1919 Financial Services Fund

September 30, 2021

Commentary

Class I: LMRIX | Class A: SBFAX | Class C: SFSLX

REFINITIV LIPPER FUND AWARDS

2021 WINNER UNITED STATES

Best Fund out of 21 Financial Services Funds over the 10 Year period ending November 30, 2020.

Morningstar Rating™

Overall Rating as of September 30, 2021

★★★★

As of 9/30/21, Class I shares rated 4 stars among 94 US Financial funds, based upon risk-adjusted returns derived from a weighted average of the performance figures associated with 3-, 5- and 10-year (if applicable) Morningstar Ratings metrics.

Morningstar Quantitative Rating™

Silver Q

As of 8/31/21, Class I shares.

Portfolio Management

Charles C. King, CFA
Portfolio Manager

Mr. King is the Chief Investment Officer at 1919 Investment Counsel and Portfolio Manager for the 1919 Financial Services Fund. He has over 30 years of industry experience.

Mel J. Casey, CFA, CAIA
Portfolio Manager

Mr. Casey is Portfolio Manager for the 1919 Financial Services Fund. He has over 15 years of industry experience.

Portfolio Managers Charles King and Mel Casey provide insight into current opportunities in the financial sector.

Q1. *How has the Financial Services sector fared in Q3 as the economic recovery continues, despite concerns about COVID-19 variants?*

Financial Services is an economically-sensitive sector, and as the economy rebounds and demand for credit potentially increases, there is ample opportunity for compelling growth across various financial subsectors. In fact, out of 11 S&P 500 sectors, Financials was one of the top-performing sectors year-to-date through September 30, 2021.

From a valuation perspective, as measured by the S&P 500 Financials Index, Financials continue to offer compelling opportunities trading at 14.4x forward estimated earnings compared to 20.6x for the broader S&P 500. Today's valuations are reasonable from an historical perspective relative to the 20-year price/earnings average of 12.4x for the Financials Index.

Comprehensively diversified across financial subsectors to capture this growing opportunity, the Financial Services Fund portfolio was comprised of eight financial subsectors with the top three, Commercial Banks, Fintech, and Property & Casualty Insurance companies representing 55.8%, 11.7%, and 11.6% of the Fund's portfolio, respectively as of September 30, 2021.

Q2. *How are Property & Casualty insurers faring in light of the California wildfires and storm activity in the Gulf and high population areas throughout the Mid-Atlantic?*

Property & Casualty insurance led the way in the third quarter and was the strongest performing financial subsector in the 1919 Financial Services Fund's portfolio. While there have been wildfires and storms, insurance companies' profit margins continue to expand. Pricing increases have driven profits buoyed by robust demand, with climate change and cybersecurity concerns at the forefront of risk management considerations for both individuals and companies. This growing demand has been coupled with strict underwriting discipline, controlling supply, and supporting attractive pricing levels.

Not only do we own direct Property & Casualty insurance companies in the portfolio, we also own:

- **Insurance brokers -** who benefit from the positive pricing environment and are not directly exposed to some of the catastrophic events we have seen.
- **Cybersecurity insurance providers -** a growing business that we believe provides attractive long-term opportunities.

In addition, efficiency improvements through better analytics and the technology enhancements provided by an increasing use of AI and machine learning are positively impacting the margins of insurance companies as a whole.

continued on the next page

Q3. *What catalysts could drive regional and national banks higher as we close out 2021 and move into 2022?*

One of the most significant catalysts for banks will be the full economic reopening which, to date, has been largely regional by nature. As confidence grows and we move forward into the latter stages of the pandemic, with higher vaccination rates and greater economic activity, loan growth should rise and boost earnings.

A rising interest rate environment, if inflationary pressures persist and the Fed decides to gradually raise interest rates, will also improve net interest margin expansion (net interest income generated from credit products, such as loans and mortgages, compared with the interest paid on deposit products, such as savings accounts and CDs). It is also important to note that many banks have stockpiled cash reserves. The redeployment of this capital to invest in securities or make loans will be important as we move forward and should also provide a catalyst for growth as we close out 2021 and move into 2022.

Q4. *Have there been any significant additions to the Fund's portfolio over the third quarter?*

We believe our inclusion of Fintech companies is an important differentiator in the Fund's portfolio. Over the past several years, Fintech has been a well-performing financial subsector for the Fund. As financial technology continues to evolve, we seek to capture what we believe to be the most compelling opportunities for long-term growth. With this in mind, this quarter we added PayPal (PYPL) to the Fund's portfolio. As one of the largest, globally adopted epayments platforms, PayPal continues to expand its consumer reach and has significantly benefited from the digital transformation of the economy and the proliferation of mobile devices. ■

About 1919 Investment Counsel

1919 Investment Counsel is the investment advisor to the 1919 Funds and manages approximately $19.5 billion in assets as of September 30, 2021. The cornerstone of 1919's investment process is proprietary, fundamental research with an emphasis on quality, risk management and diversification.

In addition to the 1919 Funds, 1919 Investment Counsel provides customized equity and fixed income strategies for institutions, family offices and high net worth individuals.

Disclosure

PayPal represents 0.84% of the Fund's portfolio as of September 30, 2021.

About the Refinitiv Lipper Fund Awards. The Refinitiv Lipper Fund Awards, granted annually, highlight funds and fund companies that have excelled in delivering consistently strong risk-adjusted performance relative to their peers. The Refinitiv Lipper Fund Awards are based on the Lipper Leader for Consistent Return rating, which is a risk-adjusted performance measure calculated over 36, 60 and 120 months. The fund with the highest Lipper Leader for Consistent Return (Effective Return) value in each eligible classification wins the Refinitiv Lipper Fund Award. For more information, see lipperfundawards.com. Although Refinitiv Lipper makes reasonable efforts to ensure the accuracy and reliability of the data contained herein, the accuracy is not guaranteed by Refinitiv Lipper.The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history without adjustment for sales load. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Class I shares of the Fund were rated against 94, 87, and 71 Financial funds over the 3-, 5- and 10-year periods, respectively. With respect to these funds, Class I shares of the Fund received Morningstar Ratings of 3, 3, and 4 as of 9/30/21. Ratings shown are for the highest and lowest rated share classes only, when available. Other share classes have different expense structures and performance characteristics. Classes have a common portfolio. ©2021 Morningstar Inc. All Rights Reserved. The information contained herein (1) is proprietary to Morningstar (2) may not be copied or distributed and (3) is not warranted 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.** Morningstar's quantitative fund ratings consist of: (i) Morningstar Quantitative Rating (overall score), (ii) Quantitative Parent pillar, (iii) Quantitative People pillar, (iv) Quantitative Performance pillar, (v) Quantitative Price pillar, and (v) Quantitative Process pillar (collectively the "Quantitative Fund Ratings"). The Quantitative Fund Ratings are calculated monthly and derived from the analyst-driven ratings of a fund's peers as determined by statistical algorithms. Morningstar, Inc. calculates Quantitative Fund Ratings for funds when an analyst rating does not exist as part of its qualitative coverage.

Disclosure

All investments are subject to risk including the possible loss of principal. Past performance is no guarantee of future results. In addition to normal risks associated with equity investing, narrowly focused investments typically exhibit higher volatility. The financial services sector may be subject to greater governmental regulation, competitive pressures and rapid technological change and obsolescence, which may have a materially adverse effect on the sector. Fixed income securities are subject to a number of risks, including credit, market and interest rate risks. Additionally, the Fund's performance will be influenced by political, social and economic factors affecting investments in companies in foreign countries. The Fund may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses, and have a potentially large impact on Fund performance. Please see the Fund's prospectus for a more complete discussion of these and other risks, and the Fund's investment strategies.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security. **Diversification does not assure a profit or protect against loss in a declining market.** Earnings growth is not a measure of the Fund's future performance.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectus contains this and other important information about the investment company, and may be obtained by calling 1.844.828.1919. Read it carefully before investing.

The **S&P 500 Index i**s a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The **S&P 500 Financial Index** is an unmanaged index that comprises those companies included in the S&P 500 that are classified as members of the GICS® consumer financials sector. One cannot invest in an index.

1919 Funds are distributed by Quasar Distributors, LLC.