

ALPHACENTRIC PREMIUM OPPORTUNITY FUND

Lower Volatility.

Low Correlation.

Tax Efficient.

Total Return.

Overview

ALPHACENTRIC PREMIUM OPPORTUNITY FUND (HMXIX) IS A FUTURES AND OPTIONS FUND

- **Asymmetric Risk and Return:** Target 40% upside and 20% downside captures to the S&P 500
- **Low-correlation Returns vs the S&P 500 and Barclays U.S. Aggregate Bond Index**
- **Lower-volatility Relative to the S&P 500**
- **Superior Tax-efficiency to taxable bonds**
- **Morningstar Five-star rating and Top Fund over the last three years**

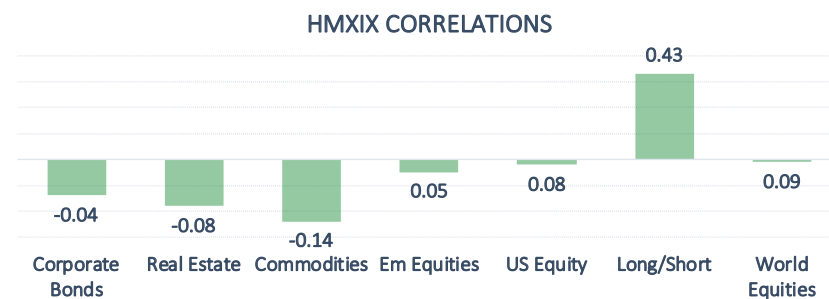
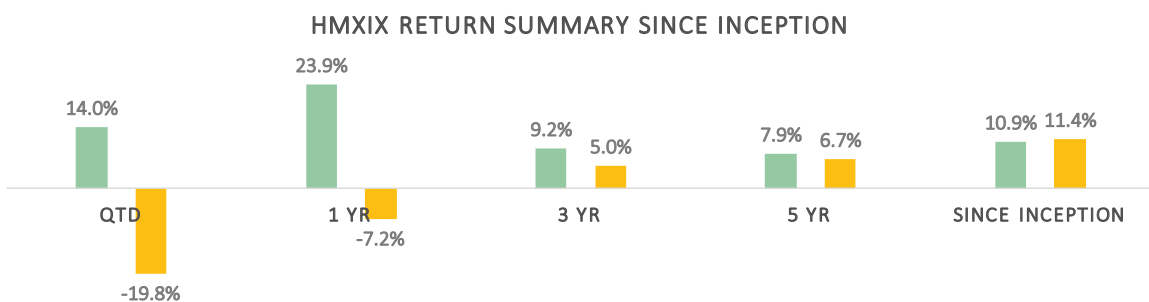
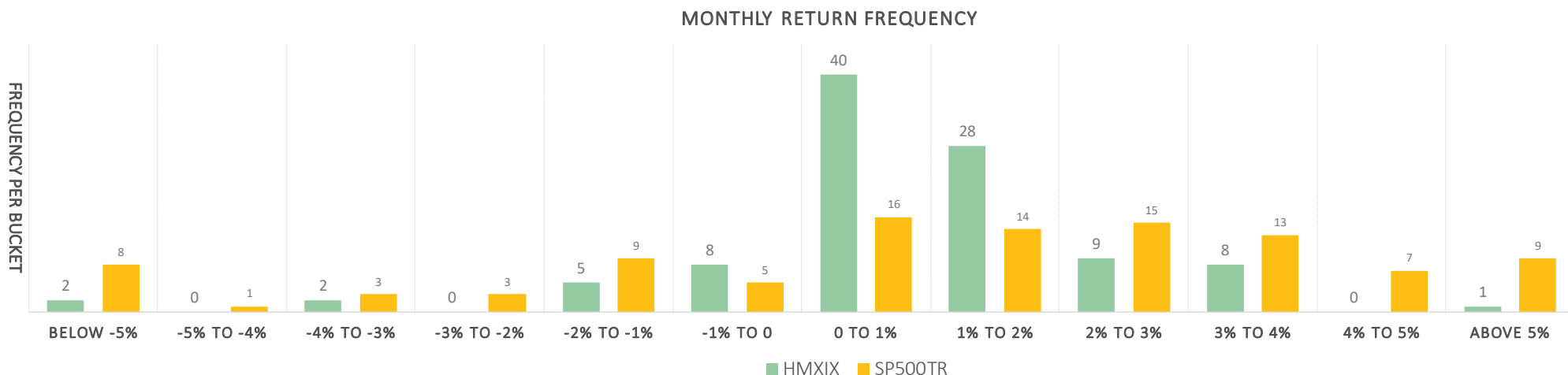
THE FUND FOCUSES ON FUTURES AND OPTIONS STRATEGIES

- **Positive Expected Return:** Like the sellers of insurance, the sellers of expected volatility (i.e. options) over time must have a positive expected return.
- **Active Management Matters:** In this space, index strategies are inefficient relative to active strategies.
- **Tax Efficiency:** IRS Taxcode 1256 treats futures and options gain/losses as capital gains- 60% long term and 40% short term.
- **Liquid:** The futures and options markets in which the fund trades are the most liquid in the world, minimizing the costs and risk of the market drying up at the worst possible time.
- **Transparent:** With options and futures the risks are defined. Unlike bonds, there's no credit risk. Unlike stocks, at expiration an option will be worth exactly its contracted intrinsic value. In other words, what you see is what you get.

THE FUND USES A DYNAMIC VS INDEX STRATEGY

- **Results-first management:** Funds in the options space start with a static strategy and then expect a particular result. Not every market is a nail; so not every solution is a hammer. Because of the nature of volatility, what works in some markets, or even most of the them, can drastically change. Since 2011, by focusing on mandate-driven strategy within the context of the market environment, the fund has outperformed its peers and benchmark.

Fund Return & Correlation Summary

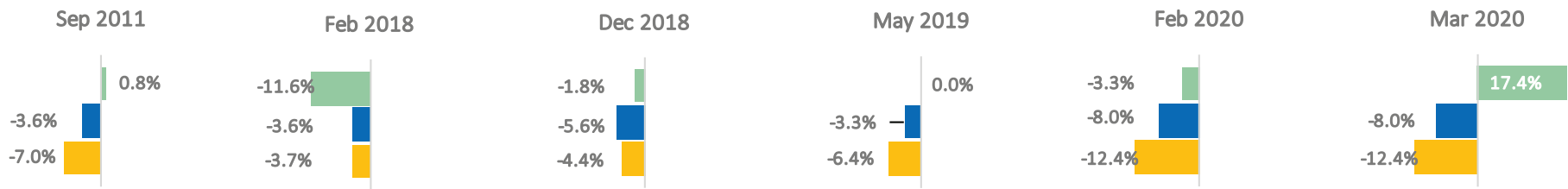
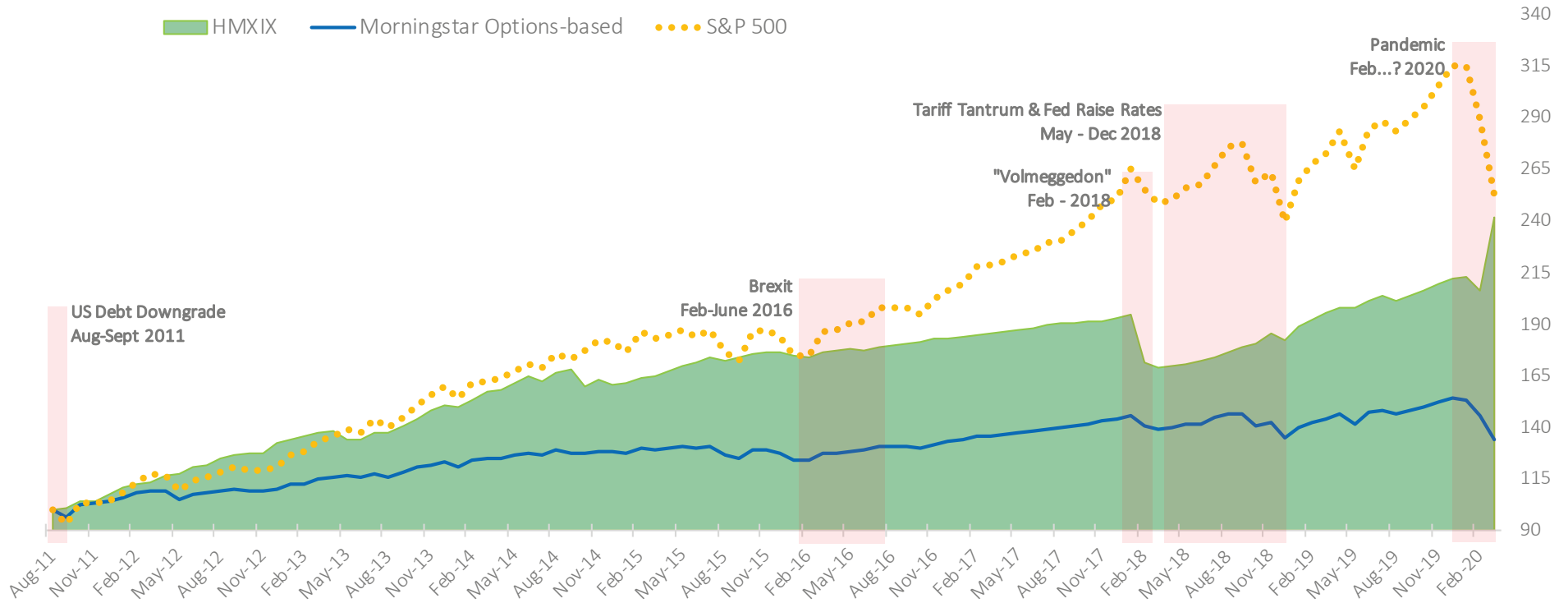


| | <u>QTD</u> | <u>1YR</u> | <u>3YR</u> | <u>5YR</u> | <u>SINCE INCEPTION</u> |
|-----------------------|------------|------------|------------|------------|------------------------|
| Class I | 14.1% | 23.9% | 9.2% | 7.9% | 10.8% |
| Class A | 14.0% | 23.6% | 8.7% | -- | 8.3% |
| Class A w/ Commission | 7.4% | 16.5% | 6.6% | -- | 6.5% |

The maximum sales charge for Class "A" Shares is 5.75%. Total Operating Expenses are 3.47%, 4.23%, and 3.20%, for Class A, C, and I shares, respectively. Performance is historic and does not guarantee future results. Investment return and principal value will fluctuate with changing market conditions so that when redeemed, shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain the most recent month end performance information or the funds prospectus please call the fund, toll free at 1-844-ACFUND5 (844-223-8637). You can also obtain a prospectus at www.AlphaCentricFunds.com.

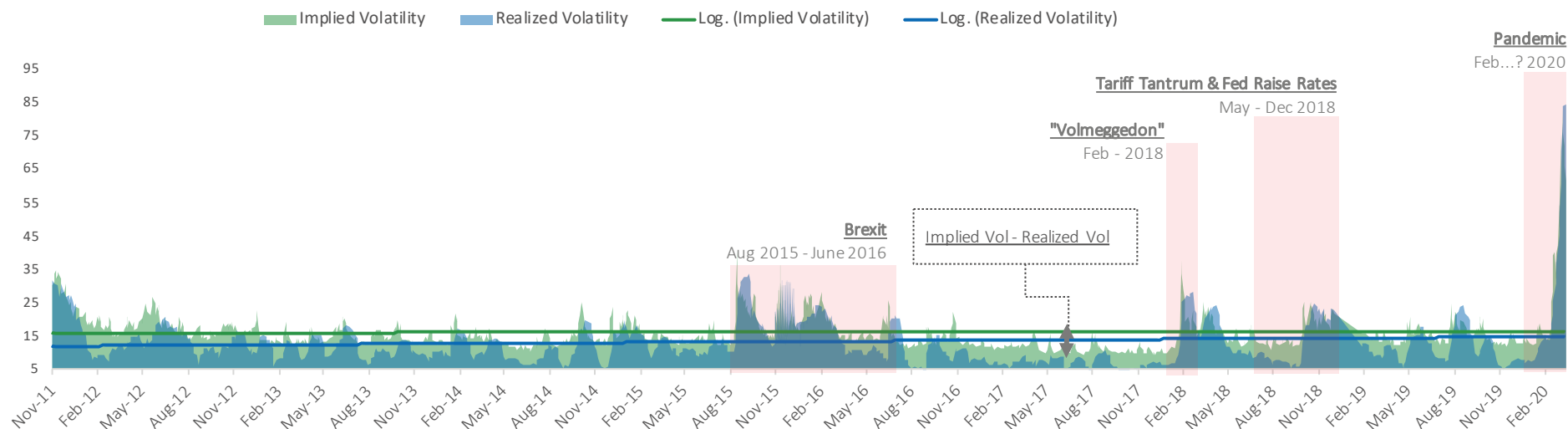
1. Performance is past performance and does not guarantee future results. The performance shown before September 30, 2016 is for the Fund's Predecessor Fund (Theta Funds, L.P.). The Fund's management practices, investment goals, policies, objectives, guidelines and restrictions are, in all material respects, equivalent to the predecessor limited partnership. From its inception date, the predecessor limited partnership was not subject to certain investment restrictions, diversification requirements and other restrictions of the 1940 Act of the Code, if they had been applicable, it might have adversely affected its performance. In addition, the predecessor limited partnership was not subject to sales loads that would have adversely affected performance. Performance of the predecessor fund is not an indicator of future results. 2. The referenced indices are shown for general market comparisons and are not meant to represent the Fund. Investors cannot directly invest in an index; unmanaged index returns do not reflect any fees, expenses or sales charges.

Peer Comparison



| | Return | Standard Deviation | Sharpe Ratio | Sortino Ratio | Up Capture | Down Capture | Alpha | Beta | High Water | Drawdown Start | Max Drawdown | % Back to High |
|--------------------|--------|--------------------|--------------|---------------|------------|--------------|-------|------|------------|----------------|--------------|----------------|
| HMXIX | 10.8% | 8.6% | 1.18 | 2.26 | 39.7% | -2.9% | 10.6% | 0.05 | Mar 2020 | Feb 2018 | -13.0% | 0.0% |
| Mstr Peers | 3.5% | 6.8% | 0.41 | 0.68 | 40.6% | 61.4% | -2.4% | 0.52 | Jan 2020 | Feb 2020 | -13.1% | 15.1% |
| S&P 500 | 11.5% | 12.8% | 0.84 | 1.35 | 100.0% | 100.0% | 0.0% | 1.00 | Dec 2019 | Jan 2020 | -19.6% | 24.4% |

Implied - Realized Volatility = Vol Risk Premium



Implied Volatility

An option's fair value depends on five factors:

1. The price of the underlying stock or financial instrument
2. The exercise, or strike, price of the option (and whether it's a put or call)
3. The number of days to expiry
4. Interest rates
5. Expected/Implied Volatility

While the first four factors are fixed, the fifth factor is based on the markets assessment of future volatility (AKA "Implied Volatility").

Realized Volatility

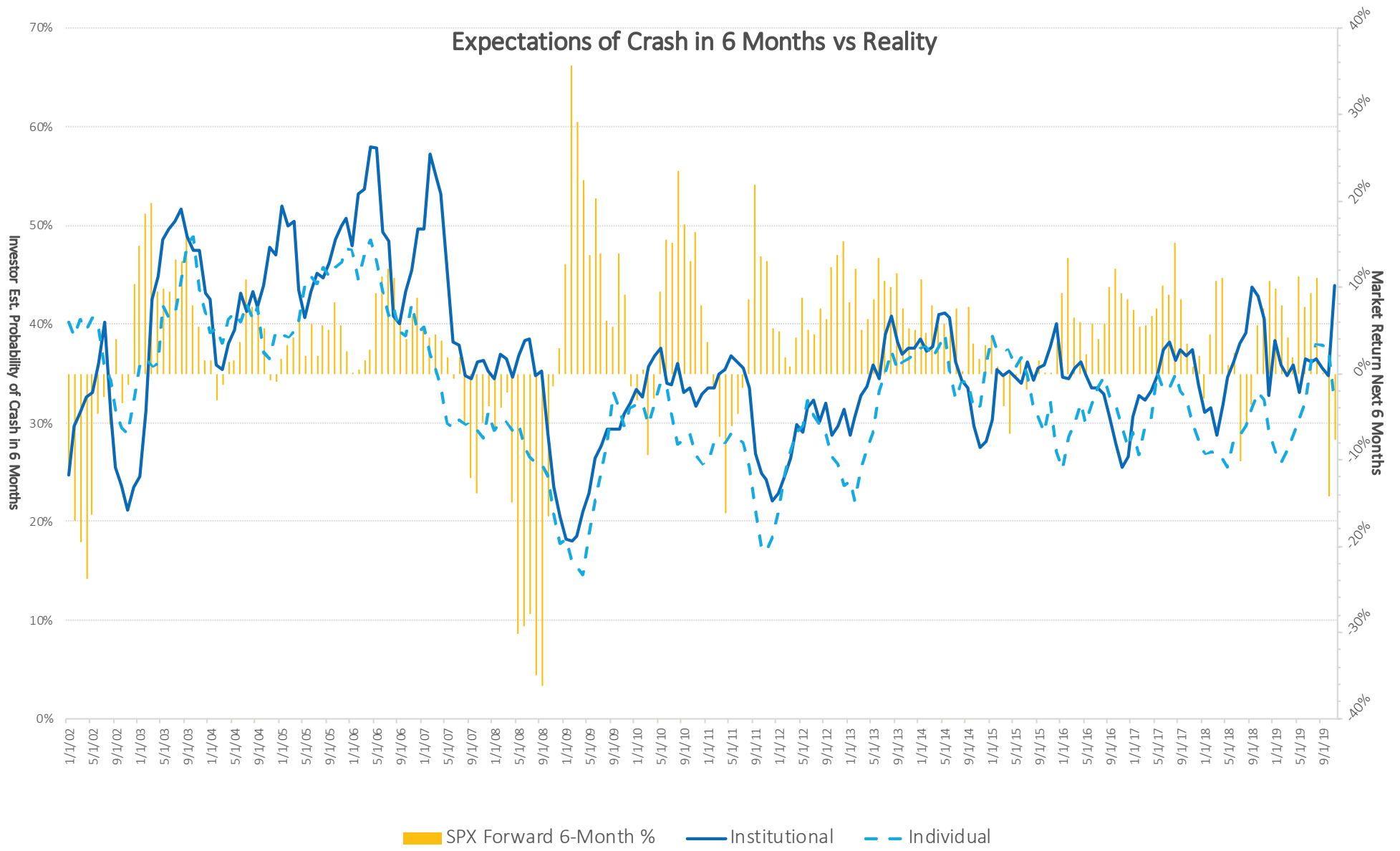
Prior to expiration, the option market is constantly estimating or "implying" via the option's price what the real volatility will be at the expiration of the option. In other words, "realized volatility" is the retrospective snapshot of the actual volatility of the underlying security when an option contract expires.

Volatility Risk Premium

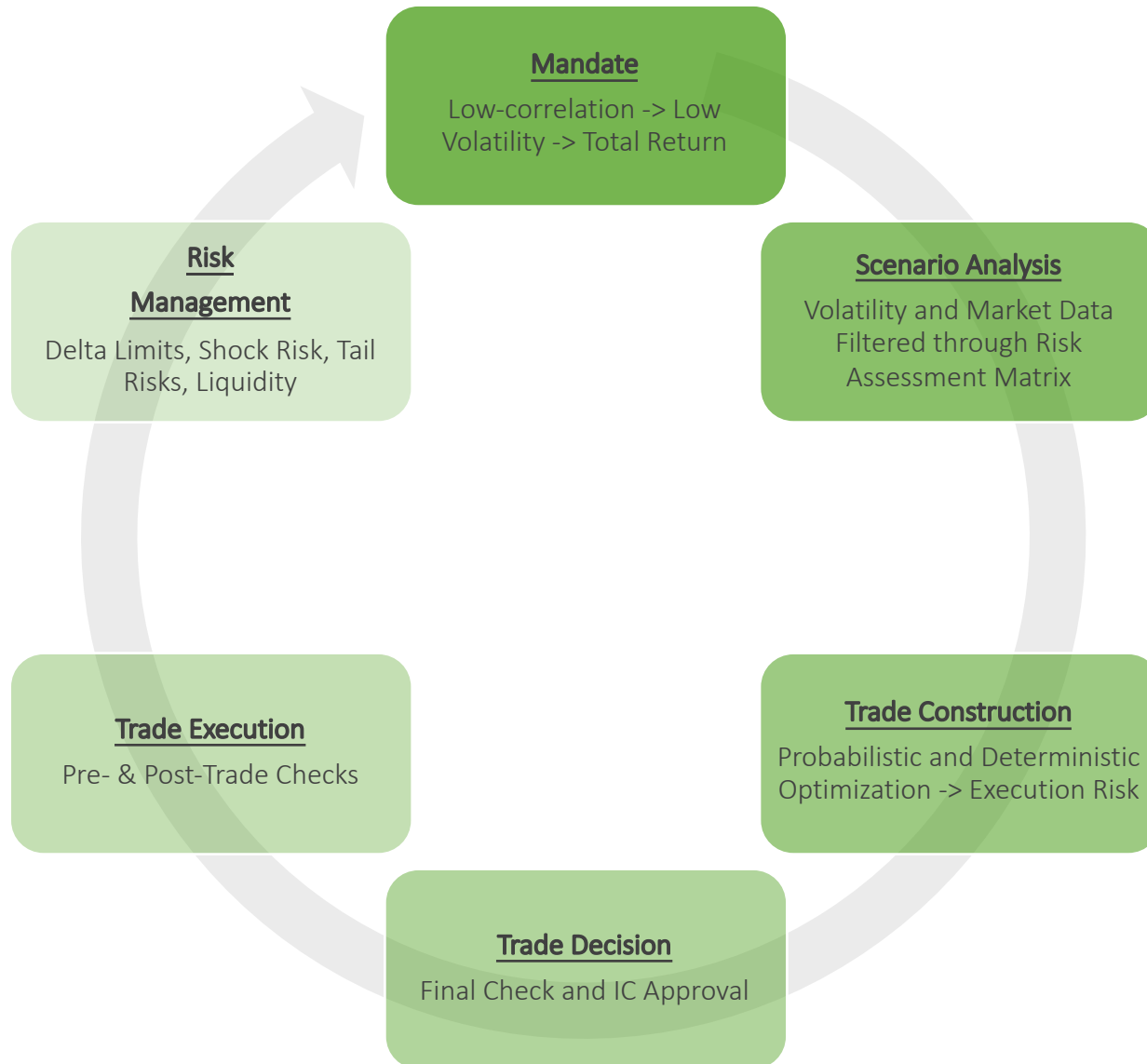
The volatility risk premium (VRP) represents the reward for bearing an asset's downside risk. It exists for the same basic reason as any insurance premium: investors seek downside risk mitigation against adverse events.

Investor demand for and value placed on such insurance is underpinned by risk aversion and the tendency to overestimate the probability of extreme market events. These investor traits may give rise to the ability to systematically harvest the VRP across time and markets.

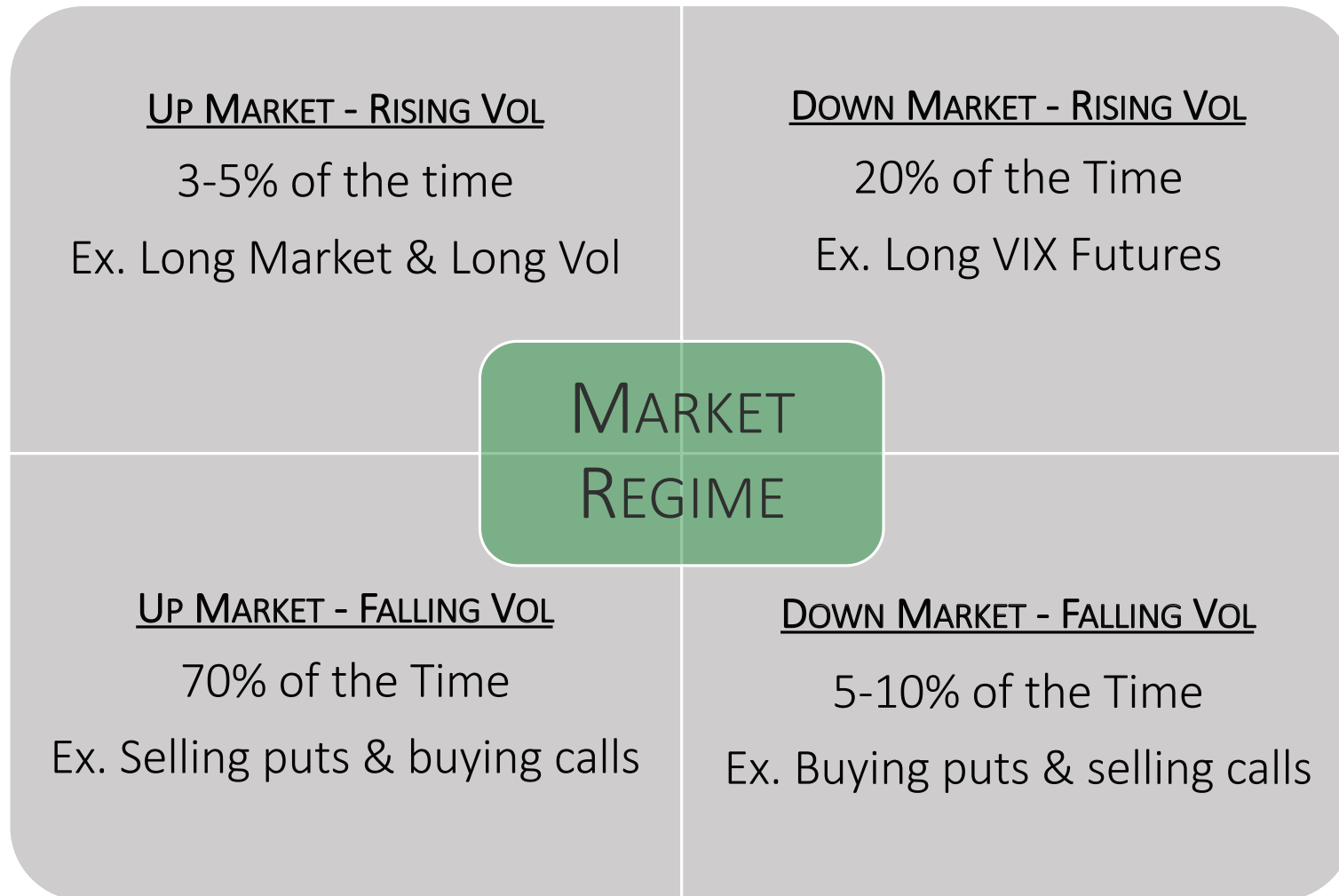
Investor Predictions: Expectation vs Reality



Portfolio Lifecycle



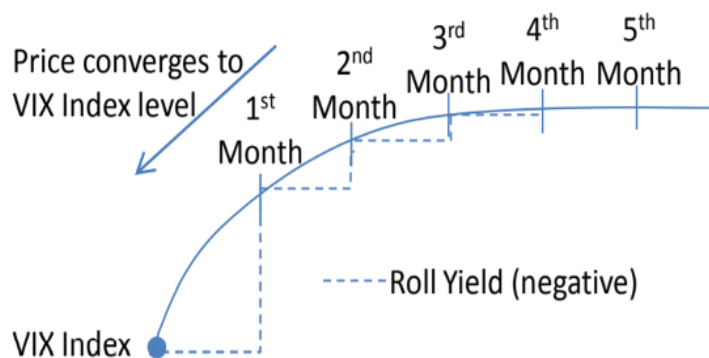
Markets Change...Trades Change



The Good, the Bad and the VIX

SELLERS AND BUYERS AGREE ON WHEN THE SELLER WILL DELIVER MONEY OR AN ASSET (I.E. OIL, PORK BELLIES, ORANGE JUICE, ETC.) AT A FUTURE DATE. HENCE WHY THEY ARE CALLED “FUTURES”.

FUTURES CURVE IN “CONTANGO”

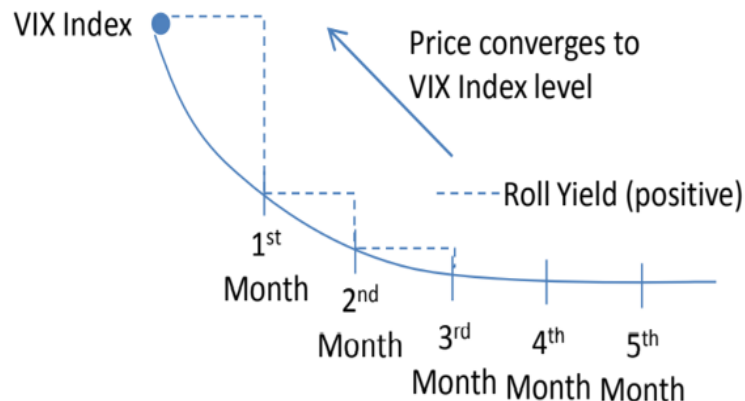


CONTANGO: WHEN THE FUTURE PRICE OF AN ASSET IS HIGHER THAN THE CURRENT (SPOT) PRICE.

WHY: A SELLER MAY WANT TO GUARANTEE A FUTURE PRICE FOR A COMMODITY OR FINANCIAL ASSET; A BUYER IS WILLING TO TAKE THAT RISK TO PROFIT FROM THE APPRECIATION OF AN ASSET.

WHAT: SELLERS CHARGE A HIGHER PRICE TO BUYERS TODAY TO OFFSET THE RISK OF LOSING FUTURE UPSIDE. BUYERS ARE WILLING TO PAY MORE TODAY IN THE EVENT FUTURE PRICES GO UP.

FUTURES CURVE IN “BACKWARDATION”

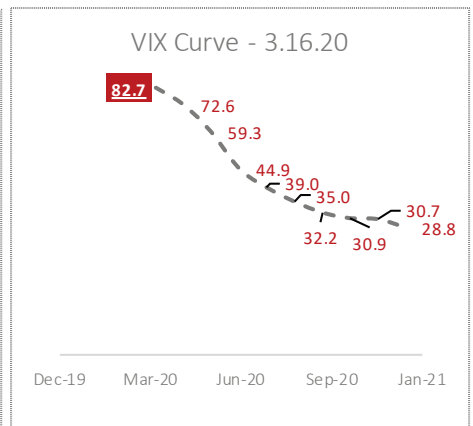
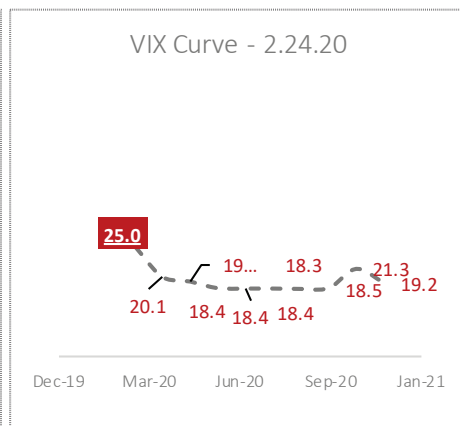
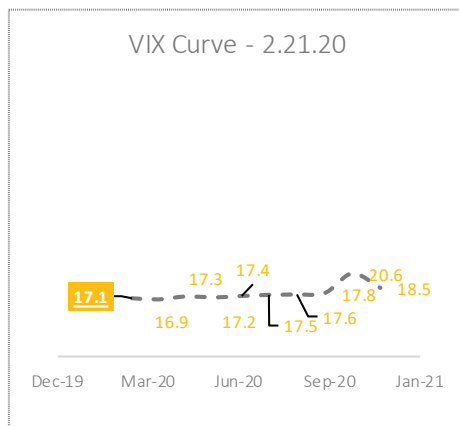
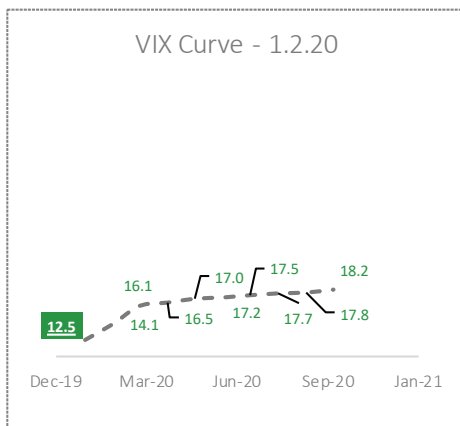
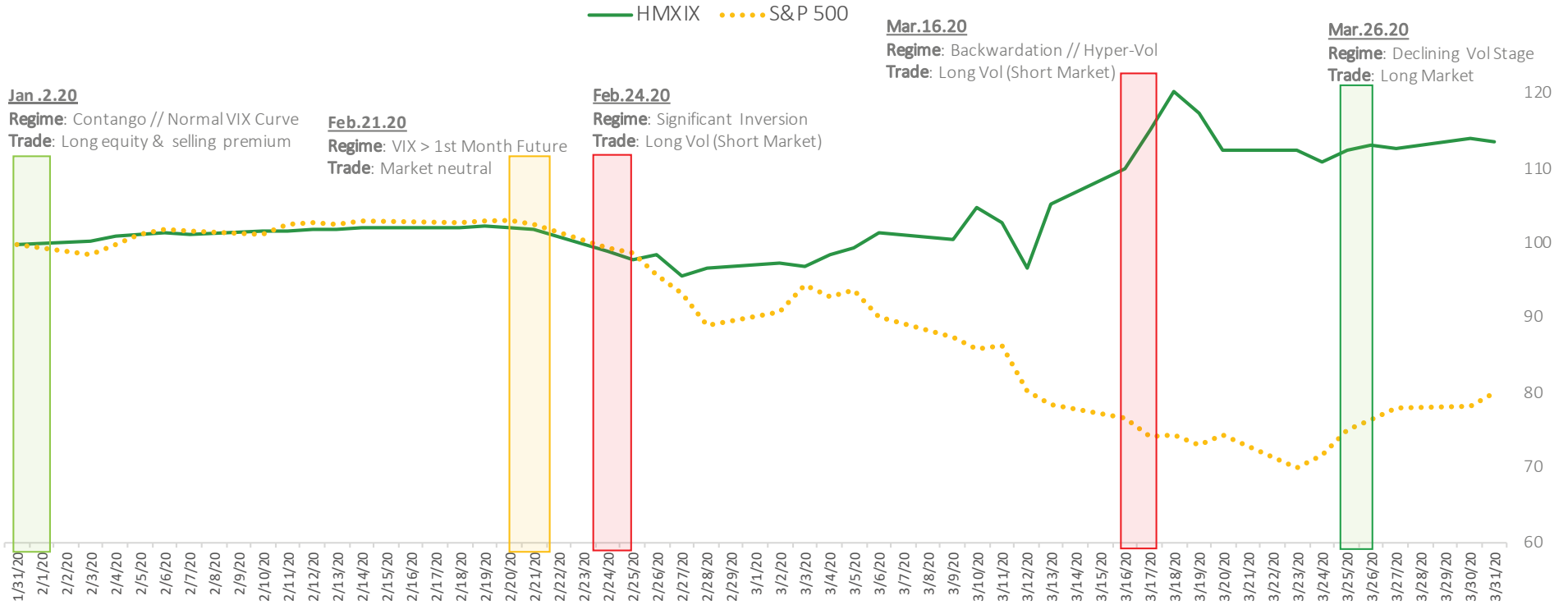


BACKWARDATION: WHEN THE FUTURE PRICE OF AN ASSET IS LOWER THAN THE CURRENT (SPOT) PRICE.

WHY: A SELLER BELIEVES AN ASSET’S PRICE WILL GO DOWN IN THE FUTURE; A BUYER NEEDS TO HEDGE RISK TODAY.

WHAT: SELLERS CHARGE A HIGHER PRICE TO BUYERS TODAY TO OFFSET THE RISK PRICES DECLINE TOMORROW. BUYERS ARE WILLING TO PAY MORE TODAY IN THE EVENT FUTURE PRICES GO UP.

FEB-MAR 2020 Trade Evolution



Complementary Allocation

LOW CORRELATION

| When S&P: | <u>HMXIX</u> | <u>AGG</u> | <u>SPX</u> |
|-----------------------|--------------|------------|------------|
| Up -> Correlation = | 31% | -3% | 100% |
| Up -> Avg. Return = | 1.2% | 0.2% | 2.7% |
| Down -> Correlation = | -35% | -12% | 100% |
| Down -> Avg. Return = | 0.2% | 0.4% | -3.5% |

ENHANCED REBALANCING

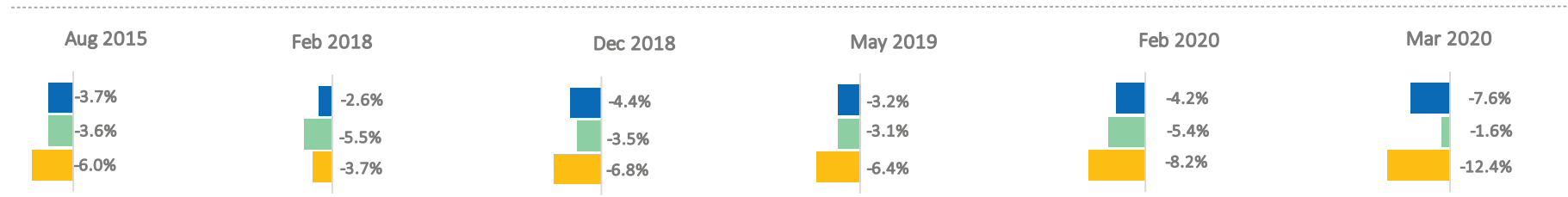
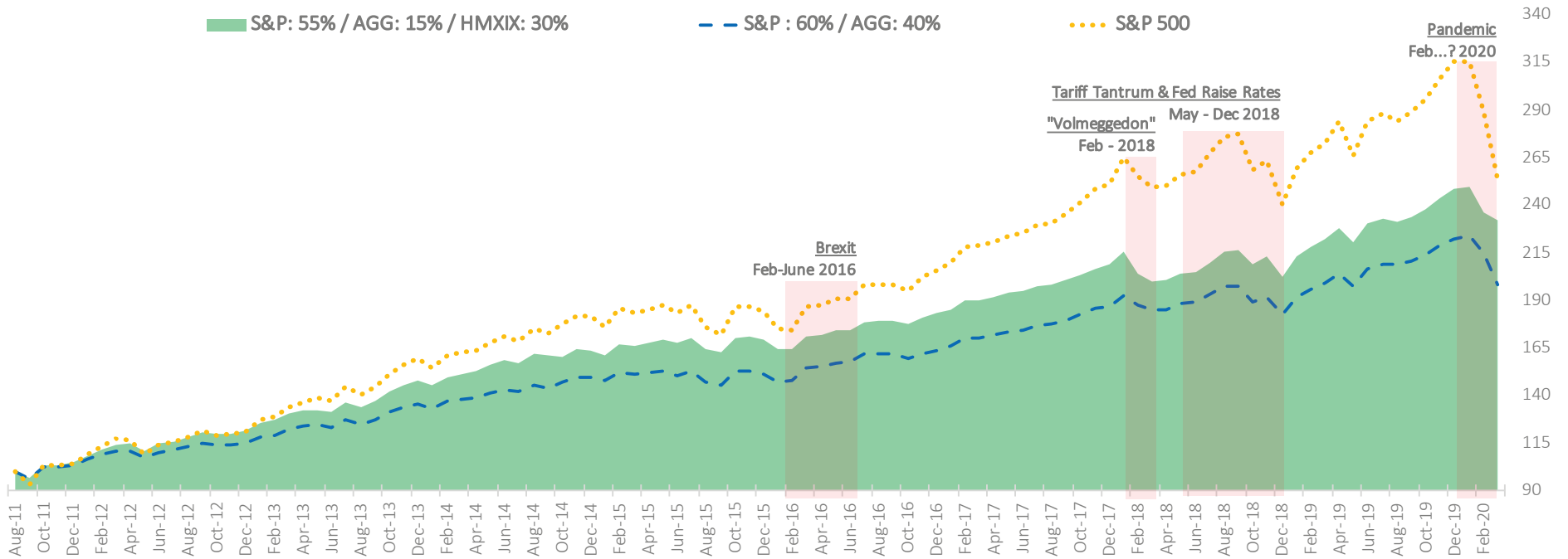
| HMXIX Drawdown Date | <u>HMXIX</u> | 12 Months Later | | |
|---------------------|----------------------|-----------------|--------------------|------------|
| | <u>Loss > -2%</u> | <u>HMXIX</u> | <u>S&P 500</u> | <u>AGG</u> |
| May-13 | -3.3% | 18.6% | 17.7% | 1.6% |
| Oct-14 | -5.2% | 8.9% | -3.0% | 1.8% |
| Feb-18 | -13% | 10.0% | 1.4% | 3.5% |

TAX EFFICIENCY

Morningstar assesses funds on their relative tax efficiency, giving each a tax-cost ratio. The tax-cost ratio is similar to a management fee. The average tax-cost ratio across all of equity funds is 1-1.2%. HMXIX's tax-cost ratio is .25%.

Example: Consider two funds returning 10% per year for 10 years. One fund with a .25% tax-cost ratio and another with 1.25%. Assuming a million dollars invested in each, the first would be worth \$2.53mm vs the second's of \$2.31mm. Taxes matter. A lot.

60/40 Risk-parity Scenario



| | Return | Standard Deviation | Sharpe Ratio | Sortino Ratio | Up Capture | Down Capture | Alpha | Beta | High Water | Drawdown Start | Max Drawdown | % Back to High |
|----------------------------------|--------|--------------------|--------------|---------------|------------|--------------|-------|------|------------|----------------|--------------|----------------|
| S&P : 60% / AGG: 40% | 8.3% | 7.6% | 1.00 | 1.71 | 59.7% | 59.9% | 1.4% | 0.59 | Jan 20 | Jan 20 | -11.6% | 13.1% |
| S&P: 55% / AGG: 15% / HMXIX: 30% | 10.3% | 7.6% | 1.27 | 2.30 | 66.4% | 56.6% | 3.7% | 0.56 | Jan 20 | Jan 20 | -7.3% | 7.9% |
| S&P 500 | 11.5% | 12.8% | 0.84 | 1.35 | 100.0% | 100.0% | 0.0% | 1.00 | Dec 19 | Dec 19 | -19.6% | 24.4% |

Summary & How to Invest

FOUR REASONS TO INVEST:

- Positive expected return of options can work in all market environments
- Equity-like returns with less volatility and low-correlation to the S&P 500
- Tax-efficient
- Cohesive investment process with experienced managers

HOW TO INVEST:

| <u>Share Class</u> | <u>Ticker</u> | <u>Minimum Investment</u> | <u>Gross Expense</u> | <u>Net Expense</u> |
|--------------------|---------------|---------------------------|----------------------|--------------------|
| Institutional | HMXIX | \$2,500 | 3.20% | 1.99% |
| Class A | HMXAX | \$2,500 | 3.47% | 2.24% |
| Class C | HMXCX | \$2,500 | 4.23% | 2.99% |

Bios

RUSSELL KELLITES

Work

Theta Capital Partners (Current)

Merrill Lynch & Co, Vice President

Goldman Sachs & Co, Associate

Education

Columbia University, BS, MS, MBA (Computer Science – Ai)

JEFF WYCOFF

Work

Theta Capital Partners (Current)

Fort Point Capital Partners, Co-founder

StratiFi, Co-founder

Education

UCLA