

# Carret Kansas Tax-Exempt Bond Fund

## Firm Profile

Founded in 1963 as an independent investment advisor, serving wealth managers, financial advisors, select institutional clients, family offices, and select high-net-worth individuals and families. Our goal is to achieve above-average long-term investment results. Operating as a team, Carret's portfolio managers develop and implement the firm's investment process and strategy. Carret manages Large Cap Equity, Custom Balanced, Taxable Fixed Income, Municipal Fixed Income, Enhanced Cash, Opportunity Fixed Income, and Leveraged Opportunity portfolios.

Carret is an independent firm with an entrepreneurial corporate culture. Carret's fixed-income team averages more than 25 years in the investment management industry and has a vested interest in the success of each client portfolio.

### Quarter Ending

December 31<sup>st</sup>, 2025

### Fund AUM (All Classes)

\$128.56 Million

### Firm AUM

\$3.466 Billion

### Institutional Class

Ticker: SEKSX  
CUSIP: 02110A522  
Net Exp Ratio: 0.48%  
Gross Exp Ratio: 0.58%  
Inception Date: 12/10/1990

### Retail - Class A

Ticker: IKSTX  
CUSIP: 02110A530  
Net Exp Ratio: 0.73%  
Gross Exp Ratio: 0.90%  
Inception Date: 12/10/1990

### Portfolio Managers

#### Neil Klein

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#### Jason Graybill, CFA

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## Investment Objective & Strategy

The Carret Kansas Tax-Exempt Bond Fund (the "Fund") seeks to preserve capital while producing current income that is generally exempt from both federal and Kansas state income taxes. The Fund invests primarily in municipal bonds with maturities ranging from 1 to 20 years, and intends to maintain a weighted average maturity between 7 and 12 years. The Fund maintains a high-quality average credit rating.

## Investment Philosophy

- Aims to provide a tax-efficient investment solution for Kansas investors focusing on preservation of principal, liquidity, and income
- Seek to identify the sweet spot on the yield curve and structure maturities accordingly
- Active management includes forecasting the long term direction of interest rates and municipal credit spreads
- The strategy reflects the relative value of Kansas focused and general market approach
- Seek to anticipate and capitalize on change Anticipate change and capitalize on it

## Investment Process

- Team approach
- Actively managed portfolio with an after-tax, total return focus
- Analyze yield curve to identify optimal maturities
- Diversified by sector, municipality, and maturity
- Monitor and maintain investment grade credit quality
- Portfolio construction emphasizes diversification, liquidity, flexibility, and creativity

## Fund Characteristics (SEKSX) (12/31/25)

- NAV (Institutional Class): \$10.34
- Subsidized 30-Day SEC Yield (Institutional Class): 2.75%
- Unsubsidized 30-Day SEC Yield (Institutional Class): 2.58%
- Number of Holdings: 167
- Avg. Price: \$100.52
- Avg. Coupon: 3.99%
- Duration to Maturity: 6.5 yrs / Duration to Call: 3.7 yrs
- Yield to Maturity: 3.81% / Yield to Call: 3.27%
- Taxable Equivalent YTM: 7.12% <sup>(1)</sup>
- Average Maturity: 8.2 yrs
- Average Rating: AA
- Income Subject to Alternative Minimum Tax: 0%

<sup>(1)</sup> Assumes 46.5% Combined Effective Tax Bracket

**See important disclosure. Information is subject to change without notice.**

Performance vs. Benchmark - Annualized Returns	4Q25	1 Yr	3 Yr	5 Yr	10 Yr
Carret Kansas Tax-Exempt Bond Fund - Net	1.4%	4.9%	3.1%	0.3%	1.7%
Lipper Other States Intermediate Muni	1.4%	4.2%	3.0%	0.4%	1.5%
Bloomberg Municipal Bond Index	1.6%	4.3%	3.9%	0.8%	2.3%
Bloomberg 7 Year Muni Bond Index	0.8%	5.7%	3.7%	1.0%	2.2%

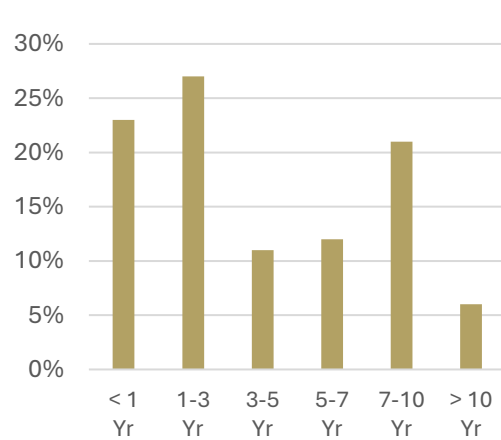
<sup>a</sup> Supplemental Information - the Lipper Other States Intermediate Index added for comparative purposes.

<sup>b</sup> Bloomberg Municipal Bond Index and Bloomberg 7 Year Municipal Bond Index reflects no deduction for fees, expenses, or taxes

Source: Carret / Bloomberg / Lipper

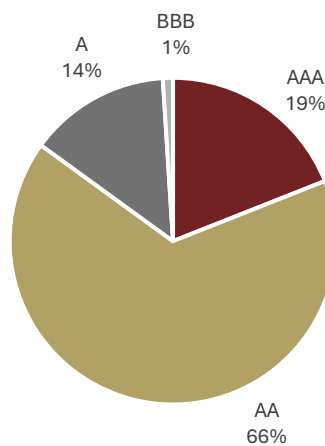
Performance data quoted represents past performance. Past Performance does not guarantee future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. To obtain performance information current to the most recent month-end, please visit [www.carret.com](http://www.carret.com) or by contacting the Transfer Agent at 888-266-8787. Performance for A shares (w/load) reflects maximum sales charge of 4.25%. Performance for SEKSX (w/o load) does not reflect maximum sales charge of 4.25%. If reflected, the load would reduce the performance amount quoted.

## Workout Distribution



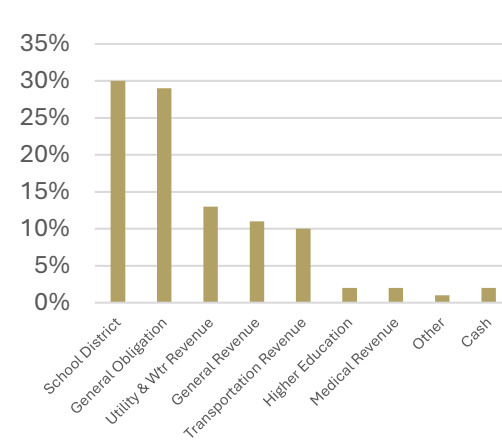
Source: Bloomberg

## Credit Rating



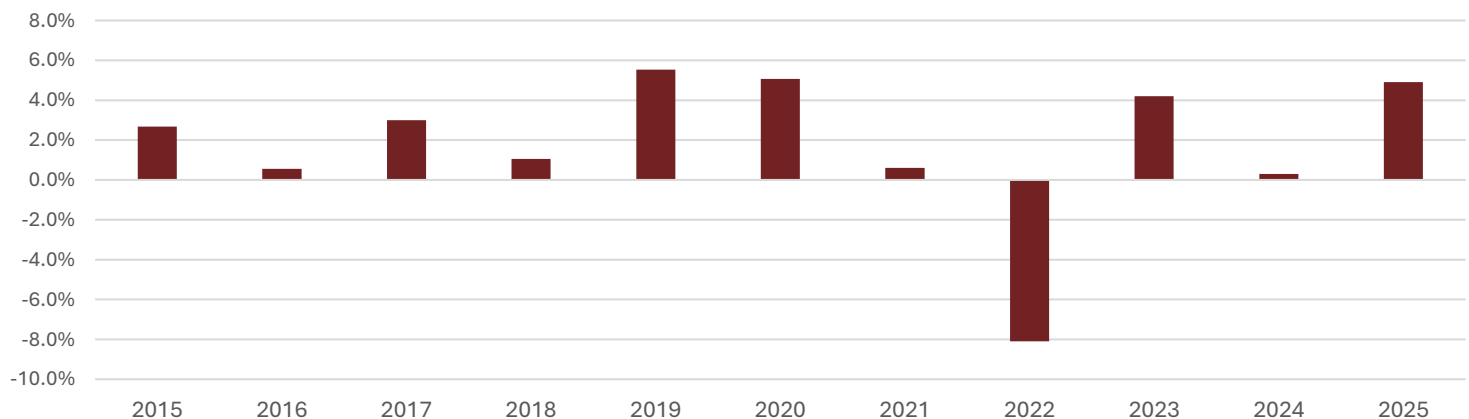
Source: Bloomberg

## Sector Allocation



Source: Bloomberg

## Calendar Year Returns – Institutional Class



\*The Fund will invest in municipal bonds that are investment grade (rated Baa/BBB or better, as rated by a nationally recognized statistical rating organization, such as Moody's Investor Service Inc. ("Moody's"), Standard & Poor's Corporation ("S&P"), or Fitch Ratings Ltd. ("Fitch").

Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Additional information about ratings can be found, respectively, at [https://www.standardandpoors.com/en\\_US/web/guest/home](https://www.standardandpoors.com/en_US/web/guest/home), <https://www.moodys.com/> and <https://www.fitchratings.com/>.

Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings categories used by S&P and Fitch; BB, B, CCC/CC/C and D are below investment grade ratings categories used by S&P and Fitch. Aaa, Aa, A and Baa are investment grade ratings categories used by Moody's; Ba, B, Caa/Ca and C are below investment grade ratings categories used by Moody's. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated Not Publicly Rated are not rated by these national rating agencies.

**See important disclosure. Information is subject to change without notice.**

## Important Disclosures

Investing in the Funds involves risk including the loss of principal. Investments in fixed income securities are subject to the risks associated with debt securities including credit, price, and interest rate risk. Stock and bond values fluctuate in price so the value of your investment can go down depending on market conditions. There is no assurance that the Funds will achieve their objectives.

Mutual funds, annuities, and other investments are not insured or guaranteed by the FDIC or by any other government agency or government sponsored agency of the federal government or any state, not deposits, obligations, or guaranteed by any bank or its affiliates and are subject to investment risks, including possible loss of the principal amount invested.

**Fixed-Income Securities Risk.** Fixed-income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (i.e., credit risk) and are subject to price volatility resulting from, among other things, interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (i.e., market risk). Generally, fixed-income securities will decrease in value if interest rates rise and will increase in value if interest rates decline. Securities with longer durations are likely to be more sensitive to changes in interest rates, generally making them more volatile than securities with shorter durations. Lower rated fixed-income securities have greater volatility because there is less certainty that principal and interest payments will be made as scheduled. **Municipal Securities Risk.** Municipal securities may be general obligations or revenue bonds. General obligation bonds are secured by the issuer's full faith and credit as well as its taxing power for payment of principal or interest. Revenue bonds are payable solely from the revenues derived from a specified revenue source. These bonds involve the risk that the revenues so derived will not be sufficient to meet interest and/or principal payment obligations. Municipal securities involve the risk that an issuer may call securities for redemption, which could force the Fund to reinvest the proceeds at a lower rate of interest. **Credit Risk.** The issuer of a fixed income security may not be able to make interest and principal payments when due. Generally, the lower the credit rating of a security, the greater the risk that the issuer will default on its obligation which could result in a loss to the Fund. **High-Yield Securities Risk.** Lower rated securities are subject to greater risk of loss of income and principal than higher rated securities and may have a higher incidence of default than higher-rated securities. The prices of lower rated securities are likely to be more sensitive to adverse economic changes or individual corporate developments than higher rated securities. **Interest Rate and Duration Risk.** The Fund's share price and total return will vary in response to changes in interest rates. If rates increase, the value of the Fund's investments generally will decline, as will the value of your investment in the Fund. Longer-term securities are subject to greater interest rate risk. Duration is a measure of the sensitivity of a security's price to changes in interest rates. The longer a security's duration, the more sensitive it will be to changes in interest rates. Similarly, a fund with a longer average fund duration will be more sensitive to changes in interest rates and will experience more price volatility than a fund with a shorter average fund duration.

Carret has contractually agreed to limit the amount of the Fund's total annual fund operating expenses (excluding Rule 12b-1 Fees).

This agreement is in effect through at least January 31, 2026, and will automatically continue upon annual approval by the board for successive twelve-month periods unless (i) it is terminated earlier by the Board of Trustees, or (ii) the Advisor provides at least 30 days written notice.

Some income may be subject to state and local taxes and to the federal alternative minimum tax. Capital gains, if any, are subject to tax.

## Glossary of Terms

**Coupon** is the rate of interest, payable annually.

**Yield to Maturity** is calculated by assuming that interest payments will be made until the final maturity date, at which point the principal will be repaid by the issuer. Yield to maturity is essentially the discount rate at which the present value of future payments (investment income and return of principal) equals the price of the security.

**Call features** exists when/if a bond is subject to payment of the principal amount (and accrued interest) prior to the stated maturity date, with or without payment of a call premium. Bonds can be callable under several different circumstances, including at the option of the issuer, or on a mandatory or extraordinary basis.

**Average Maturity** is the weighted average of the effective maturity dates of the fixed-income securities in the Fund's holdings. A bond's effective maturity takes into account the possibility that it may be called by the issuer before its stated maturity date. In this case, the bond trades as though it had a shorter maturity than its stated maturity.

**Duration** is a measure of the responsiveness of a bond's price to interest rate changes for bonds with an embedded option.

**SEC 30-day Yield** represents the yield that must be earned on a fully taxable investment to equal the yield of the Fund on an after-tax basis at a specified tax rate. If the comparison were instead to investments that generate qualified dividend income, which is taxable at a rate lower than an individual's ordinary graduated tax rate, the Fund's Taxable-Equivalent yield would be lower. The Taxable-equivalent yield is computed under an SEC standardized formula and is based on the maximum offer price per share.

**Taxable-Equivalent Yield** is the pretax yield that a taxable bond needs for its yield to equal that of a tax-free municipal bond. The Taxable Equivalent Yield is calculated using a 46.50% Combined Federal, Kansas State, and Medicare Surcharge Tax Rate. Investors should consider their own tax rate when investing in municipal bonds. The Fund commenced upon the reorganization of an identically named series of American Independence Funds Trust ("Predecessor Fund") into the Fund effective as of September 24, 2018. With the reorganization, the Fund assumed the financial and performance history of the Predecessor Fund. **For a complete list of fund risks, please see the prospectuses.**

**For more complete information on the Carret Kansas Tax Exempt Bond Fund, an investor can obtain a prospectus containing complete information for the Funds by calling 888.266.8787 or by downloading it from Carret's web site <https://www.carret.com/carret-kansas-tax-exempt-bond-fund>. An investor should consider the Fund's investment objectives, risks, charges, and expenses carefully before investing. Information about these and other important subjects is in the Funds' prospectus. The prospectus and, if available, the summary prospectus, should be read carefully before investing.**

*Shares of the Carret Kansas Tax Exempt Bond Fund are distributed by ALPS Distributors, Inc., which is not affiliated with Carret Asset Management, LLC.*