

## OBJECTIVE

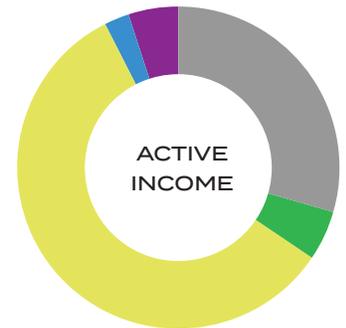
Astor Active Income employs a fundamental approach to income investing, assessing risk and opportunity across the capital market spectrum. The strategy is designed to complement traditional income strategies in a portfolio by using an active approach. The strategy seeks to find the asset mix that provides a more attractive yield-to-risk ratio compared to that of intermediate-term Treasury bonds.

## THE STRATEGY

- Analyzes macroeconomics, interest rates and credit data to make appropriate adjustments to duration, credit quality and equity income exposure in an effort to reduce volatility and minimize principal risk
- Attempts to add value through diversification and exposure adjustments to credit and duration in an effort to reduce the impact of adverse credit and rate conditions
- Aims to generate returns during any market environment; may invest in equity and other non-fixed income asset classes to complement the portfolio's overall fixed income view

## TARGET ALLOCATIONS

CATEGORY	OCTOBER 2020	SEPTEMBER 2020
High Yield	29.5%	29.5%
Senior Loan	5.0%	5.0%
Investment Grade	58.0%	58.0%
Cash	2.5%	2.5%
Treasury	5.0%	5.0%



CATEGORY	DURATION	HOLDING	SYMBOL	% TOTAL ASSETS
Investment Grade	Short-Term	iShares Short-Term Corporate Bond	IGSB	15.0%
Investment Grade	Short-Term	iShares Short Maturity Bond	NEAR	10.0%
High Yield	Intermediate	IQ S&P High Yield Low Volatility Bd	HYLV	9.0%
High Yield	Short-Term	PIMCO 0-5 Year High Yield Corp Bd	HYS	8.0%
Investment Grade	Intermediate	iShares Intermediate-Term Corp Bd	IGIB	8.0%
Investment Grade	Intermediate	Vanguard Short-Term Bond	BSV	7.0%
Investment Grade	Short-Term	Invesco Ultra Short Duration	GSY	7.0%
Investment Grade	Intermediate	iShares Core Total USD Bond Market	IUSB	6.0%
High Yield	Intermediate	VanEck Vectors Fallen Angel HiYld Bd	ANGL	5.0%
Investment Grade	Short-Term	iShares Floating Rate Bond	FLOT	5.0%
Senior Loan	Short-Term	First Trust Senior Loan	FTSL	5.0%
High Yield	Intermediate	iShares iBoxx High Yield Corp Bd	HYG	5.0%
Treasury	Intermediate	iShares TIPS Bond	TIP	5.0%
High Yield	Intermediate	JPMorgan High Yield Research Enh	JPHY	2.5%
Cash	Short-Term	USD Cash	-	2.5%

Data as of 10/31/2020

The presented data represents the target allocations, as determined by Astor's Investment Committee, for the referenced strategy and as of the stated time period. See additional disclosures for further information.

**Cash:** An allocation of uninvested U.S. dollars or an investment in an exchange-traded fund that invests primarily in short-term debt instruments.

**High Yield:** An investment in an exchange-traded fund that invests primarily in the category of debt instruments which have a higher risk of default and thus pay a higher yield. These debt instruments are rated below a certain level by the major credit rating agencies due and are also known as “junk bonds.” (For Moody’s rating scale this generally means bonds rated Ba and lower and for Standard & Poor’s, bonds rated BB and lower.)

**Senior Loan:** An investment in an exchange-traded fund that invests primarily in debt obligations issued by financial institutions who hold legal claim to the borrower’s assets above all other debt obligations.

**Investment Grade:** An investment in an exchange-traded fund that invests primarily in the category of debt instruments which are rated above a certain level by the major credit rating agencies due to their increased likelihood of meeting payment obligations. (For Moody’s rating scale this generally means bonds rated Baa and higher and for Standard & Poor’s, bonds rated BBB and higher.)

**Treasury:** An investment in an exchange-traded fund that invests primarily in the debt obligations of the United States government including notes, bills, bonds, and inflated-protected securities (TIPS).

**Duration:** A measure of the price sensitivity of a bond when interest rates fluctuate, expressed in years. Astor calculates a modified duration and classifies short-term as between 0-3 years, intermediate-term as 3-7 years, and long-term as 7+ years.

The securities and weights shown here represent the target allocations for the Active Income strategy. Any individual investor’s portfolio may be allocated differently than presented here due to many factors, including but not limited to, timing of entry into the investment program, discretionary decisions by the clients and referring advisors, the structure of the invested product, custodial limitations, and/or the manner in which trades are executed. Securities and weights are subject to change without notice.

The Active Income Strategy seeks to achieve its objectives by investing in Exchange-Traded Funds (“ETFs”). An ETF is a type of Investment Company which attempts to achieve a return similar to a set benchmark or index. The value of an ETF is dependent on the value of the underlying assets held. ETFs are subject to investment advisory and other expenses which results in a layering of fees for clients. As a result, your cost of investing in the Strategy will be higher than the cost of investing directly in ETFs and may be higher than securities with similar investment objectives. ETFs may trade for less than their net asset value. Although ETFs are exchanged traded, a lack of demand can prevent daily pricing and liquidity from being available.

The Strategy can purchase ETFs with exposure to equities, fixed income and Master Limited Partnerships (“MLPs”). The underlying investments of these ETFs will have different risks. Equity prices can fluctuate for a

variety of reasons including market sentiment and economic conditions. It is important to note bond prices move inversely with interest rates and fixed income ETFs can experience negative performance in a period of rising interest rates. Debt issuers may not make interest or principal payments, resulting in losses to the funds. In addition, the credit quality of securities held by an ETF or underlying fund may be lowered if an issuer’s financial condition changes. High yield bonds are subject to higher risk of principal loss due to an increased chance of default. MLPs involve different risks than investments in stocks due to the limited control and rights to vote for shareholders. MLPs are also subject to tax risk as a change in tax laws could impact the level of distributions made to investors.

The Strategy can also purchase unleveraged, inverse fixed income ETFs. Inverse ETFs attempt to profit from the decline of an asset or asset class by seeking to track the opposite performance of the underlying benchmark or index. Inverse products attempt to achieve their stated objectives on a daily basis and can face additional risks due to this fact. The effect of compounding over a long period can cause a large dispersion between the ETF and the underlying benchmark or index. Inverse ETFs may lose money even when the benchmark or index performs as desired. Inverse ETFs have potential for significant loss and may not be suitable for all investors.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the ETFs held within Astor’s strategies before investing. This information can be found in each fund’s prospectus.

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