

RWSIX (Class I)
RWSNX (Class N)

Redwood Systematic Macro Trend (“SMarT”) Fund

Objective

The Redwood Systematic Macro Trend (“SMarT®”) Fund seeks to generate capital appreciation while focusing on managing downside risk.

Strategy

The Fund seeks to hold a diversified portfolio within the following asset classes when the market is trending upward: growth and income equities, domestic and international small-cap equities, emerging market equities, preferreds, convertible bonds, and high-yield bonds and utilizes a proprietary tactical risk-management strategy that seeks to manage downside risk.

- Utilizes a tactical risk-management strategy to pursue objective
- 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

Equity Hybrid / Dynamic Allocation

Inception Date: November 2, 2017

Definitions

Risk On: The period of time where the S&P 500 Index’s 50-day moving average 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 S&P 500 Index’s 50-day moving average 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.

S&P 500 index is a stock market index based on the market capitalization of 500 leading companies publicly traded in the U.S. stock market, as determined by Standard & Poor’s. The index shown is for informational purposes only and is not reflective of any investment. As it is not possible to invest in the index, 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 Systematic Macro Trend (“SMarT”) 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 Systematic Macro Trend (“SMarT”) Fund is distributed by Northern Lights Distributors, LLC member FINRA/SIPC.

8162-NLD-11/16/2020

Redwood Investment Management | 4110 N. Scottsdale Rd. Ste 125, Scottsdale, AZ 85251 | 480.470.7040 | redwoodim.com

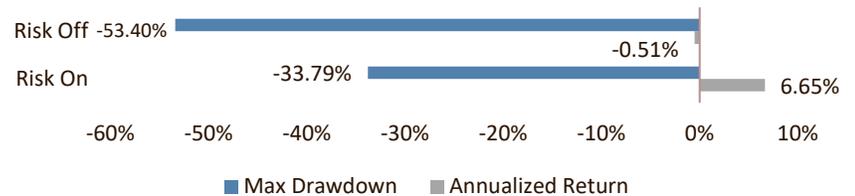
U.S. Equity (S&P 500 Index) Trend Signals over time



The above stylized example depicts trading signals to a tactical strategy on the S&P 500 Index. The strategy uses crosses above and below of the index’s 50-day moving average and 200-day moving average to create buy and sell signals. Several signals are omitted to improve readability. The Fund does not use the strategy above, but employs similar methods to seek similar objectives.

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. Equities (S&P 500 Index)



The above results depict returns and risk of the untradeable S&P 500 Index while Risk Off (when the index’s 50-day moving average is below its 200-day moving average) and Risk On (when the index’s 50-day moving average above its 200-day moving average). The Fund does not use the strategy above, but employs similar methods to seek similar objectives.

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

Quantitative Methodology

