

# Reinhart Intermediate Bond NextShares

Seeking lower risk exposure to the domestic bond market.

## RPIBC

### The Fund

Quality is the hallmark of the Reinhart Intermediate Bond NextShares fund (the Fund). The Fund seeks to outperform its benchmark, the Bloomberg Barclays U.S. Intermediate Government/Credit Index, measured over an entire market cycle by adjusting key risks (interest rate risk, credit risk, structure risk, and liquidity risk) versus the benchmark to add value.

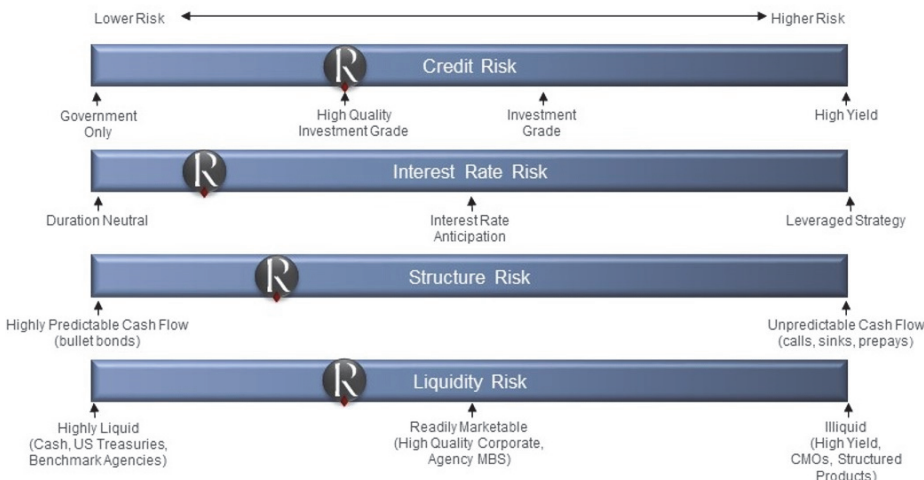
### The Approach

The portfolio is built by analyzing relative value within the investment grade universe. Credit positioning will be over-weighted in securities rated A or better by the major rating agencies. Exposure to interest rate moves will be similar to the benchmark. The Fund will be primarily invested in securities with very definable cash flow characteristics and will only invest in sectors that display a high level of liquidity in all market conditions.

### Portfolio Fit

For investors seeking a high quality portfolio of intermediate bonds, the Fund aims to provide a diversified, well-structured source of predictable current income. The Fund can serve as an investor's core allocation to the taxable bond market. The portfolio will typically provide exposure to treasury bonds, corporate bonds, and/or securitized debt. The Fund seeks to emphasize securities and fixed income market segments, which based on our research, provide an attractive tradeoff between income, total return, and total risk.

#### OUR POSITION WITHIN RANGE OF INVESTMENT OPTIONS



**High Quality** - Primarily "A" rated or better.

**Duration Neutral** - Portfolio duration within 20% of the benchmark index.

**Well Structured** - Predictable cash flows at the portfolio and security levels.

**Highly Liquid** - Invest in highly liquid bonds, primarily from large issuers with multiple securities across the yield curve.

#### % Historical Returns (As of 12/31/18)

	4Q 2018	2018	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	Annualized Since Inception (2/20/18)
Fund at NAV	1.84	--	--	--	--	--	2.39
Fund at Market Price	1.84	--	--	--	--	--	2.39
Benchmark	1.65	--	--	--	--	--	2.32



NextShares™ exchange-traded managed funds are a new way to invest in actively managed strategies.

- Because they are actively managed, NextShares offer the potential for benchmark-beating returns by applying their manager's proprietary investment research.
- Because they trade on an exchange, NextShares may offer cost and tax efficiencies that can enhance shareholder returns.

Symbol:	RPIBC
Inception:	2/20/2018
Expense Ratio*:	Gross: 5.18% Net: 0.30%
Exchange:	NASDAQ
Distribution Frequency:	Monthly
30-Day SEC Yield:	Subsidized: 2.76% Unsubsidized: 0.00%
Assets Under Management:	\$5.0M

Benchmark: Bloomberg Barclays U.S. Intermediate Gov/Credit Index<sup>2</sup>

Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when sold, may be worth more or less than their original cost. Performance is for the stated time period only; due to market volatility, the Fund's current performance may be lower or higher than indicated. The Fund's performance at market price will differ from its results at net asset value (NAV). The market price used to calculate the Market Price return is the midpoint between the highest bid and the lowest offer on the exchange on which the shares of the Fund are listed for trading as of the time that the Fund's NAV is calculated. If you trade your shares at another time, your return may differ. Returns are historical and are calculated by determining the percentage change in the NAV or market price (as applicable) with all distributions reinvested at NAV or closing market price (as applicable) on the payment date of the distribution, and are net of management fees and other expenses. Performance less than one year is cumulative. For the Fund's performance as of the most recent month-end, please refer to ReinhartFunds.com.

\*Source: Fund prospectus. Net expense ratio reflects a contractual expense reimbursement that continues through 02/28/2021. Without the reimbursement, if applicable, performance would have been lower.

## Quality Distribution (%)

As of 12/31/18	RPIBC	Int G/C Index <sup>♦</sup>
AAA	8.3%	66.8%
AA <sup>*</sup>	49.0%	3.8%
A	34.9%	13.0%
BBB	7.9%	16.4%
Not Rated	--	--

\* Treasury and Agency exposures are included in the AA quality category. As of 12/31/2018 the Fund had a 44.1% weighting in Treasuries and a 0.0% weighting in Agencies. This compares to index exposures of 60.7% in Treasuries and 2.1% in Agencies. Excluding Treasuries and Agencies, the Fund has a 4.9% position in Securities rated AA versus 3.8% in the index.

## Asset Allocation (%)

As of 12/31/18	RPIBC	Int G/C Index <sup>♦</sup>
Treasury	44.1%	60.7%
Agency	--	2.1%
Mortgage Backed	--	--
Asset Backed	4.8%	--
Industrial	22.0%	17.1%
Finance	18.6%	12.5%
Utility	9.7%	1.5%
Municipal	--	--
Cash	0.7%	--
Other	--	6.2%

## Reinhart Fixed Income Investment Management Team

**Michael J. Wachter, CFA**

Principal, Director of Fixed Income  
First Bank  
Marquette University - MBA  
Univ. of Wisconsin - BA  
30 years investment experience

**Katherine M. Doyle**

Principal, Portfolio Manager  
Strong Capital Management  
Marquette University - MBA  
Colorado College - BA  
21 years investment experience

**Peter G. Altobelli, CFA**

Principal, Credit Analyst / Portfolio Manager  
Campbell Newman  
University of Wisconsin - BBA  
24 years investment experience

**William F. Ford, CFA**

Principal, Credit Analyst / Portfolio Manager  
United Airlines  
Kellogg School of Mgmt. Northwestern Univ. - MBA  
Stanford University - MS & BS  
13 years investment experience

**Douglas J. Fry, CFA**

Principal, Portfolio Manager  
Campbell Newman  
Marquette University - MBA  
University of Wisconsin Whitewater - BBA  
29 years investment experience

## Top 10 Holdings

As of 12/31/18	%
UNITED STATES TREAS NTS due 10/31/2021	9.4
UNITED STATES TREAS NTS due 05/15/2023	8.1
UNITED STATES TREAS NTS due 02/15/2025	6.6
UNITED STATES TREAS NTS due 06/30/2024	5.8
UNITED STATES TREAS NTS due 08/15/2026	5.0
UNITED STATES TREAS NTS due 09/30/2022	4.1
UNITED STATES TREAS NTS due 08/15/2027	4.1
CAP ONE MT 2016-5A- A	3.1
BB&T CO GLOBAL BK MTN	2.0
NORTHN STS PWR CO MINN	2.0
<b>43 Total Holdings</b>	

## Portfolio Fundamentals

As of 12/31/18	RPIBC	Int G/C Index <sup>♦</sup>
Average Coupon	2.4%	2.7%
Average Maturity (yr)	4.0	4.3
Effective Duration	3.7	3.9

♦ Benchmark: Bloomberg Barclays U.S. Intermediate Gov/Credit Index

**About Risk:** An imbalance in supply and demand in the bond market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. As interest rates rise, the value of certain income investments is likely to decline. Investments in income securities may be affected by changes in the creditworthiness of the issuer and are subject to the risk of nonpayment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. No fund is a complete investment program and you may lose money investing in a fund. The Fund may engage in other investment practices that may involve additional risks and you should review the Fund prospectus for a complete description.

Shares of NextShares funds are normally bought and sold in the secondary market through a broker, and may not be individually purchased or redeemed from the Fund. In the secondary market, buyers and sellers transact with each other, rather than with the Fund. NextShares funds issue and redeem shares only in specified creation unit quantities in transactions by or through Authorized Participants. In such transactions, a fund issues and redeems shares in exchange for the basket of securities, other instruments and/or cash that the Fund specifies each business day. By transacting in kind, a NextShares fund can lower its trading costs and enhance fund tax efficiency by avoiding forced sales of securities to meet redemptions. Redemptions may be effected partially or entirely in cash when in-kind delivery is not practicable or deemed not in the best interests of shareholders. A fund's basket is not intended to be representative of the Fund's current portfolio positions and may vary significantly from current positions. As exchange-traded securities, NextShares can operate with low transfer agency expenses by utilizing the same highly efficient share processing system as used for exchange-listed stocks and ETFs.

Market trading prices of NextShares are linked to the Fund's next-computed net asset value (NAV) and will vary from NAV by a market determined premium or discount, which may be zero. Buyers and sellers of NextShares will not know the value of their purchases and sales until after the Fund's NAV is determined at the end of the trading day. Market trading prices may vary significantly from anticipated levels. NextShares do not offer investors the opportunity to buy and sell intraday based on current (versus end-of-day) determinations of fund value. NextShares trade execution prices will fluctuate based on changes in NAV. Although limit orders may be used to control trading costs, they cannot be used to control or limit trade execution prices. As a new type of fund, NextShares have a limited operating history and may initially be available through a limited number of brokers. There can be no guarantee that an active trading market for NextShares will develop or be maintained, or that their listing will continue unchanged. Buying and selling NextShares may require payment of brokerage commissions and expose transacting shareholders to other trading costs. Frequent trading may detract from realized investment returns. The return on a shareholder's NextShares investment will be reduced if the shareholder sells at a greater discount or narrower premium to NAV than he or she acquired the shares.

Fund holdings and asset allocation are subject to change and should not be considered a recommendation to buy or sell any security. Bond ratings are grades given to bonds that indicates their credit quality as determined by a private independent rating service such as (Standard & Poor's or Moody's, etc.) The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. Not Rated category includes holdings that are not rated by any rating agencies.

<sup>1</sup> Source: Reinhart Partners, Inc.. For illustrative purposes only. Shows where Reinhart falls in the range of investment options with regard to Credit Risk, Interest Rate Risk, Structure Risk, and Liquidity Risk. Definition source: Nasdaq. Effective duration: The duration calculated using the approximate duration formula for a bond with an embedded option, reflecting the expected change in the cash flow caused by the option. Measures the responsiveness of a bond's price - taking into account that expected cash flows will change as interest rates change due to the embedded option. <sup>2</sup> Bloomberg: The Bloomberg Barclays U.S. Intermediate Gov/Credit Index. The index measures the performance of U.S. Dollar denominated U.S. Treasuries, government-related and investment grade U.S. corporate securities that have a remaining maturity of greater than one year and less than ten years. Index information is included merely to show the general trend in the market for the periods indicated and is not intended to imply that the portfolio was similar to the index either in composition or element of risk. The index is unmanaged and an investment cannot be made directly into an index. Index returns do not reflect the deduction of advisory fees or any other fees or expenses. Index returns reflect the reinvestment of dividends, interest, and other earnings

**Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of the Fund. This and other important information is contained in the prospectus and summary prospectus, which can be obtained from a financial advisor or at [www.reinhartfunds.com](http://www.reinhartfunds.com). Prospective investors should read the prospectus carefully before investing.**

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