

RWDIX (Class I)
RWDNX (Class N)

Redwood Managed Volatility Fund

Objective

The Redwood Managed Volatility Fund seeks a combination of total return and prudent management of portfolio downside volatility and downside loss.

Strategy

The Redwood Managed Volatility Fund seeks to identify critical turning points in the markets for high yield bonds. The Fund utilizes a quantitatively driven process that seeks to be risk-on when high-yield is trending upwards, and risk-off when high-yield is trending downwards.

- Utilizes a tactical risk-management strategy to get exposure to high-yield corporate markets
- Seeks to reduce exposure to declines, thereby seeking to limit downside volatility and loss in down trending markets

Fund Facts

Portfolio Managers

Michael Messinger
Michael Cheung

Category

Non-Traditional Fixed-Income

Inception Date: December 19, 2013

Definitions

Risk On: The period of time where the Corporate High Yield Index is above the 200-day moving average. A trend-following strategy would buy the asset class in a risk on state.

Risk Off: The period of time where the Corporate High Yield Index is below the 200-day moving average. A trend-following strategy would sell the asset class in a risk off state.

Important Risk Information & Disclosures

Mutual Funds involve risk including the possible loss of principal. There is no assurance the Fund will meet its stated objectives. The above index performance is not intended to serve as a proxy for the Fund's future or past performance. Past performance is not a guarantee of future results. The investment strategies employed by the Adviser in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other similar investment vehicles having similar investment strategies. The quantitative model used by the Adviser may not perform as expected, particularly in volatile markets. The Fund's tactical asset allocations strategy may be unsuccessful and may cause the Fund to miss attractive investment opportunities while in a defensive position.

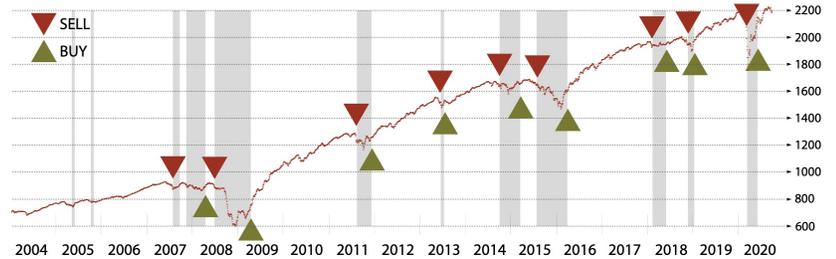
Bloomberg Barclays US Aggregate Bond Index measures the USD-denominated, taxable, investment grade fixed-rate bond market. Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high-yield, fixed-rate corporate bond market. The indices shown are for informational purposes 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.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Redwood Managed Volatility Fund. This and other important information about the Fund are contained in the prospectus, which can be obtained at redwoodmutualfunds.com or by calling 855-RED-FUND (733-3863). The prospectus should be read carefully before investing. The Redwood Managed Volatility Fund is distributed by Northern Lights Distributors, LLC member FINRA/SIPC.

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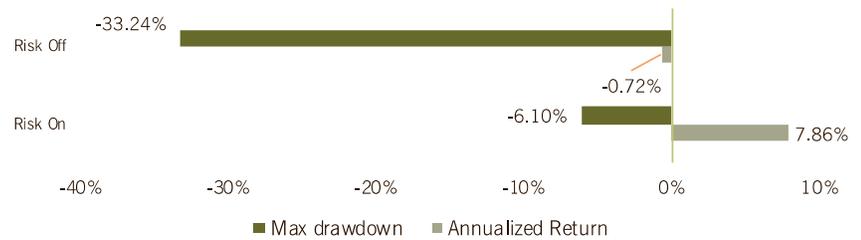
US High Yield Corporate Trend Signals over time



The above stylized example depicts trading signals to a tactical strategy on the High Yield Corporate bond market. The strategy uses crosses above and below the included index's 200-day moving average to create buy and sell signals. Several signals are omitted to improve readability. The Fund does not use the 200-day moving average in its strategy, but employs a similar trend following approach.

Sources: Bloomberg, Redwood. The above does not represent any trading or performance of the Fund and is for illustration purposes only.

Annualized Return and Risk of U.S. High Yield Corporates



The above results depict returns and risk of the untradeable U.S. Barclays Corporate High-Yield Total Return Index while Risk Off (when the index is below its 200-day moving average) and Risk On (when the index is above its 200-day moving average). The Fund does not use the 200-day moving average in its strategy, but employs a similar trend-following approach.

Sources: Bloomberg, Redwood. The above does not represent any trading or performance of the Fund and is for illustration purposes only. Data: Jan 2000 – 9/31/2020

High Yield Corporates vs Barclays Aggregate

	Bloomberg Barclays U.S. Corporate High Yield Total Return Index	Bloomberg Barclays Aggregate
Yield To Worst	5.77%	1.18%
Option-Adjusted Duration	3.75	6.12
Years to Maturity	6.34	8.18

Sources: Bloomberg, Redwood. The above does not represent any trading or performance of the Fund and is for illustration purposes only. Data: As of 9/30/2020