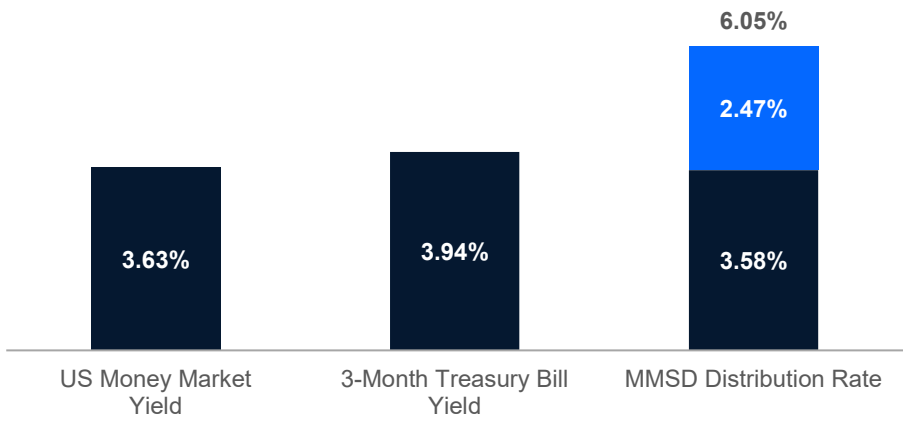
Short-Term Munis: An ETF Opportunity Beyond Cash

Short-term municipal bonds are offering attractive tax-exempt income with relatively modest interest rate risk. On a tax-equivalent basis, short-term municipal yields may compare favorably with cash-equivalent investments. The **NYLIM MacKay Muni Short Duration ETF (MMSD)** provides investors with an actively managed approach to short-duration municipals, guided by the credit research and relative-value discipline of MacKay Municipal Managers.

TAX-ADVANTAGED INCOME BEYOND CASH

MMSD offers tax-sensitive investors the potential for attractive tax-advantaged income relative to common cash alternatives.



Sources: NYLIM and YCharts, as of 9/30/26. MMSD 3.58% distribution rate equates to a 6.05% tax-equivalent rate, assuming a 37% federal income tax rate and 3.8% Net Investment Income Tax. Actual tax-equivalent yield will vary based on individual tax circumstances. Distribution rate is not guaranteed and may differ from the Fund's 30-day SEC yield. Money market yield represents the Crane 100 Money Fund Index 7-day annualized net yield. Treasury yield represents the 3-month Treasury bill coupon-equivalent (investment) yield. Yields are calculated using different methodologies and are not directly comparable. It is not possible to invest directly in an index. Neither New York Life Investments nor its affiliates provide tax or legal advice.

WHY SHORT-DURATION MUNIS?

Short-term munis can provide a measured move beyond cash, adding modest duration and tax-exempt income potential without requiring investors to make a significant duration bet.

	Cash / Money Market	MMSD
Primary role	Liquidity	Income + capital preservation focus
Duration	Minimal	Target 1–3 years*
Income	Taxable	Primarily federally tax-exempt
Distribution Frequency	Varies by vehicle	Monthly
Reinvestment risk	Higher	Reduced relative to cash
Rate sensitivity	Minimal	Modest

*MMSD primarily invests in short-term investment-grade municipal bonds and targets a 1–3 year duration range.

†Effective 8/28/26, the NYLI mutual funds and ETFs were renamed the NYLIM family of funds.

NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE

INVESTOR GOAL: SEEK TAX-EXEMPT INCOME

CONSIDER NYLIM MACKAY MUNI SHORT DURATION ETF (MMSD)

Medalist Rating as of 9/30/2026



1. **Credit flexibility within a high-quality focus:** Primarily invests in short-term investment-grade municipal bonds, targets a 1-3 year duration range and can opportunistically allocate up to 20% to non-investment-grade securities.

2. **Relative value strategy:** Deep credit and market analysis seeks attractive opportunities and aims to capitalize on municipal market inefficiencies while providing tax-exempt income.

3. **Disciplined credit approach:** Robust credit underwriting and thorough research are central to the process, supported by long-standing dealer relationships that help uncover value.

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Average Annual Total Returns, as of 9/30/2026 (%)

Share Class	QTR	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
MMSD (NAV)	-1.86	-0.34	0.42	-	-	-	2.51
MMSD (Market Price)	-1.51	0.04	0.71	-	-	-	2.78
Bloomberg 3-Yr Municipal Bond Index	-2.09	-0.81	-0.35	2.97	1.02	1.44	1.82

Inception Date: 05/06/2025

Returns represent past performance which is no guarantee of future results. Current performance may be lower or higher. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Performance reflects a contractual fee waiver and/or expense limitation agreement in effect until terminated by the Board of Trustees of the ETF, without which total returns may have been lower. Visit nylim.com for the most recent month-end performance. Expenses stated are as of the fund's most recent prospectus

Total annual operating expenses are 0.42% (Net: 0.25%).

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Net asset value (NAV) returns are calculated using the daily NAV as of the close of regular trading on the Fund's primary exchange (typically 4:00pm ET). Effective August 31, 2025, the price used to calculate market price (MP) returns is the Fund's official closing price. Prior to August 31, 2025, market price returns were determined using the mean between the day's last bid and ask prices on the fund's primary exchange. The market price returns do not represent returns an investor would receive if shares were traded at other times.

The 30-Day SEC Yield 3.71% is based on net investment income for the 30-day period ended 9/30/2026, divided by the offering price per share on that date. Yield reflects a fee waiver and/or expense limitation agreement without which the 30-Day SEC Yield would have been 3.63%. Tax-Equivalent SEC 30-Day Yield assumes the maximum regular federal income tax rate (including Medicare tax) of 40.8%. The Fund may hold taxable municipal bonds, reducing the tax-equivalent yield. Tax rates are subject to change. Tax treatment of Fund distributions varies; investors should consult a tax advisor.

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Before You Invest

Before considering an investment in the Fund, you should understand that you could lose money.

The Fund is a new fund. As a new fund, there can be no assurance that it will grow to or maintain an economically viable size, in which case it could ultimately liquidate. Municipal bond risks include the ability of the issuer to repay the obligation, the relative lack of information about certain issuers, and the possibility of future tax and legislative changes, which could affect the market for and value of municipal securities. Investing in below investment grade securities may carry a greater risk of nonpayment of interest or principal than higher-rated securities. The Fund is not a money market fund and does not attempt to maintain a stable NAV. The Fund's net asset value per share will fluctuate. There can be no guarantee that the Fund will achieve or maintain any particular level of yield. Bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner.

The Bloomberg 3-Year Municipal Bond Index is considered representative of the broad market for investment-grade, tax-exempt bonds with a maturity range of 2-4 years. Index results assume the reinvestment of all capital gain and dividend distributions. An investment cannot be made directly into an index.

Before investing, investors should carefully consider the investment objectives, risks, charges, and expenses of the investment company. This and other important information are contained in the prospectus and, if available, the summary prospectus, which may be obtained by visiting https://dfinview.com/NYLIM or by contacting your financial professional. Investors should read the prospectus and, if available, the summary prospectus carefully before investing.

New York Life Investment Management LLC engages the services of federally registered advisors. MacKay Shields LLC is affiliated with New York Life Investment Management.

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