

FOCUS:
ABSOLUTE RETURNS

FPA New Income (“Fund”) strives to be a low volatility, flexible bond fund that seeks to provide long-term positive total returns, including income and capital appreciation, while considering capital preservation.

CONSISTENTLY POSITIVE ABSOLUTE RETURNS as of 12/31/2019



As of 12/31/2019, including the reinvestments of all distributions:*

1 Year: 3.81%; 3 Years: 2.92%, 5 Years: 2.28%, 10 Years: 2.10%, 15 Years: 2.70%, 20 Years: 3.85%; 30 Years: 5.40%; Total/Net Expense Ratio:¹ 0.57%/0.50%.

FUND FEATURES

Absolute Return Focus

Seeks to provide a positive return in a 12-month period while remaining benchmark indifferent

Opportunistic Exposure

Ability to dynamically adjust exposure to lower-rated securities² as market conditions present opportunities

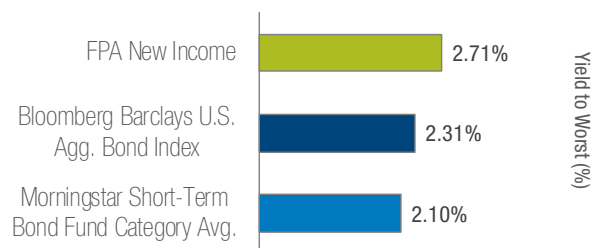
Deep Research

Bottom-up research process with cash exposure as a residual of investment opportunities

HIGHER YIELD WITH LOWER DURATION

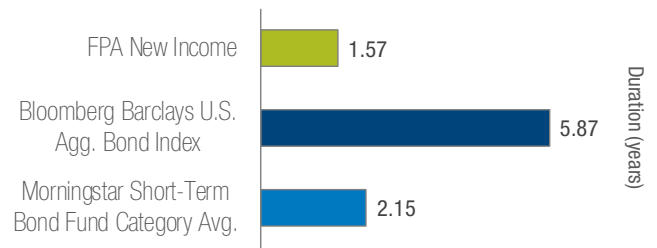
Yield To Worst (YTW) as of 12/31/2019

- 17% higher YTW than the broad U.S. bond market³ and
- 29% higher YTW than its peers in the Morningstar Short-Term Bond Fund Category



Duration (Years) as of 12/31/2019

- 73% less interest-rate sensitivity than the broad U.S. bond index³
- 27% less interest-rate sensitivity than its peers in the Morningstar Short-Term Bond Fund Category.



All data is as of 12/31/2019. Source: Morningstar Direct.

As of 12/31/2019, the Fund’s subsidized/unsubsidized 30-Day standardized SEC yield (“SEC Yield”) was 2.50%/2.44% respectively.

¹ The Total Annual Fund Operating Expenses before reimbursement is 0.57% (as of most recent prospectus). The Advisor has contractually agreed to reimburse the Fund for Total Annual Fund Operating Expenses in excess of 0.50% through January 31, 2021. This agreement may only be terminated earlier by the Fund’s Board of Directors (the “Board”) or upon termination of the Advisory Agreement.

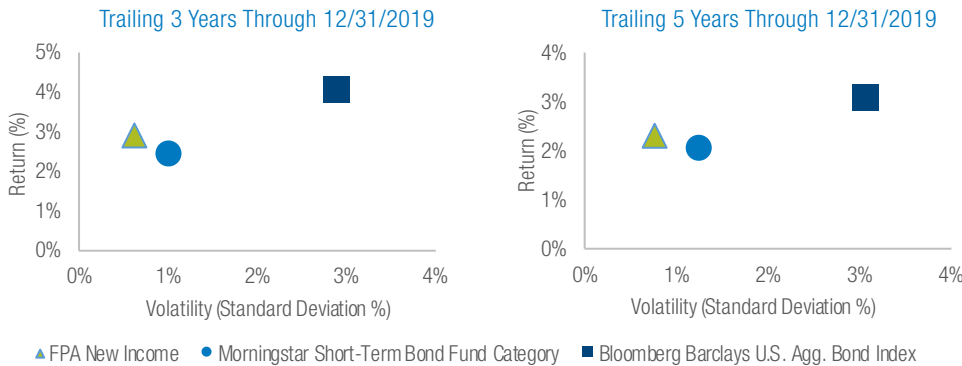
² Credit ratings range from AAA (highest) to D (lowest). Bonds rated BB and below are lower-rated securities.

³ Broad U.S. bond market is represented by the Bloomberg Barclays U.S. Aggregate Bond Index.

Morningstar peer group average returns are based on all share classes within the category and include the reinvestment of dividends and capital gains, if any, and exclude sales charges.

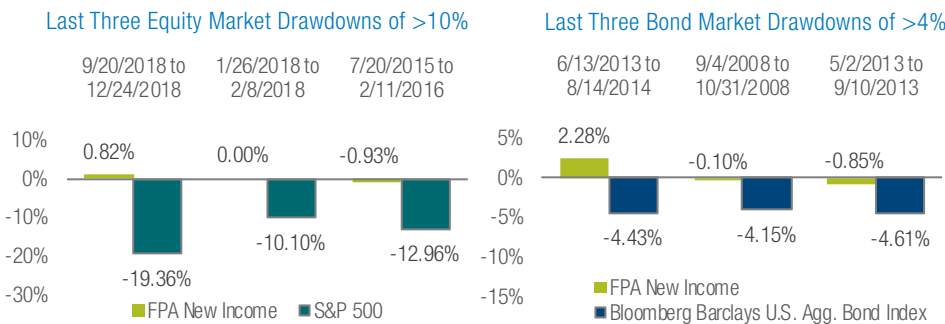
*Periods greater than one year are annualized. Performance is net of all fees and expenses. Past performance is no guarantee of future results and current performance may be higher or lower than the performance shown. This data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained by calling toll-free, 1-800-982-4372. This material must be preceded or accompanied by the Fund’s prospectus.

SEEKS CONSISTENT SUPERIOR, RISK-ADJUSTED RETURNS



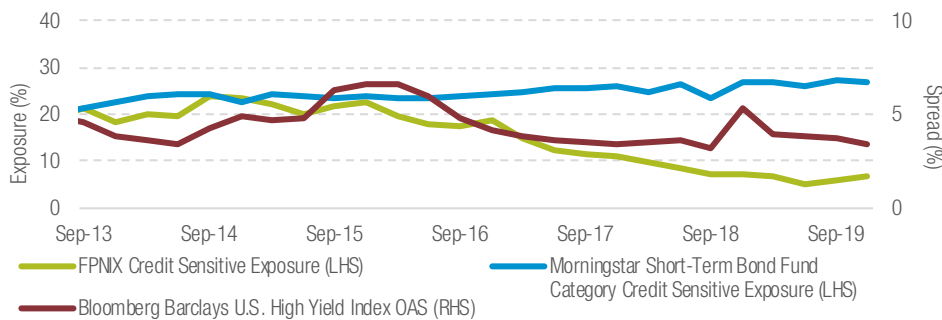
DOWNSIDE PROTECTION DURING EQUITY AND BOND MARKET STRESS

The Fund has been able to provide significant historical downside protection in the previous instances when equity markets fell more than 10% and when bond markets fell more than 4%.



OPPORTUNISTIC HIGH-YIELD CREDIT EXPOSURE

The Fund has the ability to increase exposure to high yield securities in periods of distress, and conversely, is able to move out of high yield securities when they are perceived to be overvalued.



High yield securities can be volatile and subject to much higher instances of default.

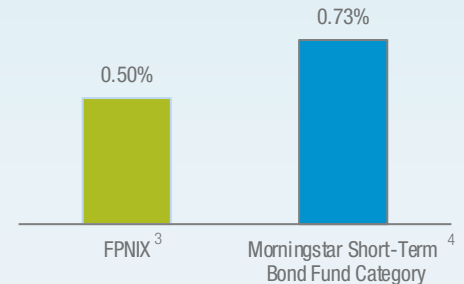
All data is as of 12/31/2019. Source: Factset and Morningstar Direct.

³Reflects expenses for the Fund's fiscal year ended 12/31/2019 and is subject to change. Fund expenses may fluctuate with market volatility. A substantial reduction in Fund assets (since its most recently completed fiscal year), whether caused by market conditions or significant redemptions or both, will likely cause total operating expenses (as a percentage of Fund assets) to become higher than those shown. ⁴ Reflects the average expenses of Class A shares of all funds within the Morningstar Short-Term Bond Average based on Morningstar data available. ⁵ Credit ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). High-yielding, non-investment grade bonds (junk bonds) involve higher risks than investment grade bonds. ⁶ Broad U.S. bond market is represented by the Bloomberg Barclays U.S. Aggregate Bond Index. Comparison to indices are for illustrative purposes only. The Fund does not include outperformance of any index or benchmark in its investment objectives. Portfolio composition will change due to ongoing management of the Fund.

Past performance is no guarantee of future results and performance may be higher or lower than the performance shown. FPNIX data represents past performance and investors should understand that investment returns and principal values fluctuate, so that when you redeem your investment it may be worth more or less than its original cost. Current month-end performance data, which may be lower or higher than the performance data quoted, may be obtained by calling toll-free, 1-800-982-4372.

Lower Expenses

32% lower net expense ratio than its Morningstar peers on average.



Differentiated Quality Exposure⁵

With a higher exposure to "high-quality" securities relative to the broader market⁶ and its peer group, the Fund seeks to be better protected from credit events.

Rating	FPNIX	Bloomberg Barclays U.S. Agg. Index	Morningstar Short-Term Bond Fund Category
AAA - A	93%	86%	73%
BBB - NR	7%	14%	27%
TOTAL	100%	100%	100%

High Quality is defined as those securities rated A and above. Credit Sensitive is defined as those securities rated BBB and below.

Differentiated Sector Exposure

Having a higher exposure to securitized bonds, the Fund differentiates itself from its peer group and broad U.S. bond market indices.⁶

Sector	FPNIX	Bloomberg Barclays U.S. Agg. Index	Morningstar Short-Term Bond Fund Category
Treasury/Gov't	8%	45%	26%
Corp.	6%	25%	38%
Securitized	79%	30%	33%
Muni	0%	0%	0%
Cash & Eq.	7%	0%	5%
Other	0%	0%	-2%

Totals may not add up to 100% due to rounding.

IMPORTANT INFORMATION

Investors should carefully consider the Fund's investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective and policies, charges, and other matters of interest to the prospective investor. Please read this Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at www.fpa.com, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

As of December 31, 2019, the Fund's subsidized/unsubsidized 30-Day standardized SEC yield ("SEC Yield") was 2.50%/2.44% respectively. The SEC Yield calculation begins with the Fund's dividend payments for the last 30 days, subtracts Fund expenses and uses this number to estimate returns for a year. Subsidized yield reflects fee waivers and/or expense reimbursements in effect during the period, while unsubsidized yield does not adjust for these items. Without waivers and/or reimbursements, yields would be reduced. The SEC Yield calculation is based on the price of the Fund at the beginning of the month. The SEC Yield reflects prospective data and thus assumes payments collected by the Fund may fluctuate.

Thomas Atteberry and Abhijeet Patwardhan have been portfolio managers of the Fund since November 2004 and November 2015, respectively, and manage the Fund in a manner that is substantially similar to the prior portfolio manager, Robert Rodriguez. Mr. Rodriguez ceased serving as the Fund's portfolio manager effective December 2009.

Not authorized for distribution unless preceded or accompanied by a current prospectus. The prospectus can be accessed at <https://fpa.com/request-funds-literature>.

Investments, including investments in mutual funds, carry risks and investors may lose principal value. Capital markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. The Fund may purchase foreign securities, which are subject to interest rate, currency exchange rate, economic and political risks. The securities of smaller, less well-known companies can be more volatile than those of larger companies.

The return of principal in a bond fund is not guaranteed. Bond funds have the same issuer, interest rate, inflation and credit risks that are associated with underlying bonds owned by the fund. Lower rated bonds, convertible securities and other types of debt obligations involve greater risks than higher rated bonds.

Interest rate risk is when interest rates go up, the value of fixed income securities, such as bonds, typically go down and investors may lose principal value. Credit risk is the risk of loss of principal due to the issuer's failure to repay a loan. Generally, the lower the quality rating of a security, the greater the risk that the issuer will fail to pay interest fully and return principal in a timely manner. If an issuer defaults the security may lose some or all its value.

Mortgage securities and collateralized mortgage obligations (CMOs) are subject to prepayment risk and the risk of default on the underlying mortgages or other assets; such derivatives may increase volatility. Convertible securities are generally not investment grade and are subject to greater credit risk than higher-rated investments. High yield securities can be volatile and subject to much higher instances of default.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities are for informational purposes only and should not be construed as recommendations by the Fund, FPA, or the portfolio managers.

The information provided is not directed at any investor or category of investors and is provided solely as general information about FPA's products and services and to otherwise provide general investment education. None of the information provided should be regarded as a suggestion to engage in or refrain from any investment-related course of action as neither FPA nor its affiliates are undertaking to provide impartial investment advice, act as an impartial adviser, or give advice in a fiduciary capacity. If you are an individual retirement investor, contact your financial advisor or other fiduciary about whether any given investment idea, strategy, product or service may be appropriate for your circumstances.

Indexes are unmanaged, do not reflect the deduction of fees or expenses, and an investor cannot invest directly in an index.

The **Bloomberg Barclays US High Yield Index** measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded. The option-adjusted spread (OAS) is the measurement of the spread of a fixed-income index rate and the risk-free rate of return, which is adjusted to take into account an embedded option.

The **Bloomberg Barclays U.S. Aggregate Bond Index** is an unmanaged index composed of securities from the Barclays Government/Corporate Bond Index, Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. Indexes are rebalanced monthly by market capitalization.

Morningstar Short-Term Bond Fund Category portfolios invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of 1.0 to 3.5 years. These portfolios are attractive to fairly conservative investors, because they are less sensitive to interest rates than portfolios with longer durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Short-term is defined as 25% to 75% of the three-year average effective duration of the MCBI.

Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates.

Credit ratings range from AAA (highest) to D (lowest). Securities rated BBB or above are considered investment grade. Securities rated BB and below are lower-rated securities (junk bonds). High-yielding, non-investment grade bonds (junk bonds) involve higher risks than investment grade bonds.

Investment Grade (IG) is a rating that indicates that a municipal or corporate bond has a relatively low risk of default.

Yield to Worst is the lowest amount that an investor will make from a bond, computed by using the lower of the yield to maturity and the yield to call on every call date.

Standard deviation is a measure of the dispersion of a set of data from its mean; more spread-apart data has a higher deviation.

The **Standard & Poor's 500 Stock Index (S&P 500)** is a capitalization-weighted index which covers industrial, utility, transportation and financial service companies, and represents approximately 75% of the New York Stock Exchange (NYSE) capitalization and 30% of NYSE issues. The S&P 500 is considered a measure of large capitalization stock performance.

Credit event is a default, bankruptcy, or other situation which is recognized as affecting the creditworthiness of a country or organization and which may trigger insurance payments as defined in a credit default swap.

©2020 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted by Morningstar to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI 53212.