



PROSPECTUS

August 1, 2011

ABSOLUTE INVESTMENT ADVISERS LLC
INSTITUTIONAL SHARES (ASFIX)
R SHARES (ASFAX)

The Securities and Exchange Commission has not approved or disapproved the Fund's shares or determined whether this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

ABSOLUTE
INVESTMENT ADVISERS

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ABSOLUTE STRATEGIES FUND

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The Notice of Privacy Policy and Practices of the Fund is included with this Prospectus but is not considered to be a part of the Prospectus.

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Summary Section

Investment Objective

Absolute Strategies Fund (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 Index.

Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

Shareholder Fees (fees paid directly from your investment)	Institutional Shares	R Shares
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of the offering price)	None	None
Maximum Deferred Sales Charge (Load) (as a percentage of the offering price)	None	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and other Distributions (as a percentage of the offering price)	None	None
Redemption Fee (as a percentage of amount redeemed, if applicable)	None	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)		
Management Fees	1.60%	1.60%
Distribution and/or Service (12b-1) Fees	None	0.25%
Other Expenses	0.13%	0.26%
Dividend and Interest Expenses on Short Sales	0.53%	0.53%
Acquired Fund Fees and Expenses	0.02%	0.02%
Total Annual Fund Operating Expenses⁽¹⁾⁽²⁾	2.28%	2.66%

⁽¹⁾ Total annual fund operating expenses do not correlate to the ratio of expenses to average net assets given in the financial highlights which reflects the operating expenses of the Fund and does not include acquired fund fees and expenses (“AFFE”).

⁽²⁾ Excluding the effect of expenses attributable to dividend and interest expenses on short sales and AFFE, the Fund’s Total Annual Operating Expenses were 1.73% and 2.11% for Institutional and R shares, respectively. Dividend and Interest Expenses on Short Sales occur when the Fund sells an equity or debt security short to gain the inverse exposure necessary to meet its investment objective. When the Fund sells a security short, the Fund borrows the security from a lender and then sells the security in the general market. The Fund is obligated to pay an amount equivalent to any dividend declared or interest paid during the duration of the short position to the lender from which the Fund borrowed the security and is obligated to record the payment of the dividend or interest as an expense. Dividend and Interest Expenses on Short Sales are not fees charged to shareholders by the Fund or any Fund service provider but are similar to transaction charges or capital expenditures related to the on-going management of the Fund’s portfolio.

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Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 Year	3 Years	5 Years	10 Years
Institutional Shares	\$231	\$712	\$1,220	\$2,615
R Shares	\$269	\$826	\$1,410	\$2,993

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 192% of the average value of its portfolio.

Principal Investment Strategies

Absolute Investment Advisers LLC ("*Absolute*" or "*Adviser*"), the Fund's investment adviser, believes that there are important benefits that come from investing alongside skilled money managers whose strategies, when combined, seek to provide risk-adjusted returns, lower volatility and lower sensitivity to financial market indices. To this end, *Absolute* selects Subadvisers that, relative to their peers, seek to preserve capital and tend to perform differently in a market cycle.

The Fund will pursue absolute (positive) returns by allocating assets among a carefully chosen group of asset managers (the "Subadvisers") who employ a wide range of specialized investment strategies. *Absolute* will allocate Fund assets among strategies of the Subadvisers that it believes offer the potential for attractive long-term investment returns individually and are expected to blend within the Fund's portfolio so that it may demonstrate low sensitivity and low volatility relative to the broader stock and bond markets over a complete market cycle.

The Subadvisers utilize strategies and investment techniques aimed to produce risk-adjusted returns and absolute returns over a full market cycle while managing risk exposure. These strategies are common hedge fund-type strategies and may attempt to exploit disparities or inefficiencies in markets, geographical areas, and companies; take advantage of security mispricings or anticipated price movements; and/or benefit from cyclical themes and relationships or special situations and events (such as spin-offs or reorganizations). Such strategies may have low sensitivity to traditional markets because they seek opportunities and risks that are unrelated to traditional markets.

Absolute has primary responsibility for allocating Fund assets in a manner that attempts to diversify the Fund's portfolio across multiple strategies and investment styles that *Absolute* believes are complementary and, when combined, will produce risk-adjusted returns. To this end, *Absolute* will be responsible for selecting the Fund's Subadvisers and determining the portion of the Fund's assets to be allocated to each Subadviser though *Absolute* may invest the Fund's assets directly in the same manner as any subadviser in pursuit of the Fund's investment

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objective. *Absolute* reviews a range of qualitative and quantitative factors (*e.g.*, investment process and statistical analysis) when evaluating each Subadviser and its appropriate asset allocation. *Absolute* may direct a Subadviser to reduce or limit its investment in certain assets or asset classes in order to achieve the desired composition of the Fund's portfolio. *Absolute* will limit allocations to any one Subadviser strategy to a maximum of 20% of total Fund assets *and* retains the discretion to invest the Fund's assets in securities and other instruments directly. *Absolute* may add or remove Subadvisers. The Subadvisers may use a combination of the following investment strategies:

Opportunistic and Long-Biased Equity Strategies capitalize on underpriced equity securities (common stock, preferred stock, convertible securities, warrants, rights and sponsored or unsponsored American Depositary Receipts ("ADRs")) or on positive market trends and may focus in certain securities markets, industries, company sizes, or geographical areas. Strategies are primarily managed for absolute return and Subadvisers assess risk and opportunity on an absolute, not an index-relative basis, by focusing on relatively few investments that the manager believes are undervalued and either offer a margin-of-safety, or offer high growth opportunities. Strategies may utilize short sales, options and futures contracts to implement selective hedging and manage risk exposure. Strategies may also focus on special situations or events, including distressed equities.

Long/Short Equity Market Neutral Strategies attempt to neutralize exposure to general domestic market risk by primarily investing in common stocks that are undervalued and short selling those stocks that are considered to be overvalued. Strategies may attempt to realize a valuation discrepancy in the relationship between multiple securities (relative value or value arbitrage), or may utilize quantitative factors to measure investment attractiveness among securities. Other qualitative and quantitative factors such as quality and momentum may be considered. Sub-Advisers intend to maintain approximately equal value exposure in long and short positions, which will be obtained through short sales, in order to offset the effects of general stock market movements.

Convertible Arbitrage Strategies seek to take advantage of the pricing inefficiencies of the embedded option in a convertible bond. Convertible arbitrage involves purchasing a portfolio of convertible securities, generally convertible bonds, and hedging a portion of the equity risk by selling short the underlying common stock. Subadvisers may utilize futures, options and credit default swaps in order to seek to hedge interest rate exposures and employ leverage to increase returns. Subadvisers may maintain a sector and market neutral portfolio. The average grade of bond in a convertible arbitrage portfolio is typically below investment grade with individual ratings ranging from AA to CCC. Such "junk bonds" typically are rated below Baa3 by Moody's, BBB- by S&P or BBB- by Fitch. Generally, the default risk of the company is hedged by shorting the underlying common stock.

Long/Short or Hedged Equity Strategies invest in securities believed to be undervalued or offer high growth opportunities while also attempting to minimize overall market risk or take advantage of an anticipated decline in the price of an overvalued company or index by using short sales, futures or options to hedge risk. Strategies may also use futures or options to obtain leverage. Long and short positions may not be invested in equal dollars and, as such, may not seek to neutralize general market risks.

Fixed Income, Long/Short Credit and Distressed Debt Strategies invest primarily in debt securities of domestic and foreign governments, agencies, and companies of all maturities and qualities, including "junk bonds" and other defaulted debt securities, TIPS (Treasury Inflation Protected Securities), exchange traded funds ("ETFs") and emerging market debt. Debt securities of foreign governments are sometimes referred to as sovereign debt obligations and they may be issued or guaranteed by foreign governments or their agencies. The Fund may invest in mortgage-backed securities, collateralized mortgage obligations, asset-backed securities and other mortgage related securities ("Mortgage Related Securities"). Strategies may focus on short positions by

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utilizing credit default swaps to anticipate the decline in the price of an overvalued security or utilizing treasury futures to hedge interest-rate risk. Mortgage Related Securities may also include securities rated below investment grade (*i.e.*, junk bonds) or unrated, under-performing or distressed debt and equity securities issued by issuers of collateralized debt obligations and special situation investments, such as distressed corporate or sub-prime mortgage securities. Distressed securities may also be issued by companies ranging from those undergoing restructurings in bankruptcy proceedings to those attempting to restructure out of court to those that are healthy but have short-term cash flow or liquidity problems. Strategies may involve leverage and hedging through the use of ETFs, futures, credit default swaps, total return swaps, committed term reverse repurchase facilities or other financings that seek to enhance risk-adjusted returns. In connection with these strategies, the Fund may act as a buyer or seller of credit default swaps.

Global and Emerging Market Strategies seek to take advantage of investment opportunities that are believed to have the highest probability of success (long investment) or failure (short investment). Subadvisers may invest in equity, fixed income, currencies, precious metals or commodities in domestic, international and high-growth emerging markets. Subadvisers may utilize positions held through individual securities, ETFs, and other exchange-traded products, options and swaps linked to major market, sector or country indices, fixed-income securities, currencies and commodities. Certain of these investments may be designed to manage the Fund's risk exposure to one or more currencies. Subadvisers may invest in a limited number of securities, issuers, industries, futures, or countries which may result in higher volatility.

Other Strategies Pursuant to any of the above-described strategies, the Fund may trade frequently and may invest in a wide range of instruments, markets and asset classes in the U.S. and other markets. Investments generally include equity securities, fixed income securities and derivatives.

- The Fund may invest in equity securities of issuers of any market capitalization in the U.S. or abroad, including convertible, private placement/restricted, initial public offering ("IPOs") and emerging market securities, with certain exposures to non-U.S. issuers obtained through investments in American Depositary Receipts ("ADRs"). The Fund may also invest in pooled investment vehicles, including other registered investment companies and ETFs.
- The Fund may invest in fixed income securities of any credit quality and maturity, including those with fixed or variable terms and those of defaulted/distressed issuers and bank loans. These securities can be rated below investment grade (*i.e.*, "junk bonds") and thus rated below Baa3 by Moody's, BBB- by S&P or BBB- by Fitch Ratings Ltd. or unrated and securities in default.
- The Fund may invest in derivatives, which are financial instruments that have a value that depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. The most common types of derivatives in which the Fund may invest are forwards, options, futures and swaps contracts. The Fund's forward contracts include forward currency contracts. The Fund's swap agreements may include equity, interest rate, index, credit default and currency rate swap agreements. The Fund's futures contracts may include futures on securities, commodities, and securities indices. The Fund's options contracts may include options on securities, securities indices, commodities and futures. The Fund may purchase or write options. The Fund may invest in derivatives to hedge (or reduce) its exposure to a portfolio asset or risk, to obtain leverage for speculative purposes, to manage cash and/or as a substitute for taking a position in the reference asset or to gain exposure to certain asset classes, in which case the derivatives may have economic characteristics similar to those of the reference asset and the Fund's investment in the derivatives may be applied toward meeting a requirement to invest a certain percentage of its net assets in instruments with such characteristics. Leverage generally involves the use of debt by the Fund to finance the purchase of investments and results in the Fund controlling substantially more assets than it has equity in an effort to increase returns. The Fund may also

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obtain leverage by investing short sale proceeds when such proceeds are received by the Fund as Fund assets.

In order to respond to adverse market, economic, political or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its principal investment strategies.

Principal Investment Risks

General Market Risk The Fund's net asset value ("NAV") and investment return will fluctuate based upon changes in the value of its portfolio securities. You could lose money on your investment in the Fund, or the Fund could underperform other investments. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

Market Events Risk It is important that investors closely review and understand the risks of investing in the Fund. Turbulence in financial markets and reduced liquidity in equity, credit and fixed-income markets may negatively affect many issuers worldwide, which could have an adverse effect on the Fund.

Bank Loans Risk The Fund may purchase secured and unsecured participations in loans and may purchase assignments of such loans. The Fund may invest in loan participations of any credit quality, including "distressed" companies with respect to which there is a substantial risk of losing the entire amount invested. In addition, certain bank loans in which the Fund may invest may be illiquid and, therefore, difficult to value and/or sell.

Convertible Securities Risk Convertible securities entail interest rate and credit risks. While fixed-income securities generally have a priority claim on a corporation's assets over that of common stock, convertible securities held by the Fund that are rated below investment grade (*i.e.*, "junk bonds") are subject to special risks, including the risk of default in interest or principal payments, which could result in a loss of income to the Fund or a decline in the market value of the securities. The Fund has no pre-established minimum credit quality standards for convertible securities and may invest in convertible securities of any quality as well as unrated securities and securities in default.

Currency Risk The value of the Fund's foreign investments, including foreign securities and forward currency contracts, may decrease because of unfavorable changes in the exchange rate between a foreign currency and the U.S. dollar.

Derivatives Risk Derivatives, such as options, futures and swaps, can be volatile, and a small investment in a derivative can have a large impact on the performance of the Fund as derivatives can result in losses in excess of the amount invested. Other risks of investments in derivatives include imperfect correlation between the value of these instruments and the underlying assets; risks of default by the other party to the derivative transactions; risks that the transactions may result in losses that partially or completely offset gains in portfolio positions; and risks that the derivative transactions may not be liquid.

Distressed Investments Risk The Fund's investment in instruments involving loans, loan participations, bonds, notes, non-performing and sub-performing mortgage loans, many of which are not publicly traded, may involve a substantial degree of risk. These instruments may become illiquid and the prices of such instruments may be extremely volatile. Valuing such instruments may be difficult and the Fund may lose all of its investment, or it may be required to accept cash or securities with a value less than the Fund's original investment. Issuers of distressed securities are typically in a weak financial condition and may default, in which case the Fund may lose its entire investment.

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Emerging Markets Risk Emerging markets securities are subject to the same risks as foreign investments and to additional risks due to greater political and economic uncertainties as well as a relative lack of information about companies in such markets. Moreover, many of the emerging securities markets are relatively small, potentially illiquid, occasionally volatile and subject to high transaction costs.

Equity Risk The Fund is subject to the risks of broad stock market decline or a decline in particular holdings. In addition, the value of a security may decline for a number of reasons that directly relate to the issuer of a security, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Event-Driven Strategies Risk Inherently speculative in nature, investments pursuant to special situations and event-driven strategies require a Subadviser to make predictions about a corporate event and its impact on a company. A Subadviser may make inaccurate predictions and the anticipated event and/or contemplated corporate transaction may not take place as expected or at all. This may result in the distribution of a new, less valuable security in place of the security (or derivative). The Fund may have to sell a security at a loss, and such securities are subject to the risk of complete loss of value.

Fixed Income Securities Risk Fixed income (or debt) securities may be subject to credit risk, interest rate risk, prepayment and extension risk.

Credit Risk Credit risk is the risk that the value of your investment in the Fund may decrease when the credit rating of issuers whose debt securities the Fund holds is lowered due to, for example, failure to make timely payments of interest and principal; in addition, when an issuer's credit rating is lowered, the volatility of their debt securities, and risk of the Fund's investment in such securities, may increase.

Interest Rate Risk Interest rate risk is the risk that interest rates will rise (fall), causing the value of debt securities held by the Fund to decrease (increase); interest rate risk is most acute for longer-term debt securities as their values tend to change more with changes in interest rates.

Prepayment Risk Prepayment risk is the risk that issuers of debt securities may pay principal more quickly (or prepay principal) when interest rates fall; and extension risk is the risk that such issuers may pay principal more slowly when interest rates rise.

High Yield Securities Risk Below investment grade securities are sometimes referred to as high yield securities or "junk bonds." Junk bonds are more speculative than higher grade securities. They generally have a greater risk of default and their prices may be more volatile than higher grade securities of similar maturity. They may also be less liquid and more difficult to value.

Foreign Risk Foreign investments are subject to the same risks as domestic investments and additional risks, including international trade, currency, political, regulatory and diplomatic risks, which may affect their value. Also, foreign securities are subject to the risk that their market price may not reflect the issuer's condition because there is not sufficient publicly available information about the issuer.

Futures Contracts Risk There may be an imperfect correlation between the changes in market value of the securities held by the Fund and the prices of futures contracts. There may not be a liquid secondary market for the futures contracts.

High Turnover Risk The Fund's strategy may result in high turnover rates, which may increase the Fund's brokerage commission costs and negatively impact the Fund's performance. Such portfolio turnover also may generate net short-term capital gains.

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IPO Risk Securities that are acquired in an IPO or private placement, or are restricted (subject to contractual or legal restrictions on resale because they are not registered under the Securities Act of 1933) and may be illiquid; thus the Fund may not be able to dispose of them promptly at the price at which they are valued.

Large Capitalization Company Risk Large-cap company stocks may underperform other segments of the equity market or the equity market as a whole.

Leverage Risk Certain transactions of the Fund, such as reverse repurchase agreements, dollar rolls, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

Liquidity Risk Certain securities eligible for investment by the Fund may be deemed to be illiquid under applicable law. During periods of market turbulence or unusually low trading activity, in order to meet redemptions it may be necessary for the Fund to sell such securities at prices that could have an adverse effect on the Fund's share price.

Management Risk The Fund's performance may deviate from overall market returns to a greater degree than other funds that do not employ an absolute return focus. Alternatively, if the Fund or Subadviser takes a defensive posture by hedging its portfolio, then stock prices advance, the return to Fund investors may be lower than expected and lower than if the portfolio had not been hedged. Due to its active management, the Fund could underperform other mutual funds with similar investment objectives.

Medium Capitalization Company Risk Medium capitalization company stocks may have greater fluctuations in price and may be more difficult to liquidate than the stocks of larger, more widely traded companies during market downturns.

Mortgage-Related Securities Risk The Fund's investments in Mortgage-Related Securities may be affected by, among other things, changes in interest rates, the creditworthiness of the entities that provide their credit enhancements or the market's assessment of the quality of the underlying assets. Mortgage-Related Securities can be sensitive to changes in interest rates and are subject to pre-payment risk, which is the risk that the underlying debt may be refinanced or prepaid. Mortgage-Related Securities may be issued or guaranteed by the U.S. government, its agencies or instrumentalities or by private issuers. Mortgage-Related Securities issued by private issuers are subject to greater credit risks than those issued or guaranteed by the U.S. government.

Multi-Manager Risk The success of the Fund's strategy depends on, among other things, the Adviser's skill in selecting Subadvisers and the Subadvisers' skill in executing the relevant strategy. The Subadvisers' strategies may be out of favor at any time. In addition, because the Subadvisers each make their trading decisions independently, it is possible that Subadvisers may purchase or sell the same security at the same time without aggregating their transactions. This may cause unnecessary brokerage and other expenses and the Fund may incur losses as a result.

Non-Diversification Risk The Fund is non-diversified, which means that it may invest in securities of a limited number of issuers. Such non-diversification exposes the Fund to greater market risk and potential monetary losses than if its assets were diversified.

Options Risk There may be an imperfect correlation between the prices of options and movements in the price of the securities (or indices) hedged or used for cover which may cause a given hedge not to achieve its objective. Over-the-counter options expose the Fund to counterparty risk.

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Pooled Investment Vehicle Risk Pooled investment vehicles in which the Fund may invest may charge fees, and such fees may be more than the Fund would pay if the manager of the pooled vehicle managed the Fund's assets directly.

Prepayment Risk Debt securities are subject to interest rate, credit and prepayment risk. Prepayment of debt securities, which is more common when interest rates are declining, can shorten such securities' maturity and reduce the Fund's return.

Registered Investment Company and ETF Risk The Fund's investment in Registered investment companies (including ETFs) generally subjects the Fund to its proportionate share of such companies' expenses and entails the same risks as the individual stocks held by the companies. In addition, certain investment companies' securities may trade and be purchased by the Fund at a premium or discount to their NAV. When selling such securities, the Fund may not sell at the same premium or discount and may lose money on the premium or discount. Trading in an ETF may be halted if the trading in one or more of the ETF's underlying securities is halted.

Restricted Securities Risk Rule 144A Securities are restricted securities and may not be readily marketable in broad public markets. The Fund may not be able to sell the restricted security when the Adviser considers it desirable to do so and/or may have to sell a security at a lower price. A restricted security which when purchased was liquid may subsequently become illiquid. In addition, transaction costs may be higher for Rule 144A securities than for more liquid securities.

Short Selling Risk Short selling involves borrowing a security, selling it and buying it back. If the Fund buys back the security at a price higher than the price at which it sold the security plus accrued interest, the Fund will have a loss on the transaction. Any loss will be increased by the amount of compensation, interest or dividends the Fund must pay to the lender of the security sold short. In addition, a short sale may create leverage and, as a result, may cause relatively smaller adverse market movements to have a disproportionate impact on the Fund's performance. The amount the Fund could lose on a short sale is theoretically unlimited.

Small Capitalization Company Risk Securities of smaller companies may be more volatile than securities of larger companies and as a result, the price of smaller companies may decline more in response to selling pressure.

Sovereign Debt Risk A sovereign debtor's willingness and ability to repay principal and interest on issued debt securities may depend on, among other things, its cash flow situation, cash reserves, foreign exchange rates, changing economic policies and the local political climate. Sovereign debt risks are greater for emerging market issuers.

Swap Contract Risk The use of swaps involves investment techniques and risks different from those associated with ordinary portfolio security transactions. In addition, each swap exposes the Fund to counterparty risk when a counterparty to a financial instrument entered into by the Fund may become bankrupt or otherwise fail to perform its obligations due to financial difficulties. As a result, the Fund may experience delays in or be prevented from obtaining payments owed to it pursuant to a swap contract.

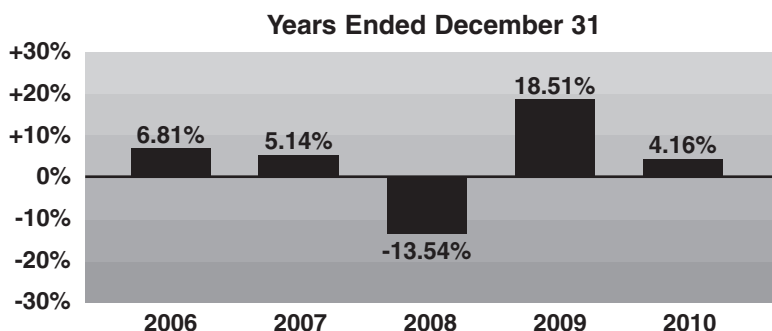
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Performance Information

The following chart and table illustrate the variability of the annual returns of the Fund. The chart and tables provide some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and how the Fund's returns compare to the S&P 500 Index, a broad measure of market performance. Updated performance information is available online at www.absoluteadvisers.com or by calling (888) 99-ABSOLUTE or (888) 992-2765.

Performance information represents only past performance, before and after taxes, and does not necessarily indicate future results.

The following chart shows the annual total return of the Institutional Share Class for each full calendar year that the class has operated.



The calendar year-to-date total return as of June 30, 2011 was 0.63%.

During the period shown in the chart, the highest quarterly return was 10.83% (for the quarter ended June 30, 2009) and the lowest quarterly return was (9.59)% (for the quarter ended December 31, 2008).

AVERAGE ANNUAL TOTAL RETURNS

	1 Year	5 Years	Since July 27, 2005
Institutional Shares — Return Before Taxes	4.16%	3.69%	3.50%
Institutional Shares — Return After Taxes on Distributions	4.10%	3.15%	2.96%
Institutional Shares — Return After Taxes on Distributions and Sale of Fund Shares	2.79%	2.90%	2.74%
R Shares ⁽¹⁾ — Return Before Taxes	3.71%	3.28%	3.09%
S&P 500 Index (reflects no deduction for fees, expenses or taxes)	15.06%	2.29%	2.44%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	6.54%	5.80%	5.48%

⁽¹⁾ Effective August 1, 2008, the Class A shares were renamed Class R shares and ceased to carry a sales load. The performance information presented does not reflect the imposition of any sales charges. Effective August 1, 2009, Class C shares were converted to R shares.

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After-tax returns are calculated using the historical highest individual Federal marginal income tax rates and do not reflect the impact of state and local income taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

The return after taxes on distributions and sale of Fund shares may exceed the return before taxes due to an assumed tax benefit from any losses on a sale of Fund shares at the end of the measurement period.

Management

Adviser

Absolute Investment Advisers LLC is the Adviser to the Fund.

Subadvisers

Aronson+Johnson+Ortiz, LP, Horizon Asset Management, Inc., Kovitz Investment Group, LLC, Longhorn Capital Partners, L.P., MetWest Asset Management, LLC, Mohican Financial Management, LLC, SSI Investment Management, Inc., St. James Investment Company, LLC, TWIN Capital Management, Inc., and Yacktmann Asset Management Co. are the Subadvisers to the Fund.

Portfolio Manager

Mr. Jay Compson is the portfolio manager of the Fund. Mr. Compson has managed the Fund since its commencement in 2005.

Purchase and Sale of Fund Shares

The Fund is closed to new investments, except as provided below.

Existing shareholders of the Fund are permitted to add to their accounts through the purchase of additional shares and through the reinvestment of dividends and capital gain distributions.

In addition, Trustees and officers of the Trust and employees and managers of *Absolute* and its affiliates, or the spouse, sibling, direct ancestor, or direct descendent of any such person, may establish new accounts and continue to add to existing accounts in the Fund. Trust officers may permit the establishment of new accounts or permit additional sales to existing accounts under circumstances not identified above if the Adviser, as investment manager of the Fund, deems it to be in the best interest of the Fund and its shareholders. The Board reserves the right to re-open the Fund to new investors at any time or to modify the extent to which future sales of shares are limited.

As permitted above, you may purchase or sell (redeem) shares of the Fund on any day that the New York Stock Exchange is open for business. You may purchase or redeem shares directly from the Fund by calling (888) 99-ABSOLUTE or (888) 992-2765 (toll free) or writing to the Fund at Absolute Strategies Fund, P.O. Box 588, Portland, Maine 04112. You also may purchase or redeem shares of the Fund through your financial intermediary. The Fund accepts investments in the following minimum amounts:

	Minimum Initial ⁽¹⁾⁽²⁾	Minimum Additional ⁽¹⁾⁽²⁾
Institutional Shares		
All Accounts	\$1,000,000	None
R Shares		
Standard Accounts	\$ 250,000	\$ 100
Retirement Accounts	\$ 5,000	\$ 100

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- ⁽¹⁾ If you invest through a broker or other financial intermediary, the policies and fees of the intermediary may be different than the policies and fees of the Fund. Among other things, such financial intermediaries may charge transaction fees and may set different minimum investments or limitations on buying (selling) Fund shares. You should consult your broker or other representative of your financial intermediary for more information.
- ⁽²⁾ No initial or subsequent investment minimums for accounts maintained by financial institutions for the benefit of their clients who purchase shares through investment programs such as (1) fee-based advisory programs; (2) employee benefit plans like 401(k) retirement plans; (3) mutual fund platforms; and (4) consulting firms. No initial or subsequent investment minimum for Trustees or officers of the Trust, directors, officers and employees of *Absolute*, employees of the Subadvisers, and employees and affiliates of the Fund, or the distributor or any of their affiliates, or the spouse, sibling, direct ancestor, or direct descendent (collectively, “relatives”) of any such person, any trust or individual retirement account or self-employed retirement plan for the benefit of any such person or relative; or the estate of any such person or relative.

If deemed appropriate by the Trust officers, the Fund reserves the right to waive minimum investment amounts.

Tax Information

Shareholders may receive from the Fund distributions of dividends and capital gains, which may be taxed as ordinary income or capital gains.

Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

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Details Regarding Principal Investment Strategies and Risks

Absolute Strategies Fund (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 Index. The Fund’s investment objective may be changed by the Board of Trustees (the “Board”) of the Trust without a shareholder vote.

Additional Information Regarding Principal Investment Strategies

The Fund is designed for investors who seek a long-term investment with low sensitivity to traditional markets and who desire added diversification across multiple asset classes and strategies as a part of an overall disciplined investment program.

The Fund will pursue absolute returns by allocating assets among a carefully chosen group of asset managers (the “Subadvisers”) who employ a wide range of specialized investment strategies. *Absolute* allocates and reallocates assets of the Fund among its respective Subadvisers to attempt to maximize risk-adjusted returns while reducing the Fund’s volatility and lower sensitivity to traditional markets. *Absolute* has primary responsibility for allocating Fund assets in a manner that attempts to diversify the Fund’s portfolio across multiple strategies and investment styles that *Absolute* believes are complementary and, when combined, will produce risk-adjusted returns. To this end, *Absolute* will be responsible for selecting the Fund’s Subadvisers and determining the portion of the Fund’s assets to be allocated to each Subadviser.

Absolute reviews a wide range of qualitative and quantitative factors when evaluating each Subadvisers and establishing the asset allocation to each. These factors include, but are not limited to: proven risk-adjusted investment performance and capacity to adapt to various market conditions; well-defined and disciplined investment philosophy, strategy and process that have been consistently applied over time; portfolio characteristics and capacity of given strategy; consistency of investment style, purchase/sell discipline, and risk management procedures; sensitivity and volatility of results as compared with other similar Subadvisers; business focus, stability and depth of investment professionals; and portfolio manager interviews and ongoing dialogue. While *Absolute* does not evaluate the merits of a Subadviser’s individual investment decisions, it does monitor investment performance and style consistency.

Absolute has entered into subadvisory agreements with Subadvisers, each chosen for its particular investment style(s). The Subadvisers may employ aggressive investment strategies and techniques and focus investments in certain securities sectors and geographical regions. The Subadvisers employ techniques, strategies and analyses based on relationships and correlations between and assumptions about securities, instruments, commodities, markets or other factors, or the occurrence of certain events. By combining the expertise of several Subadvisers with *Absolute*’s approach to diversification and risk management, the Fund attempts to reduce volatility and provide risk-adjusted returns. However, there can be no assurance that losses will be avoided.

Absolute may invest the Fund’s assets in securities and other instruments directly. *Absolute* may exercise this discretion in order to invest the Fund’s assets pending allocation to a Subadviser, to hedge the Fund against exposures created by the Subadvisers, or to modify the Fund’s exposure to a particular investment or market-related risk. *Absolute* may exercise its discretion over unallocated assets to invest Fund assets directly and may reallocate to itself assets previously allocated to a Subadviser.

From time to time, certain of the Subadvisers or their strategies may not be available to the Fund due to such reasons as investment minimums, capacity limitations, and regulatory limitations or other imposed constraints.

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Accordingly, the Fund may, for temporary purposes, utilize high-quality, short-term debt securities or other cash instruments as a substitute for certain Subadvisers' strategies until Fund assets reach appropriate scale for optimal allocation.

The strategies utilized by the Fund include absolute return strategies as well as strategies aimed at risk-adjusted returns. The strategies and investment techniques employed by the Subadvisers aim to produce absolute returns over a full market cycle while managing risk exposure. They are common hedge fund-type strategies and may attempt to exploit disparities or inefficiencies in markets, geographical areas, and companies; take advantage of security mispricings or anticipated price movements; and/or benefit from cyclical themes and relationships or special situations and events (such as spin-offs or reorganizations). Such strategies may have low sensitivity to traditional markets because they seek opportunities and risks that are unrelated to traditional markets.

There is no fixed or minimum allocation to any Subadviser; however, *Absolute* will limit allocations to any one Subadviser strategy to a maximum of 20% of total Fund assets. In the future, *Absolute* may add or remove Subadvisers. See "The Adviser and Subadvisers."

To manage risk or enhance return (including through leverage), the Fund may invest in derivatives. Some derivatives, such as exchange-traded futures and options on securities, commodities and indexes are standardized contracts that can easily be bought or sold, and whose market values are published daily. Non-standardized derivatives, such as swaps, tend to be more complex and harder to value. The Fund may invest in forwards, futures and options contracts and in equity, interest rate, index, credit default swap agreements and currency rate swap agreements. The Fund may invest in futures contracts on securities, commodities, and securities indices. The Fund may invest in options on securities, securities indices, commodities and futures.

Options Contracts Options may be effected on an exchange or in the over-the-counter market. A call option is a contract under which the purchaser of the call option, in return for a premium paid, has the right to buy the security or commodity underlying the option at a specified price at any time during the term of the option. The writer of the call option, who receives the premium, has the obligation upon exercise of the option to deliver the underlying security or commodity against payment of the exercise price. The Fund may buy or write put and call options on securities, indexes and futures contracts. A put option gives its purchaser, in return for a premium, the right to sell the underlying security or commodity at a specified price during the term of the option. The writer of the put, who receives the premium, has the obligation to buy, upon exercise of the option, the underlying security or commodity at the exercise price. An index cash option involves the delivery of cash equal to the difference between the exercise price and the closing price of an index. An option on a futures contract gives the purchaser the right, in return for the premium paid, to assume a position in a futures contract at a specified exercise price at any time during the period of the option. The amount of a premium received or paid for an option is based upon certain factors including the market price of the underlying security or commodity, the relationship of the exercise price to the market price, the historical price volatility of the underlying security or commodity, the option period and interest rates.

Futures Contracts Futures contracts may be used for leveraging or hedging purposes. A futures contract is a bilateral agreement where one party agrees to accept, and the other party agrees to make, delivery of cash, securities or commodities, as called for in the contract, at a specified date and at an agreed upon price. An index futures contract involves the delivery of an amount of cash equal to a specified dollar amount multiplied by the difference between the index value at the close of trading of the contract and at the price designated by the futures contract. A treasury futures contract is a bilateral agreement where one party agrees to accept and the other party agrees to make delivery of a U.S. Treasury security, as called for in the agreement, at a specified date and at an agreed upon price. Treasury futures contracts are used by the Fund to manage credit risk. Generally, futures contracts are closed out or rolled over prior to their expiration date.

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Swap Agreements Swap agreements may be used for hedging or leveraging purposes. In a standard swap transaction, two parties agree to exchange the returns earned on specific assets, such as the return on, or the increase in value of, a particular dollar amount invested at a particular interest rate, in a particular foreign currency, or in a “basket” of securities representing a particular index. A swap contract may not be assigned without the consent of the counterparty. Credit default swaps (“CDS”) enable an investor to buy or sell protection against a credit event, such as an issuer’s failure to make timely payments on debt securities, bankruptcy or a restructuring. CDS are structured so that the “buyer” must pay the “seller” a periodic stream of payments over the term of the CDS provided no event of default by a selected entity (or entities) has occurred. In event of a default, the seller must pay the buyer the “par value” (full notional value) of the reference obligation in exchange for the reference obligation. The Fund may act as the buyer or seller of CDS. CDS involve greater risk than if the Fund had invested in the reference obligation directly.

Forward Contracts The Fund may use forward contracts to lock in an exchange rate for certain of its portfolio securities or to increase the Fund’s exposure to a currency that Absolute or a Subadviser believes is going to rise relative to the U.S. dollar. Thus, forward contracts may be used by the Fund for hedging or specialty purposes. Forward contracts involve the risk that anticipated currency movements will not be accurately predicted and will cause the Fund to sustain losses.

Temporary Defensive Position In order to respond to adverse market, economic, political or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its principal investment strategies and invest, without limitation, in cash or high quality cash equivalents (including commercial paper, certificates of deposit, banker’s acceptances and time deposits). A defensive position, taken at the wrong time, may have an adverse impact on the Fund’s performance. The Fund may be unable to achieve its investment objective during the employment of a temporary defensive measure.

Additional Information Regarding Principal Investment Risks

General Market Risk The Fund’s net asset value will fluctuate based upon changes in the value of its portfolio securities. The market value of securities in which the Fund invests is based upon the market’s perception of value and is not necessarily an objective measure of the securities’ value. 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. You could lose money on your investment in the Fund, or the Fund could underperform other investments. Other general market risks include:

Investment strategies that have historically demonstrated low sensitivity to major world financial market indices may become sensitive at certain times and, as a result, may cease to function as anticipated;

Absolute or a Subadviser may be incorrect in assessing the value or growth capability of particular securities or asset classes contained in the Fund’s portfolio.

Market Events Risk Global securities markets have experienced significant volatility since 2008. The fixed-income markets have experienced substantially lower valuations, reduced liquidity, price volatility, credit downgrades, increased likelihood of default and valuation difficulties. Concerns have spread to domestic and international equity markets. In some cases, the prices of securities of individual companies have been negatively impacted, even though there may have been little or no apparent degradation in the financial conditions or prospects of those companies. Continuing market problems may have adverse effects on the performance of the Fund.

Bank Loan Risk The Fund may purchase secured and unsecured participations in loans and may purchase assignments of such loans made by banks or other financial intermediaries to borrowers in which it will depend

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primarily upon the creditworthiness of the borrower for payment of principal and interest. If the Fund does not receive scheduled interest or principal payments on such indebtedness, the Fund's share price could be adversely affected. The Fund may invest in loan participations that are rated by a nationally recognized statistical rating organization or unrated and may invest in loan participations of any credit quality, including "distressed" companies with respect to which there is a substantial risk of losing the entire amount invested. In addition, certain bank loans in which the Fund may invest may be illiquid and, therefore, difficult to value and/or sell at a price that is good for the Fund.

Convertible Securities Risk Convertible securities entail some of the risks of both equity and debt securities. While fixed-income securities generally have a priority claim on a corporation's assets over that of common stock, some of the convertible securities which the Fund may hold are high-yield/high-risk securities that are subject to special risks, including the risk of default in interest or principal payments which could result in a loss of income from or a decline in the market value of, the securities. In addition, convertible securities often display a degree of market price volatility that is comparable to common stocks. The credit risk associated with convertible securities generally is reflected by their ratings by organizations such as Moody's or S&P or a similar determination of creditworthiness by a Subadviser. The value of convertible securities tends to decline as interest rates rise and, because of the conversion feature, tends to vary with fluctuations in the market value of the underlying securities.

Event-Driven Strategies Risk Special situations and event-driven strategies are inherently speculative in nature. Investments pursuant to special situations and event driven strategies require a Subadviser to make predictions about the likelihood of a corporate event and its impact on a company, and any Subadviser may make inaccurate predictions. The anticipated event and/or impact of the event may never be realized and losses may result. A contemplated corporate transaction may never occur, may take more time than is expected or may result in the distribution of a new, less valuable security in place of the security (or derivative) purchased by the Fund. If a transaction does not occur, the Fund may have to sell securities purchased pursuant to this strategy at a loss. Any investment made pursuant to this strategy is subject to the risk of complete loss. In addition, the result of these strategies may be expected to fluctuate from period to period; thus, the results generated by the strategy in one period will not necessarily be indicative of the results that may be expected from the strategy in future periods.

Distressed Investments Risk The Fund's distressed debt strategy of investing in instruments involving loans, loan participations, bonds, notes, non-performing and sub-performing mortgage loans, many of which are not publicly traded, may involve a substantial degree of risk. In certain periods, there may be little or no liquidity in the markets for these instruments. The prices of such instruments may be extremely volatile. Valuing such instruments may be difficult, and the spread between the bid and asked prices of them may be greater than normally expected. If a Subadviser's evaluation of a distressed security should prove incorrect, the Fund may lose a substantial portion or all of its investment, or it may be required to accept cash or securities with a value less than the Fund's original investment. Moreover, because issuers of distressed securities are typically in a weak financial condition, the likelihood of default is high, in which case the Fund may lose its entire investment in such defaulted securities.

Derivatives Risk Derivatives are financial instruments that have a value which depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on the Fund's performance. The successful use of derivatives generally depends on the portfolio manager's ability to predict market movements.

The Fund may use derivatives in various ways. The Fund may use derivatives as a substitute for taking a position in the reference asset or to gain exposure to certain asset classes; under such circumstances, the derivatives may

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have economic characteristics similar to those of the reference asset, and the Fund's investment in the derivatives may be applied toward meeting a requirement to invest a certain percentage of its net assets in instruments with such characteristics. The Fund may use derivatives to hedge (or reduce) its exposure to a portfolio asset or risk. The Fund may use derivatives for leverage. The Fund may also use derivatives to manage cash.

Derivatives are subject to a number of risks described elsewhere in this section, such as liquidity risk, interest rate risk, credit risk and general market risks. Derivatives may also increase the amount of taxes payable by shareholders of the Fund. The Fund's use of derivatives may entail greater or different risks as described below. Certain of the different risks to which the Fund might be exposed due to its use of derivatives include the following:

Hedging Risk is the risk that derivative instruments used to hedge against an opposite position may offset losses, but they also may offset gains.

Correlation Risk is the risk that derivative instruments may be mispriced or improperly valued and that changes in the value of the derivatives may not correlate perfectly with the underlying asset or security.

Volatility Risk is the risk that, because the Fund may use some derivatives that involve economic leverage, this economic leverage will increase the volatility of the derivative instruments as they may increase or decrease in value more quickly than the reference asset.

Credit Derivative Risk is the risk associated with the use of credit derivatives, which is a highly specialized activity that involves strategies and risks different from those with ordinary portfolio security transactions. If *Absolute* or a Subadviser is incorrect in its forecast of default risks, market spreads or other applicable factors, the Fund's investment performance would diminish compared with what it would have been if these techniques were not used. Moreover, even if *Absolute* or a Subadviser is correct in its forecast, there is a risk that a credit derivative position may correlate imperfectly with the price of the asset or liability being hedged. The Fund's risk of loss in a credit derivative transaction varies with the form of the transaction.

Segregation Risk is the risk associated with any requirement, which may be imposed on the Fund, to segregate assets or enter into offsetting positions in connection with investments in derivatives. Such segregation will not limit the Fund's exposure to loss, and the Fund may incur investment risk with respect to the segregated assets to the extent that, but for the applicable segregation requirement, the Fund would sell the segregated assets.

Emerging Markets Risk The Fund may invest in foreign securities of issuers in emerging markets. Investments in such emerging markets present greater risks than investing in foreign issuers in general. The risk of political or social upheaval is greater in emerging markets. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and markets of certain emerging market countries. Moreover, many emerging markets are relatively small, have low trading volumes, suffer periods of relative illiquidity and are characterized by significant price volatility and high transaction costs.

Equity Risk The value of the Fund's stock holdings may decline in price because of changes in prices of its holdings or a broad stock market decline. These fluctuations could be a sustained trend or a drastic movement. The stock markets generally move in cycles, with periods of rising prices followed by periods of declining prices. The value of your investment may reflect these fluctuations. In addition, common stocks in general are subject to the risk of an issuer liquidating or declaring bankruptcy, in which case the claims of owners of the issuer's debt securities and preferred stock take precedence over the claims of common stockholders.

Fixed Income Securities Risk The Fund may invest in fixed income (debt) securities, including securities issued or guaranteed by the U.S. government, its agencies or instrumentalities, foreign sovereigns, foreign and domestic corporate issuers, notes and debentures. Debt securities are generally subject to the following risks:

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Credit Risk Credit risk is the risk that the issuer of a security may not make interest and principal payments when due. The financial condition of an issuer of a debt security may cause it to default or become unable to pay interest or principal due on the security. If an issuer defaults, the affected security could lose all of its value, be renegotiated at a lower interest rate or principal amount, or become illiquid. Higher yielding debt securities of lower credit quality have greater credit risk than lower yielding securities with higher credit quality. The Fund may invest in debt securities of any credit quality, including unrated and defaulted securities. Rated securities are those that have been rated by an NRSRO.

Interest Rate Risk The value of debt securities typically changes when prevailing interest rates change. Specifically, when interest rates rise, the value of outstanding debt securities usually falls and such securities sell at a discount to their face value. Conversely, when interest rates fall, the value already-issued debt securities tends to rise and current investment opportunities tend to provide lower yields that can reduce the Fund's income. The values of longer-term debt securities usually change more than the values of shorter-term securities as a result of interest rate changes.

Prepayment Risk Some debt securities are subject to the risk of (unanticipated) prepayment, which is the risk that borrowers will prepay the loans that underlie such debt securities, shortening the expected maturity of the security for the Fund. Under such circumstances, the Fund may need to reinvest the proceeds at a lower interest rate, thereby reducing its income. If the Fund bought securities that get prepaid at a premium, the prepayment of the securities by the issuer could cause the Fund to lose a portion of its principal investment. Prepayments can be difficult to predict and cause the value of debt securities subject to prepayment to be volatile. Interest-only and principal-only securities are especially sensitive to changes in interest rates, which affects prepayment assumptions made about them.

Extension Risk If interest rates rise, repayments of principal on certain debt securities may occur at a slower-than-expected rate and, as a result, the expected maturity of such securities could lengthen. Such securities generally have greater potential for loss when prevailing interest rates rise, which could cause their value to fall sharply.

High Yield Securities Risk Below investment grade securities are sometimes referred to as high yield securities or "junk bonds." Like other debt securities, junk bonds may be affected by interest rates and the creditworthiness of their issuer. They are generally more speculative than higher grade securities, however, and have a greater risk of default.

Foreign Risk The value of foreign investments may be affected by the imposition of new or amended government regulations, changes in diplomatic relations between the United States and another country, political and economic instability, the imposition or tightening of exchange controls or other limitations on repatriation of foreign capital, or nationalization, increased taxation or confiscation of investors' assets. Changes in the exchange rate between U.S. dollars and a foreign currency may reduce the value of an investment made in a security denominated in that foreign currency. Also, foreign securities are subject to the risk that their market price may not reflect the issuer's condition because there is not sufficient publicly available information about the issuer. This risk may be greater for investments in issuers in emerging or developing markets.

Futures Contracts Risk There may be an imperfect correlation between the changes in market value of the securities held by the Fund and the prices of futures contracts. There may not be a liquid secondary market for the futures contracts.

High Turnover Risk The Fund's investment strategy may result in high turnover rates. This may increase the Fund's brokerage commission costs. The performance of the Fund could be negatively impacted by the increased

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brokerage commission cost incurred by the Fund. Rapid portfolio turnover also exposes shareholders to a higher current realization of short-term capital gains, distributions of which would generally be taxed to you as ordinary income and thus cause you to pay higher taxes.

Initial Public Offerings Risk The Fund may purchase securities of companies in initial public offerings (“IPOs”). Special risks associated with these securities may include illiquidity, unseasoned trading, lack of investor knowledge of the company, limited operating history and substantial price volatility. The limited number of shares available for trading in some initial public offerings may make it more difficult for the Fund to buy or sell significant amounts of shares without an unfavorable impact on prevailing market prices. Some companies whose shares are sold through IPOs are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies without revenues or operating income, or the near-term prospects of achieving them.

Large Capitalization Company Risk Large-cap company stocks may underperform other segments of the equity market or the equity market as a whole. Larger, more established companies may be slow to respond to challenges and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Leverage Risk Leverage transactions, including investing in certain derivatives, borrowing money, selling securities short and entering into agreements, create the risk of magnified capital losses. The use of leverage may increase (or decrease) the Fund’s return when the Fund earns a greater (or lesser) return on leveraged investments than the cost of the leverage. The effect of leverage on the Fund’s returns may be magnified by market movements or changes in the cost of leveraging. Changes in interest rates and related economic factors could cause the relationship between the cost of leveraging and the yield on leveraged investments to change in a manner that is unfavorable for the Fund. In an extreme case, the Fund’s current investment income may not be sufficient to meet the interest expense of leveraging, and it may be necessary for the Fund to liquidate certain of its investments at an inopportune time. Leverage may exaggerate the effect of a change in the value of the Fund’s portfolio securities, causing the Fund to be more volatile than if leverage was not used. The Fund will, where required, reduce leverage risk by either segregating an equal amount of liquid assets or “covering” the transactions that introduce such risk.

Liquidity Risk The Fund may invest in less liquid and restricted securities. Such securities may have limitations on resale, and the Fund may have to register a restricted security in order to dispose of it, resulting in expense and delay. Restricted and illiquid securities are extremely difficult to value and are not subject to disclosure or other investor protection requirements. The Fund may not be able to dispose of restricted or illiquid securities promptly and/or may only be able to do so at substantial discounts. As a result, the Fund may experience difficulty satisfying redemption requests. Significant positions in other instruments, including those in which there is low trading volume, also may be difficult for the Fund to liquidate and result in losses for the Fund.

Management Risk The Fund is actively managed, and its performance, therefore, will reflect Absolute’s and the Subadvisers’ ability to make investment decisions that are suited to achieving the Fund’s investment objective. Due to its active management, the Fund could underperform other mutual funds with similar investment objectives. Further, the Fund’s performance may deviate from overall market returns to a greater degree than other funds that do not employ an absolute return focus.

Medium Capitalization Company Risk Medium capitalization company stocks may have greater fluctuations in price than the stocks of large companies. Further, stocks of mid-sized companies could be more difficult to liquidate during market downturns compared to larger, more widely traded companies. Medium capitalization companies may have limited product lines or resources and may be dependant upon a particular market niche.

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Mortgage-Related Securities Risk Mortgage-related (and other asset-backed) securities represent interest in pools of mortgages (or other assets). Mortgage-Related Securities can have a fixed or adjustable interest rate. The Fund may also invest in debt securities that are issued by U.S. Government sponsored entities such as the Federal National Mortgage Association, the Federal Home Loan Mortgage Association, and the Federal Home Loan Banks. Investments in these securities involve credit risk as they are not backed by the full faith and credit of the U.S. Government. The Fund may invest in collateralized mortgage obligations (“CMOs”) or collateralized debt obligations (“CDOs”). CMOs and CDOs are each divided into classes, which are referred to as “tranches.” Certain such tranches have priority over other tranches. With respect to CMOs, each tranche’s priority is generally with respect to payment of principal. With respect to CDOs, each tranche’s priority is generally with respect to the payment of cash flows to investors, and no payment of principal will be made on any tranche until all other tranches with earlier stated maturity or distribution dates have been paid in full. The CDO investor’s interest in the cash flows of the investment, rather than in its underlying assets, differentiates the CDO from a CMO. The value of such securities may be affected by changes in interest rates, factors concerning the interests in and structure of the issuer or originator of the underlying assets, the creditworthiness of entities that provide supporting letters of credit or other credit enhancements and the market’s assessment of the underlying assets. Mortgage-Related Securities are subject to prepayment risk, which is the risk that issuers of such securities will prepay their debt when interest rates fall and cause the Fund to have to invest its assets in lower yielding investments. The risk of prepayment is difficult to predict and may result in volatility in the Fund.

Multi-Manager Risk The methodology by which *Absolute* allocates Fund assets to the Subadvisers may not achieve desired results and may cause the Fund to lose money or underperform other mutual funds. In addition, the Subadvisers make their trading decisions independently, and, as a result, it is possible that one or more Subadvisers may take positions in the same security or purchase/sell the same security at the same time without aggregating their transactions. This may cause unnecessary brokerage and other expenses, and the Fund may incur losses as a result.

Non-Diversification Risk The Fund is non-diversified and may focus its investments in the securities of a comparatively small number of issuers. Investing in a limited number of issuers exposes the Fund to greater risk and losses than if its assets were more diversified.

Options Risk There may be an imperfect correlation between the prices of options and movements in the price of the securities (or indices) hedged or used for cover which may cause a given hedge not to achieve its objective. In addition, each over-the-counter (“OTC”) option exposes the Fund to counterparty risk, and *Absolute* or a Subadviser may determine to concentrate any or all of its OTC option transaction with a single counterparty or a small group of counterparties. If a counterparty defaults, the Fund’s only recourse will be to pursue contractual remedies against the counterparty, and the Fund may be unsuccessful in its pursuit. The Fund thus assume the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to an OTC options transaction.

Pooled Investment Vehicle Risk The Fund may invest in pooled investment vehicles and will bear its ratable share of the vehicles’ expenses, including management and performance fees. The fees the Fund pays to invest in a pooled investment vehicle may be higher than if the manager of the pooled investment vehicle, including a Subadviser, managed the Fund’s assets directly. The incentive fees charged by certain vehicles may create an incentive for its manager to make investments that are riskier or more speculative than those it might have made in the absence of an incentive fee.

Prepayment Risk Issuers may experience an acceleration in prepayments of mortgage loans or other receivables backing the issuers’ securities when interest rates decline, which can shorten the maturity of the

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security and reduce the Fund's return. Issuers may also prepay their obligations on fixed rate debt securities when interest rates fall, forcing the Fund to invest in securities with lower interest rates.

Registered Investment Company and ETF Risk Investments in the securities of registered investment companies, including ETFs (which may, in turn invest in equities, bonds, and other financial instruments) may involve duplication of advisory fees and certain other expenses. By investing in another investment company or ETF, the Fund becomes a shareholder of that investment company or ETF and bears its proportionate share of the fees and expenses of the other investment company or ETF. As a result, shareholders of the Fund indirectly bear their proportionate share of the fees and expenses paid by the Fund to the other investment company or ETF, in addition to those that Fund shareholders directly bear in connection with the Fund's own operations. If the investment company or ETF fails to achieve its investment objective, the Fund's performance may be adversely affected. In addition, because ETF shares are listed and traded on national stock exchanges, they may trade at a discount or premium. Investments in ETFs are subject to brokerage and other trading costs, which could result in greater expenses to the Fund. Finally, because the value of ETF shares depends in part on the demand for them in the market, the Adviser may not be able to liquidate an ETF position at the net asset value of the ETF, adversely affecting the Fund's performance.

Restricted Securities Risk Rule 144A securities, which are restricted securities, may not be readily marketable in broad public markets. A Rule 144A restricted security carries the risk that the Fund may not be able to sell a security when the portfolio manager considers it desirable to do so and/or may have to sell the security at a lower price. In addition, transaction costs may be higher for Rule 144A securities than for more liquid securities. Although there is a substantial institutional market for Rule 144A securities, it is not possible to predict exactly how the market for Rule 144A securities will develop. A restricted security that when purchased was liquid in the institutional markets may subsequently become illiquid.

Short Selling Risk Short selling involves borrowing a security, selling it and buying it back. If the Fund buys back the security at a price lower (or higher) than the price at which it sold the security plus accrued interest, the Fund will make a profit (or loss) on the transaction. The Fund's use of short sales may involve additional transactions costs and other expenses, which may cause the Fund to lose money. In addition, short sales may contribute to leverage, increase the volatility and decrease the liquidity of certain securities or positions, lowering the Fund's return or resulting in a loss.

Small Capitalization Company Risk Investment in smaller companies may be more volatile than investments in larger companies because short-term changes in the demand for the securities of smaller companies may have a disproportionate effect on their market price, tending to make prices of these securities fall more in response to selling pressure. The smaller the company, the greater effect these risks may have on that company's operations and performance. As a result, an investment in the Fund may exhibit a higher degree of volatility than the general domestic securities market.

Sovereign Debt Risk A sovereign debtor's willingness and ability to repay principal and interest on issued debt securities may depend on, among other things, its cash flow situation, cash reserves, foreign exchange rates, the size of the debt service burden on the issuer's economy, its policy toward international lenders and political constraints. Sovereign debt risks are greater for emerging market issuers, and investors should be aware that certain emerging market countries are among the largest debtors to commercial banks and foreign governments. At times, certain emerging market countries have declared moratoria on the payment of principal and interest on foreign debt obligations. Such countries have experienced difficulty serving their sovereign debt on a timely basis, resulting in defaults and restructurings of their debt.

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Swap Contract Risk The Fund may engage in interest rate, currency, and equity swaps and CDSs, and related instruments, which require Absolute or a Subadviser to forecast, among other things, interest rate movements, currency fluctuations, market values and the likelihood of credit event for a securities issuer. Such forecasting is inherently difficult and entails investment risk. The use of swaps involves investment techniques and risks different from those associated with ordinary portfolio security transactions. There is no guarantee that the Fund will be able to eliminate its exposure under an outstanding swap by entering into an offsetting swap, and the Fund may not assign a swap without the consent of the counterparty to it. In addition, each swap exposes the Fund to counterparty risk and Absolute or a Subadviser may determine to concentrate any or all of its swap transactions, including CDS, in a single counterparty or small group of counterparties. If a counterparty defaults, the Fund's only recourse will be to pursue contractual remedies against the counterparty and the Fund may be unsuccessful in such pursuit. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to a swap contract. In addition to counterparty risks, CDS are subject to credit risk on the underlying investment. If the Fund were the buyers of CDS and no event of default occurred, the Fund would lose its entire investment. Similarly, if the Fund were the seller of CDS and an event of default occurred, it would be required to pay its counterparty the value of the CDS, which may cause the Fund to incur a loss on the CDS transaction.

Management

The Fund is a series of Forum Funds (the "Trust"), an open-end, management investment company (mutual fund). The business of the Trust and the Fund is managed under the oversight of the Board. The Board oversees the Fund and meets periodically to review the Fund's performance, monitor investment activities and practices, and discuss other matters affecting the Fund. Additional information regarding the Board, as well as the Trust's executive officers, may be found in the Fund's Statement of Additional Information ("SAI"), which is available from the Fund's website at www.absoluteadvisers.com.

The Adviser and Subadvisers

Absolute Investment Advisers LLC, 350 Lincoln Street, Suite 216, Hingham, MA 02043, is the Fund's investment adviser. *Absolute* is a registered investment adviser and provides investment advisory services to the Fund. As of June 30, 2011, *Absolute* had approximately \$3.99 billion of assets under management.

Absolute receives an advisory fee from the Fund at an annual rate equal to 1.60% of the Fund's average annual daily net assets. For the Fund's fiscal year ended March 31, 2011, *Absolute* received an advisory fee of 1.60% (net of waivers and expense reimbursements) of the average daily net assets of the Fund. Absolute pays any subadvisory fees out of the fees it receives pursuant to the Investment Advisory Agreement with the Fund. A discussion summarizing the basis on which the Board most recently approved the Advisory Agreement and the Subadvisory Agreements with Absolute and the Subadvisers is available in the Fund's annual report for the period ended March 31, 2011.

Subject to the general supervision of the Board, *Absolute* is responsible for making the investment decisions for the Fund. Although *Absolute* delegates the day-to-day management of the Fund to a combination of the following Subadvisers, *Absolute* retains overall supervisory responsibility for the general management and investment of the Fund's assets.

ABSOLUTE STRATEGIES FUND

Subadviser	Investment Strategy
Aronson+Johnson+Ortiz, LP 230 South Broad St, 20th Floor Philadelphia, PA 19102	Dollar-Neutral Long/Short Equity
Horizon Asset Management, Inc. 470 Park Ave South New York, NY 10016	Distressed Debt
Kovitz Investment Group, LLC 115 South LaSalle Street 27th Floor, Chicago, IL 60603	Fundamental Long/Short Equity
Longhorn Capital Partners, L.P. 1445 Ross Avenue, Suite 5000 Dallas, TX 75202	Global Long/Short Equity
MetWest Asset Management, LLC 865 S Figueroa Street Los Angeles, CA 90017	Fixed Income & Distressed Debt
Subadviser	Investment Strategy
Mohican Financial Management, LLC 21 Railroad Avenue, Suite 35 Cooperstown, NY 13326	Small/Mid-Cap Convertible Arbitrage
SSI Investment Management, Inc. 9440 Santa Monica Blvd., 8th Floor Beverly Hills, CA 90210	Convertible Arbitrage
St. James Investment Company, LLC 2716 Fairmount Street Dallas, TX 75201	Concentrated Equity
TWIN Capital Management, Inc. 3244 Washington Rd, Suite 202 McMurray, PA 15317	Momentum Long/Short Market Neutral
Yacktman Asset Management Co. 6300 Bridgepoint Parkway, Building One, Suite 320 Austin, TX 78730	Concentrated Equity

Aronson+Johnson+Ortiz, LP commenced operations in 1984, and provides investment advisory services for mostly institutional clients, including mutual funds.

Horizon Asset Management, Inc. commenced operations in 1994, and provides investment advisory services for institutional clients and high-net worth individuals. The Fund is the first mutual fund for which the Subadviser provides advisory services.

ABSOLUTE STRATEGIES FUND

Kovitz Investment Group, LLC commenced operations in 2003 and provides investment advisory services for corporations, individuals, pension and profit sharing plans and other pooled investment vehicles. The Fund is the first mutual fund for which the Subadviser provides investment advisory services.

Longhorn Capital Partners, L.P. commenced operations in 2006, and provides investment advisory services for other pooled investment vehicles. The Fund is the first mutual fund for which the Subadviser provides investment advisory services.

MetWest Asset Management, LLC commenced operations in 1996, and provides investment advisory services for institutional clients, high-net worth individuals, and mutual funds.

Mohican Financial Management, LLC was founded in 2003 and provides investment advisory services for another pooled investment vehicle. The Fund is the first mutual fund for which the Subadviser provides investment advisory services.

SSI Investment Management, Inc. commenced operations in 1973, and provides investment advisory services for pension and profit sharing plans, corporations, college endowments, Taft-Hartley plans, high-net worth individuals and mutual funds.

St. James Investment Company, LLC commenced operations in 1999, and manages assets for institutional clients, high-net worth individuals, and mutual funds.

TWIN Capital Management, Inc. commenced operations in 1990, and provides investment advisory services for institutional clients, high-net worth individuals, and mutual funds.

Yackman Asset Management Co. commenced operations in 1992, and provides investment advisory services for institutional clients and long-term investors. The Subadviser is also the investment adviser for two other mutual funds.

Pursuant to an exemptive order from the U.S. Securities and Exchange Commission (the "SEC"), *Absolute*, subject to Board approval, is permitted to enter into new or modified subadvisory agreements with existing or new Subadvisers for the Fund without approval of Fund shareholders ("Exemptive Relief"). Pursuant to the Exemptive Relief, the Fund is required to notify shareholders of the retention of a new Subadviser within 90 days of the hiring of the new Subadviser. In the future, *Absolute* may propose to appoint or replace one or more Subadvisers subject to Board approval and applicable shareholder notice requirements.

Portfolio Manager

The Fund is managed by portfolio manager Jay Compson, a founder of *Absolute*. Mr. Compson is responsible for Subadviser selection and overall portfolio construction, allocation and monitoring of the Fund's assets. Mr. Compson is also responsible for day to day management of the Fund and the relationships with the Subadvisers.

Jay Compson, Mr. Compson is the Portfolio Manager for the Fund and is responsible for manager selection and overall portfolio construction, allocation, and monitoring of the Fund's assets. Mr. Compson has served as Portfolio Manager of the Fund since it commenced operations in 2005.

Prior to founding *Absolute* in 2004, Mr. Compson was a Portfolio Manager and Partner at Abington Capital LP, a Boston-based hedge fund. He also spent several years in corporate risk management roles at two investment banks — Lehman Brothers and Tucker Anthony Sutro.

ABSOLUTE STRATEGIES FUND

Mr. Compson received his BA degree from Franklin & Marshall College and his MBA in Finance and Management from New York University's Stern School of Business.

Generally, *Absolute* will assign responsibility for the day-to-day management of the Fund to a combination of the Subadvisers.

The SAI provides additional information about the Portfolio Manager's compensation, other accounts managed by the Portfolio Manager, and the Portfolio Manager's ownership of Fund shares.

Other Service Providers

Atlantic Fund Administration, LLC (d/b/a Atlantic Fund Services) ("Atlantic") provides certain administration, portfolio accounting and transfer agency services to the Fund the Trust and supplies certain officers to the Trust, including a Principal Executive Officer, Principal Financial Officer, Chief Compliance Officer and an Anti-Money Laundering Compliance Officer, as well as additional compliance support personnel.

Forside Fund Services, LLC (the "Distributor"), the Trust's principal underwriter, acts as the Trust's distributor in connection with the offering of the Fund's shares. The Distributor may enter into arrangements with banks, broker-dealers and other financial intermediaries through which investors may purchase or redeem shares. The Distributor is not affiliated with the Adviser or with Atlantic or their affiliates.

Fund Expenses

The Fund is charged for those expenses that are directly attributable to it, while other expenses are allocated proportionately among the Fund and the other series of the Trust based upon methods approved by the Board. Expenses that are directly attributable to a specific class of shares, such as distribution fees and shareholder servicing fees, are charged directly to that class. *Absolute* or certain service providers may reduce all or any portion of their fees and may reimburse certain expenses of the Fund.

Important Information Regarding Dividend and Interest Expenses on Short Sales

Dividend and Interest Expenses on Short Sales occur when the Fund sells an equity or debt security short to gain the inverse exposure necessary to meet its investment objective. When the Fund sells a security short, the Fund borrows the security from a lender and then sells the security in the general market. The Fund is obligated to pay an amount equivalent to any dividend declared or interest paid during the duration of the short position to the lender from which the Fund borrowed the security and the Fund is obligated to record the payment as an expense. The Fund may also be obligated to pay an interest fee on monies borrowed from an intermediary, such as a prime broker, in connection with a short sale. Also, the Dividend and Interest Expenses on Short Sales are typically offset, in their entirety or in part, by the income derived from earnings on the cash proceeds of the short sales. Nevertheless, the Fund will bear the cost of the Dividend and Interest Expenses on Short Sales. The Fund is also required to pay any applicable interest on a borrowed security and borrowings related to short sales.

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The table below illustrates the Fund's Total Annual Fund Operating Expenses with Fund expenses including the effect of Dividend and Interest Expenses on Short Sales and excluding the effect of Dividend and Interest Expenses on Short Sales. The Fund's Total Annual Operating Expenses (expenses that are deducted from Fund assets) were:

Comparison of Expenses	Institutional Shares	R Shares
Management Fees	1.60%	1.60%
Distribution and/or Service (12b-1) Fees	None	0.25%
Other Expenses	0.13%	0.26%
Dividend and Interest Expenses on Short Sales	0.44%	0.44%
Acquired Fund Fees and Expenses	0.02%	0.02%
Total Annual Fund Operating Expenses With Dividend and Interest Expenses on Short Sales	2.19%	2.57%
Less Dividend and Interest Expenses on Short Sales	(0.44)%	(0.44)%
Total Annual Fund Operating Expenses Without Dividend and Interest Expenses on Short Sales	1.75%	2.13%

ABSOLUTE STRATEGIES FUND

Your Account

HOW TO CONTACT THE FUND

Email us at:

absolute.ta@atlanticfundservices.com

Telephone us at:

(888) 992-2765 (toll free)

(888) 99-ABSOLUTE (toll free)

Write to us at:

Absolute Strategies Fund

P.O. Box 588

Portland, Maine 04112

Overnight address:

Absolute Strategies Fund

c/o Atlantic Fund Services

Three Canal Plaza, Ground Floor

Portland, Maine 04101

Wire investments (or ACH payments) to:

Please contact the transfer agent at (888)99-ABSOLUTE (toll free) to obtain the ABA routing number and the account number for the Fund.

General Information

You may purchase or sell (redeem) shares of the Fund on any day that the New York Stock Exchange ("NYSE") is open for business. Under unusual circumstances, such as in the case of an emergency, the Fund may calculate its net asset value ("NAV") and accept and process shareholder orders when the NYSE is closed.

You may purchase or sell shares of the Fund at the next NAV calculated (normally 4:00 p.m., Eastern Time) after the transfer agent or your approved broker-dealer or other financial intermediary ("Financial Intermediary") receives your request in good order. "Good order" means that you have provided sufficient information necessary to process your request as outlined in this Prospectus, including any required signatures, documents, payment and Medallion Signature Guarantees. All requests to purchase or sell Fund shares received in good order prior to the Fund's close will receive that day's NAV. Requests received in good order after the Fund's close or on a day when the Fund does not value its shares will be processed on the next business day and will receive the next subsequent NAV. The Fund cannot accept orders that request a particular day or price for the transaction or any other special conditions.

The Fund does not issue share certificates.

If you purchase shares directly from the Fund, you will receive a confirmation of each transaction and quarterly statements from the Fund detailing Fund balances and all transactions completed during the prior quarter. Automatic reinvestments of distributions and systematic investments and withdrawals may be confirmed only by quarterly statement. You should verify the accuracy of all transactions in your account as soon as you receive your confirmations and quarterly statements.

The Fund may temporarily suspend or discontinue any service or privilege, including systematic investments and withdrawals, wire redemption privileges and telephone or internet redemption privileges, if applicable. The Fund reserves the right to refuse any purchase request, including but not limited to requests that could adversely affect the Fund or its operations.

When and How NAV is Determined. The Fund calculates its NAV as of the close of trading on the NYSE (normally 4:00 p.m., Eastern Time) on each weekday except days when the NYSE is closed. The NYSE is open every weekday, Monday through Friday, except on the following holidays: New Year's Day, Martin Luther King, Jr. Day (the third Monday in January), President's Day (the third Monday in February), Good Friday, Memorial Day (the last Monday in May), Independence Day, Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November) and Christmas Day. NYSE holiday schedules are subject to change without notice. The NYSE may close early on the day before each of these holidays and the day after Thanksgiving Day. To the extent that the Fund's portfolio securities trade in markets on days when the Fund is not open for business, the value of the Fund's assets may vary on those days. In addition, trading in certain portfolio securities may not occur on days that the Fund is open for business as markets or exchanges other than the NYSE may be closed.

ABSOLUTE STRATEGIES FUND

The NAV of the Fund is determined by taking the market value of the total assets of the class, subtracting the liabilities of the class, and then dividing the result (net assets) by the number of outstanding shares of the Fund class. Since the Fund invests in securities that may trade on foreign securities markets on days other than a Fund business day, the value of the Fund's portfolio may change on days on which shareholders will not be able to purchase or redeem the Fund's shares.

The Fund values securities for which market quotations are readily available, including certain open-end investment companies, at current market value except for certain short-term securities which are valued at amortized cost. Securities for which market quotations are readily available are valued using the last reported sales price provided by independent pricing services as of the close of trading on the NYSE on each Fund business day. In the absence of sales, such securities are valued at the mean of the last bid and asked price. Non-exchange traded securities for which quotations are readily available are generally valued at the mean between the current bid and asked price. Fixed income securities may be valued at prices supplied by the Fund's pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. Investments in other open-end regulated investment companies are valued at their NAV.

Market quotations may not be readily available or may be unreliable if, among other things, (1) the exchange on which a Fund portfolio security is principally traded closes early, (2) trading in a portfolio security was halted during the day and did not resume prior to the time as of which the Fund calculates its NAV, or (3) events occur after the close of the securities markets on which the Fund's portfolio securities primarily trade but before the time as of which the Fund calculates its NAV.

If market prices are not readily available or the Fund reasonably believes that they are unreliable, such as in the case of a security value that has been materially affected by events occurring after the relevant market closes, the Fund is required to value such securities at fair value as determined in good faith using procedures approved by the Fund's Board. The Board has delegated day-to-day responsibility for fair value determinations to a Valuation Committee, members of which are appointed by the Board. Fair valuation may be based on subjective factors, and, as a result, the fair value price of a security may differ from the security's market price and may not be the price at which the security may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

The Fund may invest in foreign securities, the securities of smaller companies and derivatives. The Fund's investments in foreign securities are more likely to require a fair value determination than domestic securities because circumstances may arise between the close of the market on which the securities trade and the time as of which the Fund values its portfolio securities. Securities of smaller companies and certain derivatives are also more likely to require a fair value determination because they may be thinly traded and less liquid than traditional securities of larger companies.

Government, corporate, asset-backed and municipal bonds and convertible securities, including high-yield or junk bonds, normally are valued on the basis of prices provided by independent pricing services. Prices provided by the pricing services may be determined without exclusive reliance on quoted prices, and may reflect appropriate factors such as institution-size trading in similar groups of securities, developments related to special securities, dividend rate, maturity and other market data. Prices received from pricing services are fair value prices. In addition, if the prices provided by the pricing service and independent quoted prices are unreliable, the valuation committee described above will fair value the security using the Fund's fair value procedures.

Transactions through Financial Intermediaries The Fund has authorized certain Financial Intermediaries, including the designees of such entities, to accept purchase, redemption and exchange orders on the Fund's

ABSOLUTE STRATEGIES FUND

behalf. If you invest through a Financial Intermediary, the policies and fees of the Financial Intermediary may be different than the policies and fees if you had invested directly in the Fund. Among other things, Financial Intermediaries may charge transaction fees and may set different minimum investment restrictions or limitations on buying or selling Fund shares. You should consult your broker or other representative of your Financial Intermediary for more information.

All orders to purchase or sell shares are processed as of the next NAV calculated after the order has been received in good order by a Financial Intermediary. Orders are accepted until the close of trading on the NYSE every business day (normally 4:00 p.m., Eastern Time) and are processed the same day at that day's NAV. To ensure that this occurs, the Financial Intermediaries are responsible for transmitting all orders to the Fund in compliance with their contractual deadlines.

Payments to Financial Intermediaries The Fund and its affiliates (at their own expense) may pay compensation to Financial Intermediaries for shareholder-related services and, if applicable, distribution-related services, including administrative, recordkeeping and shareholder communication services. For example, compensation may be paid to make Fund shares available to sales representatives and/or customers of a fund supermarket platform or a similar program sponsor or for services provided in connection with such fund supermarket platforms and programs.

The amount of compensation paid to different Financial Intermediaries may vary. The compensation paid to a Financial Intermediary may be based on a variety of factors, including average assets under management in accounts distributed and/or serviced by the Financial Intermediary, gross sales by the Financial Intermediary and/or the number of accounts serviced by the Financial Intermediary that invest in the Fund. To the extent that the Fund pays all or a portion of such compensation, it is designed to compensate the Financial Intermediary for providing services that would otherwise be provided by the Fund's transfer agent and/or administrator.

The Adviser or another Fund affiliate, out of its own resources, may provide additional compensation to Financial Intermediaries. Such compensation is sometimes referred to as "revenue sharing." Compensation received by a Financial Intermediary from the Adviser or another Fund affiliate may include payments for marketing and/or training expenses incurred by the Financial Intermediary, including expenses incurred by the Financial Intermediary in educating its salespersons with respect to Fund shares. For example, such compensation may include reimbursements for expenses incurred in attending educational seminars regarding the Fund, including travel and lodging expenses. It may also cover costs incurred by Financial Intermediaries in connection with their efforts to sell Fund shares, including costs incurred compensating registered sales representatives and preparing, printing and distributing sales literature.

Any compensation received by a Financial Intermediary, whether from the Fund or its affiliate(s), and the prospect of receiving such compensation may provide the Financial Intermediary with an incentive to recommend the shares of the Fund, or a certain class of shares of the Fund, over other potential investments. Similarly, the compensation may cause Financial Intermediaries to elevate the prominence of the Fund within its organization by, for example, placing it on a list of preferred funds.

Anti-Money Laundering Program Customer identification and verification are part of the Fund's overall obligation to deter money laundering under federal law. The Trust's Anti-Money Laundering Program is designed to prevent the Fund from being used for money laundering or the financing of terrorist activities. In this regard, the Fund reserves the right, to the extent permitted by law, (1) to refuse, cancel or rescind any purchase order; or (2) to freeze any account and/or suspend account services. These actions will be taken when, at the sole discretion of Trust management, they are deemed to be in the best interest of the Fund or in cases when the

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Fund is requested or compelled to do so by governmental or law enforcement authority or applicable law. If your account is closed at the request of governmental or law enforcement authorities, you may not receive proceeds of the redemption if the Fund is required to withhold such proceeds.

Disclosure of Portfolio Holdings

A description of the Fund's policies and procedures with respect to the disclosure of portfolio securities is available in the Fund's SAI, which is available from the Fund's website at www.absoluteadvisers.com.

Buying Shares

The Fund is closed to new investments, except as provided below.

Existing shareholders of the Fund are permitted to add to their accounts through the purchase of additional shares and through the reinvestment of dividends and capital gain distributions.

In addition, Trustees and officers of the Trust and employees and managers of *Absolute* and its affiliates, or the spouse, sibling, direct ancestor, or direct descendent of any such person, may establish new accounts and continue to add to existing accounts in the Fund. Trust officers may permit the establishment of new accounts or permit additional sales to existing accounts under circumstances not identified above if the Adviser, as investment manager of the Fund, deems it to be in the best interest of the Fund and its shareholders. The Board reserves the right to re-open the Fund to new investors at any time or to modify the extent to which future sales of shares are limited.

How to Make Payments Unless purchased through a Financial Intermediary, all investments must be made by check, ACH, or wire. All checks must be payable in U.S. dollars and drawn on U.S. financial institutions. In the absence of the granting of an exception consistent with the Trust's anti-money laundering procedures adopted on behalf of the Fund, the Fund does not accept purchases made by credit card check, starter check, checks with more than one endorsement (unless the check is payable to all endorsees), cash or cash equivalents (for instance, you may not pay by money order, cashier's check, bank draft or traveler's check). The Fund and *Absolute* also reserve the right to accept in-kind contributions of securities in exchange for shares of the Fund.

Checks Checks must be made payable to "Absolute Strategies Fund." For individual, sole proprietorship, joint, Uniform Gifts to Minors Act ("UGMA") and Uniform Transfers to Minors Act ("UTMA") accounts, checks may be made payable to one or more owners of the account and endorsed to "Absolute Strategies Fund." A \$20 charge may be imposed on any returned checks.

ACH Refers to the Automated Clearing House system maintained by the Federal Reserve Bank, which allows banks to process checks, transfer funds and perform other tasks. Your financial institution may charge you a fee for this service.

Wires Instruct your financial institution with whom you have an account to make a federal funds wire payment to the Fund. Your financial institution may charge you a fee for this service.

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Minimum Investments:

As permitted above, the Fund accepts investments in the following minimum amounts:

	Minimum Initial ⁽¹⁾⁽²⁾	Minimum Additional ⁽¹⁾⁽²⁾
Institutional Shares		
All Accounts	\$1,000,000	None
R Shares		
Standard Accounts	\$ 250,000	\$ 100
Retirement Accounts	\$ 5,000	\$ 100

⁽¹⁾ If you invest through a broker or other Financial Intermediary, the policies and fees of the intermediary may be different than the policies and fees of the Fund. Among other things, such financial intermediaries may charge transaction fees and may set different minimum investments or limitations on buying (selling) Fund shares. You should consult your broker or other representative of your Financial Intermediary for more information.

⁽²⁾ No initial or subsequent investment minimums for accounts maintained by financial institutions for the benefit of their clients who purchase shares through investment programs such as (1) fee-based advisory programs; (2) employee benefit plans like 401(k) retirement plans; (3) mutual fund platforms; and (4) consulting firms. No initial or subsequent investment minimum for Trustees or officers of the Trust, directors, officers and employees of *Absolute*, employees of the Subadvisers, and employees and affiliates of the Fund, or the distributor or any of their affiliates, or the spouse, sibling, direct ancestor, or direct descendent (collectively, “relatives”) of any such person, any trust or individual retirement account (“IRA”) or self-employed retirement plan for the benefit of any such person or relative; or the estate of any such person or relative.

If deemed appropriate by the Trust’s officers, the Fund reserves the right to waive minimum investment amounts.

Registered investment advisers and financial planners may be permitted to aggregate the value of Traditional or Roth IRAs in order to meet minimum investment amounts.

Account Requirements

Type of Account	Requirement
<p>Individual, Sole Proprietorship and Joint Accounts Individual accounts and sole proprietorship accounts are owned by one person. Joint accounts have two or more owners (tenants).</p>	<ul style="list-style-type: none"> • Instructions must be signed by all persons named as account owners exactly as their names appear on the account.
<p>Gifts or Transfers to a Minor (UGMA, UTMA) These custodial accounts provide a way to give money to a child and may have tax benefits.</p>	<ul style="list-style-type: none"> • Depending on state laws, you can set up a custodial account under the UGMA or the UTMA. • The custodian must sign in a manner indicating custodial capacity.

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Type of Account	Requirement
<i>Corporations/Other</i>	<ul style="list-style-type: none">• The entity should submit a certified copy of its articles of incorporation (or a government-issued business license or other document that reflects the existence of the entity) and a corporate resolution or a secretary's certificate.
<i>Trusts</i>	<ul style="list-style-type: none">• The trust must be established before an account may be opened.• The trust should provide the first and signature pages from the trust document identifying the trustees.

Account Application and Customer Identity Verification To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify, and record information that identifies each person who opens an account.

When you open an account, the Fund will ask for your first and last name, taxpayer identification number ("TIN"), physical street address, date of birth, and other information or documents that will allow the Fund to identify you.

If you do not supply the required information, the Fund will attempt to contact you or, if applicable, your financial intermediary. If the Fund cannot obtain the required information within a timeframe established in its sole discretion, your application will be rejected.

When your application is in good order and includes all required information, your order will normally be processed at the NAV next calculated after receipt of your application and investment amount. Once your application is accepted, the Fund will attempt to verify your identity using the information you have supplied and other information about you that is available from third parties, including information available in public and private databases such as consumer reports from credit reporting agencies.

The Fund will try to verify your identity within a timeframe established in its sole discretion. If the Fund cannot do so, the Fund reserves the right to redeem your investment at the next NAV calculated after the Fund decides to close your account. If your account is closed, you may be subject to a gain or loss on Fund shares. You will be subject to any related taxes and will not be able to recoup any redemption fees assessed, if applicable. If the Fund has not yet collected payment for the shares being sold, it may delay sending redemption proceeds until such payment is received, which may be up to 15 calendar days.

Policy on Prohibition of Foreign Shareholders The Fund requires that all shareholders be U.S. persons or U.S. resident aliens with a valid TIN (or who can show proof of having applied for a TIN and commit to provide a valid TIN within 60 days) in order to open an account with the Fund.

ABSOLUTE STRATEGIES FUND

Investment Procedures

How to Open an Account	How to Add to Your Account
<p>Through a Financial Intermediary</p> <ul style="list-style-type: none"> • Contact your Financial Intermediary using the method that is most convenient for you. 	<p>Through a Financial Intermediary</p> <ul style="list-style-type: none"> • Contact your Financial Intermediary using the method that is most convenient for you.
<p>By Check</p> <ul style="list-style-type: none"> • Call or write us, or visit www.absoluteadvisers.com for an account application. • Complete the application (and other required documents, if applicable). • Mail us your original application (and other required documents, if applicable) and a check. 	<p>By Check</p> <ul style="list-style-type: none"> • Fill out an investment slip from a confirmation or write us a letter. • Write your account number on your check. • Mail us the slip or your letter and the check.
<p>By Wire</p> <ul style="list-style-type: none"> • Call or write us, or visit www.absoluteadvisers.com for an account application. • Complete the application (and other required documents, if applicable). • Call us to fax the completed application (and other required documents, if applicable) and we will assign you an account number. • Mail us your original application (and other required documents, if applicable). • Instruct your U.S. financial institution to wire your money to us. 	<p>By Wire</p> <ul style="list-style-type: none"> • Instruct your U.S. financial institution to wire your money to us.
<p>By ACH Payment</p> <ul style="list-style-type: none"> • Call or write us for an account application. • Complete the application (and other required documents, if applicable). • Call us to fax the completed application (and other required documents, if applicable) and we will assign you an account number. • Mail us your original application (and other required documents, if applicable). • We will electronically debit the purchase proceeds from the U.S. financial institution identified on your account application. • ACH purchases are limited to \$25,000 per day. 	<p>By ACH Payment</p> <ul style="list-style-type: none"> • Call to request a purchase by ACH payment. • We will electronically debit the purchase proceeds from the U.S. financial institution identified on your account application. • ACH purchases are limited to \$25,000 per day.

Systematic Investments You may establish a systematic investment plan to invest automatically a specific amount of money (up to \$25,000 per day) into your account on a specified day and frequency not to exceed two investments per month. Payments for systematic investments are automatically debited from your designated savings or checking account via ACH. Systematic investments must be for at least \$100 per occurrence. If you wish to enroll in the systematic investment plan, complete the appropriate section on the account application. Your signed account application must be received at least three business days prior to the initial transaction. The

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Fund may terminate or modify this privilege at any time. You may terminate your participation in a systematic investment plan by notifying the Fund sufficiently in advance of the next withdrawal.

A systematic investment plan is a method of using dollar cost averaging as an investment strategy that involves investing a fixed amount of money at regular time intervals. However, a program of regular investment cannot ensure a profit or protect against a loss as a result of declining markets. By continually investing the same amount, you will be purchasing more shares when the price is lower and fewer shares when the price is higher. Please call (888) 992-2765 or (888) 99-ABSOLUTE (toll free) for additional information regarding systematic investment plans.

Frequent Trading Because of the Fund's low volatility and numerous portfolio holdings, generally the Fund is not susceptible to market timing. Thus, the Board has adopted a policy of not monitoring for frequent purchases and redemptions of Fund shares. Frequent trading by Fund shareholders poses risks to other shareholders in the Fund, including (1) the dilution of the Fund's NAV, (2) an increase in the Fund's expenses, and (3) interference with the portfolio manager's ability to execute efficient investment strategies.

Canceled or Failed Payments The Fund accepts checks and ACH transfers at full value subject to collection. If the Fund does not receive your payment for shares or you pay with a check or ACH transfer that does not clear, your purchase will be canceled within two business days of notification from your bank that your funds did not clear. You will be responsible for any actual losses or expenses incurred by the Fund or the transfer agent, and the Fund may redeem shares you own in the account (or another identically registered account that you maintain with the transfer agent) as reimbursement. The Fund and its agents have the right to reject or cancel any purchase due to non-payment.

Selling Shares

The Fund processes redemption orders received in good order at the next calculated NAV. The right of redemption may not be suspended, except for any period during which: (1) the NYSE is closed (other than customary weekend and holiday closings) or during which the SEC determines that trading thereon is restricted; (2) an emergency (as determined by the SEC) exists as a result of which disposal by the Fund of its securities is not reasonably practicable or as a result of which it is not reasonably practicable for the Fund fairly to determine the value of its net assets; or (3) the SEC may by order permit for the protection of the shareholders of the Fund.

If the Fund has not yet collected for the shares being sold, it may delay sending redemption proceeds until payment is collected, which may be up to 15 calendar days.

How to Sell Shares from Your Account

Through a Financial Intermediary

- If you purchased shares through your Financial Intermediary, your redemption order must be placed through the same Financial Intermediary.
- Contact your Financial Intermediary using the method that is most convenient for you.

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How to Sell Shares from Your Account

By Mail

- Prepare a written request including:
 - Your name(s) and signature(s)
 - Your account number
 - The Fund name and class
 - The dollar amount or number of shares you want to sell
 - How and where to send the redemption proceeds.
 - A signature guarantee (if required)
 - Other documentation (if required)
- Mail us your request and documentation.

By Telephone

- Call us with your request (unless you declined telephone redemption privileges on your account application).
- Provide the following information:
 - Your account number
 - Exact name(s) in which the account is registered
 - Additional form of identification
- Redemption proceeds will be mailed to you by check or electronically credited to your account at the U.S. financial institution identified on your account application.

By Systematic Withdrawal

- Complete the systematic withdrawal section of the application.
- Attach a voided check to your application.
- Mail us the completed application.
- Redemption proceeds will be mailed to you by check or electronically credited to your account at the U.S. financial institution identified on your account application.

Wire Redemption Privileges You may redeem your shares by wire unless you declined wire redemption privileges on your account application. The minimum amount that may be redeemed by wire is \$5,000.

Telephone Redemption Privileges You may redeem your shares by telephone, unless you declined telephone redemption privileges on your account application. You may be responsible for an unauthorized telephone redemption order as long as the transfer agent takes reasonable measures to verify that the order is genuine. Telephone redemption orders may be difficult to complete during periods of significant economic or market activity. If you are not able to reach the Fund by telephone, you may mail your redemption order.

Systematic Withdrawals You may establish a systematic withdrawal plan to automatically redeem a specific amount of money or shares from your account on a specified day and frequency not to exceed one withdrawal per month. Payments for systematic withdrawals are sent by check to your address of record, or if you so designate, to your bank account by ACH payment. To establish a systematic withdrawal plan, complete the systematic withdrawal section of the account application. The plan may be terminated or modified by a shareholder or the Fund at any time without charge or penalty. You may terminate your participation in a systematic withdrawal plan at any time by contacting the Fund sufficiently in advance of the next withdrawal.

A withdrawal under a systematic withdrawal plan involves a redemption of Fund shares and may result in a gain or loss for federal income tax purposes. In addition, if the amount withdrawn exceeds the amount credited to your

ABSOLUTE STRATEGIES FUND

account, the account ultimately may be depleted. Please call (888) 992-2765 or (888) 99-ABSOLUTE (toll free) for additional information regarding systematic withdrawal plans.

Signature Guarantee Requirements To protect you and the Fund against fraud, signatures on certain requests must have a Medallion Signature Guarantee. A Medallion Signature Guarantee verifies the authenticity of your signature. You may obtain a Medallion Signature Guarantee from most banking institutions or securities brokers, but not from a notary public. The transfer agent will require written instructions signed by all registered shareholders with a Medallion Signature Guarantee for each shareholder for any of the following:

Written requests to redeem \$100,000 or more

Changes to a shareholder's record name or account registration

Paying redemption proceeds from an account for which the address has changed within the last 30 days

Sending redemption and distribution proceeds to any person, address or financial institution account not on record

Sending redemption and distribution proceeds to an account with a different registration (name or ownership) from your account;

Adding or changing ACH or wire instructions, the telephone redemption or exchange option, or any other election in connection with your account.

The transfer agent reserves the right to require Medallion Signature Guarantees on all redemptions.

Small Account Balances If the value of your account falls below the minimum account balances listed below, the Fund may ask you to increase your balance. If after 60 days, the account value is still below the minimum balance, the Fund may close your account and send you the proceeds. The Fund will not close your account if it falls below these amounts solely as a result of Fund performance.

	Minimum Account Balance
Standard Accounts	\$5,000
Retirement Accounts	\$5,000

Redemptions in Kind Pursuant to an election filed with the SEC, the Fund reserves the right to pay redemption proceeds in portfolio securities rather than in cash. To the extent that the shareholder redeems shares in this manner, the shareholder assumes the risk of a subsequent change in the market value of those securities, the cost of liquidating the securities and the possibility of a lack of a liquid market for those securities. In addition, the shareholder will bear any brokerage and related costs in disposing of or selling the portfolio securities it receives from the Fund. Please see the SAI for more details on redemptions in kind.

Lost Accounts The transfer agent will consider your account lost if correspondence to your address of record is returned as undeliverable on two consecutive occasions, unless the transfer agent determines your new address. When an account is lost, all distributions on the account will be reinvested in additional Fund shares. In addition, the amount of any outstanding check (unpaid for six months or more) and checks that have been returned to the transfer agent may be reinvested at the then-current NAV, and the checks will be canceled. However, checks will not be reinvested into accounts with a zero balance, but will be held in a different account. Any of your unclaimed property may be transferred to the state of your last known address if no activity occurs in your account within the time period specified by that state's law.

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Choosing a Share Class

The Fund offers two classes of shares: Institutional Shares and R Shares. Each class has a different combination of purchase restrictions and ongoing fees, allowing you to choose the class that best meets your needs.

The following is a summary of the differences between Institutional Shares and R Shares of the Fund:

Institutional Shares	R Shares
<ul style="list-style-type: none">• Designed for pension and profit-sharing plans, employee benefit trusts, endowments, foundations and corporations, as well as high net worth individuals and financial intermediaries who are willing to maintain a minimum account balance of \$1,000,000 and omnibus accounts maintained by financial institutions for the benefit of their clients who purchase shares through investment programs such as (1) fee-based advisory programs; (2) employee benefit plans like 401(k) retirement plans; and (3) mutual fund platforms. Also designed for retail investors investing through fee based financial advisers• No initial or deferred sales charges or Rule 12b-1 fees• Lower expense ratio than R Shares	<ul style="list-style-type: none">• Designed for retail investors investing individually or through financial institutions• No initial or deferred sales charges• \$250,000 initial investment minimum• Rule 12b-1 fees to participating financial institutions are accrued immediately on a daily basis and are paid at least quarterly

Fees vary considerably between the Fund's classes. You should carefully consider the differences in the classes' fee structure as well as the length of time you wish to invest in the Fund before choosing which class to purchase. Please review the Fee Table for the Fund before investing in the Fund. You may also want to consult with a financial advisor in order to help you determine which class is most appropriate for you.

Rule 12b-1 Distribution and Shareholder Service Fees The Trust has adopted a Rule 12b-1 plan under which the Fund pays the distributor up to 0.35% of the average daily net assets of R Shares for distribution services and the servicing of shareholder accounts. Rule 12b-1 payments to participating financial institutions begin to accrue immediately on a daily basis for R Shares and are paid at least quarterly. Although the plan provides for payments of up to 0.35% on R shares, the Board, however, currently limits payments on R shares to 0.25% of average daily net assets.

The plan provides for the payment of both asset-based distribution fees and shareholder service fees. Because the Fund pays distribution fees on an ongoing basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges. The distributor may pay any fee received under the Rule 12b-1 plan to Absolute or other financial institutions that provide distribution and shareholder services with respect to R Shares.

Retirement Accounts

You may invest in Fund shares through an IRA, including traditional and Roth IRAs, also known as "Qualified Retirement Accounts." The Fund may also be appropriate for other retirement plans. Before investing in any IRA or other retirement plan, you should consult your tax advisor. Whenever making an investment in an IRA, be sure to indicate the year to which the contribution is attributed.

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Other Information

Distributions and Dividend Reinvestments

The Fund declares distributions from net investment income and pays those distributions semi-annually. Any net capital gain realized by the Fund will be distributed at least annually.

Most investors have their income dividends and capital gain distributions (each, a “distribution”) reinvested in additional shares of the Fund. If you choose this option, or if you do not indicate any choice, your distributions will be reinvested. Alternatively, you may choose to have your distributions of \$10 or more sent directly to your bank account or paid to you by check. However, if a distribution is less than \$10, your proceeds will be reinvested. If five or more of your distribution checks remain uncashed after 180 days, all subsequent distributions may be reinvested. For federal income tax purposes, distributions from non-qualified retirement accounts are treated the same whether they are received in cash or reinvested.

Taxes

The Fund generally intends to operate in a manner such that it will not be liable for federal income or excise taxes.

The Fund’s distributions of net investment income and net short-term capital gain are taxable to you as ordinary income. The Fund’s distributions of net capital gain (that is, the excess of net long-term capital gain over net short-term capital loss), if any, are taxable to you as long-term capital gain, regardless of how long you have held your shares. Distributions may also be subject to state and local income taxes. Some Fund distributions may also include a nontaxable return of capital. Return of capital distributions reduce your tax basis in your Fund shares and are treated as gain from the sale of the shares to the extent they exceed your basis.

A portion of the Fund’s distributions may be treated as “qualified dividend income,” taxable to individuals at a maximum federal income tax of 15% (0% for individuals in lower tax brackets) through 2012. A distribution is treated as qualified dividend income to the extent that the Fund receives dividend income from taxable domestic corporations and certain qualified foreign corporations, provided that holding period and other requirements are met.

A distribution reduces the NAV of the Fund’s shares by the amount of the distribution. If you purchase shares prior to a distribution, you are taxed on the distribution even though the distribution represents a partial return of your investment.

The sale (redemption) of Fund shares is generally a taxable transaction for federal income tax purposes. You will recognize a gain or loss on the transaction equal to the difference, if any, between the amount of your net redemption proceeds and your tax basis in the Fund shares. The gain or loss will be capital gain or loss if you held your Fund shares as capital assets. Any capital gain or loss will be treated as long-term capital gain or loss if you held the Fund shares for more than one year at the time of the redemption. Any capital loss arising from the redemption of shares held for six months or less, however, will be treated as long-term capital loss to the extent of the amount of net capital gain distributions with respect to those shares.

The Fund will be required to withhold federal income tax at the rate of 28% on all distributions and redemption proceeds (regardless of the extent to which you realize gain or loss) otherwise payable to you (if you are an individual or certain other non-corporate shareholder) if you fail to provide the Fund with your correct TIN or to make required certifications, or if you have been notified by the Internal Revenue Service that you are subject to

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backup withholding. Backup withholding is not an additional tax, and any amounts withheld may be credited against your federal income tax liability once you provide the required information or certification.

After December 31 of each year, the Fund will mail you reports containing information about the income tax classification of distributions paid during the year.

For further information about the tax effects of investing in the Fund, please see the SAI and consult your tax advisor.

Organization

The Trust is a Delaware statutory trust, and the Fund is a series thereof. The Fund does not expect to hold shareholders' meetings unless required by federal or Delaware law. Shareholders of each series of the Trust are entitled to vote at shareholders' meetings unless a matter relates only to specific series (such as the approval of an advisory agreement for the Fund). From time to time, large shareholders may control the Fund or the Trust.

ABSOLUTE STRATEGIES FUND

Financial Highlights

The financial highlights table is intended to help you understand the financial performance of the Fund since inception. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund, assuming reinvestment of all dividends and distributions. The information for the years ended March 31, 2009 to March 31, 2011 has been audited by BBD, LLP, an independent registered public accounting firm, whose report, along with the Fund's financial statements, are included in the Annual Report dated March 31, 2011, which is available upon request. The information for the fiscal years ended March 31, 2007 and March 31, 2008, was audited by the Fund's previous independent registered public accounting firm.

	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007
Institutional Shares					
Net Asset Value, Beginning of Year	\$ 10.66	\$ 8.79	\$ 10.52	\$ 10.62	\$ 10.29
Investment Operations					
Net investment income (loss) ^(a)	(0.02)	0.10	0.08	0.16	0.26
Net realized and unrealized gain (loss)	0.20	1.91	(1.38)	(0.11)	0.29
Total from Investment Operations	0.18	2.01	(1.30)	0.05	0.55
Distributions to Shareholders from					
Net investment income	(0.04)	(0.14)	(0.08)	(0.15)	(0.22)
Net realized gain	—	— ^(b)	(0.35)	—	— ^(b)
Total Distributions to Shareholders	(0.04)	(0.14)	(0.43)	(0.15)	(0.22)
Redemption Fees^(a)	—	—	—	—	—^(b)
Net Asset Value, End of Year	\$ 10.80	\$ 10.66	\$ 8.79	\$ 10.52	\$ 10.62
Total Return	1.73%	22.95%	(12.41)%	0.41%	5.38%
Ratios/Supplementary Data					
Net Assets at End of Year (000's omitted)	\$3,300,120	\$2,116,412	\$786,766	\$856,441	\$196,602
Ratios to Average Net Assets:					
Net investment income (loss)	(0.20)%	0.98%	0.78%	1.50%	2.46%
Net expense ^(c)	1.73%	1.78%	1.81%	1.88%	1.95%
Dividend and interest expense	0.53%	0.34%	0.50%	0.50%	0.43%
Gross expense ^(d)	2.26%	2.12%	2.31%	2.38%	2.44%
Portfolio Turnover Rate	192%	114%	133%	553%	424%

^(a) Calculated based on average shares outstanding during the period.

^(b) Less than \$0.01 per share.

^(c) Excludes dividend and interest expense.

^(d) Reflects the expense ratio excluding any waivers and/or reimbursements.

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	For the Year Ended March 31, 2011	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007
R Shares^(a)					
Net Asset Value, Beginning of Year	\$ 10.67	\$ 8.82	\$ 10.55	\$ 10.63	\$ 10.28
Investment Operations					
Net investment income (loss) ^(b)	(0.10)	0.05	0.04	0.13	0.22
Net realized and unrealized gain (loss)	0.26	1.91	(1.39)	(0.13)	0.30
Total from Investment Operations	0.16	1.96	(1.35)	0.00	0.52
Distributions to Shareholders from					
Net investment income	(0.01)	(0.11)	(0.03)	(0.08)	(0.17)
Net realized gain	—	— ^(c)	(0.35)	—	— ^(c)
Total Distributions to Shareholders	(0.01)	(0.11)	(0.38)	(0.08)	(0.17)
Redemption Fees^(b)	—	—	—	—	—^(c)
Net Asset Value, End of Year	\$ 10.82	\$ 10.67	\$ 8.82	\$ 10.55	\$ 10.63
Total Return	1.49%	22.28%	(12.73)%	0.01%^(d)	5.12%^(d)
Ratios/Supplementary Data					
Net Assets at End of Year (000's omitted)	\$101,868	\$ 93,696	\$27,600	\$32,106	\$36,613
Ratios to Average Net Assets:					
Net investment income (loss)	(0.95)%	0.52%	0.37%	1.17%	2.07%
Net expense ^(e)	2.11%	2.22%	2.23%	2.25%	2.25%
Dividend and interest expense	0.53%	0.34%	0.50%	0.48%	0.41%
Gross expense ^(f)	2.64%	2.56%	2.73%	2.76%	2.78%
Portfolio Turnover Rate	192%	114%	133%	553%	424%

^(a) Effective July 31, 2009, C Shares were reclassified as R Shares. For the period April 1, 2009 through July 31, 2009, total return for the C Shares was 14.02%. For the aforementioned period, the annualized gross expense and net expense ratios were 3.56% and 3.30%, respectively.

^(b) Calculated based on average shares outstanding during the period.

^(c) Less than \$0.01 per share.

^(d) Total return excludes the effect of the applicable sales load.

^(e) Excludes dividend and interest expense.

^(f) Reflects the expense ratio excluding any waivers and/or reimbursements.

FACTS

WHAT DOES ABSOLUTE STRATEGIES FUND (THE “FUND”) AND ITS AFFILIATES DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Account balances
- Account transactions
- Checking account information
- Retirement assets
- Wire transfer instructions

When you are *no longer* our customer, we continue to share information about you according to our policies.

How?

All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons the Fund chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does the Fund share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	No	We do not share
For joint marketing with other financial companies	No	We do not share
For our affiliates’ everyday business purposes— information about your transactions and experiences	No	We do not share
For our affiliates’ everyday business purposes— information about your credit worthiness	No	We do not share
For non-affiliates to market to you	No	We do not share

Questions?

Call (888) 99-ABSOLUTE or (888) 992-2765 (toll free).

Who we are	
Who is providing this notice?	Absolute Strategies Fund
What we do	
How does the Fund protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does the Fund collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> ▪ open an account with the Fund ▪ purchase or sell shares of the Fund ▪ deposit or withdraw funds ▪ establish a periodic reinvestment or distribution plans <p>We also collect your personal information from others, such as custodians, broker dealers, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit sharing only</p> <ul style="list-style-type: none"> ▪ sharing for affiliates' everyday business purposes—information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> ▪ Forum Funds ▪ Absolute Investment Advisers, LLC ▪ Aronson+Johnson+Ortiz, LP ▪ Horizon Asset Management, Inc. ▪ Kovitz Investment Group, LLC ▪ Longhorn Capital Partners, L.P. ▪ MetWest Asset Management, LLC ▪ Mohican Financial Management, LLC ▪ SSI Investment Management, Inc. ▪ St. James Investment Company, LLC ▪ TWIN Capital Management, Inc. ▪ Yacktman Asset Management Co.
Non-affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies.
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you.
Other Important Information	
Contact us	<p>By telephone: (888) 99-ABSOLUTE or (888) 992-2765 (toll free)</p> <p>By mail: Absolute Strategies Fund P.O. Box 588 Portland, Maine 04112</p> <p>By email: absolute.ta@atlanticfundservices.com</p>

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ABSOLUTE STRATEGIES FUND INSTITUTIONAL SHARES R SHARES

For More Information

Annual/Semi-Annual Reports

Additional information about the Fund's investments is available in the Fund's annual/semi-annual reports to shareholders. In the Fund's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Statement of Additional Information

The SAI provides more detailed information about the Fund and is incorporated by reference into, and is legally part of, this Prospectus.

Contacting the Fund

You may obtain free copies of the annual/semi-annual reports and the SAI, request other information and discuss your questions about the Fund by contacting the Fund at:

Absolute Strategies Fund
c/o Atlantic Fund Services
P.O. Box 588
Portland, Maine 04112
(888) 992-2765 (toll free)
(888) 99-ABSOLUTE (toll free)

The Fund's prospectus, SAI and annual/semi-annual reports, as well as a description of the policies and procedures with respect to the disclosure of the Fund's portfolio securities, are available without charge on the Fund's website at www.absoluteadvisers.com.

Securities and Exchange Commission Information

You may also review the Fund's annual/semi-annual reports, the SAI and other information about the Fund at the Public Reference Room of the Securities and Exchange Commission ("SEC"). The scheduled hours of operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You may obtain copies of this information, for a duplication fee, by e-mailing or writing to:

Public Reference Room
Securities and Exchange Commission
Washington, D.C. 20549-1520
E-mail address: publicinfo@sec.gov

Fund information, including copies of the annual/semi-annual reports and the SAI, is available on the SEC's website at www.sec.gov.

Distributor
Foreside Fund Services, LLC
Three Canal Plaza, Suite 100
Portland, Maine 04101
<http://www.foreside.com>