



NORTH SQUARE
INVESTMENTS

March 1, 2022

Dear Tactical Defensive Fund Client:

As you no doubt are well aware, there have been a number of economic and geopolitical cross currents buffeting the markets recently. Concerns about the Russian invasion of Ukraine, continued signs of inflationary pressures and expectations for further increases in interest rates as a result of the Federal Reserve's tapering program have all weighed heavily on the markets, and have caused market volatility to spike significantly.

We wanted to provide you with an update about our portfolio strategy in light of these developments:

- Clients that were invested in the Tactical Defensive Fund strategy were moved to a 50% cash position on January 6th and were 75% in cash by January 24th. due to weakness in our long-term technical model.
- Our long-term model is a weekly data model using Friday's closing prices. We have been on the borderline of that long-term model going to 100% cash, and it finally did after last week's price action so for now the Fund is 100% defensively positioned.
- Whenever we go to cash it is a potential whipsaw trade (when the market weakens – the portfolio is moved to cash; when the market quickly rebounds we get back into the market right away). This is what typically causes a lag versus a 100% long buy-and-hold strategy. However, we follow that process knowing the model is not right all the time—and what we are experiencing right now in the markets is a prime example.

We believe the clients that invested in this Fund did so knowing it was a conservative, defensive-minded equity strategy, and they invested seeking a fair return above what they might obtain in bonds or other conservative investments. We also feel our clients believe their investment will not take a beating when there is a major global "black swan" event like the one we have just witnessed. From our perspective as managers, we want to try our best to avoid the kind of price action we have seen thus far this year. As your portfolio managers, we are thankful to be sitting on the sidelines right now with this strategy. Market risk levels have been high for quite some time, and we all know the risks associated with the Fed tapering, rising rates, inflation, and now geopolitical risk. These are the times we believe our clients are thankful they did not chase higher returns by taking on excess risk.

It bears repeating that we believe the Tactical Defensive strategy is well suited for someone who knows they need equity exposure for their nest egg to last through retirement, but who does not have the risk appetite or time horizon to stomach and withstand another full blown bear market that typically lasts two years and takes 18 to 24 months from which to recover. We also think the other type of client well suited for the Tactical Defensive Fund is the "goals based" investor. This is the investor that knows they only need a certain level of return per year to meet their financial goals. They also realize it is not smart to take on more risk than is needed to achieve their goals. For these individuals, chasing returns and relative performance is not worth the extra risk one must take on to achieve them.

We are proud of how our models have performed through this period of uncertainty. As is typically the case, the Tactical Defensive strategy was 100% invested upon the initial drawdown in January and consequently participated in the initial market declines. It has been partially invested since January 6th, so the down capture was reduced significantly.

February 28th year to date, the NASDAQ is down 12%, while the S&P 500 Index is down 8.02% and the Russell 2000 Index is down 8.67%. The Tactical Defensive Fund is down 5.49% (Class I Shares) as of February 28, 2022, with most of the decline occurring earlier in the year. We believe we have the ability to



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recover from that type of loss and our clients can live with that, but not a 30, 40, or 50% bear market decline, which has the potential to crush their dreams and goals.

We hope this letter provides you with a degree of reassurance about your investment. Please know that we will manage the Fund to the best of our ability. We appreciate your continued support and stand ready to answer any questions you might have.

Sincerely,

Brad Thompson, CFA
Clayton Wilkin, CFA
Portfolio Managers
North Square Tactical Defensive Fund

Call 855-551-5521 for the most recent month-end performance results, or click [here](#) to view standardized performance. Current performance may be lower or higher than the performance data quoted. The performance data quoted represents past performance, which is no guarantee of future results. 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.

Principal Risks of Investing: Risk is inherent in all investing including an investment in the Fund. An investment in the Fund involves risk, including, the following principal risks, among others: Management and Strategy Risk, ETF and Mutual Funds Risk, Derivatives Risk, Fixed Income Securities Risk, Equity Risk, Market Risk, Currency Risk, Foreign Investment Risk, and Portfolio Turnover Risk. Summary descriptions of these and other principal risks of investing in the Fund are set forth in the Fund's prospectus. Before you decide whether to invest in the Fund, carefully consider these risks associated with investing in the Fund, which may cause investors to lose money. There can be no assurance that the Fund will achieve its investment objective. An investment in the Fund is not a deposit of the bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

The Fund is actively managed and investment allocations are subject to change without notice

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information are in the prospectus, a copy of which may be obtained by calling 855-551-5521 or visiting northsquareinvest.com. Please read the prospectus carefully before you invest.

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