FPA Queens Road Small Cap Value Fund
Fourth Quarter 2023 Commentary

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

Average Annual Total Returns (%)

Trailing Performance (%)

As of: 12/31/2023	Inception	20 Years	15 Years	10 Years	5 Years	3 Years	1 Year	YTD	QTD
FPA Queens Road Small Cap Value	9.41	8.39	10.65	7.91	12.10	9.09	16.00	16.00	13.09
Russell 2000 Value Index	8.19	7.68	10.27	6.76	10.00	7.94	14.65	14.65	15.26

Past performance is no guarantee, nor is it indicative, of future results. 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 at fpa.com or by calling toll-free, 1-800-982-4372. The Fund's Total Annual Operating Expenses before reimbursement is 0.96% (Investor Class), 0.90% (Advisor Class), and 0.79% (Institutional Class).

The FPA Queens Road Small Cap Value Fund ("Fund") commenced operations on June 13, 2002 (Inception date). Fund performance shown is for the Investor Class shares (QRSVX). Periods greater than one year are annualized. Fund performance is shown net of all fees and expenses and includes reinvestment of all distributions. Fund performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares, which would lower these figures. An investor cannot invest directly in an index.

Prior to November 1, 2020, the performance shown reflects the historical performance of the Fund when Bragg Financial Advisors, Inc. ("BFA") served as investment adviser of the Fund. Effective November 1, 2020, FPA became the investment adviser of the Fund and BFA transitioned to serving as the sub-adviser. BFA continues to be responsible for the day-to-day management of the Fund, subject to FPA's oversight. No changes to the Fund's principal investment strategies were made in connection with these changes in management of the Fund, and Steve Scruggs, CFA, Director of Research and Senior Portfolio Manager for BFA, continues to serve as the portfolio manager for the Fund.

From inception of the Fund to December 31, 2004, BFA and its affiliates voluntarily absorbed certain expenses of the Fund and voluntarily waived its management fee. Had BFA not done this, returns would have been lower during that period. Effective January 1, 2005 through October 31, 2020, BFA charged a single unitary management fee and contractually agreed to pay all operating expenses of the Fund except for brokerage, taxes, interest, litigation expenses, and other extraordinary expenses.

The Fund's Total Annual Operating Expenses before reimbursement is 0.96% (Investor Class), 0.90% (Advisor Class), and 0.79% (Institutional Class). The adviser has contractually agreed to waive its management fees and to make payments to limit Fund expenses, until July 27, 2024 so that the total annual operating expenses (excluding interest, taxes, brokerage fees and commissions payable by the Fund in connection with the purchase or sale of portfolio securities, fees and expenses of other funds in which the Fund invests, and extraordinary expenses, including litigation expenses not incurred in the Fund's ordinary course of business) of the Fund do not exceed 1.04%, 0.99% and 0.89%, for Investor Class, Advisor Class, and Institutional Class shares, respectively. These fee waivers and expense reimbursements are subject to possible recoupment by the adviser from the Fund in future years (within the three years from the date when the amount is waived or reimbursed) if such recoupment can be achieved within the lesser of the foregoing expense limits or the then-current expense limits. The expense limit agreement may be terminated only by the Fund's Board of Trustees, upon written notice to the adviser. Prior to November 1, 2020, the Fund had a unitized fee structure that limited annual operating expenses to 1.18%.

Please see additional important disclosures at the end of this Commentary.

Dear Fellow Shareholders,

The FPA Queens Road Small Cap Value Fund ("Fund") returned 13.09% in the fourth-quarter of 2023 vs. 15.26% for the Russell 2000 Value Index ("Index"). For 2023, the Fund returned 16.00% vs. 14.65% for the R2V.

From the Index's 52 week low on October 27 to its 52 week high on December 27, markets rallied, and small caps rallied aggressively, in sympathy with falling rates. Over those two months, the Index returned 26.79% while the Fund returned 20.47%, a 76% upside capture.[1] Stock prices of unprofitable technology companies, heavily-shorted stocks, SPACs (Special Purpose Acquisition Companies), and financially weak companies increased significantly.[2] Despite the junkiness of the rally, a cross section of our technology, consumer, and financial holdings fared particularly well.

This performance was in line with our expectations. As a result of our diligent, disciplined and patient process, we tend to hold up better in down markets but trail in speculative markets. Our goal is to outperform over a full market cycle, and we are pleased that we were able to outperform our index in a strong up year.

20% or Larger Russell 2000 Value Drawdowns Since Fund Inception[3]

	Jun 02 - Oct 02	Jun 07 - Mar 09	Jun 15 - Feb 16	Aug 18 - Mar 20	Nov 21 - Oct 23*	Average of Each Period Since Inception
FPA Queens Road Small Cap Value	-16.70%	-50.69%	-10.17%	-26.74%	-12.08%	-
Russell 2000 Value TR USD	-28.99%	-61.71%	-22.55%	-46.03%	-25.60%	-
Downside capture ratio	*57.6%*	*82.1%*	*45.1%*	*58.1%*	*47.2%*	*58.03%*
Outperformance (bps)	*1229*	*1102*	*1238*	*1930*	*1352*	-

Market Commentary

Why own small caps?[4]

When we started 22 years ago, the case for owning small caps was clear: Small value had consistently outperformed the S&P 500 Index, and we hoped we could obtain additional performance in a less efficient segment of the market. Small companies were seen as dynamic and entrepreneurial; large caps were suffering in the wake of the excesses of the tech bubble.

But over the past decade, large caps have trounced small caps, and growth has trounced value. While the 10 year returns for the Russell 2000 Value Index have been reasonable enough at almost 7% annually, the

[1] Source: Factset.

[2] Source: Financial Times; *This is a Bad Santa Rally;* https://www.ft.com/content/0fc7bc31-c5e7-488a-b9fa-1d64a5d5c2e7

[3] As of December 31, 2023. Source: Morningstar Direct, FPA. Data shown for the FPA Queens Road Small Cap Value Fund – Investor Class ("Fund"). Inception of the Fund was June 13, 2002. The periods referenced above reflect Russell 2000 Value drawdowns 20% or greater and are calculated from that index's peak and trough dates, (i.e., 6/28/2002-10/9/2002, 6/4/2007-3/9/2009, 6/23/2015-2/11/2016, 8/22/2018-3/23/2020, 11/8/2021-10/27/2023)..Please see page 1 for net performance of the Fund since inception.

[4] Please see the Important Disclosures for the source information related to the third party articles and research referenced in this and the next section titled, *Small Quality is What Matters*.

10 year returns for the S&P 500 Index have been stronger at 12% annually.[5] Over this time period, the Fund has outperformed its benchmark with less risk, but we have suffered in absolute terms by being in the wrong corner of the market.

Although small cap value has underperformed over ten years, it is worth looking at the longer history. We use monthly total return data since January 1979 – the first date that Russell makes available.[6] Over that time period, the Russell 2000 Value Index and the S&P 500 Index have performed similarly. The monthly correlation of returns is very high at 82%, but the Russell 2000 Value Index has experienced higher volatility. The Russell 2000 Value Index was significantly ahead of the S&P 500 until ten years ago, although its relative performance changes slightly depending on what start and end dates one uses.

The following tables show the monthly returns for the Russell 2000 Value Index and the S&P 500 Index for two time periods: From the inception of the data in 1979 through 2013 and from 2014 through 2023.

Monthly Returns Jan, 1979 – Dec, 2013	Russell 2000 Value Index	S&P 500 Index
Annualized Return	14.20%	12.40%
Correlation	82%	
Mean	1.21%	1.04%
Median	1.68%	1.35%
Standard Deviation	5.06%	4.41%

Monthly Returns Jan, 2014 – Dec, 2023	Russell 2000 Value Index	S&P 500 Index
Annualized Return	6.70%	11.89%
Correlation	83%	
Mean	0.73%	1.05%
Median	1.34%	1.50%
Standard Deviation	5.99%	4.38%

The table and charts below show the monthly returns for the Russell 2000 Value Index and the S&P 500 Index for the full period from January 1979 through December 2023.

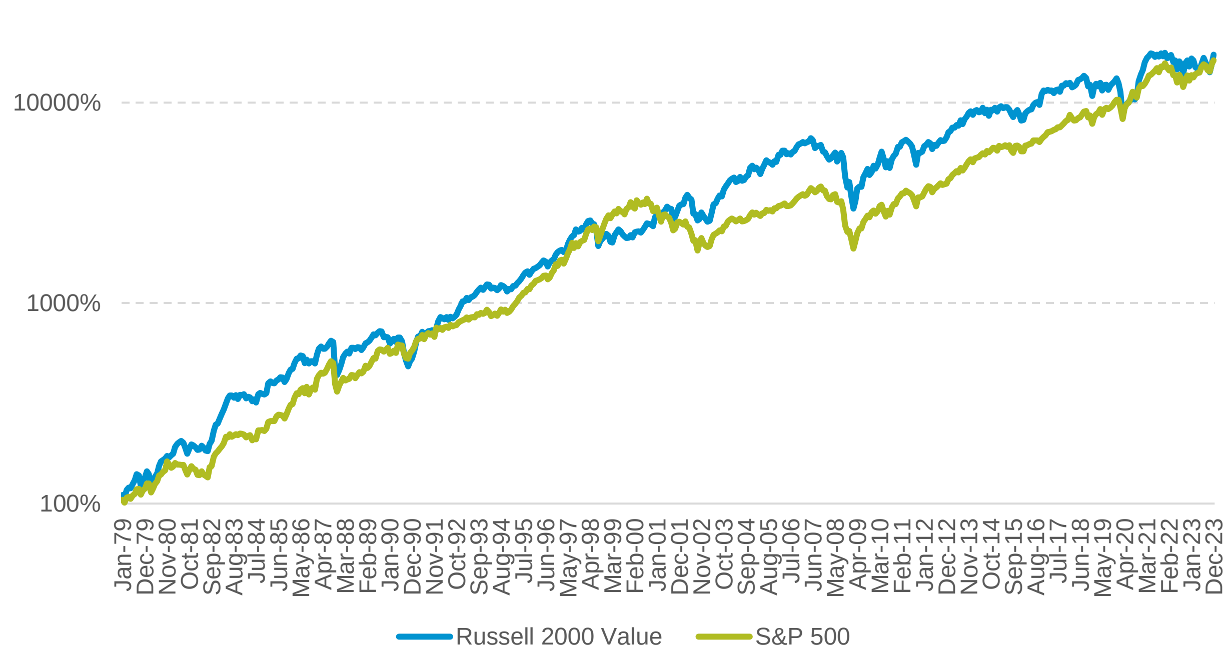
Monthly Returns Jan, 1979 – Dec, 2023	Russell 2000 Value Index	S&P 500 Index
Annualized Return	12.45%	12.28%
Correlation	82%	
Mean	1.10%	1.05%
Median	1.62%	1.37%
Standard Deviation	5.28%	4.40%

[5] Source: Factset; Total returns of the Russell 2000 Value Index and S&P 500 Index from Jan 1, 2014 – Dec 31, 2023. Over that time period, the Russell 2000 Value Index returned 6.76% on an annualized basis while the S&P 500 returned 12.03% on an annualized basis.

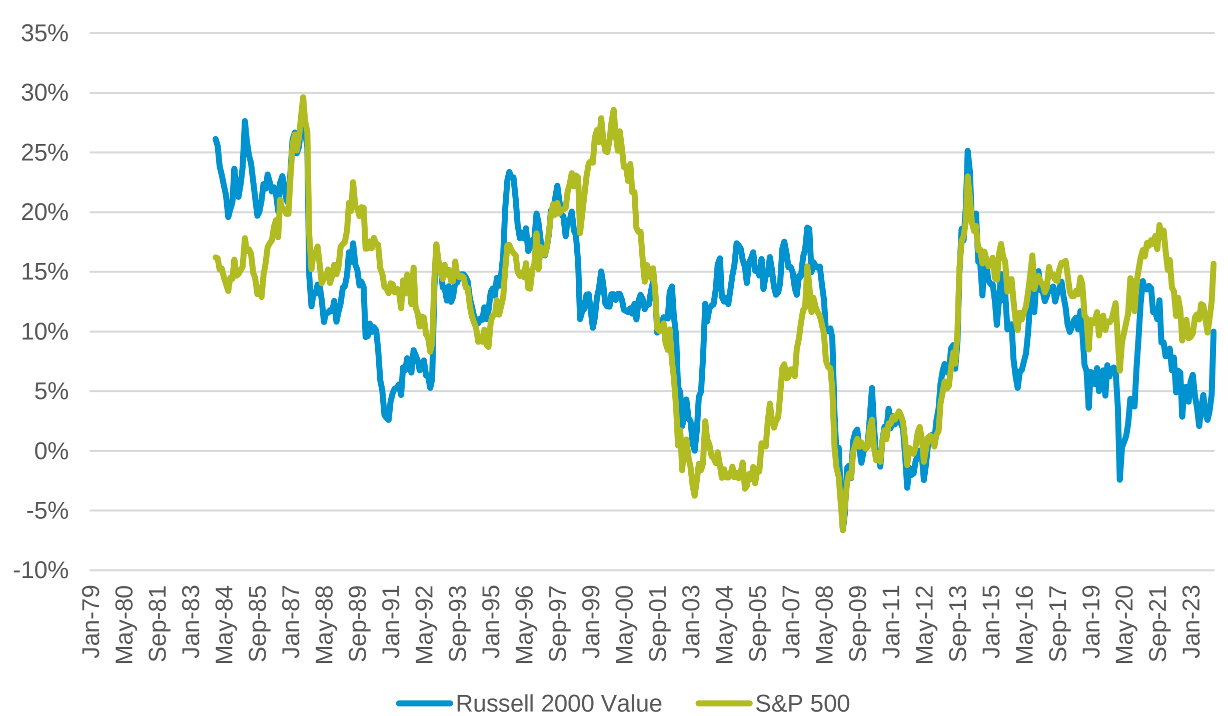
[6] Source: Factset. Although the Russell 2000 Value Index did not begin until January, 1993, Russell provides monthly total returns using the Russell 2000 Value Index rules starting in January 1979.

Past performance is not indicative, nor is it a guarantee, of future results. It is not possible to invest directly in an index.

Russell 2000 Value Index and S&P 500 IndexTotal Returns - Monthly (Log Scale)[5]



Russell 2000 Value Index and S&P 500 Index - 5 Year Rolling Performance (Annualized)[5]



Past performance is not indicative, nor is it a guarantee, of future results. It is not possible to invest directly in an index.

Most of the academic finance community believes the value factor produces excess returns but is prone to long stretches of underperformance. We can see some of these periods in the charts above. Looking at the chart of five-year rolling performance, when the S&P 500 (green line) is above the Russell 2000 Value (blue line), the S&P has outperformed on a five-year basis. Most famously, small value underperformed meaningly during the late 1990's tech bubble but made it all back and then some in the subsequent decade. Value had a similar stretch of nasty underperformance from 1926 – 1941.[7] The current "death" of value investing has been widely discussed, and we don't have too much to add (see Research Affiliates, Morningstar and David Einhorn on Bloomberg Television for different arguments why value might still be alive.

It is very much worth adding, however, another dimension to this analysis: Size was the original "Fama-French factor," and from the mid-1980s through the 2000s, it was a canonical belief that, statistically, small companies outperformed large companies (although possibly with more risk). But by the mid-2010s, the quantitative community was publicly questioning the size factor – not only did size not outperform out of sample, but the original research was also probably corrupted by survivorship bias in the data that benefited small companies. See the excellent summary of the issue from Larry Swedloe at Alpha Architect. Additionally, for those interested, this paper from AQR is outstandingly detailed and thorough. The bottom line: It turns out that there is no excess performance from owning small caps.

Small Quality is What Matters

The researchers at AQR "solved" the size issue with their 2015 paper "Size Matters, If You Control Your Junk". Their answer: Small cap stocks, as an asset class, suffer from being generally lower quality, i.e. "junkier", than large caps. But once you control for similar levels of quality, small outperforms large – consistently and by a lot. The results are robust for a handful of definitions of quality used by the quantitative community – low earnings volatility, high margins, high capital efficiency, low leverage, high payouts, etc. And the results are robust over time, across industries and across geographies.

The quality of the small cap index has gotten worse - Research by Verdad Advisors notes that the percentage of unprofitable companies in the Russell 2000 Index has increased over time. But Verdad also shows that gross profit / assets (GP/A), a generalized measure of how efficient companies are, has declined across industry groups. In a follow-up article, Verdad notes this is due primarily to changing index composition – an influx of listings of unprofitable companies while large numbers of highly profitable companies have been taken private. But Verdad further explains that quality as defined by GP/A has declined at "core" companies that have been public for at least three years as well.

AQR's finding, that small outperforms large if you control for quality, was done constructing market neutral portfolios – buy the good stuff and short[8] the bad stuff while controlling for beta.[9] We don't invest that way. But from our perspective as fundamental investors, there are big advantages in owning quality small companies. We often say that there is a lot of junk in the Russell 2000. But we arrive at that conclusion by looking at companies one by one from the bottom-up. We want to own quality companies and compound with them. And while we don't invest statistically, we believe the known "junkiness" of the index and small quality's empirical outperformance make a strong case for actively managed small cap strategies like the one we employ at FPA Queens Road.

We do not make macro calls and we refrain from punditry. But if you are worried about pricey large caps, the concentration of Mag-7,[10] reversion to the mean,[11] a Covid stimulus hangover, AI hype, or any number

[7] Source: O'Shaughnessy Asset Management; *Value Is Dead, Long Live Value;* July 2019; https://osam.com/Commentary/value-is-dead-long-live-value

[8] Short is defined as the process by which an investor seeks to profit from security price declines. The investor borrows a security, sells it on the open market and expects to buy it back later at a lower price.

[9] Beta is defined as a measure of the sensitivity or correlation of a security in relation to the market as a whole. In the Capital Asset Pricing Model, beta is treated as a statistical measure of risk.

[10] The Magnificent-7 (Mag-7) is comprised of Microsoft Corp., Amazon.com Inc., Meta Platforms Inc., Apple Inc., Alphabet Inc., Nvidia Corp., and Tesla Inc.

[11] Reversion to the mean is the statistical tendency of extreme observations to be followed by less extreme observations. Refers to the high returns experienced by growth stocks.

of things that could make the next ten years look different from the past 10 years, we believe diversification into small quality is a good solution.

What are we trying to do? We want to be long term investors in a collection of great, entrepreneurial, American businesses.

Most great businesses do something better than their competitors. And they thrive through a combination of continuous process improvement and entrepreneurialism – doing the same thing over and over again but getting better every day. Most good companies keep things simple – they invest in what they do well and ruthlessly cut out the rest. They balance optimism and (controlled) growth with an eye on that rainy day. Our companies may be small now but we expect them to grow. We generally observe consistency and robustness in their performance – evidence that things are working well. And we rely on management to evolve and react as the circumstances warrant. If our portfolio companies continue to perform as they have in the past, they will be bigger and stronger in three, five or ten years.

Most investors don't think this way. They tend to focus on absolute cheapness (value) or how big things might get (growth). But our focus on business quality has some advantages. It seeks to protects us from the false precision of thinking we know exactly what a company is worth or exactly how the future will unfold. Being a minority partner keeps us humble – our managers are the ones doing the heavy lifting, and we rely on our managers to navigate the macro environment and circumstances specific to their industries. Well-run companies tend to have fewer hiccups and more pleasant surprises. And it keeps us focused on the long term. The underlying performance of our companies tends to be fairly consistent in comparison to stock prices, which can be wildly volatile.

One of the highest quality companies the Fund own's is Graco (GGG). We bought a mid-sized position in Graco when we first started the Fund in 2002 and own a mid-sized position in Graco now. From July 2002 through December 2023, the total return on Graco's stock has been more than 2,000%.[12] Of course, we trimmed along the way when our position became oversized or the stock became expensive (We did buy additional shares during the financial crisis in 2008 through 2010 and again in 2015/2016).

Graco makes fluid handling equipment (pumps, sprayers, applicators, valves, and complete systems) that apply lubrication, sealants, coatings and adhesives to industrial machinery. They also manufacture lubrication systems for auto repair shops and high efficiency paint sprayers for building contractors. Although Graco continues to innovate with new products, its business isn't that different today than it was twenty years ago. When we first bought Graco, we saw a company with GDP+ growth, high margins, a return on invested capital (ROIC) in the low-to-mid-20s and no debt. The company's financial metrics look startlingly similar today. But from reading about the company and listening to conference calls over twenty years, we have a much deeper appreciation of the company's culture, management's focus on excellence, new product innovation, and commitment to superior customer service.

The Fund's largest holding is Fabrinet, a contract manufacturer of telecom optical equipment, which we first bought in 2014. Contract manufacturing can be a tough business – there are usually able competitors and customers try to beat you up. But at the time, Fabrinet was debt free, consistently profitable with the highest margins among its peers, and had a mid-teens return on equity (ROE) and ROIC. Fabrinet possesses unique capabilities and know-how that allows for best-in-class efficiency and manufacturing yields on very small scales and with very tight tolerances. They have been able to win new customers and gain market share. And they have grown their adjacent data center, laser, sensor and auto lines while resisting the urge to grow for growth's sake by taking on lower value work. We expected Fabrinet to benefit from the relentless need for more bandwidth and the evolution of networking equipment from 10-gig to 400-gig in multiple stages, but we didn't foresee their current work with Nvidia on AI applications for data centers.

To be clear, we sit firmly in the value tent, but on the quality side of the aisle. Like many value investors, we began with more of an absolute cheapness mindset. But a combination of experience and refined thinking pushed us up the quality spectrum. High prices still make us squeamish even as we have become more comfortable with reasonable (rather than dirt-cheap) multiples. A good company can still be a bad

[12] Source: Factset; from July 9, 2002 through December 31, 2023, the total return on Graco stock was 2,173%.

investment at the wrong price. And we've always thought that value investors are fundamentally conservative and patient – we haven't lost these qualities in our investing or in our day-to-day lives.

We run our portfolio the way the managers we admire run their businesses. And we strive for performance that is as consistent and robust as we like to see from our portfolio companies. Our investing process is disciplined and consistent, but we look for ways to evolve and do things better. We want to own businesses that are going to be bigger and better in three-to-five years, but we keep a watchful eye on risk and what could go wrong. When we look at a company, we try to make the investment case as straightforward as the facts allow. We remain disciplined around position sizing and portfolio construction – we will never be so sure of ourselves that a mistake could capsize the boat. And we keep the business side straight-forward and free from distractions. This seems like the best course as we seek to deliver attractive returns for our clients. But truth be told, we wouldn't know how to invest any other way.

Quality and the Four Pillar Process

Our investment process has four pillars:

1. **Balance-Sheet Strength** – We seek companies with strong balance sheets. We are not comfortable owning companies that have significant liabilities (e.g., debt, legal, regulatory, pension, or something inherent in their business models) that could cause insolvency concerns when there is an economic, financial, or any other kind of crisis. We want to make sure we are invested in companies that have staying power.

2. **Valuation** – We normalize economic earnings over full market cycles, primarily using free cash-flow discount valuation models. We demand a margin of safety.

3. **Management** – We evaluate management's track record of laying out a long-term strategy and successfully executing their stated objectives.

4. **Sector and Industry Analysis** – We own companies in growing industries with stable competitive dynamics and favorable economics. We avoid commoditized or overly-competitive industries.

We have a preference for long-term compounders – i.e., high-quality franchises with strong balance sheets, proven management teams, and attractive industry dynamics that we hope to own forever. Compounders don't usually come cheap, and while we are always valuation-conscious, we are generally willing to pay a little bit more for higher quality companies.

So, what do we mean by quality? At the most basic level, quality means we can have confidence that a company's earnings and cash flows will be greater in three-to-five years than they are today. Different investors look at different metrics to describe quality. High returns on-capital, high operating margins, organic growth, high cash conversion, and low debt are all indicators of quality. But at the end of the day, we take a holistic look at our companies, identify their risks, try to remain conservative and judicious, and compare their current prices to our confidence in their futures. Our four pillars – balance sheet strength, valuation, management, and industry analysis – guide this process.

Historically, quality has been a large contributor to our outperformance during market downturns.[13] Low leverage allows companies to survive and reinvest during downturns. Strong management teams can be trusted to shepherd their companies through headwinds and seek out new growth opportunities. Entrenched competitive positions and industries with favorable outlooks mean that the passage of time is our friend. In practice, it is never this easy. It is rare to find a company that sits cleanly atop each of our four pillars. But when things get complicated and the future seems uncertain, the four-pillar framework helps us keep a long term perspective.

[13] Please refer to the table on page 2 for performance of the Fund during 15% or greater downturns in the Russell 2000 Value Index.

Q4 2023 and Trailing Twelve Months (TTM) Contributors and Detractors[14]

Contributors	Performance Contribution	Percent of Portfolio	Detractors	Performance Contribution	Percent of Portfolio
TTM					
InterDigital	2.90%	3.8%	United Natural Foods	-1.57%	1.6%
Fabrinet	2.34%	5.0%	UGI	-0.76%	2.2%
PVH	1.85%	2.6%	Concentrix	-0.65%	2.4%
G-III Apparel Group	1.48%	1.4%	Darling Ingredients	-0.49%	1.9%
Deckers Outdoor	1.42%	2.5%	Horace Mann Educators	-0.27%	2.3%
	9.99%	**15.4%**		**-3.73%**	**10.4%**
QTD					
PVH	1.71%	3.2%	MasTec	-0.36%	0.6%
InterDigital	1.32%	4.1%	Chase	-0.35%	0.2%
ServisFirst Bancshares	0.92%	3.3%	Darling Ingredients	-0.09%	1.6%
Axos Financial	0.92%	2.2%	TreeHouse Foods	-0.06%	1.1%
Fabrinet	0.77%	5.5%	Vishay Intertechnology	-0.06%	2.2%
	5.64%	**18.3%**		**-0.91%**	**5.7%**

Trailing Twelve Months (TTM) Contributors

- **InterDigital (IDCC)** is a research and development organization that develops and acquires wireless and video patents across key technologies. The company has a history of strong financial performance, opportunistically buys back shares, and pays a modest dividend. Shares jumped at the beginning of the year when InterDigital announced licensing renewals with Samsung, LG, and Panasonic and then reported strong fourth quarter 2022 results.[15] Shares jumped again following strong third quarter 2023 results (reported on November 2, 2023) that included both additional licensing revenue at very high incremental margins and additional share buybacks[16].

- **Fabrinet (FN)** is a contract manufacturer of optical communications modules and components. The company has a dominant position in hard-to-replicate precision-manufacturing technologies and an enviable track record of execution. The majority of Fabrinet's sales are to optical communications equipment manufacturers, but it has been successfully diversifying into the data center, industrial, auto, and medical end-markets. FN's stock jumped after reporting June 2023 earnings – datacenter sales increased 50% sequentially and more than 100% over the previous year, driven by their 800-gigabyte transceivers for Artificial Intelligence applications. The company also announced that Nvidia is a 10%+ customer.[17]

  Fabrinet was, notably, a top-five holding in the Fund before its June earnings announcement and, although we have trimmed our position, was our largest holding at the end of 2023. While we continue to evaluate what we believe is a positive incremental change in the company's earnings power, we are seeking to take some profits in keeping with our risk management policies.

[14] Reflects the top contributors and top detractors to the Fund's performance based on contribution to return for the trailing twelve months (TTM). Contribution is presented gross of investment management fees, transactions costs, and Fund operating expenses, which if included, would reduce the returns presented. The information provided does not reflect all positions purchased, sold or recommended during the TTM. A copy of the methodology used and a list of every holding's contribution to the overall Fund's performance during the TTM is available by contacting crm@fpa.com. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities listed. Totals may not sum due to rounding. 'Percent of Portfolio' reflects the average weight over the period.

[15] Source: Foss Patents; InterDigital announces arbitration agreement with Samsung, renewal with Panasonic, video codec license deal with LG; January 2023; http://www.fosspatents.com/2023/01/interdigital-announces-arbitration.html; Source: InterDigital; InterDigital Press Release; January 2023; https://ir.interdigital.com/news-events/press-releases/news-details/2023/InterDigital-Issues-Preliminary-Financial-Results-for-Fourth-Quarter-2022/default.aspx

[16] Source: InterDigital 23Q3 results; https://ir.interdigital.com/news-events/press-releases/news-details/2023/InterDigital-Announces-Financial-Results-for-Third-Quarter-2023/

[17] Source: Fabrinet fiscal Q4 2023 earnings release and call; https://investor.fabrinet.com/events/event-details/fabrinets-fourth-quarter-2023-financial-results-conference-call

- **PVH (PVH)** is an apparel company that owns the Tommy Hilfiger and Calvin Klein brands globally. Most of PVH's earnings come from Europe, where the Tommy and Calvin brands are considered "almost luxury" and PVH has recorded high single digit organic growth with demonstrated pricing power[18]. CEO Stefan Larsson has done an excellent job revitalizing the company and improving margins in PVH's moribund US operations. A number of apparel stocks did well in Q4 and PVH benefitted from very strong fiscal Q3 earnings (reported Nov. 29, 2023) and increased share repurchases[19].

- **GIII (GIII)** is an apparel manufacturer that owns the Donna Karan, Karl Lagerfeld, and a stable of smaller brands globally. GIII also licenses, manufactures, and markets Tommy Hilfiger's and Calvin Klein's women's, jeans, and some smaller lines in the U.S. CEO Maury Goldfarb is a relentless entrepreneur who has repeatedly evolved and grown the business – GIII was founded by Maury's father almost 70 years ago as a leather goods importer and manufacturer. We have followed GIII for at least fifteen years, owned it briefly in 2010 and bought a small position at what we believed were very attractive prices during Covid.

  Our position in GIII benefited from bargain basement expectations at the end of 2022. At the end of 2022, PVH announced it was insourcing its Tommy Hilfiger and Calvin Klein contracts starting in 2025. GIII was also suffering from a buildup of excess inventory and worries about the durability of consumer spending.[20] But, starting from those low expectations, GIII has delivered good results, sold down its inventory, and announced licensing deals with Nautica, Halston and Champion to replace the PVH business.

- **Deckers (DECK)** is a footwear and apparel company that owns the UGG, Hoka, Teva, Sanuk, and Koolaburra brands. Management has done a masterful job growing and extending the UGG franchise. Now they are repeating their success with Hoka running shoes which surpassed $1 billion in sales last year.[21] At nearly thirty times earnings (as of Dec. 31, 2023), we have weighed Deckers' valuation against the quality of its management team, strong brands, and net cash balance sheet and remain comfortable with the Fund's current position.

  We first bought a small position in Deckers in 2015 and 2016 when the company was struggling with supply chain issues. The stock is up more than ten times since then on excellent performance and a broadening of the brand portfolio away from UGG. We have trimmed along the way, but even after the company's exceptional financial performance and growth, we think the stock still trades in the range of reasonableness.

Trailing Twelve Months (TTM) Detractors

- **United Natural Foods (UNFI)** distributes natural and organic food. Whole Foods is a 20% customer, but UNFI has done a reasonable job diversifying its product and customer base, with a big boost from its acquisition of SuperValu in 2018.[22] The company's share price has declined after three successive earnings misses and guidance revisions this year.[23] UNFI is suffering from a combination of volatile food prices, consumers trading down from high-priced organic food items, and pricing and execution mistakes. Distribution is usually a resilient business model and, on a normalized basis, UNFI looks

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[18] Source: https://www.businessoffashion.com/articles/entrepreneurship/why-tommy-hilfiger-is-still-standing/; Jan-13 through Jan-20 10-Ks. Apr-22 earnings call.

[19] Source: PVH Fiscal 23Q3 Earnings; https://www.pvh.com/-/media/Files/pvh/investor-relations/PVH-Q3-2023-Earnings.pdf

[20] Source: GIII Fiscal 22Q3 Earnings; https://ir.giii.com/events/event-details/g-iii-apparel-group-third-quarter-fiscal-2023-earnings

[21] Source: Deckers Dec-22 earnings release and presentation; https://ir.deckers.com/news-events/press-releases/press-release/2023/DECKERS-BRANDS-REPORTS-THIRD-QUARTER-FISCAL-2023-FINANCIAL-RESULTS/

[22] Source: UNFI Annual Report; July 30, 2022; page 12, https://s22.q4cdn.com/589001886/files/doc_financials/2022/annual/UNFI-2022-10-K-as-filed.pdf

[23] Source: UNFI fiscal 23Q2, 23Q3 and 23Q4 earnings releases and calls; https://ir.unfi.com/financials/quarterly-results/default.aspx

cheap. But the company is now in full-bore turnaround mode, and we have been judicious about not adding to our position.

- **UGI (UGI)** owns gas utilities and pipelines in Pennsylvania and West Virginia and the largest propane distribution businesses in the United States and Europe. Despite its disparate parts, UGI has increased earnings at a relatively steady high single digit rate historically while distributing excess cash through dividends.[24] Shares are down primarily because of the combination of poor execution and too much debt at AmeriGas, UGI's U.S. propane business. On August 30, 2023 UGI announced a review of strategic alternatives.[25] We believe the company's stock price is attractive at less than 10x earnings, and we have been incrementally adding to the Fund's position.

- **Concentrix (CNXC)** is one of two top customer experience (CX) vendors globally. The company started off managing call centers but has since evolved into a high-tech business process outsourcer (BPO) that also designs and runs customer-facing websites and apps, integrates the data, and optimizes a client's customer interactions. CX is a relatively new business, and Concentrix has been acquiring smaller competitors. In March, 2023 they bought WebHelp, a leading European CX player, for $4.8B in cash and stock.[26] We believe the WebHelp acquisition will help consolidate an industry where Concentrix and Teleperformance are the largest players. The company was spun out from TD Synnex, another of the Fund's core holdings, and we have always been impressed with the company's innovation and growth. The market is currently concerned about the potential of artificial intelligence to disrupt Concentrix' core call center business, which has resulted in the underperformance of shares of all CX companies.[27]

- **Darling Ingredients (DAR)** is the world's largest rendering operation with 17% of the global market and a higher share in the core U.S. market.[28] The business is one part industrial where scale and route density are big advantages – they collect unused animal waste from slaughterhouses and butchers - and one part commodity – their plants process this waste into fats, bone meal and ingredients that trade at prices set by the global commodity markets. Finally, DAR's Diamond Green Diesel joint venture with Valero turns animal fats into green energy – a business that benefits from renewables subsidies and tax credits. The company took on debt to make three large acquisitions in 2022, adding additional complexity as Darling integrates the acquisitions and de-levers. The stock has sold off because of weakness in Darling's commodity end markets, falling renewable information number (RIN) prices and lower earnings and guidance reported for the second and third quarters.[29] We first purchased Darling shares in 2008 and have watched as CEO Randy Stuewe has grown Darling from a minnow to a global behemoth. As of December 31.2023, Darling trades at approximately 10x forward earnings and, despite the company's commodity exposure and organizational complexity, we are comfortable holding a mid-sized position.

- **Horace Mann Educators (HMN)** sells a complete line of insurance products (auto, home, annuities, life and supplemental) to America's educators. They are a "kitchen table" insurance operation except their agents sell in the school break room. We think Horace Mann will be able to protect this profitable niche but worry they are subscale compared to national competitors and behind in upgrading their operations. In 2022 and 2023, Horace Mann suffered from rapid cost inflation and lagging pricing on their auto and home lines and a rapid rise in interest rates that hit the value of the securities on their

[24] Source: Company financials and Factset.
[25] Source: https://www.ugicorp.com/news-releases/news-release-details/ugi-corporation-announces-review-strategic-alternatives
[26] Source: https://ir.concentrix.com/news-releases/news-release-details/concentrix-combine-webhelp-creating-diversified-global-cx-leader,
[27] Source: Concentrix fiscal 23Q2 earnings transcript; https://ir.concentrix.com/financials/quarterly-results
[28] Source: Mar 6, 2023 Raymond James Institutional Investors Conference transcript.
[29] Source: Darling 23Q2 and 23Q3 earnings releases; https://ir.darlingii.com/quarterly-results

balance sheet. We think Horace Mann's stock price is cheap at roughly 10x normalized earnings at December 31, 2023 and are comfortable holding a mid-sized position.

Portfolio Positioning

The Fund's cash allocation at December 31, 2023 is 9.5%, near the 10% upper limit of our cash policy. The Fund holds cash as a residual of the investment process. When we cannot find companies that meet our stringent criteria, we will allow cash to build. Over a long time horizon, we would prefer to own a diversified collection of quality companies (acquired at reasonable prices) instead of cash. But we weigh this against our reluctance to sacrifice our margin of safety and risk the permanent impairment of capital.

During the quarter we added no new positions, added to nine current holdings, reduced two holdings, and eliminated four existing holdings. In addition, our position in Chase Corporation was bought out on November 15, 2023.[30]

As always, and as significant co-investors in the Fund, we appreciate your trust in us to be conscientious stewards of your capital. If you would like to discuss performance or the Fund's portfolio holdings in greater detail, please let us know.

Respectfully,

Steve Scruggs, CFA, Portfolio Manager

Ben Mellman, Senior Analyst

January 23, 2024

[30] Portfolio composition will change due to ongoing management of the Fund.

Important Disclosures

This Commentary is for informational and discussion purposes only and does not constitute, and should not be construed as, an offer or solicitation for the purchase or sale of any securities, products or services discussed, and neither does it provide investment advice. Any such offer or solicitation shall only be made pursuant to the Fund's Prospectus, which supersedes the information contained herein in its entirety. This Commentary does not constitute an investment management agreement or offering circular.

The statements contained herein reflect the opinions and views of the portfolio managers as of the date written, is subject to change without notice, and may be forward-looking and/or based on current expectations, projections, and/or information currently available. Such information may not be accurate over the long-term. These views may differ from other portfolio managers and analysts of the firm as a whole and are not intended to be a forecast of future events, a guarantee of future results or investment advice.

Portfolio composition will change due to ongoing management of the Fund. References to individual securities or sectors are for informational purposes only and should not be construed as recommendations by the Fund, the portfolio manager, the Adviser, the Sub-Adviser or the distributor. It should not be assumed that future investments will be profitable or will equal the performance of the security or sector examples discussed. The portfolio holdings as of the most recent quarter-end may be obtained at fpa.com.

Future events or results may vary significantly from those expressed and are subject to change at any time in response to changing circumstances and industry developments. The information and data contained herein has been prepared from sources believed reliable, but the accuracy and completeness of the information cannot be guaranteed and is not a complete summary or statement of all available data.

The information contained herein is not complete, may change, and is subject to, and is qualified in its entirety by, the more complete disclosures, risk factors, and other information contained in the Fund's Prospectus and Statement of Additional Information. The information is furnished as of the date shown. No representation is made with respect to its completeness or timeliness. The information is not intended to be, nor shall it be construed as, investment advice or a recommendation of any kind.

Certain statements contained in this presentation may be forward-looking and/or based on current expectations, projections, and information currently available. Actual events or results may differ from materially those we anticipate, or the actual performance of any investments described herein may differ from those reflected or contemplated in such forward-looking statements, due to various risks and uncertainties. We cannot assure future results and disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise. Such statements may or may not be accurate over the long-term. Statistical data or references thereto were taken from sources which we deem to be reliable, but their accuracy cannot be guaranteed.

The reader is advised that the Fund's investment strategy includes active management with corresponding changes in allocations from one period of time to the next. Therefore, any data with respect to investment allocations as of a given date is of limited use and may not be reflective of the portfolio manager's more general views with respect to proper geographic, instrument and /or sector allocations. The data is presented for indicative purposes only and, as a result, may not be relied upon for any purposes whatsoever.

In making any investment decision, you must rely on your own examination of the Fund, including the risks involved in an investment. Investments mentioned herein may not be suitable for all recipients and in each case, potential investors are advised not to make any investment decision unless they have taken independent advice from an appropriately authorized advisor. An investment in any security mentioned herein does not guarantee a positive return as securities are subject to market risks, including the potential loss of principal. You should not construe the contents of this document as legal, tax, investment or other advice or recommendations.

Fund performance presented is calculated on a total return basis, which includes the reinvestment of all income, plus realized and unrealized gains/losses, if applicable. Unless otherwise indicated, performance results are presented on a net of fees basis and reflect the deduction of, among other things: management fees, brokerage commissions, operating and administrative expenses, and accrued performance fee/allocation, if applicable.

The information provided in this presentation is based upon data existing as of the date(s) of the report and has not been audited or reviewed. While we believe the information to be accurate, it is subject in all respects to adjustments that may be made after proper review and reconciliation.

Investments, including mutual fund investments, 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. Small and mid-cap stocks involve greater risks and they can fluctuate in price more than larger company stocks. Short-selling involves increased risks and transaction costs. You risk paying more for a security than you received from its sale. Groups of stocks, such as value and growth, go in and out of favor which may cause certain funds to underperform other equity funds. The value of an individual security can be more volatile than the market as a whole and can perform differently than the value of the market as a whole.

The Fund primarily invests in equity securities (common stocks, preferred stocks and convertible securities) of **small-capitalization U.S. companies**, defined as those with market-capitalization, at the time of purchase, that is no greater than the largest market-capitalization of any company included in the Russell 2000 Index. Investing in small companies involves special risks including, but not limited to, the following: smaller companies typically have more risk and their company stock prices are more volatile than that of large companies; their securities may be less liquid and may be thinly traded which makes it more difficult to dispose of them at prevailing market prices; these companies may be more adversely affected by poor economic or market conditions; they may have limited product lines, limited access to financial resources, and may be dependent on a limited management group; and small-cap stocks may fluctuate independently of large-cap stocks. All investment decisions are made at the discretion of the Portfolio Manager, in accordance with the then current Prospectus. Comparison to any index is for illustrative purposes only.

The prices of securities held by the Fund may decline in response to certain events taking place around the world, including those directly involving the companies whose securities are owned by the Fund. Securities in the Fund’s portfolio may underperform due to inflation (or expectations for inflation), interest rates, global demand for particular products or resources, natural disasters, pandemics, epidemics, terrorism, regulatory events and governmental or quasi-governmental actions. There is a risk that you may lose money by investing in the Fund.

Value style investing presents the risk that the holdings or securities may never reach their full market value because the market fails to recognize what the portfolio management team considers the true business value or because the portfolio management team has misjudged those values. In addition, value style investing may fall out of favor and underperform growth or other styles of investing during given periods.

Please refer to the **Fund's Prospectus** for a complete overview of the primary risks associated with the Fund.

The FPA Funds are distributed by UMB Distribution Services, LLC, 235 W. Galena Street, Milwaukee, WI, 53212. UMB and FPA are not affiliated.

Index / Benchmark / Category Definitions

Comparison to any index or benchmark is for illustrative purposes only and should not be relied upon as a fully accurate measure of comparison. The Fund may be less diversified than the indices noted herein and may hold non-index securities or securities that are not comparable to those contained in an index. Indices will hold positions that are not within the Fund’s investment strategy. Indices are unmanaged and do not reflect any commissions, transaction costs, or fees and expenses which would be incurred by an investor purchasing the underlying securities and which would reduce the performance in an actual account. You cannot invest directly in an index.

Russell 2000 Index is a small-cap stock market index of the smallest 2,000 stocks in the Russell 3000 Index.

The **Russell 2000 Value Index** is a subset of the Russell 2000 Index, and tracks the stocks of small domestic companies, based on total market-capitalization. The Russell 2000 Value Index represents those stocks of the Russell 2000 with lower price-to-book ratios and lower relative forecasted growth rates. A total return index computes the index value based on-capital gains plus cash payments such as dividends and interest.

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.

Standard & Poor’s 600 Stock Index (S&P 600) is an index of small-cap stocks managed by Standard & poor’s. It tracks a broad range of small-sized companies that meet specific liquidity and stability requirements. This is determined by specific metrics such as public float, market capitalization, and financial viability, among other factors.

Small-cap Value Companies: The term small-cap describes companies with a relatively small market-capitalization. A company's market-capitalization is the market value of its outstanding shares. The definition for small-cap varies, but generally means a company with $300 million to $2 billion in market-capitalization.

Other Definitions

Downside-capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has fallen. The ratio is calculated by dividing the manager's returns by the returns of the index during the down market, and multiplying that factor by 100. BPS or basis points; 1 bps is equal to 0.01%.

Earnings per share (EPS) is calculated as a company's profit divided by the outstanding shares of its common stock.

Earnings yield is the earnings per share for the most recent 12-month period divided by the current market price per share.

Expected earnings are an estimate for a company's future quarterly or annual earnings per share (EPS).

Forward earnings are an estimate of the next period's earnings of a company, usually through the completion of the current fiscal year and sometimes to the following fiscal year.

Free cash flow (FCF) is the cash a company generates after taking into consideration cash outflows that support its operations and maintain its-capital assets.

Margin of safety is a principle of investing in which an investor only purchases securities when their market price is significantly below their intrinsic value.

Market Cycle reflects the four most recent market cycles (peak to peak) defined as a period that contains a decline of at least 20% from the previous market peak over at least a two-month period and a rebound to establish a new peak above the previous one by the Russell 2000 Value Index. The portfolio manager considers a full market cycle to typically be a period of five years or more.

Net income margin measures how much net income or profit is generated as a percentage of revenue.

The **Operating margin** measures how much profit a company makes on a dollar of sales after paying for variable costs of production.

The **Price-to-earnings (P/E) ratio** is the ratio for valuing a company that measures its current share price relative to its earnings per share.

Return on Equity (ROE) is a measure of financial performance calculated by dividing net income by shareholders' equity.

Return on Invested Capital (ROIC) is a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Third Party Article/Research Hyperlink Sources

Source: Research Affiliates; *Reports of Value's Death May Be Greatly Exaggerated;* January 2021; https://www.researchaffiliates.com/publications/journal-papers/reports-of-values-death-may-be-greatly-exaggerated#:~:text=Value%20investing%2C%20as%20defined%20by,argue%20that%20value%20is%20dead

Source: Morningstar; *It's Too Soon to Say the Value Premium Is Dead*; September 27, 2023; https://www.morningstar.com/portfolios/its-too-soon-say-value-premium-is-dead

Source: Bloomberg Television; *Greenlight's David Einhorn on Value Investing, Inflation*; October 11, 2022; https://www.youtube.com/watch?v=hn2M9iUjhS4

Source: Alpha Architect; *Is Size a Useful Investing Factor or Not?;* December 18, 2020; https://alphaarchitect.com/2020/12/is-size-a-useful-factor-or-not/

Source: AQR Capital Management, SSRN; *Fact, Fiction, and the Size Effect;* May 24, 2018; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3177539

Source: AQR Capital Management, SSRN; *Size Matters, If You Control Your Junk;* January 23, 2015; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2553889

Source: Verdad; *The Death of Small Cap Equities?;* November 13, 2023; https://verdadcap.com/archive/the-death-of-small-cap-equities

Source: Verdad; *The Quality of New Entrants*; https://mailchi.mp/verdadcap/the-quality-of-new-entrants?e=2e0a4390fe

FPA QUEENS ROAD SMALL CAP VALUE FUND

Portfolio Holdings

12/31/2023

TICKER	PRINCIPAL/ SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
		COMMON STOCK (LONG)			
AAN	196,739	AARON'S CO INC/THE	10.88	2,140,520	0.3%
AGCO	14,871	AGCO CORP	121.41	1,805,488	0.3%
AEL	408,928	AMERICAN EQUITY INVT LIFE HL	55.80	22,818,182	3.3%
ARW	114,675	ARROW ELECTRONICS INC	122.25	14,019,019	2.0%
AX	338,282	AXOS FINANCIAL INC	54.60	18,470,197	2.7%
CNO	514,304	CNO FINANCIAL GROUP INC	27.90	14,349,082	2.1%
CNXC	189,995	CONCENTRIX CORP	98.21	18,659,409	2.7%
CSGS	264,386	CSG SYSTEMS INTL INC	53.21	14,067,979	2.0%
CSWI	81,255	CSW INDUSTRIALS INC	207.41	16,853,100	2.4%
DAR	229,666	DARLING INGREDIENTS INC	49.84	11,446,553	1.6%
DECK	27,860	DECKERS OUTDOOR CORP	668.43	18,622,460	2.7%
DCO	93,372	DUCOMMUN INC	52.06	4,860,946	0.7%
ESGR	29,635	ENSTAR GROUP LTD*	294.35	8,723,062	1.3%
EQC	88,505	EQUITY COMMONWEALTH	19.20	1,699,296	0.2%
FN	197,415	FABRINET*	190.33	37,573,997	5.4%
FSTR	112,678	FOSTER (LB) CO-A	21.99	2,477,789	0.4%
GIII	447,328	G-III APPAREL GROUP LTD	33.98	15,200,205	2.2%
GGG	112,171	GRACO INC	86.76	9,731,956	1.4%
GPK	272,999	GRAPHIC PACKAGING HOLDING CO	24.65	6,729,425	1.0%
HMN	440,798	HORACE MANN EDUCATORS	32.70	14,414,095	2.1%
IAC	278,407	IAC INC	52.38	14,582,959	2.1%
IDCC	284,626	INTERDIGITAL INC	108.54	30,893,306	4.4%
KNF	67,921	KNIFE RIVER CORP	66.18	4,495,012	0.6%
LEVI	503,935	LEVI STRAUSS & CO- CLASS A	16.54	8,335,085	1.2%
LFUS	9,442	LITTELFUSE INC	267.56	2,526,302	0.4%
LTHM	506,508	LIVENT CORP	17.98	9,107,014	1.3%
MATV	231,233	MATIV INC	15.31	3,540,177	0.5%
MDU	284,095	MDU RESOURCES GROUP INC	19.80	5,625,081	0.8%

FPA QUEENS ROAD SMALL CAP VALUE FUND

Portfolio Holdings

12/31/2023

TICKER	PRINCIPAL/ SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
MTG	750,202	MGIC INVESTMENT CORP	19.29	14,471,397	2.1%
MSM	193,539	MSC INDUSTRIAL DIRECT CO-A	101.26	19,597,759	2.8%
NJR	321,890	NEW JERSEY RESOURCES CORP	44.58	14,349,856	2.1%
OSK	195,640	OSHKOSH CORP	108.41	21,209,332	3.0%
OMI	2,203	OWENS & MINOR INC	19.27	42,452	0.0%
PVH	231,226	PVH CORP	122.12	28,237,319	4.1%
QRVO	36,153	QORVO INC	112.61	4,071,189	0.6%
RCII	230,418	RENT-A-CENTER INC	33.97	7,827,299	1.1%
RLI	160,450	RLI CORP	133.12	21,359,104	3.1%
SCHL	350,990	SCHOLASTIC CORP	37.70	13,232,323	1.9%
SAIC	99,470	SCIENCE APPLICATIONS INTE	124.32	12,366,110	1.8%
SFBS	384,754	SERVISFIRST BANCSHARES INC	66.63	25,636,159	3.7%
SFM	353,810	SPROUTS FARMERS MARKET INC	48.11	17,021,799	2.4%
SYNA	132,326	SYNAPTICS INC	114.08	15,095,750	2.2%
SNX	304,061	SYNNEX CORP	107.61	32,720,004	4.7%
THS	174,987	TREEHOUSE FOODS INC	41.45	7,253,211	1.0%
UGI	619,097	UGI CORP	24.60	15,229,786	2.2%
UNF	12,712	UNIFIRST CORP/MA	182.91	2,325,152	0.3%
UNFI	383,805	UNITED NATURAL FOODS INC	16.23	6,229,155	0.9%
VSH	602,814	VISHAY INTERTECHNOLOGY INC	23.97	14,449,452	2.1%
VSEC	55,401	VSE CORP	64.61	3,579,459	0.5%
		TOTAL COMMON STOCK (LONG)		**630,071,765**	**90.5%**
		PREFERRED STOCK			
WCC	6,085	WESCO INTERNATIONAL INC	26.42	160,766	0.0%
		TOTAL PREFERRED STOCK		**160,766**	**0.0%**
		TOTAL INVESTMENT SECURITIES		**630,232,530**	**90.5%**

FPA QUEENS ROAD SMALL CAP VALUE FUND
Portfolio Holdings

TICKER	PRINCIPAL/ SHARES	SECURITY	MKT PRICE ($)	MKT VALUE ($)	% OF NET ASSET VALUE
		SHORT TERM INVESTMENTS			
MISXX	65,493,360	MSILF TREASURY PORT-INST	100.00	65,493,360	9.4%
		TOTAL SHORT TERM INVESTMENTS		**65,493,360**	**9.4%**
		CASH & EQUIVALENTS		838,626	0.1%
		TOTAL CASH & EQUIVALENTS		**66,331,986**	**9.5%**
		TOTAL NET ASSETS		**696,564,516**	**100.0%**
		NUMBER OF LONG EQUITY POSITIONS			**50**

* Indicates foreign security.

FPA QUEENS ROAD SMALL CAP VALUE FUND

12/31/2023

Portfolio Holdings

Portfolio Holding Disclosures

You should consider the FPA Queens Road Small Cap Value Fund's ("Fund") investment objectives, risks, and charges and expenses carefully before you invest. The Prospectus details the Fund's objective and policies, sales charges, and other matters of interest to the prospective investor. Please read the Prospectus carefully before investing. The Prospectus may be obtained by visiting the website at https://fpa.com, by email at crm@fpa.com, toll-free by calling 1-800-982-4372 or by contacting the Fund in writing.

The Fund's holdings data is subject to change. 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, the portfolio manager, FPA, or the distributor.

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Effective November 1, 2020, FPA became the investment adviser of the Fund and Bragg Financial Advisors, Inc. ("BFA"), the former investment adviser to the Fund, transitioned to serving as the sub-adviser. BFA continues to be responsible for the day-to-day management of the Fund, subject to FPA's oversight. No changes to the Fund's principal investment strategies were made in connection with these changes in management of the Fund, and Steve Scruggs, CFA, Director of Research and Senior Portfolio Manager for BFA, continues to serve as the portfolio manager for the Fund.

Please **refer to the Fund's Prospectus** for a complete overview of the primary risks associated with the Fund.

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