LONG/SHORT EMERGING MARKETS CURRENCY FUND

SUB-ADVISED BY OUR CURRENCY EXPERT,
ABSOLUTE RETURN STRATEGIES LTD.

SilverPepper

THE SILVERPEPPER LONG/SHORT EMERGING MARKETS CURRENCY FUND. WHY YOU SHOULD CARE. WHY YOU SHOULD CONSIDER INVESTING.

- America's Only Currency Mutual Fund.
- Currencies have historically exhibited the lowest correlation to other asset classes.
- Currency markets are large and liquid, but inefficient, creating potential profit opportunities for active managers.
- The Fund's "secret sauce," or edge, lies within its quantitative model's ability to recognize and potentially profit from Behavioral Price-Patterns endemic to emerging-markets currencies.
- The Fund has two ways to potentially profit, either from "carry" (similar to earning an interest rate), or from increases or decreases in currency spot prices, by establishing either long or short positions in a currency. Together, they present an excellent opportunity to potentially generate positive returns, uncorrelated with stock and bond markets.
- Expertise: Absolute Return Strategies Ltd. is an expert in currencies.
- Why Now? Currencies are an evergreen, low-correlation strategy that provide potentially important diversification opportunities.

/PART 1

CURRENCIES: A HUGE, INEFFECIENT AND LARGELY UNEXPLORED ASSET CLASS.

INEFFICIENCIES CREATE OPPORTUNITIES FOR PROFIT SEEKERS.

CURRENCIES ARE LARGELY AN UNEXPLORED AND UNEXPLOITED ASSET CLASS

- Currencies are the largest and most active market in the world, with $6.6 trillion changing hands globally, every day. Far larger than stock and bond markets.

- As a distinct asset class, currencies may offer outstanding diversification benefits because:

    1. They aren't securities. Unlike stocks (equity) and bonds (debt), currencies are a medium of exchange, legal tender, and transferrable.
    2. Currencies tend to offer low correlation because their prices are influenced by a broad range of economic and market factors.

- Currencies, as represented by the U.S. Dollar Index, have had the lowest correlation of any other asset class (-0.34) to the S&P 500 at over the following 10 years, ending 12-31-2022.

- Currencies have a primary, measurable and understandable risk exposure – it's simply the change in the value of one currency relative to another.

Currencies represent the largest and most active market in the world. But they are largely unexploited by investors.

CURRENCIES: A SOURCE OF A DIVERSIFICATION

	1	2	3	4	5	6
1. Currencies *(U.S. Dollar Index)*	1.00					
2. Domestic Stocks *(S&P 500 Index TR USD)*	–0.34	1.00				
3. Emerging-markets stocks *(MSCI EM NR ND USD)*	–0.59	0.67	1.00			
4. Real Estate *(DJ Real Estate TR USD)*	–0.20	0.74	0.53	1.00		
5. Commodities *(Bloomberg Commodity TR USD)*	–0.40	0.42	0.49	0.31	1.00	
6. Investment Grade Bonds *(Bloomberg US Agg Bond TR USD)*	–0.31	0.26	0.33	0.50	–0.07	1.00

Negative or Low Correlation with other asset classes makes currencies a potentially outstanding diversifier.

Source: Morningstar Direct 01-01-2013 to 12-31-2022

Correlation information displayed represents historical data, which is no guarantee of future correlation results.

CURRENCIES: A LIQUID AND DEEP MARKET, BUT IS IT EFFICIENT?

Deep and liquid markets DO NOT always equal an efficient market? Why?

First, by some estimates, 70% of global foreign exchange (FX) transactions are NOT profit motivated transactions. For example:

- Central Banks manage exchange rates to achieve political and economic goals, such as influencing exports or imports.
- Corporations buy and sell currencies to expedite trade and conduct business.
- Tourists exchange currency for travel.

For these currency players, completing the currency transaction is more important than the price at which currencies are bought and sold. These are NOT profit-seeking transactions. They're simply "trade" flows – the means to the end of conducting trade.

Second, currency participants have no consensus on currency valuation.

- Cash flow models commonly underpin valuations in both stock and bond markets.
- Yet, there is no universally acknowledged valuation methodology that exists to assess fair value for currencies. Valuation would be easier if one currency had more gold content than another, but there are no currencies in the world that are still backed by gold.

The abundance of transactions, and the lack of consensus on valuation, create market inefficiencies. Inefficiencies create potential profit opportunities.

HOW EMERGING-MARKETS CURRENCIES ARE DIFFERENT FROM DEVELOPED-MARKET CURRENCIES

- Developed-markets currencies (G-10) began to float freely in the 1970s after the U.S. dollar ended its convertibility to gold.
- Over time, G-10 currencies have floated less freely as major central banks have tried to control rates to create predictability and stability in their global production and trade.
- Since 2008, major central banks have further dampened their currencies' volatility by coordinating a zero-interest rate environment.
- The current low-interest rate environment has limited profit-seeking behavior because there are no meaningful interest-rate differentials between the G-10 currencies.

- Emerging-Markets (EM) central banks also manage their currencies as well, but the wider divergence in GDP among these countries creates large disparities in interest-rate policies, which creates more volatility, more linearity in price movements, and more trading opportunities than with G-10 currencies.
- Emerging-market currencies also have the added advantage of having substantially different, and higher interest rates relative to G-10 currencies, making "carry"* trades, potentially more economically appetizing.

Emerging-markets currencies tend to have more volatility and both higher and more divergent rates of interest, making them more suited to active trading.

*See slides 27 for definition of "carry".

/PART 2

A PATTERN IS AN IDENTIFIABLE REGULARITY

HOW OUR CURRENCY EXPERTS, ABOSULTE RETURN STRATEGIES LTD, USES QUANTITATIVE ALGORITHIMS TO FIND BEHAVIORAL PATTERNS ENDEMIC TO CURRENCY MARKETS.

OUR INVESTMENT PROCESS: BEHAVIORAL PATTERN MATCHING

Theoretical Framework: Since currency prices began to float in the 1970s, fundamental and econometric approaches to currency valuation, such as Purchasing Power Parity (PPP), have proven to be flawed models for forecasting prices.

Absolute Return Strategies Ltd. (ARS), experts in currency markets, believes most traditional currency-valuation models fail because they underestimate the effect of high interest rates in attracting capital flows, even in the wake of other factors such as economic growth, inflation and volatility. In the 1990s, ARS began to evaluate investment "flows" as a better way to predict future currency prices.

Through this flow analysis, ARS has discovered predefined and recognizable patterns in currency prices. The patterns are behavioral in nature and reflect the basic human emotions of fear and greed. These patterns form as investors, searching for higher returns, sell lower-yielding currencies, like the U.S. dollar or the Japanese yen, and purchase emerging-market currencies, which are typically supported by higher rates of interest. This inflow of assets into EM currencies reflects the behavioral emotion of greed. In contrast, as prices become extended, the behavioral emotion of greed is replaced by the opposite and powerful emotion of fear, which drives a correction in prices.

ARS' proprietary Behavioral Pattern-Matching Methodology is centered on discovering these Behavioral Patterns of fear and greed. Their "secret sauce" lies in identifying the key prices that form a recognizable pattern, providing valuable insight into the next persistent and impulsive trend in prices, either higher or lower. When these patterns are correctly identified, they are an important predictor of both entry and exit prices, providing an important element in driving returns and controlling risks.

OUR INVESTMENT PROCESS: BEHAVIORAL PATTERN MATCHING

The Fund seeks to profit from trading emerging-markets currencies in two ways:

1. By exploiting the interest-rate differential (the positive "carry," which is akin to earning an interest rate) between the U.S. dollar and specific EM currencies; and
2. By taking long or short currency positions to exploit the appreciation or depreciation of the currency's exchange rate (the "spot rate") vs. the U.S. dollar.

Taken together, they present an excellent opportunity to potentially generate positive returns, uncorrelated with stock and bond markets.

The exploitation of each of these profit opportunities is driven entirely by ARS' proprietary Behavioral Pattern-Matching Methodology.

Absolute Return Strategies began developing its pattern-matching model in the late 1990s.

Since 2010, the model has been producing daily buy and sell recommendations for individual currency pairs, primarily for European institutions and family offices.

OUR INVESTMENT PROCESS: WHY DO BEHAVIORAL PATTERNS EXIST IN EMERGING-MARKETS CURRENCIES?

Repeatable and Recognizable Behavioral Patterns exist in emerging-market currencies because of structural elements native to the market. Specifically,

- EM currencies are typically tied to higher interest rates relative to the U.S. dollar. EM countries tend to keep interest rates high in order to attract capital and limit outflows.
- Hence, patterns emerge from investors' behavior of selling U.S. dollars and buying "higher-coupon" currencies.
- As investors sell U.S. dollars and buy the higher interest-rate currencies, a trend of purchasing begins and creates an ascending price pattern.
- This ascending pattern, reflects the behavioral economic motive of *greed,* or the desire to earn a higher rate of return. (We buy or "go long" the currency).
- As the trend continues and the currency becomes overbought, selling ensues. This descending price pattern reflects the emotion of *fear*. (We sell or "short" the currency).

Interest-Rate Differentials versus U.S. Dollar

Brazil +9.5%
China -0.6%
India +2.3%
Russia +5.1%
South Africa +2.4%
Mexico +6.3%

As of 12-31-2022

Data Source: CEIC Data

OUR INVESTMENT PROCESS: BEHAVIORAL PATTERN MATCHING

- The Behavioral Pattern-Matching Model considers the price action of each emerging-market currency against the U.S. dollar, cataloging the daily high and low prices for each currency.

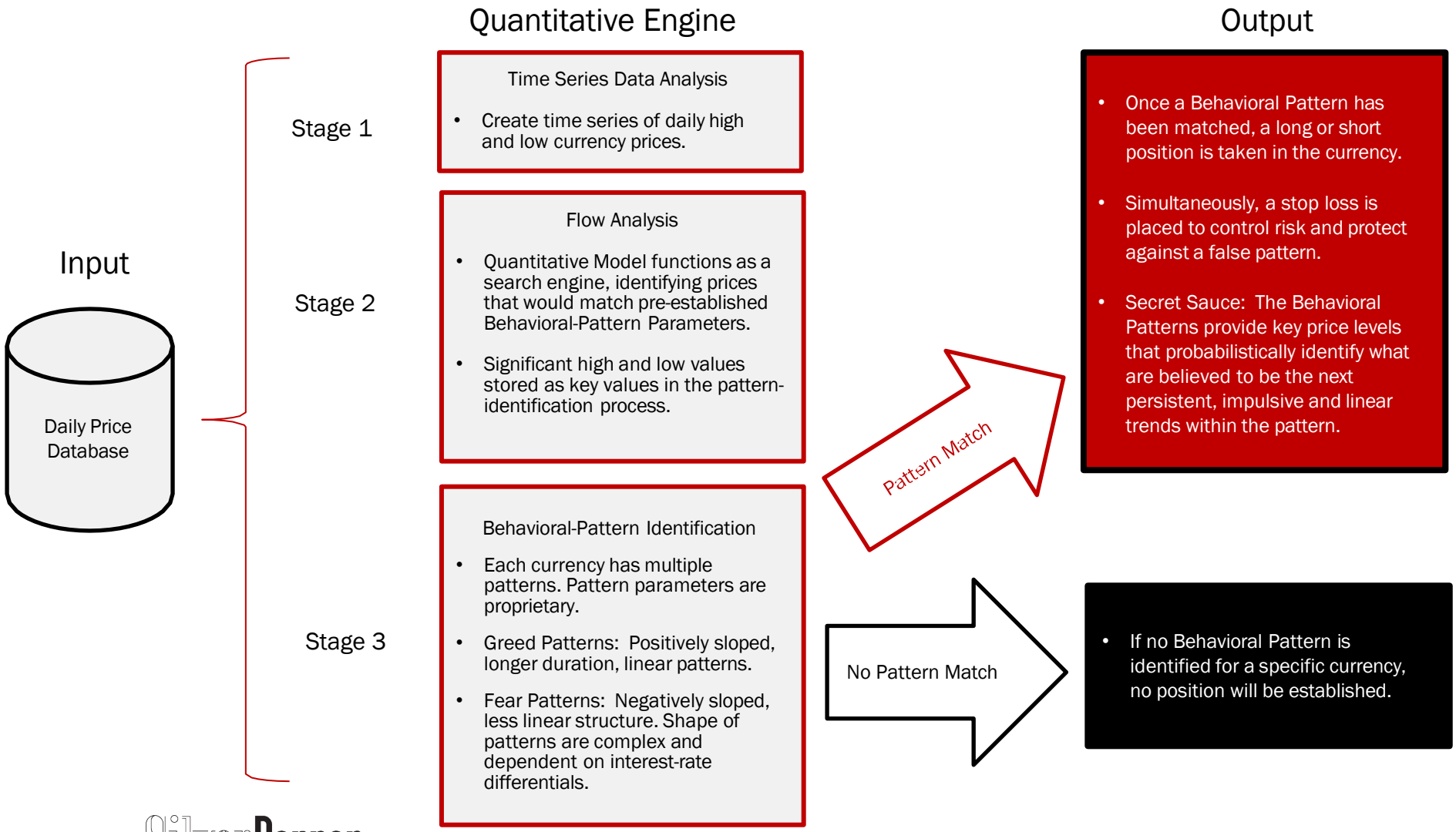
- The model examines price-distribution sequences, searching for multiple predefined and specific behavioral patterns within each currency. Significant high and low prices, driven by behavioral flows, are stored in the algorithm, serving as keys to identifying impulsive or corrective moves within the pattern.

- Each emerging-markets currency has its own distinct patterns.
  - There is one set of fear-pattern parameters for being short currencies.
  - There is another set of greed-pattern parameters for being long currencies.

- Methodology is centered on establishing an exact pattern match and capturing the most impulsive trend within the Behavioral Pattern.
  - If "trending," may be either long or short the currency.
  - If "ranging," typically will not hold a position.

The Fund's investment process is centered on finding the impulsive, linear trend within well-identified Behavioral Patterns

BEHAVIORAL PATTERN MATCHING MODEL: PROCESS



OUR INVESTMENT PROCESS: PORTFOLIO STRUCTURE

- The Fund trades a select number of currencies. Currency eligibility for the portfolio is primarily a function of:
  1. Liquidity and,
  2. Geographic diversity.
- "BRIC" currencies (Brazil, Russia, India & China) are the primary currencies to be used in the portfolio.
- U.S. dollar is the primary funding currency for all EM currency pairs.
- The Fund tends to avoid very high interest-rate currencies (like Argentina or Venezuela) because the volatility typically outweighs the benefits of the size of the interest-rate differential.
- Positions are initiated through currency forwards.

Primary currencies traded historically include:

- *Brazilian Real*
- *Russian Ruble*
- *Indian Rupee*
- *Chinese Yuan*
- *South African Rand*
- *Turkish Lira*
- *Mexican Peso*

These currencies provide broad geo-political representation and account for about half of the world's population.

OUR INVESTMENT PROCESS: PORTFOLIO STRUCTURE AND EXECUTION

- Portfolio weights for each currency are optimized by liquidity, not profit maximization. This is for risk-control purposes.
- The Fund intends to hold its largest portfolio positions in the most liquid of the EM currencies (Brazil, Russia, India & China).
- The total gross exposure target is 2.7 times assets. Actual gross and net exposures, however, are a function of the actual number of currency positions held and the direction (long or short) of those positions.
- Portfolio will tend to be "positive carry" over long periods of time, meaning the Fund will typically be long the higher interest-bearing emerging market currencies vs. the lower interest-rate funding currency.
- However, the model does not have an explicit "carry" bias, nor is there a bias to be either long or short.
- Currency positions are driven by the quantitative output of the model.

OUR INVESTMENT PROCESS: PORTFOLIO STRUCTURE AND EXECUTION

- The volatility or standard deviations of emerging-markets currencies are relatively low.
- Given this, the Fund's strategy uses leverage to increase both the volatility and the expected rate of return of the portfolio.
- Although there is no explicit volatility target, we anticipate that the volatility or standard deviation of the portfolio will generally approach that of global equities.

Historical Standard Deviations of Emerging-Markets Currencies

	20 YR	5 YR	3 YR
Brazil	1.18	0.77	0.34
Russia	18.87	8.71	9.61
India	12.22	4.07	2.85
China	0.52	0.28	0.28
Turkey	3.70	4.40	4.42
South Africa	3.59	1.55	1.29

Source: ARS, Annualized Data as of period ending 12-31-2022

Past performance is not a guarantee of future performance.

OUR INVESTMENT PROCESS: HOLDING PERIODS AND RISK CONTROLS

- Holding periods vary:
  - *"Long carry"* positions tend to have longer holding periods because the pattern has more structure and price linearity.
  - *"Short carry"* positions tend to have shorter holding periods. They express an element of "fear," so there is less structure to their descending-price pattern as investors liquidate more rapidly.
  - In general, holding periods are multi-weeks or months, not daily.

- When the model signals the establishment of a position, it also establishes a "stop-loss" price at the same time. The model automatically adjusts the stop-loss price as the value of the position increases or goes deeper "into the money".

- The model is entirely quantitative, yet ARS oversees the model's daily output for accuracy.

- Liquidity and volatility of the portfolio currencies is also reviewed on an ongoing basis by ARS. Currencies experiencing liquidity or abnormal volatility may be excluded from the model at ARS' discretion.

- For risk-control measurement, daily Value-at-Risk and weekly stress tests are run to monitor exposure to shocks in volatility and correlation between currencies.

OUR CURRENCY EXPERTS

Absolute Return Strategies, LTD.

- Absolute Return Strategies Ltd., ("ARS") is the Sub-Advisor for the Fund.
- They are experts in investing and analyzing currency markets.
- ARS was founded in 2006 by a team of financial professionals with significant leadership and operating experience in the foreign-exchange markets. ARS is a Registered Investment Advisor with the SEC and is also registered as a Commodity Trading Advisor with the National Futures Association, and provides investment services primarily to family offices, institutions, and registered investment companies.

Portfolio Managers: Experts in Currency Markets

John Dean. Mr. Dean is primarily responsible for the day-to-day management of the Fund's portfolio. Mr. Dean is the Founder, Chief Investment Officer and Managing Member of Absolute Return Strategies Ltd., which specializes in providing investment advice on currency markets. Mr. Dean has over 30 years of experience managing, analyzing and dealing in currency markets. Prior to founding Absolute Return Strategies in 2006, Mr. Dean was managing director of Currency Insights Ltd., located in London, where he was responsible for all aspects of portfolio management for quantitative FX and Global Macro assets. Prior to those responsibilities, Mr. Dean headed all market-making activity in London, Holland and Switzerland for foreign currency, precious metals and commodity futures as a Senior Managing Director at Donaldson Lufkin & Jenrette. Mr. Dean received at BSc degree from Nottingham University, United Kingdom.

Ian Ross Taylor. Mr. Taylor is a portfolio manager and trader for the Fund's portfolio. Mr. Taylor joined Absolute Return Strategies Ltd. in 2012. Mr. Taylor has significant experience in establishing and running foreign exchange market-making and trading businesses. Prior to joining Absolute Return Strategies Ltd. in London, Mr. Taylor held senior leadership roles with large financial institutions engaged in foreign-currency markets, including as a Senior Managing Director for both Natixis Bank and Bear Stearns & Co, Inc. in New York City, where he headed all FX activity, including client sales, execution and prime brokerage.

/PART 3

"DIVERSIFICATION IS THE ONLY FREE LUNCH IN INVESTING."

ASSET-ALLOCATION CONSIDERATIONS FOR USING EMERGING MARKETS CURRENCIES.

CURRENCIES: CONSIDERATIONS FOR ASSET-ALLOCATION.

Noble Prize Winner Harry Markowitz declared that diversification is the only "free lunch" in investing.

- The "free lunch" is the improvement in both portfolio returns and risk that come from holding a portfolio of assets that move independently of one another.
- Because diversification is driven by correlations, adding emerging-markets currencies may deliver a free lunch to investors.

Three primary opportunities exist to use the SilverPepper Long/Short Emerging Markets Currency Fund to potentially improve a portfolio's return and reduce its risk. They are:

1. Diversifying a traditional asset-allocation mix of stocks and bonds;
2. Replacing or supplementing an existing emerging-markets stock or bond allocation; or
3. As a component of a portfolio's "Absolute-Return Bucket".

CURRENCIES: THE DRIVERS OF EMERGING MARKET DIVERSIFICATION FOR A TRADITIONAL STOCK AND BOND PORTFOLIO.

What's the primary reason for investing in EM stocks and bonds?

- Diversification: But where does the diversification come from? From the stocks and bonds, or from the currency? And are you getting the full benefit of emerging markets diversification?
- Consider, for example, emerging-markets bonds:

Primary Factors of Emerging-Markets Bond Returns

EM Bond Risk Factors
Interest Rates
Credit Risk
Inflation Risk

EM Currency Risk Factors
EM Macroeconomic Risk
EM Political Risk

These factors are common to all bonds, both foreign and domestic.

These factors exist only in emerging markets and are the primary drivers of the valuable diversification characteristics found in emerging markets.

CURRENCIES: REPLACEMENT OR SUPPLEMENT FOR EMERGING MARKETS STOCK OR BOND EXPOSURE.

Investment-management firm, First Quadrant, in its *Currency Hedging Handbook** concludes that if investors were to get rid of, or hedge away, a fund's emerging-markets currency risk, they would be left with:

1. "developed equity and bond exposures,
2. while retaining very little EM-specific exposure."

Key Take Aways:

- It's only the currency risk-factors that are primarily responsible for providing the diversification benefits of investing in emerging markets.
- By allocating to a pure-play EM currency fund, you *avoid increasing* a portfolio's exposure to the common bond- or stock-factors found in EM stock or bond funds.
- Ask Yourself: Does your portfolio need more bond credit, inflation or equity risk, or does it just need the diversification benefit of EM Currencies?

Emerging-Markets Currencies provide

PURE

Emerging-Markets Exposure

*First Quadrant, "Currency Hedging Handbook," Dori Levanoni, Paul Goldwhite, CFA, 2017.

CURRENCIES: REPLACEMENT OR SUPPLEMENT FOR EMERGING MARKETS STOCK AND BOND EXPOSURE.

Emerging markets currencies offer meaningful correlation benefits to domestic stocks and bonds, particularly when compared to EM stocks or bonds*. For the trailing ten-year period, ending 12-31-2022, the correlations are:

- EM Stocks correlation to S&P 500 Index = 0.67
- EM Currency correlation to S&P 500 Index = 0.49

- EM Bonds correlation to Bloomberg Aggregate Bond Index = 0.65
- EM Currency correlation to Blomberg Aggregate Bond Index = 0.31

Lower correlation to both the S&P 500 Index and the Bloomberg Aggregate Bond Index makes EM Currencies a potentially better diversifier for traditional portfolios than either EM stocks or EM bonds.

*Indices used as proxies
EM Stocks: MSCI EM NR USD
EM Currency: MSCI Emerging Markets Currency Index:
EM Bonds: JPM EMBI Global Diversified Index

Correlation Data Source: Morningstar Direct

CURRENCIES: FOR THE "ABSOLUTE RETURN BUCKET"

The SilverPepper Long/Short Emerging Markets Currency Fund has an Absolute Return mandate, which means the Fund strives to:

- Generate positive returns in all environments.
- Limit losses in down markets.
- Broaden the source of investment returns within a normal stock/bond portfolio.
- Provide valuable diversification potential, and
- Improve a portfolio's risk-adjusted return.

Our Fund seeks to achieve these objectives because:

- Not only do emerging-markets currencies offer significant diversification advantages as an asset class, but the Fund's active, non-directional strategy may lead to even further diversification or low-correlation benefits.
- As a "Long/Short" strategy, positive returns are not dependent on the direction of the market.
- Automatic "Stop-loss" orders may limit losses for both long and short positions.
- A focused EM Currency strategy will have little overlap with other absolute return strategies, such as global macro or managed futures.

THE SILVERPEPPER LONG/SHORT EMERGING MARKETS CURRENCY FUND. WHY YOU SHOULD CARE. WHY YOU SHOULD CONSIDER INVESTING.

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- The Fund's secret sauce, or edge, lies within its quantitative model's ability to recognize Behavioral Price Patterns endemic to emerging-markets currencies.
- The patterns indicate when the Fund should buy currencies in a greed pattern, and when to sell or "short" currencies in a fear pattern.
- The Fund has two ways to potentially profit, either from "carry", or from increases or decreases in currency spot prices, by establishing either long or short positions in a currency. Together, they present an excellent opportunity to potentially generate positive returns, uncorrelated with stock and bond markets.
- Expertise: Absolute Return Strategies Ltd. is an expert in currencies.

Is it time to consider an active, profit-seeking exposure to emerging-markets currencies?

/PART 4

APPENDIX

DISCLOSURES AND OTHER INFORMATION

DEFINITIONS

Carry trades are a currency trading strategy that seeks to profit from the interest rate differential between two currencies. Carry trades can apply to both long and short trades. Specifically, a long carry trade involves borrowing a low-yield (low interest rate) currency to buy a higher-yield (high interest rate) currency and profiting from the difference in those interest rates. For example, if interest rates in the U.S. are 1.5% and 10% in Turkey, one can sell the U.S. dollar and buy the Turkish Lira, earning a net return or "carry" of 8.5%.

Beta is the measure of a fund's sensitivity to market movements, typically as compared to the S&P 500 Index. By definition, the beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the Index in up markets and 10% worse in down markets.

Standard Deviation indicates the volatility of a fund's total returns. In general, the higher the standard deviation, the greater the volatility of return. If a fund had a mean (average return) of 10%, and a standard deviation of 2%, you would expect the fund's returns to fall within 12% and 8%, 68% of the time. And 95% of the time, you would expect its return to fall within 6% and 14%.

Correlation is a statistical measure of how the performance of two securities or portfolios moved in relation to each other. Correlation is measured as a correlation coefficient, which ranges between -1.0 and +1.0. Perfect positive correlation (a correlation co-efficient of +1.0) implies that as the performance of one security or portfolio moves either up or down, the performance of the other security or portfolio will move at the same time, by the same amount, and in the same direction. Perfect negative correlation means that if the performance of one security or portfolio moves in either direction, the performance of the other security or portfolio will move in the opposite direction, at the same time, by the same amount. If the correlation is 0, the movements of the securities or portfolios are said to have no correlation; they are completely independent of one another.

DEFINITIONS

U.S. Dollar Index (USDX) is a measure of the value of the U.S. dollar relative to the value of a basket of currencies of most of the U.S.'s most significant trading partners. This index is similar to other trade-weighted indexes, which also use the exchange rates from the same major currencies.

S&P 500 Index is a broad-based measurement of changes in stock market conditions based on the average of 500 widely held common stocks.

Dow Jones U.S. Real Estate Index is designed to track the performance of real estate investment trusts (REIT) and other companies that invest directly or indirectly in real estate through development, management, or ownership, including property agencies.

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of the U.S. investment-grade fixed-rate bond market, including both government and corporate bonds. Index Performance is not intended to predict or project the performance of the Fund. Performance data quoted represents past performance, which is no guarantee of future results. Investing in an index is not possible.

Bloomberg Commodity Total Return Index (formerly the Dow Jones-UBS Commodity Index Total Return) is a broad-based index composed of futures contracts on 23 physical commodities. Investors cannot invest directly in an index.

JPM EMBI Global Diversified Index is an index that measures the total return of external-currency denominated debt instruments including Brady Bonds, loans, and Eurobonds in emerging markets. Countries covered are Argentina, Brazil, Bulgaria, Mexico, Morocco, Nigeria, the Philippines, Poland, Russia, and South Africa.

MSCI EM NR USD is an index that measures the performance of the large and mid-cap segments of emerging market equity securities. It is free float-adjusted market-capitalization weighted.

Bloomberg Emerging Markets Local Currency Government is a country-constrained index, which is designed to provide a broad measure of the performance of local currency Emerging Markets (EM) debt.

It is not possible to invest in an index.

PRIMARY RISKS

Currency Risk. The values of investments in securities denominated in foreign currencies increase or decrease as the rates of exchange between those currencies and the U.S. dollar change. Currency conversion costs and currency fluctuations could erase investment gains or add to investment losses. Currency exchange rates can be volatile and are affected by factors such as general economic conditions, the actions of the U.S. and foreign governments or central banks, the imposition of currency controls, and speculation.

Derivatives Risk. Derivatives include instruments and contracts that are based on and valued in relation to, one or more underlying securities, financial benchmarks, indices, or other reference obligations or measures of value. Major types of derivatives include futures, swaps and forward contracts. Using derivatives exposes the Fund to additional or heightened risks, including leverage risk, liquidity risk, valuation risk, market risk, counterparty risk, and credit risk. Derivatives transactions can be highly illiquid and difficult to unwind or value, they can increase Fund volatility, and changes in the value of a derivative held by the Fund may not correlate with the value of the underlying instrument or the Fund's other investments. Derivatives are subject to additional risks such as operational risk, including settlement issues, and legal risk, including that underlying documentation is incomplete or ambiguous.

Emerging Markets Risk. Many of the risks with respect to foreign investments are more pronounced for investments in issuers in and currencies of developing or emerging market countries. Emerging market countries tend to have more government exchange controls, more volatile interest and currency exchange rates, less market regulation, and less developed and less stable economic, political and legal systems than those of more developed countries. There may be less publicly available and reliable information about issuers in emerging markets than is available about issuers in more developed markets. In addition, emerging market countries may experience high levels of inflation and may have less liquid securities markets and less efficient trading and settlement systems.

PRIMARY RISKS

Fixed Income Securities Risk. The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to changes in an issuer's credit rating or market perceptions about the creditworthiness of an issuer. Generally fixed income securities decrease in value if interest rates rise and increase in value if interest rates fall, and longer-term and lower rated securities are more volatile than shorter-term and higher rated securities.

Foreign Investment Risk. Investments in foreign securities are affected by risk factors generally not thought to be present in the United States. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Special risks associated with investments in foreign markets include less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, and difficulty in enforcing contractual obligations. Changes in exchange rates and interest rates, and the imposition of foreign taxes, sanctions, confiscations, trade restrictions (including tariffs) and other government restrictions by the United States and/or other governments may adversely affect the values of a Fund's foreign investments.

Lack of Correlation; Hedging Risk. There can be no assurance that the Fund's hedges will be effective. Any decrease in negative correlation or increase in positive correlation between the positions the Sub-Advisor anticipated would be offsetting (such as short and long positions in securities or currencies held by the Fund) could result in significant losses for the Fund.

PRIMARY RISKS

Liquidity Risk. The Fund may not be able to sell some or all of the investments that it holds due to a lack of demand in the marketplace or other factors such as market turmoil, or if the Fund is forced to sell an illiquid asset to meet redemption requests or other cash needs it may only be able to sell those investments at a loss. In addition, the reduction in dealer market-making capacity in the fixed income markets that has occurred in recent years has the potential to decrease the liquidity of the Fund's investments. Illiquid assets may also be difficult to value.

Quantitative Modeling Risk. Use of quantitative models carries the risk that the fund may underperform funds that do not utilize such models. The use of quantitative models, including pattern-matching models, may affect the Fund's exposure to certain emerging-market currencies and may impact the Fund's relative investment performance depending on whether such currencies are in or out of favor in the market. Successful application of a quantitative model is dependent on the Sub-advisor's skill in building and implementing the model. For example, human judgment plays a role in building, using, testing, modifying, and implementing the financial algorithms and formulas used in these models. Quantitative models are subject to technical issues including programming and data inaccuracies, are based on assumptions, and rely on data that is subject to limitations (e.g., inaccuracies, staleness), any of which could adversely affect their effectiveness or predictive value. Quantitative models may not accurately predict future market movements or characteristics due to the fact that market performance can be affected by non-quantitative factors that are not easily integrated into quantitative analysis, among other factors.

IMPORTANT DISCLOSURES

All investing involves risk including the possible loss of principal. Please refer to the prospectus for a complete discussion of the Fund's risks.

Please consider the investment objectives, risks, charges and expenses of the fund carefully. The prospectus and the summary prospectus contain this and other information about the Fund. To obtain a prospectus or summary prospectus, contact your financial advisor or download and/or request one at www.SilverPepperFunds.com or call SilverPepper at 1-847-637-0195. Please read the prospectus and/or summary prospectus carefully before investing.

SilverPepper Funds are distributed by IMST Distributors LLC.

SUMMARY TERMS & CONDITIONS

Structure	Open-end mutual fund registered with the SEC and operated in accordance with Investment Company Act of 1940.
Share Classes	Institutional Shares: $5,000.
Withdrawals	Daily liquidity at NAV. No Early Withdrawal or Redemption Fees.
Fees	See Prospectus and Annual Report for most current gross and net expense ratios as well as the Expense Limitations.
Legal Counsel	Morgan Lewis. No affiliation. Independent service provider.
Board of Directors	Investment Managers Series Trust Fund Board. All independent directors, with independent chairman.
Custodian	UMB Fund Services, Inc. No affiliation. Independent service provider.
Fund Administrator	Mutual Fund Administrative Corporation. No affiliation. Independent service provider.