March 24, 2020

Braddock Multi-Strategy Income Fund
Conference Call with Financial Professionals March 24, 2020

The following information was presented during a Conference Call with financial professionals conducted on March 24, 2020 at 9AM EST.

TIMOTHY REICK (Liberty Street Advisors, Inc.) – Presenter / Introduction

HARVEY ALLON (Braddock Financial LLC)

Harvey: Thank you Tim and I echo his wishes for everyone's health and well being during these trying times. I know that everyone on this call has great concern about your investments and we want to address as many of those as we can that relate to your investment in the Braddock Multi-Strategy Income Fund (the "Fund") on this call and I know your time is valuable so I'll get right to it.

Since February you have witnessed a dramatic decline in the Net Asset Value (NAV) of the Fund and one question that we know is on everyone's mind is why has Braddock underperformed its peers. Along with that question are the questions of how much further can the Fund fall and when, if ever, is a good time to get into this strategy either through this vehicle or through a different one. I think these questions are interconnected.

First, I cannot comment on any other funds. There were articles yesterday, including one in Bloomberg discussing market participants that were soliciting offers on billions of assets in emergency sales over the weekend. My 39 years of experience in these markets tells me that these markets are under extreme pressure when you see this type of auction take place on a weekend, on a Sunday.

As you have probably heard, we sold out of our corporate exposure in the form of Collateralized Loan Obligations (CLOs) early in the market decline and have been able to raise cash to meet our redemptions by selling securities while working hard to not downgrade the quality or composition of the remaining portfolio.

That gets me to the first question, the pricing of our portfolio. Our first obligation to you is to accurately price our securities daily based on observable market data. That data consists of actual trading activity, bids and offers and interpolation of prices from other similar securities among other factors. We have found that the pricing services have not adequately followed the pace of the market's decline during this period. As most of you are still invested in the Fund and as both a manager and investor, I feel your pain when the value declines as it has these past weeks and especially the past three days but you would not want us to disadvantage you or others as we meet redemptions by over valuing the portfolio above the current clearing prices we see in the market any more than you expect to disadvantage those who decide to redeem. For those reasons we will always strive in any market to accurately value our securities regardless of what other investors in this space choose to do. That is one promise that you can rely on. I wish I could promise to predict the future of markets but I don't think I will attempt that.

Before I turn this call over to Garrett and Toby who are going to describe some types of securities and where and how they are currently priced I want to address the question of when to put more money to work in this strategy. To do that I need to give you some broad information about our portfolio. If you are considering this strategy, before you make that decision, compare these numbers. After reducing the valuations of our securities to reflect the observable clearing prices in the market, the weighted average Yield to Maturity for our bonds now exceeds 57% by our calculations. The weighted average price of our bonds is very low and the duration of our portfolio is short, it was already short. We believe that we can buy similar bonds in this market at or close to these levels. That belief, by the way, is further support of our pricing.

Our bonds are backed by well underwritten collateral including the borrowers and the assets. While this recession started suddenly and the markets worldwide have reacted violently, the monetary response has also been dramatic and immediate. You know the numbers that the Federal Reserve has pumped into the system and the massive fiscal relief that has been or will shortly be made available. This is an election year and every congressman and a third of the Senate, not to mention the White House occupant, are up for performance reviews in November. I think they know what they have to do to have a hope of getting their contracts renewed.

So do we think that longer term over 57% Yield to Maturity is the correct risk adjusted yield for this portfolio? We do not. We believe that that yield has to come down over time by driving the prices up and we would like to participate in that appreciation with our current position in the Fund and more. We have cash in hand and no debt and believe we can, if necessary, sell bonds at these levels if we need more cash.

I cannot predict and won't attempt to predict when that turn around will happen but Garrett and Toby are going to give you specific examples of bonds, where they are priced and what goes into their Yield to Maturities so that you have a sense of the robustness of the structures and the strength of the yields.

Seth Klarman of Baupost, who some of you may know, once said that he made his best investments on the way down. Along with redemptions we have had some subscriptions these past few days and weeks. Now I'll turn it over to Garrett and Toby.

The following are some specific items mentioned regarding the portfolio during the rest of the presentation and the Questions & Answers.

<u>Portfolio Characteristics as of 3/24/2020</u>*:*

- Portfolio currently 53% in Residential Mortgage-Backed Securities (RMBS) spread across many sectors in the Modern RMBS space (credit sensitive RMBS issued after 2013) including Credit Risk Transfer (CRT)

- 16-17% is in the consumer space. Half of that is in solar lease which are borrowers from primary residences that have financed the solar system installation. The remaining portion is tied to auto loans and leases.
- Remainder is in cash
- Yield to Maturity 57%
- Average dollar price of holdings in low 30s
- Cash flow yield in mid 30% range
- Distribution yield 13% annualized
- Weighted average life over 3 years, meaning principal windows for some holdings are not too far in the future
- As of close yesterday, 3/23/2020, face value of securities are $527 million with a market value of $172 million
- Current situation is a liquidity event driven by lack of traditional buyers. Just a month ago as of 2/24/2020 this entire portfolio priced to yield 3 1/2% to 5%. Now, the same portfolio is priced to yield up to 15% to 50-60% to realistic scenarios.
- All of our credit risk transfer positions just a month ago were priced right around par to yield at 3 ½ -4 ½%. Now these bonds and the sector as a whole are priced from 75 down to $.15 on the dollar.
- We've stress-tested these bonds up to five times and really looks the same across all of the assets we look at. The fundamentals even in a deteriorating coronavirus situation do not match the pricing we're seeing in our sectors.
- It's not just one type of bond that has gone down. All assets have been marked down significantly in this current market.
- High-quality underwriting backs our mortgage positions: weighted average borrower FICO score at 740 and current Loan to Value of 69%

Fund Performance as of Last Quarter End - December 31, 2019

	Q4 2019	YTD	1 Year	3 Year	5 Year	10 Year	Ann ITD*
BDKNX	1.25%	6.60%	6.60%	5.76%	5.60%	9.37%	9.39%
BDKAX	1.19%	6.34%	6.34%	5.48%	5.33%	9.09%	9.11%
BDKAX w/Load	-3.11%	1.83%	1.83%	3.95%	4.09%	8.45%	8.49%
BDKCX	1.01%	5.49%	5.49%	4.70%	4.54%	8.27%	8.29%
Bloomberg Barclays Aggregate Bond	0.18%	8.72%	8.72%	4.03%	3.05%	3.75%	3.82%
ICE BOFA ML US High Yield Index	2.59%	14.40%	14.40%	6.32%	6.12%	7.49%	8.56%

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 operating expense ratio for the Class A, C, and Institutional Shares are 1.83%, 2.58%, and 1.58%, respectively. The net operating expenses after fee waiver and/or paying for operating expenses are 1.76%, 2.51%, and 1.51% for the Class A, C, and Institutional Shares, respectively. The contractual agreement between the Fund and the Advisor is in effect until April 30, 2020. Without the contractual agreement, performance would have been lower. 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 and growth chart 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.

Standardized 30-Day SEC Yield – as of December 31st, 2019

	SEC Yield	Unsubsidized Yield
BDKAX	3.37%	3.39%
BDKCX	2.76%	2.78%
BDKNX	3.78%	3.79%

Subsidized 30-Day SEC Yield is based on a 30-day period ending on the last day of the previous month and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. The subsidized yield is based on the net expenses of the Fund. The yield would be lower without the waivers in effect. Unsubsidized 30 Day SEC Yield is based on total expenses of the Fund.

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

RISKS AND OTHER DISCLOSURES:

An investment in the Fund involves risk. Loss of principal is possible. The following is a summary of the risks and are more fully described in the Fund's prospectus: **Mortgage-backed securities:** subject to prepayment risk (loan repaid more quickly), "extension risk" (loan repaid more slowly), credit risk, liquidity, and default risks. **Real estate risk:** property values may fall due to various economic factors. **CLO risk:** Collateralized Loan Obligations (CLOs) are subject to interest rate, credit, asset manager, legal, regulatory, limited recourse, liquidity, redemption, and reinvestment risks. **Credit Risk:** factors may impair the credit rating of the securities held by the Fund which may cause the Fund's value to decline. **Interest rate risk:** investment value may go down when interest rates rise. Falling interest rates also create the potential for a decline in the Fund's income. These risks are greater during periods of rising inflation. **High Yield ("Junk") bond risk**: involve greater risk of default, downgrade, or price declines, can be more volatile and tend to be less liquid than investment-grade securities. **Repurchase agreement risk:** repurchase agreements may be subject to market and credit risk with respect to the collateral securing the repurchase agreements. **Reverse repurchase agreement risk:** subjects the Fund to the risks of leverage and counterparty risk. **Liquidity risk:** 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 other factors such as market turmoil. The sales price the Fund could receive for any particular portfolio investment may differ from the Fund's valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued by the Fund using a fair value methodology. **Leverage risk:** as a result of borrowing or other investment techniques, the Fund may be leveraged. Leverage creates exposure to gains and losses in a greater amount than the dollar amount made in an investment. **Derivatives risk:** 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. **Non-diversification risk:** the Fund may focus its assets in the securities of fewer issuers, which exposes the Fund to greater market risk that if its assets were diversified among a greater number of issuers. 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.

Market Turbulence Resulting from COVID-19. An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 has negatively affected the worldwide economy, as well as the economies of individual countries, the financial health of individual companies and the market in general in significant and unforeseen ways. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund. Any such impact could adversely affect the Fund's performance, the performance of the securities in which the Fund invests and may lead to losses on your 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 shareholders 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. To the extent this report contains forward looking statements, unforeseen circumstances may cause actual results to differ materially from the views expressed as of the date this was written.

CLO is a single security backed by a pool of debt. Often these are corporate loans that have a low credit rating or leveraged buyouts made by a private equity firm to take a controlling interest in an existing company. **Duration**: measures a portfolio's sensitivity to changes in interest rates.

Generally, the longer the effective duration, the greater the price change relative to interest rate movements. The **Loan-to-Value** ratio is an assessment of lending risk assessment that financial institutions and other lenders examine before approving a mortgage. Typically, assessments with high LTV ratios are higher risk. **Price to Yield** (current yield) of a bond is a function of a bond's current price and the amount of interest that the bond pays. The current yield is equal to the annual interest earned divided by the current price of the bond. **Weighted Average Price:** A weighted average is a method of finding the average value of a group of numbers, which takes into account how many times each number occurs, or its importance. Weighted average price can be used when securities are acquired in multiple transactions over time. **Yield to Maturity:** Rate of return anticipated on an instrument if it is held until the maturity date, expressed as an annual rate. The calculation takes into account market price, time to maturity, and coupon interest rate. It assumes that all coupons are reinvested at the same rate. This is not reflective of Fund yield.

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