



## Low Priced Stock Fund



**Michael Corbett**

*Chief Investment Officer &  
Co-Portfolio Manager*

- Lead Portfolio Manager since 1999, co-manager beginning in 1996
- Named as Barron's/Value Line Top 100 Mutual Fund Manager from 2003-2007
- Joined Perritt Capital Management as a research analyst in 1990



**Brian Gillespie**

*Co-Portfolio Manager*

- Co-Portfolio Manager since inception
- Equity Analyst for Perritt MicroCap Opportunities Fund and Perritt Ultra MicroCap Fund since 2005

### FUND STRATEGY

**Investment criteria** The fund invests in companies that have a market capitalization between \$3 billion and a price below \$15 at the time of initial purchase.

**Bottom up approach** The portfolio is built from the bottom up focusing on niche businesses with innovative products and services and the potential to build franchises and brands

**Nine-point evaluation** Financial strength of companies is confirmed using a nine-point evaluation based on balance sheets, cash flow and income statement

**Fundamental Research** We meet with 3-5 company executives each week to analyze the skills, experience and motivation of company executives to ensure that company management is working for the best interests of shareholders

**Valuation Assessment** Companies are considered for purchase based on valuation determinations ranging from GARP to Deep Value

Symbol: PLOWX | Inception: June 30, 2012 | AUM: \$2M | Annual Turnover: 62.30% | Sales Charge: No Load | Initial Investment: \$1000, \$250 IRA

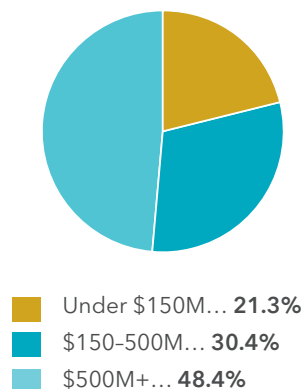
### PORTFOLIO CHARACTERISTICS

	Perritt LowPriced	Russell MicroCap
Median Market Cap	447	732
Median P/E (TTM*)	20.0	22.6
Forward P/E	13.8	-
Median Price to Book	1.8	2.3
Median Price to Sales	1.3	2.0
Number of Holdings	88	1976
Beta <sup>1</sup>	0.88	1.03
R-Squared <sup>1</sup>	0.51	0.75
Standard Deviation	11.18	10.73

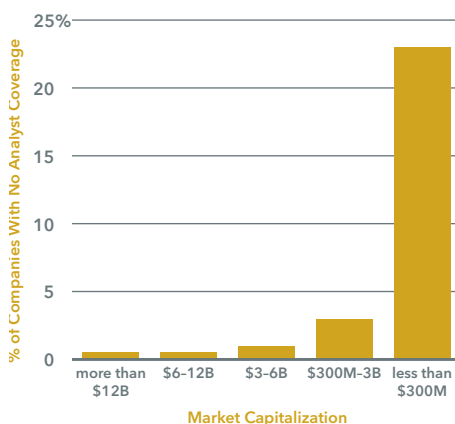
\* TMM= Trailing 12 Months

<sup>1</sup> (vs. S&P 500)

### HOLDINGS BY MEDIAN MARKET CAPITALIZATION



### NO ANALYST COVERAGE: LOW PRICED STOCKS REPRESENT INEFFICIENT MARKET CAP CLASS



Analysts that cover Low-Priced stocks are often from boutique research/brokerage firms.

#### PLOWX Fund Facts

Number of Stocks... **88**  
Zero Analyst Coverage... **16**  
One Analyst Coverage... **12**  
Average Number of Analysts<sup>2</sup>... **4.7**

Source: Capital IQ

### MERGER & ACQUISITION ACTIVITY % OF PORTFOLIO HOLDINGS BOUGHT OUT<sup>2</sup>

2013 7 of 71 (10%)

<sup>2</sup>Based on the average number of portfolio holdings during the calendar year

## TOP 10 HOLDINGS

Penn Virginia Corporation (PVA)	1.9%
Mitel Networks Corporation (MITL)	1.9
Information Services Group, Inc. (III)	1.8
Smith & Wesson Holding Corporation (SWHC)	1.8
American Software, Inc. (AMSW.A)	1.8
Select Medical Holdings Corporation (SEM)	1.8
Warren Resources Inc. (WRES)	1.8
ADDvantage Technologies Group Inc. (AEY)	1.7
Southcoast Financial Corp. (SOCB)	1.7
JetBlue Airways Corporation (JBLU)	1.7

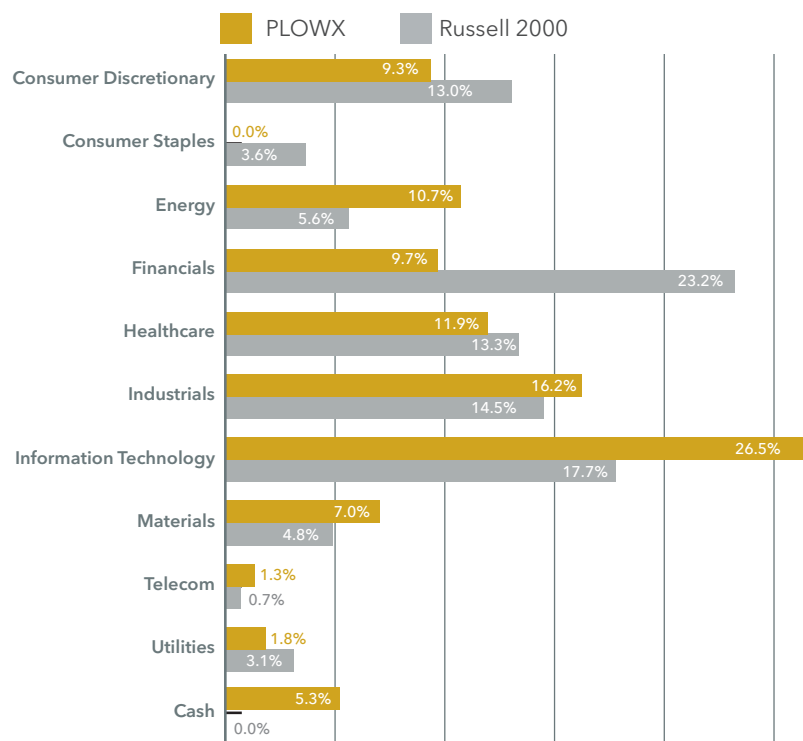
## ANNUALIZED TOTAL RETURNS AS OF MARCH 31, 2014

	YTD	1 YR	3YR	SINCE INCEPTION 6/30/12
PLOWX	1.05%	32.14%	-	29.86%
Russell 2000	1.12	24.90	13.18	26.30
Gross Expense Ratio: 2.50% Net Expense Ratio: 1.50%				

The investment adviser has contractually agreed to waive fees and/or reimburse operating expenses (other than interest, brokerage commissions, dividend expense on short sales, taxes, extraordinary expenses and acquired fund fees and expenses) so that total annual operating expenses are not expected to exceed 1.50% through February 2015.

Performance data quoted of the Low Priced Stock Fund (PLOWX) for periods on or prior to 2/28/14 represents past performance of the fund's predecessor, a separately managed account. Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted.

## SECTOR ALLOCATION



The fund is the successor to a separately managed account. The investment policies, objectives, guidelines and restrictions of the fund are in all material respects equivalent to those of the predecessor, and the predecessor's portfolio managers are the current portfolio managers of the fund. However, the predecessor was not a registered investment company. Had the predecessor been registered under the Investment Company Act and been subject to the provisions of the Investment Company Act and the Internal Revenue Code to which the fund is subject, its investment performance may have been adversely affected.

The performance information reflects the gross expenses of the predecessor adjusted to reflect the higher fees and expenses of the fund. The performance is shown net of the annual management fee of 1.00% and other expenses. The performance was achieved by the predecessor when assets were relatively small; the same strategies may not be available, and similar performance may not be achieved, when the fund's assets are larger.

Performance data to the most recent month end may be obtained by calling 1 (800) 331-8936. The fund imposes a 2% redemption fee on shares held for less than 90 days. Performance data does not reflect the redemption fee. If reflected, total returns would be reduced.

While the fund is no load, management and distribution fees apply. Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security. The Russell 2000 Index consists of the smallest 2000 companies in a group of 3000 companies in the Russell 3000 as ranked by market cap. The S&P 500 is an unmanaged broad based universe of 500 stocks which is widely recognized as the US equity market. One cannot invest directly in an index. The Price to Book (P/B) Ratio compares a stocks market value to the value of total assets less total liabilities and is calculated by dividing the current price of the stock by the company's book value per share. Price to earnings ratio is a common tool for comparing the prices of different common stocks and is calculated by dividing the current market price of a stock by the earnings per share. Price to Cash Flow is calculated by dividing the current price of the stock by the company's cash flow per share. Beta measures the sensitivity of rates of return on a fund to general market movements. A beta above 1 is generally more volatile than the overall market, while a beta below 1 is generally less volatile. R-Squared is a statistical measure that represents the percentage of a fund's or security's movements that are explained by movements in a benchmark index. Standard Deviation is a statistical measure of the historical volatility of a mutual fund or portfolio, usually computed using 36 monthly returns. Growth at a reasonable price (GARP) is an investment strategy that combines tenets of both growth and value investing by finding companies that show consistent earnings growth but don't sell at overly high valuations. Deep value investing seeks to purchase stocks at an even greater discount to their intrinsic value.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company and may be obtained by calling 1 (800) 331-8936. Read carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Funds invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility. The Funds invest in micro cap companies which tend to perform poorly during times of economic stress. The Fund may invest in early stage companies which tend to be more volatile and somewhat more speculative than investments in more established companies. Low Priced stocks are generally more volatile than higher priced securities.