

RMB Mendon Financial Services Fund

Portfolio Update: Second Quarter 2020

For the three months ended June 30, 2020, the RMB Mendon Financial Services Fund (the "Fund") returned +13.49%, net of fees, while its benchmark, the Nasdaq Bank Index, returned +12.69%.

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception (6/7/1999)
RMBKX	+13.49%	-34.84%	-26.86%	-10.54%	+1.57%	+7.18%	+9.92%
NASDAQ Bank Index	+12.69%	-30.06%	-23.53%	-7.88%	+1.19%	+7.31%	+4.29%
RMBKX (Load Adjusted)	+7.82%	-38.10%	-30.52%	-12.06%	+0.53%	+6.64%	+9.65%

Inception date: 6/7/1999. The performance data quoted represents past performance and is not a guarantee of future results. The investment return and principal value of an investment will fluctuate, so that those shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the data quoted. To obtain performance as of the most recent month end, please call 855-280-6423. The Fund's expense ratio is 1.28%.

The Fund's investment advisor, RMB Capital Management, LLC, has adapted a contractual expense limitation agreement for each fund through May 1, 2021, reducing the applicable Fund's operating expenses. This may be continued from year to year thereafter if agreed upon by all parties. In the absence of such waivers and/or reimbursements, the applicable Fund's total return and yield would be lower. The Funds have a maximum front-end sales charge of 5.00%. Sales charges are waived for clients of investment intermediaries, or for those who purchase shares via no-transaction-fee platforms.

The top contributors to the Fund's quarterly returns were FB Financial Corp. (FBK) and Veritex Holdings Inc. (VBTX), large holdings that both sharply rebounded from first quarter lows, up 26.00% and 27.88% respectively. The Fund's top three detractors were BayCom Corp. (BCML), which the Fund exited during the quarter, South State Corp. (SSB), and Triumph Bancorp Inc. (TBK).

There were a number of intentional portfolio shifts during the quarter we believe are worth detailing. Notably, when we combined RMB Mendon Financial Long/Short Fund (RMBFX) into the RMB Financial Services Fund (RMBKX), we added larger market cap companies that we favor in this environment, as companies with capital markets verticals will benefit from uncertainty, which will result in increased syndicate and sales and trading activity.

We also broadened the geographic scope of the portfolio to position it to be a beneficiary of the eventual "on-shoring" of manufacturing to domestic companies from overseas, in reaction to the supply chain disruptions caused by the COVID-19 virus outbreak. We now have greater exposure to Midwest geographies, where there could be a domestic manufacturing renaissance. There is plenty of idle capacity in many of these markets that could provide turnkey solutions, whether in dormant factories or "gig" workers, that could easily return to more predictable employment provided by manufacturing.

Another beneficiary of on-shoring is Puerto Rico, where 12 of the world's top 20 pharmaceutical companies have manufacturing operations, making up roughly half of the island's manufacturing capabilities. In addition to having the experience, infrastructure, and workforce to become a viable drug manufacturing alternative to Asia, the island is still benefitting from billions of dollars of reinvestment, after recent natural disasters. Prior to the coronavirus, HUD allocated Puerto Rico ~ \$20 billion through its disaster recovery program, in addition to FEMA funds made available to rebuild the island's electrical grid, roads, bridges, and public buildings. These disaster-recovery investments are complemented by the island's \$787 million stimulus plan for coronavirus, and the \$2.2 billion reserved for the territory in Congress' Coronavirus Aid, Relief and Economic Security (CARES) Act. The Puerto Rico banking market is very consolidated, the Fund's two positions hold over 50% of the island's deposits.

The other thematic shift that market volatility has allowed us to do is to invest in several "self-help" stories at extremely discounted valuations, where large acquisitions have recently closed, such as CenterState Bank (CSFL)/South State Corp. (SSB) and First Horizon National Corp. (FHN)/IberiaBank Corp. (IBKC). The surviving companies can be internally focused and

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not 100% dependent on their local economies, aggressively cutting costs and benefitting from material credit marks that are in the rear-view mirror. Additionally, these newly created franchises will be of interest to larger banks as M&A resumes.

Despite vast differences in the outlook and operations of various financial services companies, the market has treated the sector with uniform disdain in favor of the allure of growth and momentum stocks. Second quarter earnings will be marked with large reserve builds, strong loan growth, and declining margins, the latter two attributable to the Paycheck Protection Plan (PPP). Fee income will be strong in capital markets, mortgage, wealth management, and PPP production fees. Questions will remain about the ongoing second wave of the virus, which will keep most management teams from providing definitive answers on credit questions. Ironically, the new (and poor) accounting standard for loan loss reserves, known as CECL (Current Expected Credit Loss), will cause most banks to be more aggressive earlier in their reserves. The CECL method requires the recognition of all losses expected over the life of a financial instrument, using current inputs upon origination, and similar to the experience in the Great Financial Crisis, should result in over-reserving, which will be accreted back into earnings in future periods. Looking past the second quarter, PPP loan forgiveness will cause margins to increase, as 1% loans come off balance sheets, income to be realized earlier than over the entire term of the loans, and capital levels begin to increase. We remain extremely constructive on the group, and believe that the current environment, while difficult in the near-term, will provide the basis for material excess returns in future periods.

As always, we welcome your feedback, comments, and questions.

Sincerely,



Anton Schutz
Senior Portfolio Manager

RMB Mendon Financial Services Fund

TOP 10 HOLDINGS AS OF 6/30/20

Company	% of Assets
FB Financial Corp.	7.45%
Veritex Holdings Inc.	6.44%
Live Oak Bancshares Inc.	6.41%
Ameris Bancorp	6.13%
Equity Bancshares Inc.	5.89%
The First Bancshares Inc.	5.22%
Far Point Acquisition Corp.	4.26%
First Horizon National Corp.	4.14%
Spirit of Texas Bancshares Inc.	3.69%
TCF Financial Corp.	3.44%

Holdings are subject to change. The above is a list of all securities that composed 53.08% of holdings managed as of 6/30/2020 under the RMB Mendon Financial Services Fund ("Fund") of RMB Capital Management, LLC ("RMB Capital") based on the aggregate dollar value. This list is provided for informational purposes only and may or may not represent the current securities managed. It does not represent all of the securities purchased, sold, or recommended for advisory clients (under the Fund or otherwise) during the calendar quarter ending 6/30/2020. The reader should not assume that investments in the securities identified and discussed were or will be profitable. For a complete list of historical recommendation for the Fund, please contact RMB Investors Trust at 855-280-6423.

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Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. For complete information about the Fund, including a free prospectus, please contact RMB Investors Trust at 855-280-6423, or visit the website at www.rmbfunds.com. The prospectus contains important information about the funds, including investment objectives, risks, management fees, sales charges, and other expenses, which you should consider carefully before you invest or send money.

All investing involves risk including the possible loss of principal. The RMB Mendon Financial Services Fund and the RMB Mendon Financial Long/Short Fund are sector funds. These types of funds may be susceptible to factors affecting their industries, and the funds' net asset values may fluctuate more than a fund that invests in a wider range of industries. Because these funds concentrate their investments in one sector of the economy (financial services) and invest in derivative securities (currently RMB Mendon Financial Long/Short Fund engages in short sales of equities), investors should consider the risk that the funds may experience greater volatility than funds that invest across several sectors.

An investment cannot be made directly in an index. The index data assumes reinvestment of all income and does not bear fees, taxes or transaction costs. The investment strategy and types of securities held by the comparison index may be substantially different from the investment strategy and types of securities held by your account. The NASDAQ Bank Index includes securities of NASDAQ-listed companies classified according to the Industry Classification Benchmark (ICB) Banks. The NASDAQ Bank Index performance data quoted above are total return numbers.

Foreside Fund Services, LLC, Distributor