

# State Funds Enhanced Ultra Short Duration Mutual Fund

**STATX**

MUTUAL FUND SYMBOL:

As of July 27<sup>th</sup>, 2018

## Investment Approach

- The fund seeks to provide current income consistent with preservation of capital and daily liquidity.
- The major holdings are 3 Month US Treasuries. In order to increase income, the fund is permitted to enter into fixed/variable interest rate securities lending, Repurchase & Reverse Repurchase agreements with banks, broker/dealers, institutional investors, institutional investment manager(s), mutual funds, insurance and/or reinsurance companies as explained herein:
  - **Repurchase and Reverse Repurchase transactions** – those are transactions in which the fund purchases securities as either lender or borrower **with the agreement to sell them at a higher price** at a specific future date.
  - **Securities Lending transactions** - Securities Lending transactions allow a Fund to retain ownership of the securities loaned and, at the same time, **earn additional income from fees paid by borrowers.**

## Securities Lending Transaction Example

- ✓ Fund receives securities lending collateral which is limited to (i) 102% cash or (ii) 102% - 115% US Government Securities.
- ✓ Fund lends its 3 Month Treasury bills and receives a lending fee which is paid to the fund and distributed as a dividend to investors.
- ✓ The Collateral is marked to market daily which means the fund uses a daily collateral settlement method which ensures that the fund will always have excess collateral (over-collateralized) to secure its activity. Please see fund's prospectus for further details.

## Frequent Dividend Policy

- ✓ The Fund distributes substantially all of its net investment income and net capital gains to shareholders in the form of dividends
- ✓ The Fund intends to declare and distribute income dividends weekly, bi-weekly or monthly to shareholders of record

Performance Table with different time periods ending at June 29<sup>th</sup>, 2018  
Fund's Inception date: : 04/13/2017

Performance percentage (%) per Share	Quarter #2, 2018	2017	Since Inception
	0.98%	2.19%	3.84%


✓

1 full list of Holdings and Dividends are available at [www.tbil.co](http://www.tbil.co)

2. Subsidized Yield is relevant when the Adviser voluntarily agrees to waive and/or reimburse all expenses of the Fund in order to maintain the Fund's total annual fund operating expenses at 0.40% of the average daily net assets of the Fund. The Adviser may, at its sole discretion, modify or terminate this voluntary waiver without notice to the Fund

3As reported in the most recent prospectus. A fund's current expense ratio may be lower or higher than the figure reported in the prospectus. 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 of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained on the fund's website: [www.tbil.co](http://www.tbil.co). Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative

## FUND CHARACTERISTICS

Ticker Symbol	<b>STATX</b>
<u>MAJOR HOLDINGS (%)<sup>1</sup></u> as of <u>07/27/2018</u>	 <b>Percentage</b>
U.S. Treasury BILL, 11/01/2018	62.82%
U.S. Treasury BILL, 02/28/2019	7.24%
U.S. Treasury BILL, 08/16/2018	0.01%
Overnight Reverse Repo	28.81%
Cash	0.69%
<b>Bi Weekly Dividend</b>	<b><u>3.38%</u></b>
<b>Yield as of: 07/27/2018</b> Expressed in annual percentage rate (%) and calculated by multiplying the value of the latest dividend paid by the number of times the Fund intends to pay dividends per year, divided by the Mutual Fund's share price.	
Fund's Price Volatility (Beta) as of <u>07/27/2018</u> <small>(see explanation on page 2)</small>	<b>0.00</b>
Total Expense Ratio As stated in the fund's current prospectus <sup>3</sup>	<b>0.40%</b>
Subsidized & Un-Subsidized 30 Day SEC Yield as of <u>06/30/2018</u> <sup>2</sup> <small>shows the rate of return (dividends and interest, less expenses) on a fund's offering price over a trailing 30-day period</small>	<b>3.73% / 3.73%</b>
<b>Dividend Payments between 04/20/2018 – 07/27/2018:<sup>1</sup></b>	
<b>Ex-Date</b>	<b>Dividend paid per each Share</b>
April 20 <sup>th</sup> , 2018	\$0.13
May 4 <sup>th</sup> , 2018	\$0.12
May 18 <sup>th</sup> , 2018	\$0.13
June 1 <sup>st</sup> , 2018	\$0.15
June 15 <sup>th</sup> , 2018	\$0.14
June 29 <sup>th</sup> , 2018	\$0.17
July 13 <sup>th</sup> , 2018	\$0.12
July 27 <sup>th</sup> , 2018	\$0.13
CUSIP #	856895107
ISIN #	US8568951078

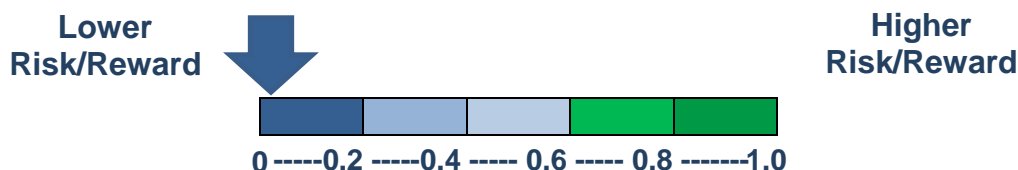
# State Funds Enhanced Ultra Short Duration Mutual Fund

STATX

MUTUAL FUND SYMBOL:

## Price Volatility of the Fund's Units

### Standard Deviation



Beta is a statistical measure that determines the volatility (or risk) of the price volatility of the fund's units in comparison to that of its index or benchmark, in our case the benchmark is the 3 Month Treasury Bill.

A higher Beta indicates that returns are more volatile or risky.

Each increment on the scale above represents a 20% range of Beta between 0 and 1

**Beta** ( $\beta$  or beta coefficient) of an investment indicates whether the investment is more or less volatile than the market.

- Beta of more than 1 indicates that the investment is more volatile than of 3 Month Treasury Bill.
- Beta of exactly 1 is the volatility of the 3 Month Treasury Bill
- Beta of less than 1 indicates that the investment is less volatile than of 3 Month Treasury Bill
- Beta of **0.00** means that as of 07/27/18 the fund's price volatility is lower compared to the volatility of 3 Month Treasury Bill (=US Treasury bills that mature in 3 month).
- Beta of less than 0.00 means that of performance which is inverse to the market which means that when interest rates in 3 Month treasury increase than income will decrease.

*Must be preceded or accompanied by a prospectus.*

An investment in the fund is subject to risk, including possible loss of principle. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. The fund intends to enter into securities lending. Securities lending, Repurchase Agreement Risk and Reverse Repurchase Agreement Risk involve the risk that the Fund loses money because the borrower fails to return the securities in a timely manner or at all. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or of investments made with cash collateral. An investment in the fund(s) is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's use of its trading strategies may give rise to leverage, causing the Fund's Shares to be more volatile than if they had not been leveraged." Diversification may not protect against market risk or loss of principal.

The Fund has the same risks as the underlying securities traded on the exchange through the day. Redemptions are limited and often commissions are charged on each trade.

The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund.

The Fund's Adviser and its related companies may pay certain broker-dealers, banks and other financial intermediaries for participating in activities that are designed to make registered representatives and other professionals more knowledgeable about investing in securities, including the Fund(s), or for other activities, such as participation in marketing activities and presentations, educational training programs, conferences, the development of technology platforms and reporting systems. The Adviser and its related companies may also make payment(s) out of their own assets (not from the Fund's assets) to financial intermediaries to promote the sale of the Fund(s). Payments to a broker-dealer or other intermediaries may create potential conflicts of interest between the broker-dealer or intermediaries and their clients.

*The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-800-523-8382 or visiting [www.tbil.co](http://www.tbil.co). Read it carefully before investing*

The Fund is distributed by Rafferty Capital Markets, LLC

FOR MORE INFORMATION, go to [www.tbil.co](http://www.tbil.co), Tel: 1-800-523-8382

Not FDIC Insured - No Bank Guarantee - May Lose Value