

Herzfeld Tax-Exempt Composite

Q2/26

Herzfeld
ADVISORS

Investment Objective

The Herzfeld Tax-Exempt Composite, also known as the Herzfeld Municipal (Muni) Strategy, is a strategy that invests in closed-end funds of the U.S. Municipal Bond market with the goal of maximizing risk-adjusted total return. The benchmark used for this strategy is the iShares National Municipal Bond ETF (MUB).



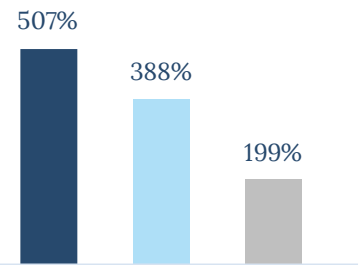
Key Statistics

Inception Year	1992
Asset Class	Municipal Bond
Firm Assets	\$1BN
Vehicles Offered	SMA Model
Discount to NAV	-7.66%
Duration	9.86
Yield	5.48%

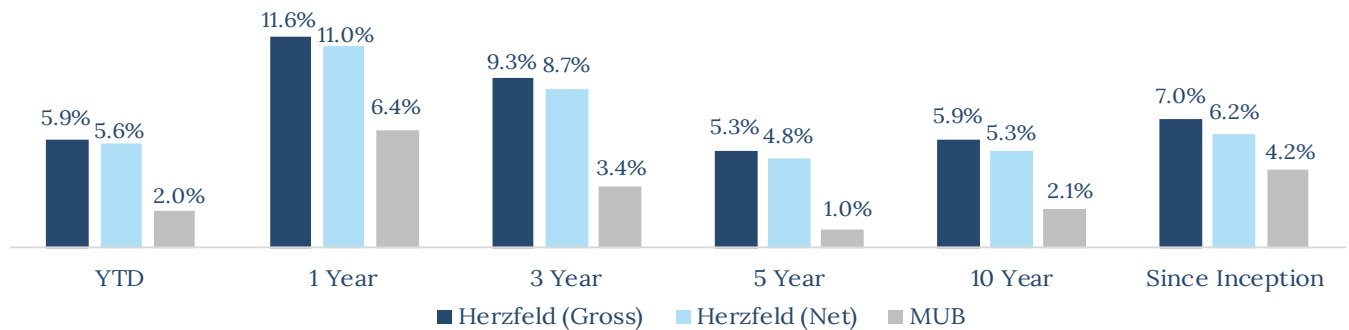
Strategy Metrics (5 Yr)*

Alpha	4.60
Beta	1.07
Sharpe	0.20
Info-Ratio	0.87
Upside Capture	158.87
Downside Capture	91.78

Cumulative Return: Since 2000

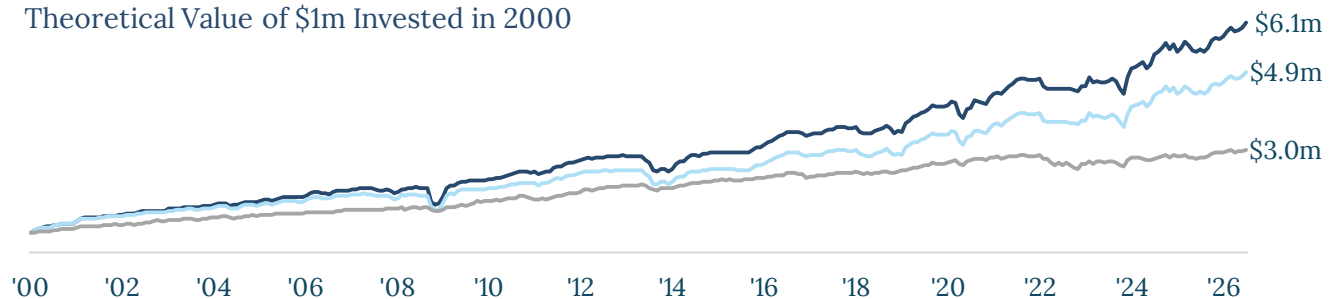


Herzfeld vs. Benchmark



Investment Growth

Theoretical Value of \$1m Invested in 2000



Firm Overview

Year Founded	RIA / 1984
GIPS Compliant Year	2000
Independent Verifier	ACA
Management Style	Active
Investment Space	1940 Act

Team

Portfolio Manager	Industry Start
Erik Herzfeld	1997
Ryan Paylor	2004
Alex Knapp, CFA	2007

Contact

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Disclaimer: Performance as of 06/30/2026. *Strategy metrics as of 06/30/2026. Herzfeld performance includes reinvestment of dividends, are net of fees & commissions. Performance based on USD. Past performance not indicative of future results. The Firm claims compliance with the Global Investment Performance Standards (GIPS®) and has been independently verified for the periods 12/31/1999 to 12/31/2023. Pending final verification through 06/30/26.

This material is intended to facilitate your discussion with Thomas J. Herzfeld Advisors, Inc. (“the Firm”) about the services available to our clients. The Firm is an independent registered investment adviser (RIA). Results are based on fully discretionary accounts under management, including those accounts no longer with the Firm. The information provided in this presentation does not constitute, and should not be construed as, an offer or solicitation with respect to any securities, products or services discussed or managed by the Firm. Any offer or solicitation with respect to any such securities or products can only be made by means of an investment management agreement or other agreement that governs the creation or establishment of a investment account managed by the Firm. Past performance is not a guide to future performance and future returns are not guaranteed. Clients’ results may differ from those of the Composites. Form ADV Part 2A Brochure is available upon request.

Performance data quoted represents past performance, which is no guarantee of future results. Current performance may vary from the performance quoted.

The Herzfeld Tax-Exempt Municipal Bond Portfolio Composite is comprised of portfolios which invest in closed-end funds of the U.S. Municipal Bond market with the goal of maximizing risk adjusted total return. Inception of this composite is 1992; The creation of this composite is as of December 31, 1999.

Investing in closed-end funds involves risk, including loss of principal. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. In addition, there is no guarantee the strategy’s investment objectives will be achieved. You should consider the strategy’s investment objectives, risks, and charges and expenses carefully before you invest. Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. It is important to remember that there are risks inherent in any investment and there is no assurance that any investment or asset class will provide positive performance over time.

The U.S. Dollar is the currency used to express past performance. Amounts reported for Firm and Strategy assets reflect regulatory assets under management (RAUM) as of the date indicated. Indices are provided for comparison against Herzfeld composites. Indices are unmanaged and reflect the reinvestment of dividends; all performance data is as of June 30, 2026 unless otherwise indicated. Performance data for the one-year period ending June 30, 2026 is subject to final audit and reconciliation. The Firm does not provide tax or legal advice to its clients.

The benchmark for this composite is the iShares National Municipal Bond ETF (MUB), which seeks to track the investment results of an index composed of investment-grade U.S. municipal bonds.

*GIPS® is a registered trademark of the CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

The Firm’s full GIPS® reports and composite and benchmark descriptions available upon request.

The Firm has been independently verified for the periods December 31, 1999 to December 31, 2023. Pending final verification through June 30, 2026.

The Morningstar Rating™ for funds, or “star rating”, is calculated as of 03/31/2026, for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

The Herzfeld Tax-Exempt Composite was rated against the following numbers of Morningstar™ Muni National Long Category funds over the following time periods: 69 funds in the last three years, 62 funds in the last five years, and 45 funds in the last ten years. Past performance is no guarantee of future results.

TJH has received certain nominations or awards by third-parties as reflected herein. Investors should review the criteria for each nomination or award as reflected on the third-party’s webpage. In addition, the nominations and awards reflect past performance of the nominee or award designee and may not reflect the current performance or status of any such firm or individual and may no longer be applicable. Morningstar award content presented with permission and licensing fee. Contact us for more information on how the ratings are apportioned and for full disclosures regarding third party news and awards.

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