CrossingBridge
Advisors, LLC

CrossingBridge Funds Q1 2024 Commentary

Getting off the Bench(mark)

The recent NCAA college basketball tournaments remind us that players regularly come off the bench to give their teams an extra boost. Many fixed income investors seem focused on capturing the benchmark rate of return yet are failing to acknowledge that on-the-run[1] credit spreads are very tight and may be undercompensating for risk.[2] In this market, with all of its uncertainties, it is imperative that credit investors get off the bench and find better ways to invest in fixed income Moreover, just as in basketball, this market will require both a strong defense, to protect capital, and an offense ready to identify and take advantage of scoring opportunities.

[1] "On-the-run" credit spreads are those implied by the yield of the most frequently traded credit instruments.
[2] There are many different types of risk including, but not limited to credit, interest rates (i.e. duration) and collateral (unsecured vs. secured, working capital vs. real estate).

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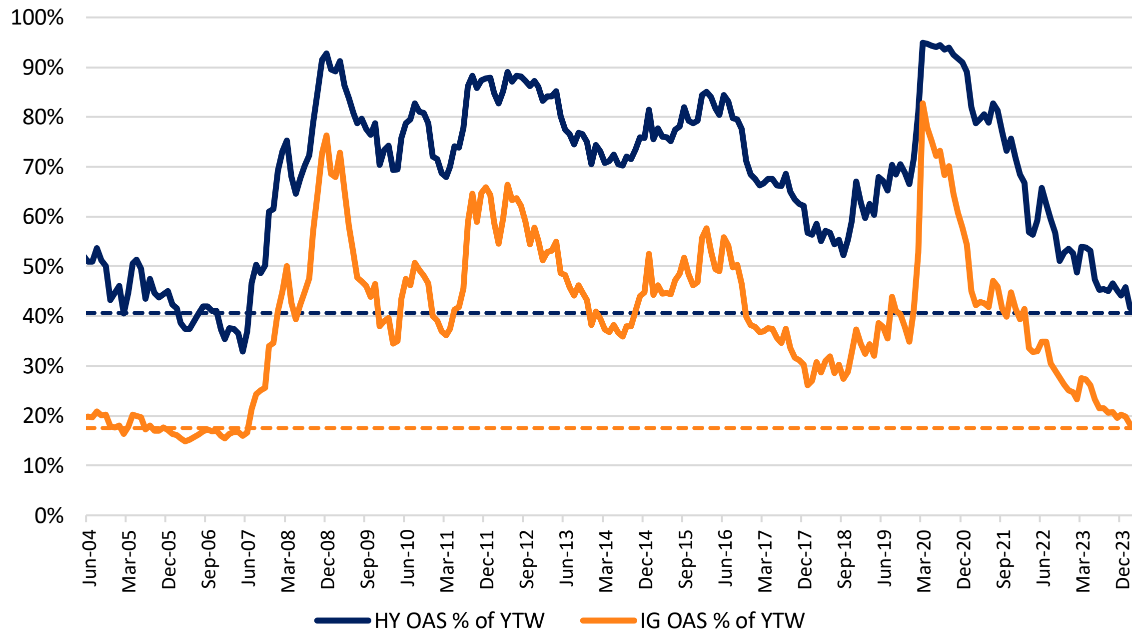

Fewer scoring opportunities - As shown above, credit spreads are near historic lows and, as a percentage of the total yield,[3] at their lowest level since the first half of 2007. Assuming everything goes according to the game plan, debt investors' expected return is highly correlated to U.S. Treasuries of similar maturity with little value associated with underwriting credit risk. This creates a conundrum for investors with disparate outcomes depending on the economy:

- Robust economy - Inflation may reignite causing rates to rise and bond prices to fall.
- "Soft Landing" – Investors' returns are similar to movement in Treasury rates.
- Weaker Economy – Credit spreads widen, likely causing corporate bond prices to fall.

[3] OAS divided by YTW. The yield-to-worst (YTW) of a fixed income security is the lowest possible yield that an investor would receive for a bond, based on its optional call schedule, without defaulting. The option-adjusted-spread (OAS) is the difference between the YTW of a fixed income security and the yield of a Treasury security of comparable maturity, adjusted for embedded options permitting the issuer to prepay the instrument.

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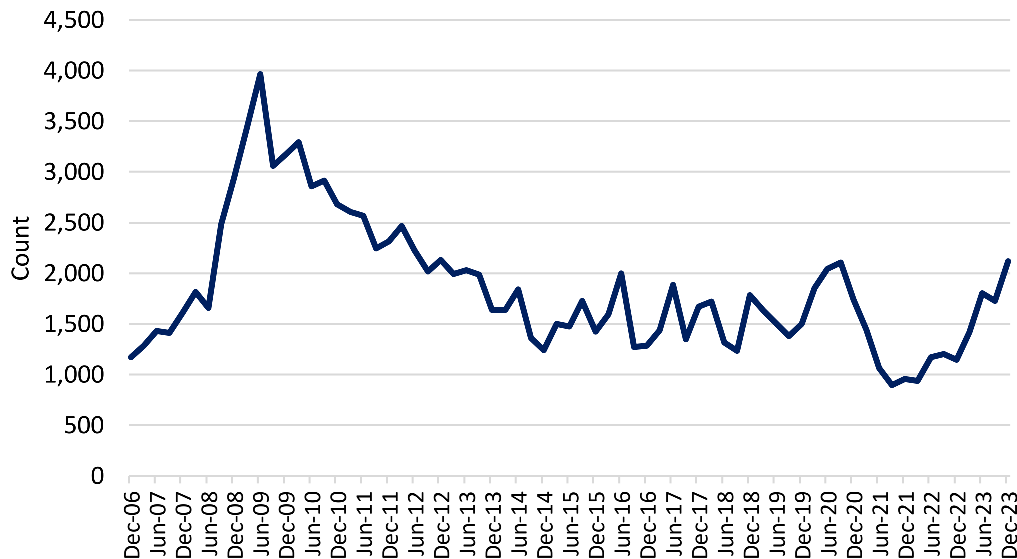
Distribution of BBB and BB Option-Adjusted Spreads 2004-24[B]

BBB Bonds	
Credit Spread (basis points)	% of months
less than 100	0%
100-150	35%
150-200	33%
more than 200	31%
Current	**117**

BB Bonds	
Credit Spread (basis points)	% of months
less than 200	3%
200-250	81%
250-300	7%
more than 300	9%
Current	**190**

Taking a more granular view, the table above shows the distribution of credit spreads for the lowest quality investment grade bonds (BBB) and the highest quality junk bonds (BB) over the last twenty years. Currently, BBB credit spreads are, on average, 117 basis points, lower than the average BBB credit spread in 92% of the monthly periods since 2/29/04.[C] Concurrently, BB credit spreads are lower than the level seen in 97% of the quarterly periods since 2004. Some high yield strategists have been pointing to the lowest quality performing segment, CCC-rated bonds, as an opportunity. However, investing in such low-quality credit requires a "full court press", a thorough examination of all aspects of the investment, in the hope of uncovering these mispriced opportunities overlooked by the rest of the market. At this point in the cycle, we have our doubts. A high yield salesperson who we respect and have known for over 25 years recently asked: "Can you guys do emerging markets? That's what all my distressed guys are doing because they can't find anything here." As none of our funds include emerging markets in their mandate and it is outside our core expertise, we will just stay in our lane without FOMO.[4]

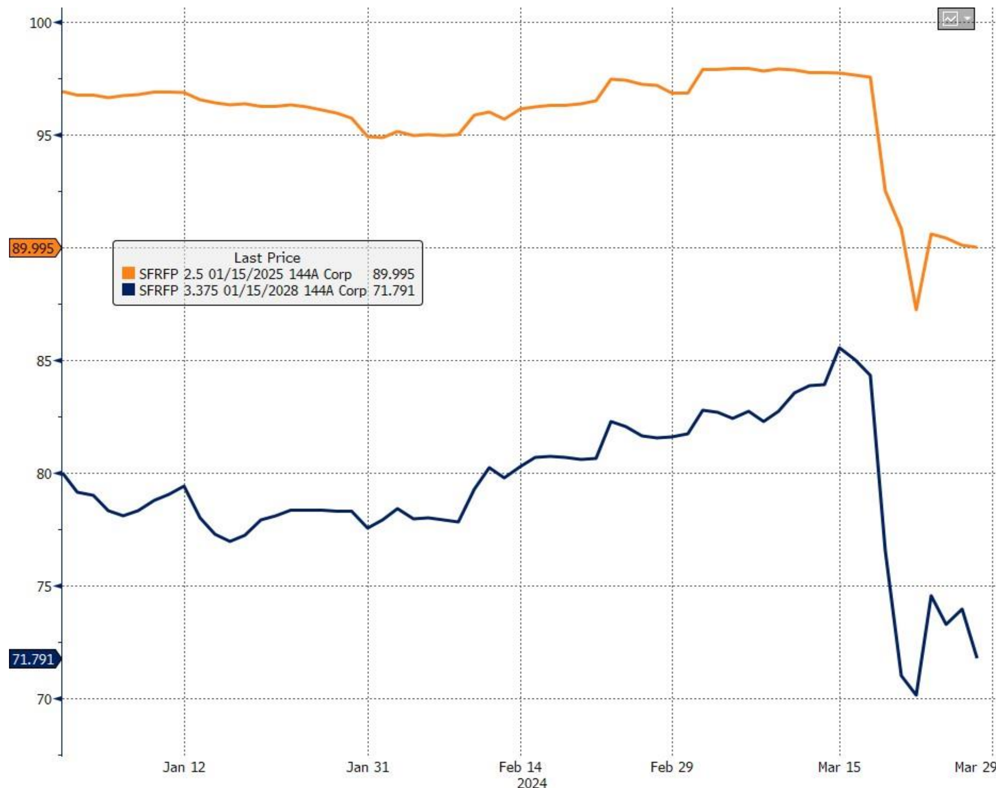
[4] "Fear of missing out."



<u>The best offense is a good defense</u> – Outperformance over the next year may be more a function of playing defense, defending one's capital, than going on offense and seeking to make a high-flying slam dunk – in low quality high yield or in emerging markets – every time down the court. Since 1Q22, when the Fed began raising rates to combat inflation, the number of new Chapter 11 filings in the U.S. has more than doubled. Elevated rates are stressing companies that have high levels of debt and are giving "sticker shock" to those that are financed with floating rate debt and/or must go to the high yield market to refinance. The higher cost of debt is largely a function of elevated underlying interest rates[5] as credit spreads, as discussed above, are tight, not yet reflecting the rise in credit risk suggested by the increase in total Chapter 11 filings. Recently, we have seen a surge in new issuance of investment grade, high yield and syndicated bank debt as companies strive to take advantage of tight credit spreads while pushing out their maturities, despite higher interest rates. This may turn out to be a prudent move by corporate treasurers.

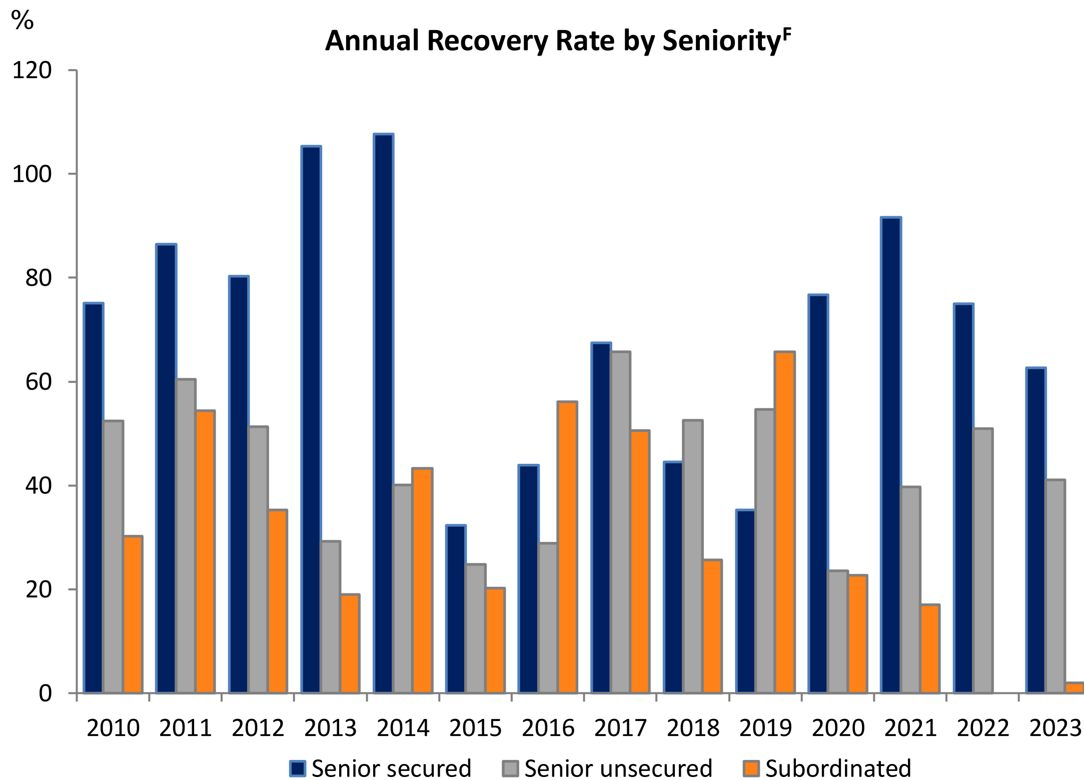
[5] The underlying rates for fixed rate instruments are U.S. Treasury rates. The underlying rates for floating rate loans are the one- or three-month Treasury rates or SOFR, the Secured Overnight Financing Rate.

Altice France
2.5% Secured Note due 1/15/25 versus
3.375% Secured Note due 1/15/28[E]



The clock is not your friend – Down five points with 15 seconds remaining on the clock, your team is likely to lose the game. For stressed companies and their bondholders, upcoming maturities may be the final buzzer. Reaching for yield in short maturity paper of stressed credits can be a dangerous play; longer-dated maturities of the same issuer trading at a substantial discount to par are often the tip-off. We refer to this activity as “Merry-Go-Round Investing.” Effectively, the short maturity investor is betting that they will get off the merry-go-round before time runs out. In March, two large European issuers, Intrum and Altice France, indicated that it may be difficult for them to pay off bonds maturing in 2024 and 2025 and needed to begin discussions with bondholders regarding a broader restructuring. Per the graph above, the announcement by Altice France’s management precipitated a sharp drop in the price for its 2025 secured bond and the company’s pari-passu 2028 bond which was already trading at a significant discount, suggesting distress. Nothing like a 10-point drop in your short-term bond to make

you queasy, realizing that you stayed on the merry-go-round too long.



Protect the ball - Do you want to invest at the top of the capital structure, the middle, or the bottom? As shown above, if defense, protection of capital, is a priority, investing in senior secured debt has provided the greatest level of safety, as demonstrated by the average recovery rate for distressed instruments, in the high yield market. That said, investors' demand for yield may be over-riding their interest in safety. In a recent Jefferies research report,[G] a comparison of the yield for pairs of secured and unsecured instruments issued by the same company revealed that, in some cases, investors were willing to give up the benefits of a secured claim and significantly lower leverage in order to capture as little as 6 basis points of incremental yield. A recent Barclays study[H] goes further, concluding that bond-level issue selection provides an enhancement to issuer selection in the context of actively managed fixed income portfolios. They go on to show that bonds of the same issuer may perform differently depending on their priority in the capital structure, issue size and market liquidity, variance in covenant protection, position in the maturity schedule, etc. Moreover, Barclays demonstrates that, after normalizing for

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several factors,[6] the potential to generate alpha via issue selection is greatest for lower quality bonds, particularly those rated CCC/Caa, where bond-specific factors drive greater variance in outcome. As bottom-up, value-driven investors we are fully aware of the benefits of issue and issuer selection.

Low Average Corporate Bond Prices Make Change-of-Control More Valuable[I]

You make your own luck by being prepared - With interest rates having fallen from their peak and a wide-open corporate bond market, we appear to be at the beginning of a resurgence in M&A after a very slow 2023. According to Morgan Stanley, globally listed non-financial corporations hold in excess of $5.6 trillion in cash and private equity investors have over $2.5 trillion of "dry powder" ready to be deployed into acquisitions.[J] Given that interest rates remain relatively high, the buyers are more likely to be corporations. However, if we see a decline in interest rates, we may also see a rise in acquisition activity among private equity sponsors. There are several ways that M&A can factor into event-driven credit investing. For instance, as shown above, bond prices for BBB and BB high yield bonds are, on average, trading below 100. An announcement that a high yield issuer is being acquired by an investment grade company would usually cause the target's bonds to quickly jump up toward 100 and, possibly, above par to trade in line with acquiror's bonds if it seems likely that that bond will remain outstanding after the merger is effective. Alternatively, the acquisition may trigger a change-of-control provision in a bond indenture allowing bondholders to demand repayment (usually at a price of 101) when the deal is completed. Although such terms are far more common in high yield bonds where 88% of indentures include this covenant, 28% of investment grade bonds (mostly among BBB bonds) also include them.[K] Thus, given the large cohort of corporate bonds trading below par, a rise in acquisition

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[6] Barclays normalizes for the number of bonds per issuer, liquidity effects, and spread curve effects.

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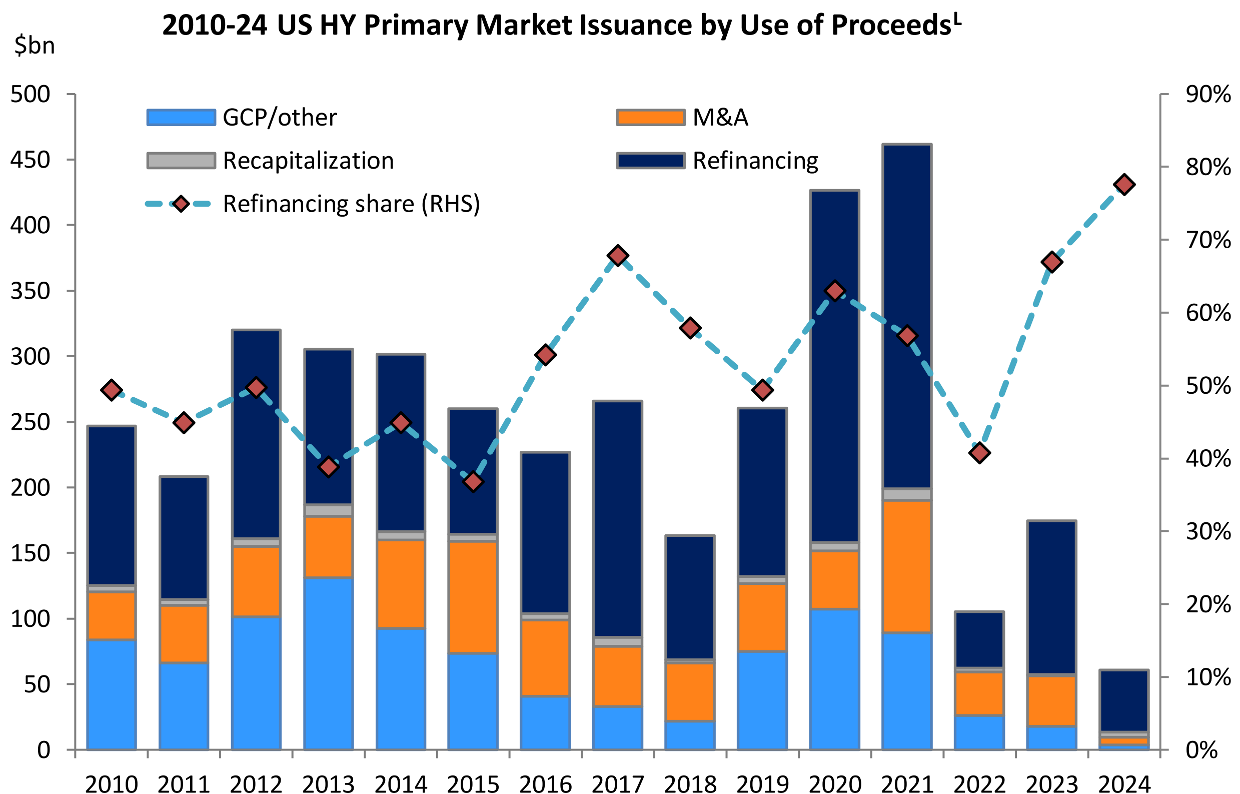
activity may be a catalyst for significant upside. We are on the lookout for high quality debt, with change-of-control "puts"[7], of potential acquisition targets trading at benchmark yields with the hope that we get lucky. Conversely, bonds that lack change-of-control covenants, often investment grade credits, are at risk of a sudden price decline if the issuer is acquired by a high yield credit or a private equity sponsor who intends to add leverage and leave the bonds outstanding – sometimes called "screwing the bondholder" for the benefit of shareholders. 😉

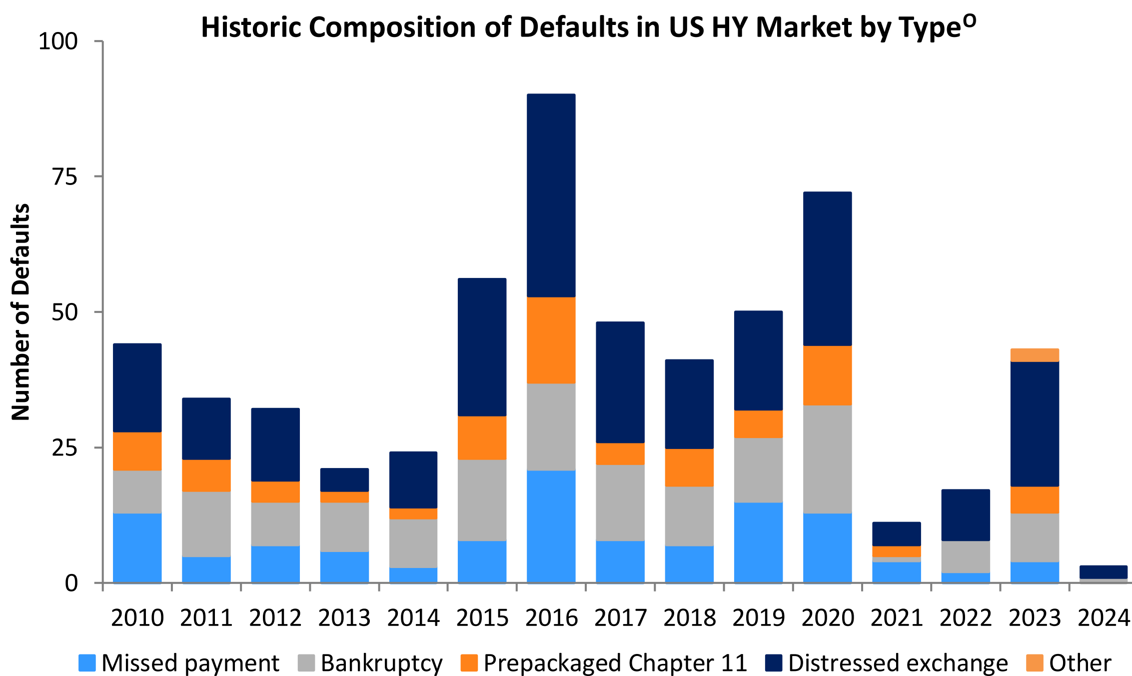


__Anticipate where the ball is going__ - According to Goldman Sachs,[M] a record high 78% of high yield capital raised year-to-date in 2024 has been used to refinance upcoming maturities. Meanwhile, as noted above, a significant portion of the high yield bond market is trading at a discount to par due to the rise in interest rates. Thus, the YTW for a bond, which equals the yield-to-maturity (YTM) for bonds trading below par, may be understating the likely yield to be realized for a given bond if one anticipates it being repaid before the bond "goes current", one year before maturity. Typically, companies prefer to

[7] A change-of-control "put" would give the bondholder the ability to put the bond to the issuer i.e. require it to repay the bond upon completion of the issuer's sale, subject to specified conditions.

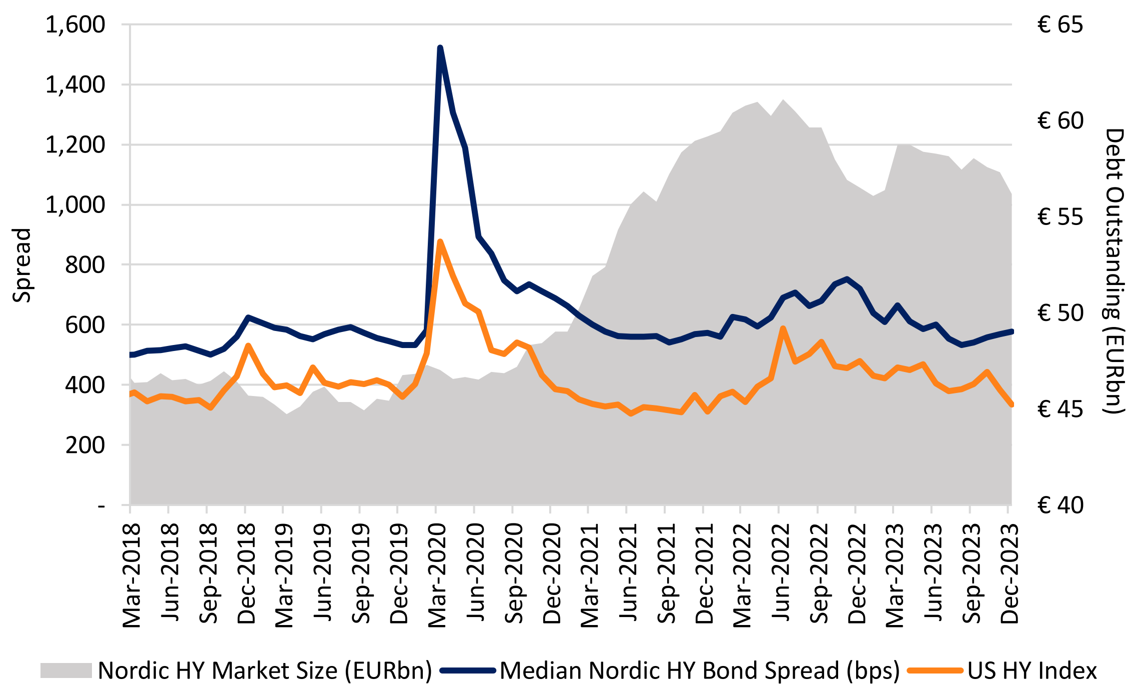
refinance their debt at least one year prior to maturity to avoid showing a large block of current debt on their balance sheet, which might raise concerns for their auditors. As such, one of our approaches has been to focus on bonds and loans based on their "yield-to-go-current", anticipating an early refinancing. According to Barclays,[N] high yield bonds that are repaid 12 months prior to maturity capture, on average, 45 basis points of incremental yield over the market's average YTM.

Due to the inversion of the yield curve, some companies have an arbitrage opportunity to refinance their short-dated maturities via defeasance. By issuing long term debt and using the proceeds to invest in money market securities and U.S. Treasuries set aside to defease outstanding short-term debt, they are able to take advantage of high short-term rates while successfully pushing out their debt maturities. In these cases, we sometimes find attractive opportunities to invest in short-term high yield bonds that are fully collateralized by cash alternatives.



Rebounding turns into scoring opportunities - The rise in defaults and restructurings in 2023 and 2024 is presenting us with opportunities for rebounds as we often find that post-reorg debt can be attractive. Taking a "time out" during restructuring, companies will often aggressively cut costs, refine their business plans and, most importantly, reduce leverage. The financial restructuring, either in or out of court, often leads to the exchange of new debt for old or the issuance of new debt to repay creditors

and fund the company following the reorganization. Typically, this new debt, crafted by vulture investors and restructuring professionals, has tight covenant packages designed to control the company's cash flow and prevent further distress. Because the credit is tainted by its troubled history, the investor base for post-reorg debt is often limited, leading to higher coupons. Also, following a restructuring, many lenders, including CLOs and hedge funds, who have received new debt in exchange for their pre-reorg claims, become "un-natural holders", primed to sell. We often find these investment candidates attractive as, once the restructuring has been completed, the company has a better, cleaner capital structure, giving it a fresh start.



<u>There are good players overseas</u> - Having been involved in the Nordic high yield market since the mid-2000s, we have developed our knowledge base and found opportunities in bonds with better credit metrics, higher yields and better covenants than we find in the U.S. high yield market. By comparison to the U.S. market which has approximately $1.4 tn in bonds outstanding, the Nordic market is tiny, but growing fast, from less than €14.0 bn in 2007 to over €56.0 bn in 2023. So far, we have found sufficient new issuance activity and secondary market liquidity to justify our participation in this market. With respect to yield, the graph above shows that the average credit spread for Nordic high yield bonds has

been consistently higher than the option-adjusted spread of the ICE BofA US High Yield Index, on average by 211 basis points, since early 2018. In its earlier days, the Nordic market was highly concentrated in oil & gas and shipping but is much more diverse today. Shipping represents about 7% of the market and oil & gas represents approximately 16%.[Q] The typical Nordic high yield credit has lower net leverage than we find in the U.S. Nordic bonds generally have 3- to 5-year maturities, are floating rate, are secured by assets and provide strong bondholder protections including debt incurrence and dividend limitations and, sometimes, maintenance requirements (e.g. minimum liquidity). The Nordic bond market reminds us of the leveraged loan market of the early 1990s when investors achieved significantly better returns with less risk than the leveraged loans we see today.

	CBUDX	CBLDX	CBRDX	RSIIX
Yield to Worst (YTW)	6.74%	8.38%	8.99%	9.07%
YTW Duration	0.41	0.78	0.80	1.31
Yield to Maturity (YTM)	6.81%	8.94%	9.59%	10.29%
YTM Duration	0.75	1.53	2.03	2.26
Yield Extension	0.07%	0.56%	0.60%	1.22%
Duration Extension	0.34	0.75	1.23	0.95
Investment Grade	72.42%	35.62%	21.42%	13.67%
High Yield	24.51%	61.07%	70.72%	79.74%
Cash & Other	3.07%	3.31%	7.86%	6.59%
Floating Rate	19.53%	27.18%	38.68%	33.24%
Leveraged Loans	4.55%	11.11%	21.88%	21.34%
Foreign Exposure	19.68%	30.96%	31.11%	26.31%
Dry Powder	**53.77%**	**29.03%**	**29.34%**	**19.54%**

**Dry Powder is defined as cash, cash equivalents, pre-merger SPACs, and maturities of 90 days or less*

Positioning is critical – The table above provides some key metrics reflecting portfolio positioning at quarter end. We continue to take advantage of the inverted yield curve, favoring the high income from the short end of the curve rather than speculating on the timing and magnitude of Fed rate cuts for an uncertain total return. As part of our defensive strategy, we are emphasizing investments higher up in the capital structure and foreign corporate debt. In our 4Q23 letter, we discussed the potential for volatility in the markets due to “a convergence of economic, political, social, and technological transformation.”

This view has not changed. Thus, we are actively managing our "dry powder" to remain nimble to take advantage of opportunities should they arise.

We are energized by our fans and encourage our investors to reach out to discuss our strategies in more detail.

There are no slam dunks,

David K. Sherman and the CrossingBridge team

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Endnotes

[A] Bloomberg, option-adjusted credit spread and yield-to-worst for the ICE BofA US High Yield Index and the ICE BofA US Corporate Index from 6/30/04 to 3/31/24
[B] Bloomberg, ICE BofA BBB US Corporate Index and BB US High Yield Index, data from 2/29/04 to 3/31/24
[C] Bloomberg, ICE BofA BBB US Corporate Index and BB US High Yield Index, data from 2/29/04 to 3/31/24
[D] Bloomberg <BANBT11>, US New Bankruptcy Cases Chapter 11 Filings
[E] Bloomberg, Altice France 2.5% Secured Note due 1/15/25 and 3.375% Secured Note due 1/15/28, price history from 12/31/23 to 3/28/24
[F] *In refi mode*, Goldman Sachs, March 7, 2024, annual data from 2010 to 2023
[G] *JEF LBO Monitor*, Jefferies, March 27, 2024
[H] *Value of bond versus issuer selection in credit*, Barclays, February 5, 2024
[I] *The Return of M&A* (presentation), Morgan Stanley, March 11, 2024
[J] *The Return of M&A*, Morgan Stanley, March 4, 2024
[K] *The Return of M&A*, Morgan Stanley, March 4, 2024
[L] *In refi mode*, Goldman Sachs, March 7, 2024, annual data from 2010 through February 2024
[M] *In refi mode*, Goldman Sachs, March 7, 2024
[N] *More yield than meets the eye*, Barclays, February 23, 2024
[O] *In refi mode*, Goldman Sachs, March 7, 2024, annual data from 2010 through February 2024
[P] *Nordic Bond Report*, Pareto Securities, January 30, 2024, the spread-to-worst over the Swedish Krona benchmark bond yield as per the Pareto Securities Scandinavian Fixed Income and Research High Yield Index and the option-adjusted spread for the ICE BofA US High Yield Index, data from 2/28/18 to 12/29/23
[Q] *Nordic Bond Report*, Pareto Securities, January 30, 2024

SEC Yields as of 3/31/24:
CrossingBridge Low Duration High Yield Fund (CBLDX): 8.23%/8.23%
CrossingBridge Ultra-Short Duration Fund (CBUDX): 6.30%/6.20%
CrossingBridge Responsible Credit Fund (CBRDX): 8.57%/8.02%
RiverPark Strategic Income Fund (RSIIX): 9.14%/9.14%

Disclosures

Must be preceded or accompanied by a prospectus. The prospectus for the CrossingBridge Ultra-Short Duration Fund, CrossingBridge Low Duration High Yield Fund, CrossingBridge Responsible Credit Fund, and RiverPark Strategic Income Fund can be found by clicking here. To obtain a hardcopy of the prospectus, call 855-552-5863. Please read and consider the prospectus carefully before investing. Per rule 30e-3, the fiscal Q1 holdings and Q3 holdings can be found by clicking on the respective links.

The prospectus for the CrossingBridge Pre-Merger SPAC ETF can be found by clicking here. The Statement of Additional Information (SAI) can be found by clicking here. To obtain a hardcopy of the prospectus, call 855-552-5863. Please read and consider the prospectus carefully before investing.

The funds are offered only to united states residents, and information on this site is intended only for such persons. Nothing on this website should be considered a solicitation to buy or an offer to sell shares of the fund in any jurisdiction where the offer or solicitation would be unlawful under the securities laws of such jurisdiction.

CrossingBridge mutual funds' disclosure: mutual fund investing involves risk. Principal loss is possible. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Because the fund may invest in ETFs and ETNs, they are subject to additional risks that do not apply to conventional mutual fund, including the risks that the market price of an ETF's and ETN's shares may trade at a discount to its Net Asset Value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. The value of ETN's may be influenced by the level of supply and demand for the ETN, volatility and lack of liquidity. The fund may invest in derivative securities, which derive their performance from the performance of an underlying asset, index, interest rate or currency exchange rate. Derivatives can be volatile and involve various types and degrees of risks, and, depending upon the characteristics of a particular derivative, suddenly can become illiquid. Investments in asset backed, mortgage backed, and collateralized mortgage backed securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. Investing in commodities may subject the fund to greater risks and volatility as commodity prices may be influenced by a variety of factors including unfavorable weather, environmental factors, and changes in government regulations. Shares of closed-end fund frequently trade at a price per share that is less than the nav per share. There can be no assurance that the market discount on shares of any closed-end fund purchased by the fund will ever decrease or that when the fund seeks to sell shares of a closed-end fund it can receive the nav of those shares. There are greater risks involved in investing in securities with limited market liquidity.

CrossingBridge Pre-Merger SPAC ETF disclosure: investing involves risk; principal loss is possible. The fund invests in equity securities and warrants of SPACs. Pre-combination SPACs have no operating history or ongoing business other than seeking

combinations, and the value of their securities is particularly dependent on the ability of the entity's management to identify and complete a profitable combination. There is no guarantee that the SPACs in which the fund invests will complete a combination or that any combination that is completed will be profitable. Unless and until a combination is completed, a SPAC generally invests its assets in U.S. Government securities, money market securities, and cash.
Public stockholders of SPACs may not be afforded a meaningful opportunity to vote on a proposed initial combination because certain stockholders, including stockholders affiliated with the management of the SPAC, may have sufficient voting power, and a financial incentive, to approve such a transaction without support from public stockholders. As a result, a SPAC may complete a combination even though a majority of its public stockholders do not support such a combination. Some SPACs may pursue combinations only within certain industries or regions, which may increase the volatility of their prices. The fund may invest in SPACs domiciled or listed outside of the U.S., including, but not limited to, Canada, the Cayman Islands, Bermuda and the Virgin Islands. Investments in SPACs domiciled or listed outside of the U.S. May involve risks not generally associated with investments in the securities of U.S. SPACs, such as risks relating to political, social, and economic developments abroad and differences between U.S. And foreign regulatory requirements and market practices. Further, tax treatment may differ from U.S. SPACs and securities may be subject to foreign withholding taxes. Smaller capitalization SPACs will have a more limited pool of companies with which they can pursue a business combination relative to larger capitalization companies. That may make it more difficult for a small capitalization SPAC to consummate a business combination. Because the fund is non-diversified it may invest a greater percentage of its assets in the securities of a single issuer or a smaller number of issuers than if it were a diversified fund. As a result, a decline in the value of an investment in a single issuer could cause the fund's overall value to decline to a greater degree than if the fund held a more diversified portfolio.

Definitions: The S&P 500, or simply the S&P, is a stock market index that measures the stock performance of 500 large companies listed on stock exchanges in the united states. The **ICE BOFA Investment Grade Index** tracks the performance of us dollar denominated investment grade rated corporate debt publicly issued in the us domestic market. The **ICE BOFA High Yield Index** tracks the performance of us dollar denominated below investment grade rated corporate debt publicly issued in the us domestic market. The **ICE BofA BBB US Corporate Index**, a subset of the ICE BofA US Corporate Master Index tracking the performance of US dollar denominated investment grade rated corporate debt publicly issued in the US domestic market. This subset includes all securities with a given investment grade rating BBB. The **ICE BofA US Corporate BB Index**, a subset of the ICE BofA US High Yield Master II Index tracking the performance of US dollar denominated below investment grade rated corporate debt publicly issued in the US domestic market. This subset includes all securities with a given investment grade rating BB. **EBITDA** is a company's earnings before interest, taxes, depreciation, and amortization is an accounting measure calculated using a company's earnings, before interest expenses, taxes, depreciation, and amortization are subtracted, as a proxy for a company's current operating profitability. **A Basis Point (BP)** is 1/100 of one percent. **Pari-Passu** is a Latin term that means 'on equal footing' or 'ranking equally'. It is an important clause for creditors of a company in financial difficulty which might become insolvent. If the company's **debts** are **Pari-Passu**, they are all ranked equally, so the company pays each creditor the same amount in insolvency. **LIBOR** is the average interbank interest rate at which a selection of banks on the London money market are prepared to lend to one another. **Yield to Maturity (YTM)** is the total return anticipated on a bond (on an annualized basis) if the bond is held until it matures. **Free Cash Flow (FCF)** is the cash a company produces through its operations, less the cost of expenditures on assets. In other words, Free Cash Flow is the cash left over after a company pays for its operating expenses and capital expenditures. **Duration** is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates. **Debtor-in-Possession (DIP)** financing is a special kind of financing meant for companies that are in bankruptcy. Only companies that have filed for bankruptcy protection under chapter 11 are allowed to access dip financing, which usually happens at the start of a filing. Dip financing is used to facilitate the reorganization of a

Debtor-in-Possession (the status of a company that has filed for bankruptcy) by allowing it to raise capital to fund its operations as its bankruptcy case runs its course. **Yield to Call (YTC)** refers to the return a bondholder receives if the bond is held until the call date, which occurs sometime before it reaches maturity. The SEC Yield is a standard yield calculation developed by the U.S. Securities and Exchange Commission (SEC) that allows for fairer comparisons of bond funds. It is based on the most recent 30-day period covered by the fund's filings with the SEC. The yield figure reflects the dividends and interest earned during the period after the deduction of the fund's expenses. It is also referred to as the "standardized yield." **Yield to Worst** is the yield on the portfolio if all bonds are held to the worst date; Yield to Worst date is the date of lowest possible yield outcome for each security without a default.

ETF definitions: the ICE BOFA 0-3 Year U.S. Treasury Index tracks the performance of U.S. dollar denominated sovereign debt publicly issued by the U.S. government in its domestic market with maturities less than three years. **Gross Spread** is the amount by which a SPAC is trading at a discount or premium to its pro rata share of the collateral trust value. For example, if a SPAC is trading at $9.70 and shareholders' pro rata share of the trust account is $10.00/share, the SPAC has a gross spread of 3% (trading at a 3% discount). **Yield to Liquidation:** similar to a bond's yield to maturity, SPACs have a yield to liquidation/redemption, which can be calculated using the gross spread and time to liquidation. **Maturity:** similar to a bond's maturity date, SPAC also have a maturity, which is the defined time period in which they have to complete a business combination. This is referred to as the **Liquidation or Redemption Date.** Price refers to the price at which the ETF is currently trading. The sec yield is a standard yield calculation developed by the U.S. Securities and Exchange Commission (SEC) that allows for fairer comparisons of bond funds. It is based on the most recent 30-day period covered by the fund's filings with the SEC. The yield figure reflects the dividends and interest earned during the period after the deduction of the fund's expenses. It is also referred to as the "standardized yield." **Weighted Average Life** refers to the weighted average time until a portfolio of SPACs' Liquidation or Redemption Dates.

Fund holdings and sector allocations are subject to change and should not be considered recommendations to buy or sell any security. Any direct or indirect reference to specific securities, sectors, or strategies are provided for illustrative purposes only. When pertaining to commentaries posted by CrossingBridge, it represents the portfolio manager's opinion and is an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the fund or any security in particular. Specific performance of any security mentioned is available upon request.

Any performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 914-741-1515. Please find the most current standardized performance for each fund as of the most recent quarter-end by clicking the following links: Crossingbridge Low Duration High Yield Fund, CrossingBridge Ultra-Short Duration Fund, CrossingBridge Responsible Credit Fund, RiverPark Strategic Income Fund, CrossingBridge Pre-Merger SPAC ETF.

All performance data greater than 1 year is annualized.

Diversification does not assure a profit nor protect against loss in a declining market.

A stock is a type of security that signifies ownership in a corporation and represents a claim on part of the corporation's assets and earnings. A bond is a debt investment in which an investor loans money to an entity that borrows the fund for a defined period of time at a fixed interest rate. A stock may trade with more or less liquidity than a bond depending on the number of shares and bonds outstanding, the size of the company, and the demand for the securities. The Securities and Exchange Commission (SEC) does not approve, endorse, nor indemnify any security. Duration is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

Tax features may vary based on personal circumstances. Consult a tax professional for additional information.

The CrossingBridge Ultra-Short Duration Fund, CrossingBridge Low Duration High Yield Fund, CrossingBridge Responsible Credit Fund, and RiverPark Strategic Income Fund are distributed by Quasar Distributors, LLC.

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