities of fewer issuers, which exposes the Fund to greater market risk than if its assets were diversified among a greater number of issuers. **Collateralized Loan Obligations:** subject to interest rate, credit, asset manager, legal, regulatory, limited recourse, liquidity, redemption, and reinvestment risks. **Repurchase agreement:** may be subject to market and credit risk. **Reverse repurchase agreement:** risks of leverage and counterparty risk. **Leverage:** The use of leverage may magnify the Fund's gains and losses and make the Fund more volatile. **LIBOR:** Many financial instruments use a floating rate based on the London Interbank Offered Rate ("LIBOR"), which is expected to expire by the end of 2021. Any effects of the transition away from LIBOR could result in losses. **Derivatives:** derivative instruments (e.g. short sells, options, futures) involve risks different from direct investment in the underlying assets, including possible losses in excess of amount invested or any gain in portfolio positions.

The Fund may not be suitable for all investors. We encourage you to consult with appropriate financial professionals before considering an investment in the Fund.

The views expressed in this material reflect those of the Fund's Sub-Advisor as of the date this is written and may not reflect its views on the date this material is first published or anytime thereafter. These views are intended to assist in understanding the Fund's investment methodology and do not constitute investment advice. This material may contain discussions about investments that may or may not be held by the Fund. All current and future holdings are subject to risk and to change.

The **Mortgage Credit Availability Index** is a barometer on the availability of mortgage credit using guidelines from institutional investors who purchase loans through the broker and/ or correspondent channels. Higher index values signal that credit is more available, while lower index values indicate that mortgage credit standards are tighter. The **Housing Credit Availability Index** indicates the difficulty of getting a mortgage in the United States by precisely measuring lenders' tolerance for risk. A lower index indicates that lenders are unwilling to tolerate defaults and are imposing tighter lending standards, making it harder to get a loan. A higher index indicates that lenders are willing to tolerate defaults and are taking more risks, making it easier to get a loan. **The Bloomberg Barclays Aggregate Bond Index** measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, mortgage-backed securities, asset-backed securities and commercial mortgage-backed securities. **The ICE Bank of America Merrill Lynch U.S. Cash Pay U.S. High Yield Index** tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating, at least 18 months to final maturity at the time of issuance, at least 1 year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $100 million.

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Liberty Street Advisors, Inc. is the advisor to the Fund. Braddock Financial LLC is the sub- advisor to the Fund.