

# ABSOLUTE STRATEGIES FUND

## MONTHLY FACT SHEET - ASFIX

JULY 2017



ABSOLUTE FUNDS

### DOWNSIDE PROTECTION

The Fund is value-driven and may become more defensive if asset prices rise without support from underlying fundamentals. The Fund may maintain short exposure, selectively using index securities, single name shorts, and cheap out of the money option hedges.

### MARKET (BETA) DIVERSIFICATION

Fund exposures and sensitivity to traditional asset classes are generally low but vary over time. The Fund has exhibited a very low beta to the S&P 500 since inception and over the last few years, beta has been moderately negative.

### SOURCE OF RETURNS (ALPHA)

Fund Managers seek to generate skill-based, rather than market-dependent, performance. They pursue unique value-oriented long and short opportunities and have displayed the ability to generate alpha in a variety of market environments.

### COMPARATIVE RETURNS: Inception Date: 7/27/05

TOTAL RETURNS at NAV	July 2017	Year to Date	Cumulative Returns (through 7/31/17)				Annualized Returns (through 6/30/17)		
			1-Year	3-Year	5-Year	10-Year	1-Year	5-Year	10-Year
Absolute Strategies Fund (ASFIX, I-Share)	-1.15%	-4.98%	-6.82%	-5.17%	-5.25%	7.83%	-7.14%	-0.72%	0.86%
HFRX Global Hedge Fund Index	0.93%	3.51%	5.45%	0.77%	10.33%	-7.36%	6.00%	1.91%	-0.95%

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Annualized returns current to the most recent month end can be obtained by calling the Fund at 888-99-ABSOLUTE. Returns include the reinvestment of dividends and capital gains. Some of the Fund's fees were waived or expenses reimbursed; otherwise, returns would have been lower. As stated in the current prospectus, the Absolute Strategies Fund's total annual operating expense ratio for Institutional Shares is 2.68%. Excluding the effect of expenses attributable to dividends and interest on short sales and acquired fund fees and expenses, the Fund's annual operating expense ratio was 1.85% for Institutional Shares.

### ANNUAL TOTAL RETURNS

2005:	0.58%	2011:	2.61%
2006:	6.81%	2012:	0.27%
2007:	5.14%	2013:	-0.99%
2008:	-13.54%	2014:	1.09%
2009:	18.51%	2015:	-1.44%
2010:	4.16%	2016:	2.63%

### ALPHA & BETA WITHIN LIQUID ALTERNATIVE STRATEGIES

We believe that true alternative investments must provide flexible low beta and positive alpha. These two characteristics have become increasingly hard to find within the liquid alternative space.

ASFIX vs. Liquid Alternative Categories as of 7/31/17	1 YEAR		3 YEAR		5 YEAR	
	ALPHA	BETA	ALPHA	BETA	ALPHA	BETA
Absolute Strategies Fund (ASFIX)	-4.78	-0.33	0.56	-0.5	1.77	-0.4
Morningstar Multialternative*	-2.52	0.53	-1.23	0.42	-0.89	0.48
Morningstar Long-Short Equity	-0.81	0.54	-2.52	0.52	-1.62	0.56
Morningstar Market Neutral	1.66	-0.28	0.2	-0.06	0.71	-0.03
Morningstar Long-Short Credit	4.37	0.4	0.67	0.22	1.29	0.43
Morningstar Managed Futures	-4.96	0.48	-2.91	0.68	-2.14	0.65

\*ASFIX is categorized by Morningstar as a Multialternative Fund. Alpha & beta data is calculated by ©Morningstar using their Moderate Target Risk (TR USD) Category Index. Alpha = measure of performance on a risk-adjusted (beta) basis or the excess return of the fund relative to the return of the benchmark index. Beta = measure of the risk arising from exposure to general market movements. 3/31 Managed Futures data unavailable

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See Reverse For Additional Risks

### FUND INFORMATION

**Ticker:** ASFIX / ASFAX (Open-End 40Act)

**Structure:** Multi-Manager (see reverse)

**Investment Objective:** The Fund seeks to achieve long-term capital appreciation with an emphasis on absolute (positive) returns and low sensitivity to traditional financial market indices such as the S&P 500. There can be no assurance the Fund will achieve its objective.

**Inception Date:** July 2005

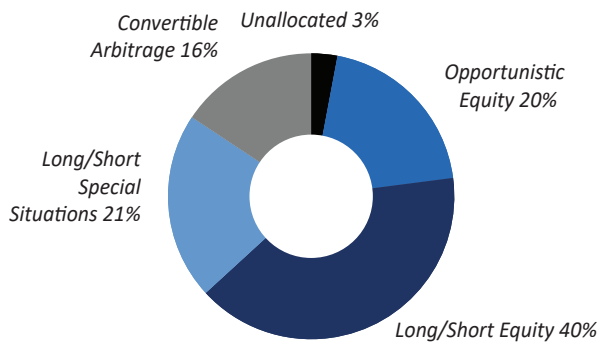
**Minimum:** No minimum for fee-based advisory accounts\*

**Shareholder Servicing / Fund Admin:** Atlantic Fund Services

**Custodian:** State Street Bank

**ABSOLUTE**  
INVESTMENT ADVISERS  
888-99-ABSOLUTE  
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FUND ALLOCATIONS



FUND SUB-ADVISERS & STRATEGIES

Harvest Capital Strategies, LLC - Agriculture Focused Long/Short Equity  
 Kovitz Investment Group Partners, LLC - Fundamental Long/Short Equity  
 Longhorn Capital Partners, LP - Global Long/Short Equity  
 Mohican Financial Management, LLC - Convertible Arbitrage  
 Sabal Capital Management, LLC - Long/Short Equity & Special Situations  
 St. James Investment Company, LLC - Concentrated Equity  
 The Boston Company Asset Management, LLC - Long/Short Equity & Credit

FIRM INFORMATION

**Absolute Investment Advisers** is an independent, employee-owned firm founded in 2004 by partners from various parts of the mutual fund, hedge fund and financial services industries.

**Portfolio Manager:** Jay Compson

**Definitions:** *The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The HFRX Global Hedge Fund Index, calculated by Hedge Fund Research, Inc., tracks the performance of international hedge funds and is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies; convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The strategies are asset weighted based on the distribution of assets in the hedge fund industry. It is not possible to invest directly in an index or average. Standard Deviation indicates the volatility of a fund's total returns. In general, the higher the standard deviation, the greater the volatility of return. Beta is the measure of a fund's relative volatility as compared to the S&P 500 Index which by definition is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the Index in up markets and 10% worse in down markets.*

Since the Fund utilizes a multi-manager strategy with multiple subadvisers, it may be exposed to varying forms of risk. The Fund's net asset value and investment return will fluctuate based upon changes in the value of its portfolio securities. There is no assurance that the Fund will achieve its investment objective, and an investment in the Fund is not by itself a complete or balanced investment program. For a complete description of the Fund's principal investment risks please refer to the prospectus.

The Fund is non-diversified and may focus its investments in the securities of a comparatively small number of issuers. Concentration in securities of a limited number of issuers exposes a fund to greater market risk and potential monetary losses than if its assets were diversified among the securities of a greater number of issuers.

The Fund may invest in small- and medium-sized companies which involve greater risk than investing in larger, more established companies, such as increased volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources.

The Fund may invest in foreign or emerging markets securities which involve special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets

The Fund may invest in debt securities which are subject to interest rate risk. An increase in interest rates typically causes a fall in the value of the debt securities in which the Fund may invest. The Fund may also invest in high yield, lower rated (junk) bonds which involve a greater degree of risk and price fluctuation than investment grade bonds in return

for higher yield potential. The Fund's distressed debt strategy may involve a substantial degree of risk, including investments in sub-prime mortgage securities.

The Fund may purchase securities of companies in initial public offerings. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. The Fund may leverage transactions which include selling securities short as well as borrowing for other than temporary or emergency purposes. Leverage creates the risk of magnified capital losses.

The Fund may also invest in derivatives which can be volatile and involve various types and degrees of risks, depending upon the characteristics of a particular derivative. The Fund may invest in options and futures which are subject to special risks and may not fully protect the Fund against declines in the value of its stocks. In addition, an option writing strategy limits the upside profit potential normally associated with stocks. Futures trading is very speculative, largely due to the traditional volatility of futures prices.

**Investors should carefully consider the Fund's investments objectives, risks, charges and expenses before investing. This and other information is in the prospectus, a copy of which may be obtained by calling (888) 992-2765 or visiting the Fund's web site: [www.absoluteadvisers.com](http://www.absoluteadvisers.com). Please read the prospectus carefully before you invest.**



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