

THIRD QUARTER COMMENTARY

The Robinson Tax-Advantaged Income Fund (the “Fund”), as measured by the Fund’s Institutional Class (ROBNX), returned 1.98% in the third quarter of 2020, comfortably ahead of its benchmark, the Barclays 1-10 Year Municipal Blend Index, which returned 1.04% for the quarter. Following is the third quarter attribution analysis for the Fund relative to its benchmark index, the Bloomberg Barclays 1-10 Year Municipal Bond Index:

| | <u>Q3 '20</u> |
|------------------------------|----------------|
| NAV Return | + 1.35% |
| Less: Duration Hedges | - 0.08% |
| Less: Expense Ratio | - 0.31% |
| General Change in Discounts | + 1.47% |
| Security Selection | <u>- 0.45%</u> |
| ROBNX Return | + 1.98% |
| BC 1-10 YR Muni Index | + 1.04% |

The Fund seeks to neutralize the impact changes in risk-free interest rates may have on the underlying holdings of the tax-exempt closed-end funds it holds. The Fund does this through carefully weighted short positions in various US Treasury bond futures contracts. The net result is to isolate, as much as practical, the inherent credit spreads of the underlying investment grade portfolio of municipal bonds. That proved to be a major challenge in the first quarter, as credit spreads in the underlying municipal bond market widened nearly 2% on a taxable equivalent basis. Fortunately, since then we have seen a pretty consistent and continuous reversal of that credit spread widening. Treasury yields were mostly unchanged for the quarter, but municipal bond yields declined 0.18% (0.30% on a taxable equivalent basis). We still have more to go, another 0.85% on a taxable equivalent basis, to get back to pre-pandemic levels; but, we continue to move in the right direction.

The Fund’s hedging of risk-free interest rates also effectively isolates much of the discount opportunity available in closed-end fund investing. Of course, when credit spreads are widening at an historic pace in the underlying municipal bond market, as they were in the first quarter, we would expect that closed-end fund discounts would also be widening. Discounts widened 3.53% in the first quarter. We have since recovered 1.47% of that widening, with the bulk of the recovery occurring in the third quarter. Typically, the early stages of a discount recovery usually benefit the largest closed-end funds. The four largest tax-exempt CEF funds represent 30% of the overall tax-exempt CEF market’s assets. Those funds saw their discounts narrow more than 2% during the quarter—the other 70% of tax-exempt CEFs narrowed 1.3%. Our Fund’s holdings in tax-exempt closed-end funds is considerably less concentrated than the broad tax-exempt CEF market. That commitment to broad diversification cost us during the quarter as smaller CEFs saw their discounts narrow 0.7% less than the four largest tax-exempt CEFs.

Looking forward, we are highly constructive on the prospects for the Fund’s strategy given the huge amounts of monetary stimulus programs and the ongoing economic improvements due to the prior fiscal stimulus packages. Specifically, we would cite the following reasons as being particularly beneficial to the Tax-Advantaged Income Fund’s strategy:

Interest Rates: current interest rates are at historic lows—the yield for the entire US Treasury market is below 0.50%. We believe the Fund’s interest rate risk hedges are prudent at these historically low yield levels; and, represent an extremely low-cost insurance policy (a 0.04% rise in rates covers the cost of the hedge) against rising rates.

Fed: the Federal reserve has cut short-term interest rates to zero, and anticipates staying there for the next couple years. Since February short-term tax-exempt rates are down 1%. That directly lowers the cost

cost of leverage for tax-exempt closed-end funds by 1%. Lower cost of leverage means more net interest income to distribute to closed-end fund investors. Increases in distribution yields usually precede discount narrowing. The Fed has also launched a number of short-term lending facilities to help municipal borrowers get funding; and, the Fed is providing liquidity to the underlying municipal bond market by including those bonds in its quantitative easing programs.

Discounts: the Tax-Advantaged Income Fund's holdings of closed-end funds had a weighted average discount of -9.1% at quarter-end—more than 5.5% wider than the historic average discount for those same funds.

PERFORMANCE AS OF 9/30/20

| | Q3 2020 | YTD | 1 Year | 3 Year | 5 Year | Ann ITD* |
|--|---------|---------|--------|--------|--------|----------|
| ROBNX | 1.98% | -6.44% | -4.94% | 0.03% | 2.51% | 2.18% |
| ROBAX | 2.03% | -6.61% | -5.17% | -0.19% | 2.28% | 1.94% |
| ROBAX w/ load | -1.81% | -10.15% | -8.71% | -1.45% | 1.00% | 0.94% |
| ROBCX | 1.72% | -7.15% | -5.90% | -0.95% | 1.50% | 1.17% |
| Bloomberg Barclays Short-Intermediate 1-10 Years Municipal Bond Index | 1.04% | 3.12% | 4.03% | 3.21% | 2.70% | 2.58% |

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 2.99%, 3.74%, and 2.74%, respectively. The total net annual fund operating expenses after fee waiver and/or paying for operating expenses are 2.92%, 3.67%, and 2.67% for the Class A, C, and Institutional Shares, respectively. The contractual agreement between the Fund and the Advisor is in effect until April 30, 2021. Without the contractual agreement, performance would have been lower. Performance results with load reflect the deduction for Class A Shares of the 3.75% 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 presented 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; Inception 9/30/2014. ** Fund's Morningstar category.

Effective October 25, 2019, changes were made to the Fund's principal strategy. The Sub-advisor may, but is not required to, purchase shares of open-end registered investment companies ("Mutual Funds") or Exchange-Traded Funds ("ETFs") that invest primarily in municipal bonds.

This communication must be preceded by or accompanied with a copy of the Fund's current [prospectus](#).

An investment in the 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. **Closed-end fund (CEF), exchange-traded fund (ETF) and open-end fund (Mutual Fund) Risk:** The Fund's investments in CEFs, ETFs and Mutual Funds ("underlying funds") are subject to various risks, including reliance on management's ability to manage the underlying fund's portfolio, risks associated with the

fund's portfolio, risks associated with the underlying securities held by the underlying fund, fluctuation in the market value of the underlying fund's shares, and the Fund bearing a pro rata share of the fees and expenses of each underlying fund in which the Fund invests. **Municipal Bond risk:** The underlying funds in which the Fund invests will invest primarily in municipal bonds. Litigation, legislation or other political events, local business or economic conditions or the bankruptcy of the issuer could have a significant effect on the ability of an issuer of municipal bonds to make payments of principal and/or interest. Changes related to taxation, legislation or the rights of municipal security holders can significantly affect municipal bonds and may cause them to decline in value. **Fixed income/interest rate risk:** A rise in interest rates could negatively impact the value of the Fund's shares. Generally, fixed income securities decrease in value if interest rates rise, and increase in value if interest rates fall, with longer-term securities being more sensitive than shorter-term securities. **Leveraging risk:** The underlying funds in which the Fund will invest may be leveraged as a result of borrowing or other investment techniques. As a result, the Fund may be exposed indirectly to leverage, and may expose the Fund to higher volatility and possible diminishment of long-term returns. In addition, future regulations may hinder or restrict an underlying fund's ability to maintain leverage; which in turn may reduce the total return and tax exempt income generated by the underlying funds and may cause a reduction in the value of the Fund's shares. **Tax Risk:** There is no guarantee that the Fund's income will be exempt from regular federal income taxes. Events occurring after the date of issuance of a municipal bond or after an underlying fund's acquisition of a municipal bond may result in a determination that interest on that bond is subject to federal income tax. The Fund's opportunistic trading strategies may also result in a portion of the Fund's distributions to shareholders being characterized as capital gains. **U.S. Treasury Futures Contracts Hedge Risk:** To the extent the Fund holds short positions in U.S. Treasury futures contracts, should market conditions cause U.S. Treasury prices to rise, the Fund's portfolio could experience a loss; and should U.S. Treasury prices rise at the same time municipal bond prices fall, these losses may be greater than if the hedging strategy not been in place. **High Yield ("Junk") Bond risk:** The ETFs and Mutual Funds in which the Fund invests may invest in high yield ("junk") bonds which involve greater risks of default, downgrade, or price declines and are more volatile and tend to be less liquid than investment-grade securities. **Liquidity Risk:** There can be no guarantee that an active market in shares of CEFs and ETFs held by the Fund will exist. The Fund may not be able to sell some or all of the investments it holds due to a lack of demand in the marketplace or other factors such as market turmoil, or if the Fund is forced to sell an asset to meet redemption requests, it may only be able to sell those investments at a loss. **Derivatives Risk:** The Fund and the underlying funds may use futures contracts, options, swap agreements, and/or sell securities short. Futures contracts may cause the value of the Fund's shares to be more volatile and expose the Fund to leverage and tracking risks; the Fund may not fully benefit from or may lose money on option or shorting strategies; swaps may be leveraged, are subject to counterparty risk and may be difficult to value or liquidate. **Portfolio Turnover Risk:** The Fund's turnover rate may be high. A high turnover rate may lead to higher transaction costs, a greater number of taxable transactions, and negatively affect the Fund's performance.

Diversification does not assure a profit or protect against a loss.

The **Bloomberg Barclays Short-Intermediate 1-10 Years Municipal Bond Index** is an unmanaged index that measures the performance of municipal bonds with time to maturity of between one and ten years. **Bloomberg Barclays Capital Municipal Bond Index** is an unmanaged index that includes investment-grade, tax-exempt, and fixed-rate bonds with maturities greater than two years selected from issues larger than \$75 million. The **Bloomberg Barclays U.S. Treasury Index** represents the **U.S. Treasury** component of the U.S. Government index. **One cannot invest directly in an index.**

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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.

Liberty Street Advisors, Inc. is the advisor to the Fund. The Fund is part of the Liberty Street family of funds within the Investment Managers Series Trust.