

Perritt Funds, Inc.
Perritt MicroCap Opportunities Fund (PRCGX)
Perritt Low Priced Stock Fund (PLOWX)

January 11, 2019

Supplement dated January 11, 2019 to the
Statutory Prospectus dated February 28, 2018, as Supplemented

Fund Reorganization

We are pleased to announce that on January 4, 2019, the Board of Directors (the "Board") of Perritt Funds, Inc. (the "Company") approved: (1) a plan of reorganization pursuant to which the Perritt Low Priced Stock Fund (the "Low Priced Stock Fund") will be reorganized into the Perritt MicroCap Opportunities Fund (the "MicroCap Opportunities Fund") (each, a "Fund," and together, the "Funds"); and (2) the subsequent liquidation and dissolution of the Low Priced Stock Fund, effective on or about February 22, 2019. The reorganization, which is expected to be tax free to the shareholders of the Low Priced Stock Fund and is subject to customary closing conditions, will be effected by transferring of all of the assets and liabilities of the Low Priced Stock Fund to the MicroCap Opportunities Fund in exchange for shares of the MicroCap Opportunities Fund, with the shares being distributed pro rata by the Low Priced Stock Fund to its shareholders. The Low Priced Stock Fund will then be liquidated and dissolved. The reorganization is expected to occur on or about February 22, 2019. In accordance with applicable regulatory requirements, shareholder approval is not required for the reorganization, and shareholders are not being asked to approve the reorganization.

The Low Priced Stock Fund's portfolio manager will continue to manage the Low Priced Stock Fund in the ordinary course.

Existing shareholders may redeem or exchange shares of the Low Priced Stock Fund in the ordinary course until the close of business on February 22, 2019. The Low Priced Stock Fund will be closed to new purchases, whether into current accounts or new accounts, as of the close of business on Thursday, February 14, 2019.

The Funds have filed an information statement and prospectus as part of a Registration Statement on Form N-14 with the Securities and Exchange Commission in connection with the reorganization. The information statement and prospectus will be sent to shareholders of the Low Priced Stock Fund. **Shareholders are urged to read the definitive information statement and prospectus because it will contain important information about the reorganization, including the Board's reasons for approving the reorganization.** The information statement and prospectus may be obtained free of charge from the SEC's website at www.sec.gov or by calling 1-800-332-3133 (toll free).

Please retain this Supplement for future reference.

Perritt Funds, Inc.

Perritt MicroCap Opportunities Fund (PRCGX)

August 3, 2018

Supplement dated August 3, 2018 to the
Currently Effective Summary Prospectus, Statutory Prospectus and
Statement of Additional Information, each dated February 28, 2018

Change Portfolio Manager

Effective July 30, 2018, Michael Corbett assumed sole responsibility for the day-to-day management of the portfolio of the Perritt MicroCap Opportunities Fund. Prior to that date, Mr. Corbett shared portfolio management duties with George Metrou. All references to George Metrou are hereby deleted from the Summary Prospectus, the Statutory Prospectus, and the Statement of Additional Information. Mr. Corbett has been a portfolio manager of the Perritt MicroCap Opportunities Fund since 1996.

If you have any questions, please call the Perritt Funds at 1-800-332-3133 (toll free).

Please retain this Supplement for future reference.

Perritt

MicroCap Opportunities Fund (PRCGX)

Ultra MicroCap Fund (PREOX)

Low Priced Stock Fund (PLOWX)

PROSPECTUS

The Perritt MicroCap Opportunities Fund

is a no load mutual fund that seeks long-term capital appreciation by investing mainly in common stocks of companies with market capitalizations that are below \$500 million at the time of initial purchase. In view of this, the Perritt MicroCap Opportunities Fund may be subject to above-average risk.

The Perritt Ultra MicroCap Fund

is a no load mutual fund that seeks long-term capital appreciation by investing mainly in common stocks of companies with market capitalizations that are below \$300 million at the time of initial purchase. In view of this, the Perritt Ultra MicroCap Fund may be subject to above-average risk.

The Perritt Low Priced Stock Fund

is a no load mutual fund that seeks long-term capital appreciation by investing mainly in common stocks of companies with market capitalizations that are below \$3 billion at the time of initial purchase. The Fund will invest in low priced stocks which we define as those companies trading at or below \$15 per share at the time of initial purchase. In view of this, the Perritt Low Priced Stock Fund may be subject to above-average risk.

Please read this Prospectus, paying particular attention to the risks involved, and keep it for further reference. It contains important information about the Funds, their investments and the services they offer to shareholders.

THE SECURITIES AND EXCHANGE COMMISSION HAS NOT APPROVED OR DISAPPROVED THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Perritt Funds, Inc.
300 South Wacker Drive
Suite 2880
Chicago, Illinois 60606

To request the Funds' current Prospectus, call: (800) 332-3133
To request the Funds' current Statement of Additional Information, call: (800) 332-3133
Website: www.perrittcap.com

Prospectus
February 28, 2018

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Summary Section

Perritt MicroCap Opportunities Fund

Investment Objective: The Perritt MicroCap Opportunities Fund (the “Fund”) seeks long-term capital appreciation.

Fees and Expenses of the Fund: The table below describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

SHAREHOLDER FEES

(fees paid directly from your investment)

Maximum Sales Charge (Load) Imposed on Purchases	None
Maximum Deferred Sales Charge (Load)	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and Distributions	None
Redemption Fee (as a percentage of amount redeemed on shares held for 90 days or less)	2.00%
Exchange Fee (as a percentage of amount exchanged on shares held for 90 days or less)	2.00%

ANNUAL FUND OPERATING EXPENSES

(expenses that you pay each year as a percentage of the value of your investment)

Management Fees	1.00%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ⁽¹⁾	<u>0.24%</u>
Total Annual Fund Operating Expenses	<u>1.24%</u>

⁽¹⁾ “Other Expenses” include less than 0.01% of Acquired Fund Fees and Expenses (“AFFE”). AFFE are indirect fees and expenses that the Fund incurs from investing in the shares of other mutual funds. Due to the effect of rounding when AFFE are added to “Other Expenses,” the Total Annual Fund Operating Expenses for the Fund in the table above differ from the Ratio of Net Expenses to Average Net Assets in the “Financial Highlights” because the audited information in the “Financial Highlights” reflects the Fund’s operating expenses and does not include indirect expenses such as AFFE.

Example: This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

1 Year	3 Years	5 Years	10 Years
\$126	\$393	\$681	\$1,500

Portfolio Turnover: The Fund pays transaction costs, such as commissions when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 18.0% of the average value of its portfolio.

Principal Investment Strategies: The Fund normally invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of United States companies with market capitalizations that are below \$500 million at the time of initial purchase, which the Fund's investment adviser refers to as "micro-cap" companies. The Fund invests in both value-priced and aggressive growth stocks. Generally, the Fund's investment adviser seeks to invest in companies with the following attributes:

- Have demonstrated above-average growth in revenues and/or earnings;
- Possess relatively low levels of long-term debt;
- Have a high percentage of their shares owned by company management; and
- Possess modest price-to-sales ratios and price-to-earnings ratios that are below their long-term annual growth rate.

At times, the Fund may invest in "special situations" such as companies that possess valuable patents, companies undergoing restructuring, and companies involved in large share repurchase programs.

Although the Fund seeks long-term capital appreciation, stocks may be sold in the short-term for several reasons. These include: (1) a company's market capitalization grows beyond \$1.5 billion; (2) a company's financial condition deteriorates to the point that the Fund's investment adviser believes that the company's long-term growth prospects may be impaired; (3) a company receives a purchase offer from another company; or (4) a company's price-to-sales ratio or price-to-earnings ratio expands to the point that the Fund's investment adviser believes the company's stock is significantly overvalued.

The Fund is intended for investors who are willing to withstand the risk of short-term price fluctuations in exchange for potential long-term capital appreciation.

Principal Risks: There is a risk that you could lose all or a portion of your money on your investment in the Fund. This risk may increase during times of significant market volatility. The risks below could affect the value of your investment, and because of these risks the Fund is a suitable investment only for those investors who have long-term investment goals:

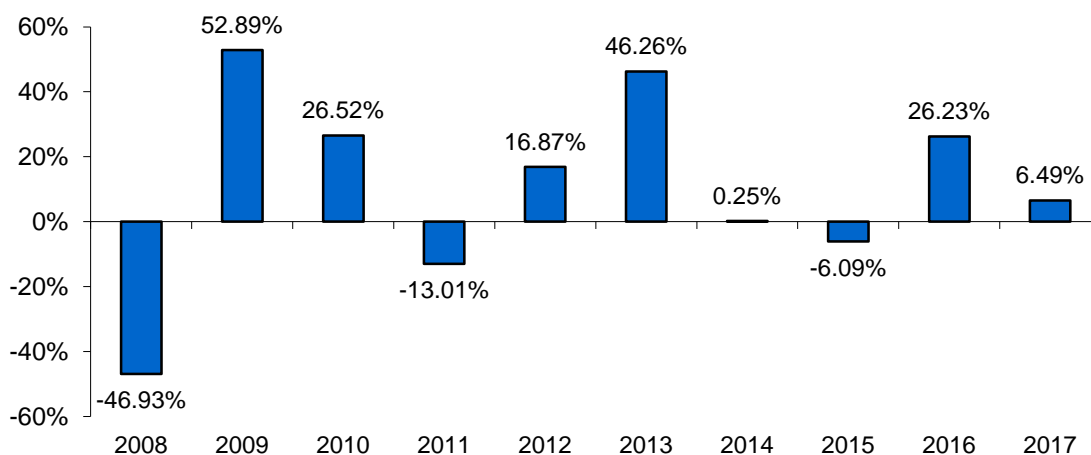
- **Common Stocks:** Common stocks occupy the most junior position in a company's capital structure. Although common stocks have a history of long-term growth in value, their prices fluctuate based on changes in a company's financial condition and on overall market and economic conditions. Therefore, the price of common stocks may decline for a number of reasons. The price declines may be steep, sudden and/or prolonged.
- **Micro-Cap & Small Capitalization Companies:** Micro-cap and small capitalization companies typically have relatively lower revenues, limited product lines, lack of management depth, higher risk of insolvency and a smaller share of the market for their products or services than larger capitalization companies. Generally, the share prices of stocks of micro-cap and small capitalization companies are more volatile than those of larger capitalization companies. Thus, the Fund's share price may increase and decrease by a greater percentage than the share prices of funds that invest in the stocks of large capitalization companies. Also, the returns of micro-cap and small capitalization company stocks may vary, sometimes significantly, from the returns of the overall market. In addition, micro-cap and small capitalization company stocks tend to perform poorly during times of economic stress. Relative to large capitalization company stocks, the stocks of micro-cap and small capitalization companies are thinly traded, and purchases and sales may result in higher transactions costs. For these reasons, the Fund is a suitable investment for only that part of an investor's capital that can be exposed to above-average risk.

- **Market Risk:** The Fund may be exposed to “market risk.” Market risk is the risk that stocks may decline significantly in price over short or extended periods of time. Price changes may occur in the market as a whole, or they may occur in only a particular company, industry or sector of the market.
- **Manager Risk:** The Fund may lose money if the Fund’s investment strategy does not achieve the Fund’s objective or the Fund’s investment adviser does not implement the strategy properly.
- **Liquidity Risk:** Liquidity risk is the risk, due to certain investments trading in lower volumes or to market and economic conditions that the Fund may be unable to find a buyer for its investments when it seeks to sell them or to receive the price it expects based on the Fund’s valuation of the investments. Events that may lead to increased redemptions, such as market disruptions, may also negatively impact the liquidity of the Fund’s investments when it needs to dispose of them. If the Fund is forced to sell its investments at an unfavorable time and/or under adverse conditions in order to meet redemption requests, such sales could negatively affect the Fund. Liquidity issues may also make it difficult to value the Fund’s investments.

Performance: The following bar chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year and how the Fund’s average annual returns for 1, 5 and 10 years compare with those of a broad measure of market performance, the Russell 2000® Index, as well as an additional index that reflects the market sector in which the Fund invests, the Russell Microcap® Index. The Fund is the successor to the investment performance of Perritt MicroCap Opportunities Fund, Inc. (the “Predecessor Fund”), as a result of the reorganization of the Predecessor Fund into the Fund after the close of business on February 28, 2013. Accordingly, the performance information shown below for periods on or prior to February 28, 2013 is that of the Predecessor Fund. The Predecessor Fund was also advised by Perritt Capital Management, Inc. and had the same investment objective and strategies as the Fund. Updated performance information is available on the Fund’s website at www.perrittcap.com or by calling the Fund toll-free at 1-800-332-3133. The Fund’s past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future.

Perritt MicroCap Opportunities Fund

Year-by-Year Total Returns as of December 31



During the ten year period shown on the bar chart, the Fund’s best and worst quarters are shown below:

Highest Quarterly Return

39.48% (June 30, 2009)

Lowest Quarterly Return

-33.21% (December 31, 2008)

Average Annual Total Returns For the Periods Ended December 31, 2017

	1 Year	5 Years	10 Years
Perritt MicroCap Opportunities Fund			
Return Before Taxes	6.49%	13.10%	6.80%
Return After Taxes on Distributions	0.67%	10.42%	5.52%
Return After Taxes on Distributions and Sale of Fund Shares	8.15%	10.21%	5.37%
Russell Microcap [®] Index (reflects no deduction for fees, expenses, or taxes)	13.16%	14.29%	7.68%
Russell 2000 [®] Index (reflects no deduction for fees, expenses, or taxes)	14.65%	14.12%	8.71%

After tax returns are calculated using the historical highest individual stated federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on your individual situation and may differ from those shown. In certain cases, the figure representing "Return After Taxes on Distributions and Sale of Fund Shares" may be higher than the other return figures for the same period. A higher after-tax return results when a capital loss occurs upon redemption and provides an assumed tax deduction that benefits the investor. Furthermore, the after-tax returns shown are not relevant to those who hold their shares through tax-deferred arrangements such as 401(k) plans or Individual Retirement Accounts.

Management:

Investment Adviser: Perritt Capital Management, Inc. is the investment adviser ("Adviser") for the Fund.

Portfolio Manager: Michael Corbett and George Metrou are responsible for the day-to-day management of the Fund's portfolio. Mr. Corbett is President of the Adviser and has served as Portfolio Manager of the Predecessor Fund since 1996. Mr. Metrou is the Director of Research at Perritt Capital Management and joined Mr. Corbett as Co-Portfolio Manager of the Fund in 2014.

Purchase, Sale and Exchange of Fund Shares: You may purchase, redeem, and exchange Fund shares on any business day by written request via mail (Perritt MicroCap Opportunities Fund, c/o U.S. Bancorp Fund Services, LLC, P.O. Box 701, Milwaukee, WI 53201-0701), by wire transfer, by telephone at 1-800-332-3133, or through a financial intermediary. You may also purchase, redeem and exchange additional Fund shares through the Internet at www.perrittcap.com. Transactions will only occur on days the New York Stock Exchange is open. Investors who wish to purchase or redeem Fund shares through a financial intermediary should contact the financial intermediary directly for information relative to the purchase or sale of Fund shares. The following are the minimum investment requirements for investing in the Fund:

Initial Purchase:	\$1,000
Additional Purchase:	\$ 50
Automatic Investment Plan:	\$ 50
Individual Retirement Account:	\$ 250
Tax Deferred Retirement Account:	\$ 250
Uniform Gifts to Minors Act:	\$ 250
Dividend Reinvestment:	None

Tax Information: The Fund's distributions generally will be taxable to you, whether they are paid in cash or reinvested in Fund shares, unless you invest through a tax-deferred arrangement, such as a 401(k) plan or an Individual Retirement Account, in which case such distributions may be taxable at a later date.

Payments to Broker-Dealers and Other Financial Intermediaries: If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create conflicts of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

Perritt Ultra MicroCap Fund

Investment Objective: The Perritt Ultra MicroCap Fund (the “Fund”) seeks long-term capital appreciation.

Fees and Expenses of the Fund: The table below describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

SHAREHOLDER FEES

(fees paid directly from your investment)

Maximum Sales Charge (Load) Imposed on Purchases	None
Maximum Deferred Sales Charge (Load)	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and Distributions	None
Redemption Fee (as a percentage of amount redeemed on shares held for 90 days or less)	2.00%
Exchange Fee (as a percentage of amount exchanged on shares held for 90 days or less)	2.00%

ANNUAL FUND OPERATING EXPENSES

(expenses that you pay each year as a percentage of the value of your investment)

Management Fees	1.25%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ⁽¹⁾	0.46%
Total Annual Fund Operating Expenses	1.71%

⁽¹⁾ “Other Expenses” include less than 0.01% of Acquired Fund Fees and Expenses (“AFFE”). AFFE are indirect fees and expenses that the Fund incurs from investing in the shares of other mutual funds. Due to the effect of rounding when AFFE are added to “Other Expenses,” the Total Annual Fund Operating Expenses for the Fund in the table above differ from the Ratio of Net Expenses to Average Net Assets in the “Financial Highlights” because the audited information in the “Financial Highlights” reflects the Fund’s operating expenses and does not include indirect expenses such as AFFE.

Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$174	\$539	\$928	\$2,019

Portfolio Turnover: The Fund pays transaction costs, such as commissions when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 43.0% of the average value of its portfolio.

Principal Investment Strategies: The Fund normally invests at least 80% of its net assets (plus any borrowings for investment purposes) in the common stocks of United States companies with market capitalizations that are below \$300 million at the time of initial purchase, which the Fund's investment adviser refers to as "micro-cap" companies. The micro-cap companies in which the Fund may invest include "early stage" micro-cap companies, which are companies that are in a relatively early stage of development with market capitalizations that are below \$50 million.

Micro-cap companies represent the smallest sector of public companies based on market capitalization. Normally, the micro-cap companies in which the Fund invests are in their earliest stages of public development and may offer unique products, services or technologies or may serve special or rapidly expanding niches.

The Fund's investment adviser uses a "bottom-up" approach of fundamental analysis to look for individual companies that the adviser believes offer significant potential for stock price appreciation. In addition, the adviser seeks to invest in companies with the following attributes:

- Have a high percentage of their shares owned by company management;
- Possess relatively low levels of long-term debt;
- Have a potential for above-average growth in revenues and/or earnings; and
- Possess reasonable valuations based on the ratios of price-to-sales, price-to-earnings, and price-to-book values.

At times, the Fund's portfolio may contain the shares of unseasoned companies, companies that are undergoing corporate restructuring, initial public offerings, and companies believed to possess undervalued assets.

Although the Fund seeks long-term capital appreciation, stocks may be sold in the short-term for several reasons. These include: (1) a company's size has expanded beyond the point where it can no longer be considered a small capitalization company; (2) a company's financial condition deteriorates to the point that, in the opinion of the Fund's investment adviser, the company's future growth prospects are impaired; (3) a company's valuation multiples such as price-to-sales ratio, price-to-earnings ratio, or price-to-book value ratio expand to the point that the Fund's investment adviser believes the company's stock is significantly overvalued; or (4) the Fund's investment adviser believes that another stock has better investment potential.

The Ultra MicroCap Fund is intended for investors who are willing to withstand the risk of short-term price fluctuations in exchange for potential long-term capital appreciation.

Principal Risks: There is a risk that you could lose all or a portion of your money on your investment in the Fund. This risk may increase during times of significant market volatility. The risks below could affect the value of your investment, and because of these risks the Fund is a suitable investment only for those investors who have long-term investment goals:

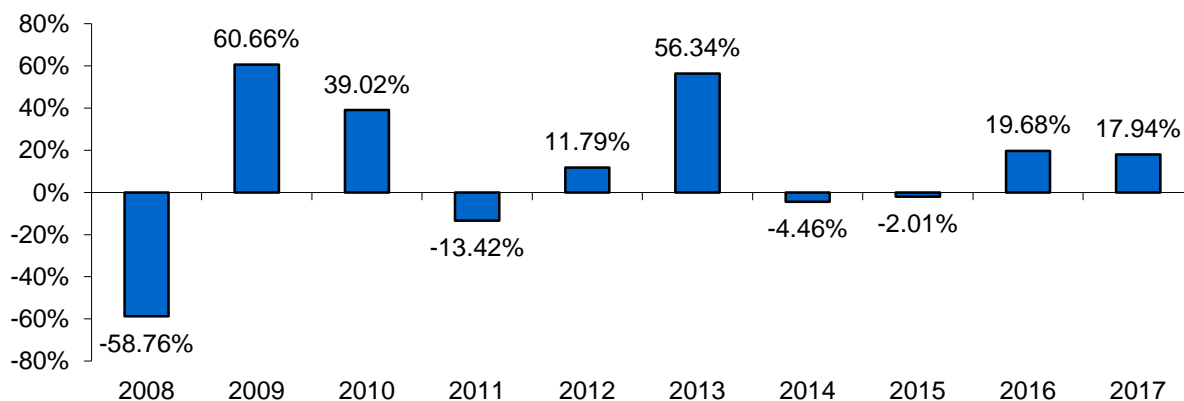
- **Common Stocks:** Common stocks occupy the most junior position in a company's capital structure. Although common stocks have a history of long-term growth in value, their prices fluctuate based on changes in a company's financial condition and on overall market and economic conditions. Therefore, the price of common stocks may decline for a number of reasons. The price declines may be steep, sudden and/or prolonged.

- **Micro-Cap & Small Capitalization Companies:** Micro-cap and small capitalization companies typically have relatively lower revenues, limited product lines, lack of management depth, higher risk of insolvency and a smaller share of the market for their products or services than larger capitalization companies. Generally, the share prices of stocks of micro-cap and small capitalization companies are more volatile than those of larger capitalization companies. Thus, the Fund's share price may increase and decrease by a greater percentage than the share prices of funds that invest in the stocks of large capitalization companies. Also, the returns of micro-cap and small capitalization company stocks may vary, sometimes significantly, from the returns of the overall market. In addition, micro-cap and small capitalization company stocks tend to perform poorly during times of economic stress. Relative to large capitalization company stocks, the stocks of micro-cap and small capitalization companies are thinly traded, and purchases and sales may result in higher transactions costs. For these reasons, the Fund is a suitable investment for only that part of an investor's capital that can be exposed to above-average risk.
- **Early Stage Companies:** Early stage companies are subject to the same risks as micro-cap companies. In addition, they may not be profitable initially and there is no guarantee that they will become profitable or be able to obtain necessary financing. They may rely on untested business plans. Early stage companies may not be successful in developing markets for their products and services. They may remain an insignificant part of their industry. They may be illiquid or may not be publicly traded. Investments in early stage companies tend to be more volatile and somewhat more speculative than investments in more established companies.
- **Market Risk:** The Fund may be exposed to "market risk." Market risk is the risk that stocks may decline significantly in price over short or extended periods of time. Price changes may occur in the market as a whole, or they may occur in only a particular company, industry or sector of the market.
- **Manager Risk:** The Fund may lose money if the Fund's investment strategy does not achieve the Fund's objective or the Fund's investment adviser does not implement the strategy properly.
- **Liquidity Risk:** Liquidity risk is the risk, due to certain investments trading in lower volumes or to market and economic conditions that the Fund may be unable to find a buyer for its investments when it seeks to sell them or to receive the price it expects based on the Fund's valuation of the investments. Events that may lead to increased redemptions, such as market disruptions, may also negatively impact the liquidity of the Fund's investments when it needs to dispose of them. If the Fund is forced to sell its investments at an unfavorable time and/or under adverse conditions in order to meet redemption requests, such sales could negatively affect the Fund. Liquidity issues may also make it difficult to value the Fund's investments.

Performance: The following bar chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and how the Fund's average annual returns for 1, 5 and 10 years compare with those of a broad measure of market performance, the Russell 2000[®] Index, as well as an additional index that reflects the market sector in which the Fund invests, the Russell Microcap[®] Index. Updated performance information is available on the Fund's website at www.perrittcap.com or by calling the Fund toll-free at 1-800-332-3133. The Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future.

Perritt Ultra MicroCap Fund

Year-by-Year Total Returns as of December 31



During the ten year period shown on the bar chart, the Fund’s best and worst quarters are shown below:

Highest Quarterly Return

35.41% (June 30, 2009)

Lowest Quarterly Return

-37.40% (December 31, 2008)

Average Annual Total Returns for the Periods Ended December 31, 2017

	1 Year	5 Years	10 Years
Perritt Ultra MicroCap Fund			
Return Before Taxes	17.94%	15.62%	6.30%
Return After Taxes on Distributions	15.02%	13.83%	5.47%
Return After Taxes on Distributions and Sale of Fund Shares	12.40%	12.32%	4.94%
Russell Microcap® Index (reflects no deductions for fees, expenses or taxes)	13.16%	14.29%	7.68%
Russell 2000® Index (reflects no deductions for fees, expenses or taxes)	14.65%	14.12%	8.71%

After tax returns are calculated using the historical highest individual stated federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on your individual situation and may differ from those shown. Furthermore, the after-tax returns shown are not relevant to those who hold their shares through tax-deferred arrangements such as 401(k) plans or Individual Retirement Accounts.

Management:

Investment Adviser: Perritt Capital Management, Inc. is the investment adviser (“Adviser”) for the Fund.

Portfolio Manager: Michael Corbett and Matthew Brackmann are responsible for the day-to-day management of the Fund’s portfolio. Mr. Corbett is President of the Adviser and has served as Portfolio Manager of the Fund since the Fund’s inception in 2004. Mr. Brackmann is Director of Trading at the Adviser and joined Mr. Corbett as Co-Portfolio Manager of the Fund in 2014.

Purchase, Sale and Exchange of Fund Shares: You may purchase, redeem and exchange Fund shares on any business day by written request via mail (Perritt Ultra MicroCap Fund, c/o U.S. Bancorp Fund Services,

LLC, P.O. Box 701, Milwaukee, WI 53201-0701), by wire transfer, by telephone at 1-800-332-3133, or through a financial intermediary. You may also purchase and redeem additional Fund shares through the Internet at www.perrittcap.com. Transactions will only occur on days the New York Stock Exchange is open. Investors who wish to purchase or redeem Fund shares through a financial intermediary should contact the financial intermediary directly for information relative to the purchase or sale of Fund shares. The following are the minimum investment requirements for investing in the Fund:

Initial Purchase:	\$1,000
Additional Purchase:	\$ 50
Automatic Investment Plan:	\$ 50
Individual Retirement Account:	\$ 250
Tax Deferred Retirement Account:	\$ 250
Uniform Gifts to Minors Act:	\$ 250
Dividend Reinvestment:	None

Tax Information: The Fund's distributions generally will be taxable to you, whether they are paid in cash or reinvested in Fund shares, unless you invest through a tax-deferred arrangement, such as a 401(k) plan or an Individual Retirement Account, in which case such distributions may be taxable at a later date.

Payments to Broker-Dealers and Other Financial Intermediaries: If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create conflicts of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

Perritt Low Priced Stock Fund

Investment Objective: The Perritt Low Priced Stock Fund (the “Fund”) seeks long-term capital appreciation.

Fees and Expenses of the Fund: The table below describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

SHAREHOLDER FEES

(fees paid directly from your investment)

Maximum Sales Charge (Load) Imposed on Purchases	None
Maximum Deferred Sales Charge (Load)	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and Distributions	None
Redemption Fee (as a percentage of amount redeemed on shares held for 90 days or less)	2.00%
Exchange Fee (as a percentage of amount exchanged on shares held for 90 days or less)	2.00%

ANNUAL FUND OPERATING EXPENSES

(expenses that you pay each year as a percentage of the value of your investment)

Management Fees	1.00%
Distribution and/or Service (12b-1) Fees	None
Other Expenses ⁽¹⁾	<u>1.66%</u>
Total Annual Fund Operating Expenses	2.66%
Fees Waived and/or Expenses Reimbursed ⁽²⁾	<u>-1.26%</u>
Total Annual Fund Operating Expenses After Waiver and/or Reimbursement ⁽¹⁾⁽²⁾	<u>1.40%</u>

⁽¹⁾ “Other Expenses” include less than 0.01% of Acquired Fund Fees and Expenses (“AFFE”). AFFE are indirect fees and expenses that the Fund incurs from investing in the shares of other mutual funds. Due to the effect of rounding when AFFE are added to “Other Expenses,” the Total Annual Fund Operating Expenses for the Fund in the table above differ from the Ratio of Net Expenses to Average Net Assets in the “Financial Highlights” because the audited information in the “Financial Highlights” reflects the Fund’s operating expenses and does not include indirect expenses such as AFFE.

⁽²⁾ The investment adviser has agreed to waive fees and/or reimburse operating expenses (other than interest, brokerage commissions, dividend expense on short sales, taxes, extraordinary expenses and AFFE) so that total annual operating expenses are not expected to exceed 1.39%. This arrangement cannot be terminated prior to February 28, 2019 without the Board of Directors’ consent. The investment adviser is permitted to recapture amounts waived and reimbursed within three years after the fiscal year in which the adviser earned the fee or incurred the expense if the total annual operating expenses have fallen to a level below the limit described above.

Example: This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same (taking into account the contractual expense limitation for one year). Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$143	\$707	\$1,297	\$2,900

Portfolio Turnover: The Fund pays transaction costs, such as commissions when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 75.0% of the average value of its portfolio.

Principal Investment Strategies: The Fund normally invests at least 80% of its net assets (plus any borrowings for investment purchases) in low priced common stocks with market capitalizations that are below \$3 billion at the time of initial purchase. (The Fund may continue to hold the securities of a company after it exceeds \$3 billion in market capitalization.) Low priced stocks are those that are trading at or below \$15 per share at the time of initial purchase. (Subsequent to the initial purchase, the Fund may purchase such securities at a price above \$15 per share.) The Fund’s strategy is based on the premise that low priced stocks offer growth potential because these stocks have limited broker research coverage, the companies’ prospects are misunderstood by most investors, and some investors mistakenly believe stocks trading below \$15 per share are more “speculative” than those trading at higher levels and therefore avoid low priced stocks.

The Fund will invest in “growth” stocks, “value” stocks, or a combination of both. Given the market capitalization restrictions, the Fund will normally invest in securities issued by small-cap companies, including some micro-cap companies. However, micro-cap companies will only make up a small portion of the Fund’s portfolio. Micro-cap companies represent the smallest sector of public companies based on market capitalization.

The Fund’s investment adviser uses a “bottom-up” approach of fundamental analysis to look for individual companies that the adviser believes offer significant potential for stock price appreciation. In addition, the adviser seeks to invest in companies with the following attributes:

- Have a high percentage of their shares owned by company management;
- Possess relatively low levels of long-term debt;
- Have a potential for above-average growth in revenues and/or earnings; and
- Possess reasonable valuations based on the ratios of price-to-sales, price-to-earnings, and price-to-book values.

At times, the Fund’s portfolio may contain the shares of unseasoned companies, companies that are undergoing corporate restructuring, initial public offerings, and companies believed to possess undervalued assets.

Although the Fund seeks long-term capital appreciation, stocks may be sold in the short-term for several reasons. These include: (1) a company’s financial condition deteriorates to the point that, in the opinion of the Fund’s investment adviser, the company’s future growth prospects are impaired; (2) a company’s valuation multiples such as price-to-sales ratio, price-to-earnings ratio, or price-to-book value ratio expand to the point that the Fund’s investment adviser believes the company’s stock is significantly overvalued; or (3) the Fund’s investment adviser believes that another stock has better investment potential.

The Fund is intended for investors who are willing to withstand the risk of short-term price fluctuations in exchange for potential long-term capital appreciation.

Principal Risks: There is a risk that you could lose all or a portion of your money on your investment in the Fund. This risk may increase during times of significant market volatility. The risks below could affect

the value of your investment, and because of these risks the Fund is a suitable investment only for those investors who have long-term investment goals:

- **Common Stocks:** Common stocks occupy the most junior position in a company's capital structure. Although common stocks have a history of long-term growth in value, their prices fluctuate based on changes in a company's financial condition and on overall market and economic conditions. Therefore, the price of common stocks may decline for a number of reasons. The price declines may be steep, sudden and/or prolonged.
- **Micro-Cap & Small Capitalization Companies:** Micro-cap and small capitalization companies typically have relatively lower revenues, limited product lines, lack of management depth, higher risk of insolvency and a smaller share of the market for their products or services than larger capitalization companies. Generally, the share prices of stocks of micro-cap and small capitalization companies are more volatile than those of larger capitalization companies. Thus, the Fund's share price may increase and decrease by a greater percentage than the share prices of funds that invest in the stocks of large capitalization companies. Also, the returns of micro-cap and small capitalization company stocks may vary, sometimes significantly, from the returns of the overall market. In addition, micro-cap and small capitalization company stocks tend to perform poorly during times of economic stress. Relative to large capitalization company stocks, the stocks of micro-cap and small capitalization companies are thinly traded, and purchases and sales may result in higher transactions costs. For these reasons, the Fund is a suitable investment for only that part of an investor's capital that can be exposed to above-average risk.
- **Low Priced Stocks:** The price swings of small and micro-cap low priced stocks are generally more volatile than higher priced large-cap companies. Low priced stocks are generally more illiquid than higher priced securities.
- **Early Stage Companies:** Early stage companies are subject to the same risks as micro-cap companies. In addition, they may not be profitable initially and there is no guarantee that they will become profitable or be able to obtain necessary financing. They may rely on untested business plans. Early stage companies may not be successful in developing markets for their products and services. They may remain an insignificant part of their industry. They may be illiquid or may not be publicly traded. Investments in early stage companies tend to be more volatile and somewhat more speculative than investments in more established companies.
- **Market Risk:** The Fund may be exposed to "market risk." Market risk is the risk that stocks may decline significantly in price over short or extended periods of time. Price changes may occur in the market as a whole, or they may occur in only a particular company, industry or sector of the market.
- **New Fund Risk:** The Fund is new with a limited operating history and there can be no assurance that the Fund will grow to or maintain an economically viable size.
- **Manager Risk:** The Fund may lose money if the Fund's investment strategy does not achieve the Fund's objective or the Fund's investment adviser does not implement the strategy properly.
- **Liquidity Risk:** Liquidity risk is the risk, due to certain investments trading in lower volumes or to market and economic conditions that the Fund may be unable to find a buyer for its investments when it seeks to sell them or to receive the price it expects based on the Fund's valuation of the investments. Events that may lead to increased redemptions, such as market disruptions, may also negatively impact the liquidity of the Fund's investments when it needs to dispose of them. If the Fund is forced to sell its investments at an unfavorable time and/or under adverse conditions in order to meet redemption

requests, such sales could negatively affect the Fund. Liquidity issues may also make it difficult to value the Fund's investments.

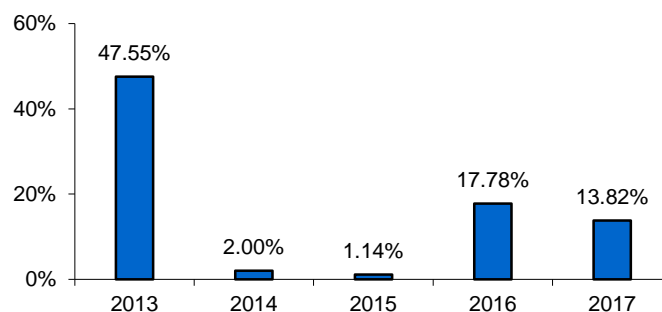
Performance: The following bar chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and how the Fund's average annual returns over time compare with those of a broad measure of market performance, the Russell 2000® Index, as well as an additional index that reflects the market sector in which the Fund invests, the Russell Microcap® Index. Updated performance information is available on the Fund's website at www.perrittcap.com or by calling the Fund toll-free at 1-800-332-3133. The past performance of the Fund and its predecessor (before and after taxes) is not necessarily an indication of how the Fund will perform in the future.

The Fund is the successor to a separately managed account (the "Predecessor"), which transferred all of its assets to the Fund in exchange for the Fund's shares after the close of business on February 28, 2014. Accordingly, the performance information shown below for periods on or prior to February 28, 2014 is that of the Predecessor. The investment policies, objectives, guidelines and restrictions of the Fund are in all material respects equivalent to those of the Predecessor. In addition, the Predecessor's portfolio managers are the current portfolio managers of the Fund. As a mutual fund registered under the Investment Company Act of 1940 (the "1940 Act"), the Fund is subject to certain restrictions under the 1940 Act and the Internal Revenue Code (the "Code") to which the Predecessor was not subject. Had the Predecessor been registered under the 1940 Act and been subject to the provisions of the 1940 Act and the Code, 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 Fund 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.

The Predecessor did not have distribution policies. The Predecessor was an unregistered separately managed account, did not qualify as a regulated investment company for federal income tax purposes and did not pay dividends or distributions.

Perritt Low Priced Stock Fund

Year-by-Year Total Returns as of December 31



During the period shown on the bar chart, the Predecessor's best and worst quarters are shown below:

Highest Quarterly Return
14.36% (December 31, 2013)

Lowest Quarterly Return
-10.11% (September 30, 2015)

Average Annual Total Returns For the Periods Ended December 31, 2017

	1 Year	5 Years	Since Inception (6/30/2012)
Perritt Low Priced Stock Fund			
Return Before Taxes	13.82%	15.33%	15.04%
Return After Taxes on Distributions	12.36%	15.03%	14.77%
Return After Taxes on Distributions and Sale of Fund Shares	9.01%	12.38%	12.21%
Russell Microcap [®] Index (reflects no deduction for fees, expenses, or taxes)	13.16%	14.29%	14.09%
Russell 2000 [®] Index (reflects no deduction for fees, expenses, or taxes)	14.65%	14.12%	14.18%

After tax returns are calculated using the historical highest individual stated federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on your individual situation and may differ from those shown. Furthermore, the after-tax returns shown are not relevant to those who hold their shares through tax-deferred arrangements such as 401(k) plans or Individual Retirement Accounts.

Management:

Investment Adviser: Perritt Capital Management, Inc. is the investment adviser (“Adviser”) for the Fund.

Portfolio Manager: Michael Corbett is responsible for the day-to-day management of the Fund’s portfolio. Mr. Corbett is President of the Adviser and has served as Portfolio Manager of the Predecessor since June 2012.

Purchase, Sale and Exchange of Fund Shares: You may purchase, redeem and exchange Fund shares on any business day by written request via mail (Perritt Low Priced Stock Fund, c/o U.S. Bancorp Fund Services, LLC, P.O. Box 701, Milwaukee, WI 53201-0701), by wire transfer, by telephone at 1-800-332-3133, or through a financial intermediary. You may also purchase and redeem additional Fund shares through the Internet at www.perrittcap.com. Transactions will only occur on days the New York Stock Exchange is open. Investors who wish to purchase or redeem Fund shares through a financial intermediary should contact the financial intermediary directly for information relative to the purchase or sale of Fund shares. The following are the minimum investment requirements for investing in the Fund (the Fund may waive the minimum investment requirements from time to time):

Initial Purchase:	\$1,000
Additional Purchase:	\$ 50
Automatic Investment Plan:	\$ 50
Individual Retirement Account:	\$ 250
Tax Deferred Retirement Account:	\$ 250
Uniform Gifts to Minors Act:	\$ 250
Dividend Reinvestment:	None

Tax Information: The Fund’s distributions generally will be taxable to you, whether they are paid in cash or reinvested in Fund shares, unless you invest through a tax-deferred arrangement, such as a 401(k) plan or an Individual Retirement Account, in which case such distributions may be taxable at a later date.

Payments to Broker-Dealers and Other Financial Intermediaries: If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create conflicts

of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

More Information about the Funds' Investment Strategies and Disclosure of Portfolio Holdings

Investment Objective and Strategies

The Funds' investment objective of long-term capital appreciation is a non-fundamental policy and may be changed without obtaining shareholder approval. Please remember that an investment objective is not a guarantee. An investment in the Funds might not appreciate and investors may lose money.

Perritt MicroCap Opportunities Fund

Perritt MicroCap Opportunities Fund (the "MicroCap Fund") has a non-fundamental policy to normally invest at least 80% of its net assets, plus borrowings for investment purposes, in common stocks of United States companies with market capitalizations that are below \$500 million at the time of initial purchase. If the MicroCap Fund decides to change this policy, it will provide at least a sixty (60) day written notice of its decision to shareholders.

Principal Investment Strategies

The MicroCap Fund normally invests in common stocks of companies with market capitalizations (share price multiplied by number of shares outstanding) below \$500 million at the time of initial purchase. The current income return of the MicroCap Fund is expected to be low (or non-existent) because micro-cap and small capitalization companies frequently need to retain all or most of their profits to finance growth.

Buying Stocks. When selecting stocks for the MicroCap Fund's portfolio, the Adviser utilizes a computer database of approximately 10,000 nationally traded companies. This list is initially narrowed to the stocks of companies with market capitalizations less than \$500 million. This process reduces the investment universe to approximately 3,000 companies. Stocks meeting these general selection criteria are subjected to a proprietary nine-step scoring system based on an analysis of both the company's balance sheet and income statement. Stocks selected for purchase will generally possess above-average scores generated by this system.

The MicroCap Fund's portfolio generally contains both "growth" and "value" stocks. Growth stocks are those of companies with annual revenue and earnings growth rates that are more than twice that of the growth rate of the U.S. economy. These stocks generally are priced at relatively high multiples of revenues, earnings, and book values. Value stocks, on the other hand, are considered to be those that possess price-earnings multiples below their expected annual growth rates and/or a price-to-revenues ratio that is below 1.0.

Under normal circumstances the MicroCap Fund seeks to keep its annual portfolio turnover ratio under 50%. The annual portfolio turnover ratio indicates changes in the MicroCap Fund's portfolio. For instance, a rate of 100% would result if all the securities in the portfolio at the beginning of an annual period had been replaced by the end of the period. The MicroCap Fund's average security holding period can be approximated by taking the reciprocal of its turnover ratio. For example, a portfolio turnover ratio of 50% would indicate an approximate security holding period of two years. During the last five fiscal years, the MicroCap Fund's annual portfolio turnover rate has averaged 23.1%.

Selling Stocks. The MicroCap Fund diversifies its investments. At the time of purchase, an investment in the stock of a single company will rarely exceed 3% of the MicroCap Fund's assets. Stocks periodically

will be sold for several reasons. These include: (1) a company's market capitalization grows beyond \$1.5 billion; (2) a company's financial condition deteriorates to the point that the Adviser believes that the company's long-term growth prospects may be impaired; (3) a company receives a purchase offer from another company; or (4) a company's price-to-sales ratio or price-to-earnings ratio expands to the point that the Adviser believes the company's stock is significantly overvalued.

Non-Principal Investment Strategies

The MicroCap Fund may take temporary defensive positions in response to adverse market, economic, political or other conditions. This means the MicroCap Fund will invest in money market instruments (like U.S. Treasury Bills or commercial paper). The MicroCap Fund may not achieve its investment objective when it takes a temporary defensive position. When the MicroCap Fund is not taking a temporary defensive position, it may hold some cash and money market instruments so that it can pay its expenses, satisfy redemption requests or take advantage of investment opportunities.

The MicroCap Fund may purchase shares of exchange-traded funds ("ETFs"). ETFs are registered investment companies that are bought and sold on a securities exchange. Most ETFs represent a fixed portfolio of securities designed to track a particular market index. Typically, the MicroCap Fund would purchase ETF shares to increase its equity exposure to all or a portion of the stock market while maintaining flexibility to meet the liquidity needs of the Fund. The risks of owning shares of an ETF generally reflect the risks of owning the underlying securities in which they invest, although lack of liquidity in a particular ETF could result in it being more volatile than the underlying portfolio of securities and trading at a discount to its net asset value. ETFs also have management fees that are part of their costs, and the MicroCap Fund will indirectly bear its proportionate share of these costs. Subject to certain exceptions, the MicroCap Fund currently may not own in the aggregate (a) more than 3% of the total voting stock of any one ETF; (b) securities issued by an ETF having an aggregate value in excess of 5% of the Fund's total assets; or (c) securities issued by an ETF and any other investment company (whether or not registered) having an aggregate value in excess of 10% of the Fund's total assets.

Perritt Ultra MicroCap Fund

Perritt Ultra MicroCap Fund (the "Ultra MicroCap Fund") has a non-fundamental policy to normally invest at least 80% of its net assets, plus borrowings for investment purposes, in common stocks of United States companies with market capitalizations that are below \$300 million at the time of initial purchase. If the Ultra MicroCap Fund decides to change this policy, it will provide at least a sixty (60) day written notice of its decision to shareholders.

Principal Investment Strategies

Micro-cap companies represent the smallest sector of public companies based on market capitalization. Normally, the micro-cap companies in which the Ultra MicroCap Fund invests are in their earliest stages of public development and may offer unique products, services or technologies or may serve special or rapidly expanding niches.

The Adviser uses fundamental analysis to look for stocks of micro-cap companies that appear to have the potential for more rapid price appreciation than other micro-cap stocks and the overall stock market in general. The Adviser uses a "bottom-up" approach of fundamental analysis when selecting investments for the Ultra MicroCap Fund. This means the Adviser bases investment decisions on company specific factors, not general economic conditions.

Buying Stocks. The research process includes prescreening potential investments, using databases and industry contacts, analyzing annual reports and financial statements, making onsite visits and meeting with top management. Stocks meeting the Ultra MicroCap Fund's general selection criteria are subjected to a proprietary nine-step scoring system based on analysis of both the company's balance sheet and income statement. Stocks selected for purchase will generally possess above-average scores generated by this system. In general, the Adviser focuses on very small companies based on their market capitalizations. Investors should expect the Ultra MicroCap Fund's portfolio to be diversified among a large number of stocks drawn from several industries.

Although it seeks to invest for the long term, the Ultra MicroCap Fund retains the right to sell securities irrespective of how long they have been held. It is expected, though not assured, that the annual portfolio turnover rate of the Ultra MicroCap Fund will not typically exceed 100%. A turnover rate of 100% would occur, for example, if all of the Ultra MicroCap Fund's securities were replaced within one year. A turnover rate of 100% or more would result in the Ultra MicroCap Fund incurring more transaction costs such as mark-ups or mark-downs. Payment of these transaction costs could reduce the Ultra MicroCap Fund's total return. High portfolio turnover could also result in the payment by Ultra MicroCap Fund shareholders of increased taxes on realized gains. During the last five fiscal years, the Ultra MicroCap Fund's annual portfolio turnover rate has averaged 37.9%.

Selling Stocks. Although the Ultra MicroCap Fund seeks long-term capital appreciation, stocks may be sold in the short-term for several reasons. These include: (1) a company's size has expanded beyond the point where it can no longer be considered to be a small capitalization company; (2) a company's financial condition deteriorates to the point that, in the opinion of the Adviser, the company's future growth prospects are impaired; (3) a company's valuation multiples such as price-to-sales ratio, price-to-earnings ratio, or price-to-book value ratio expand to the point that the Adviser believes the company's stock is significantly overvalued; or (4) the Adviser believes that another stock has better investment potential.

Non-Principal Investment Strategies

Ordinarily, the Adviser intends to keep the portfolio fully invested in micro-cap stocks. However, the Ultra MicroCap Fund may, in response to adverse market, economic, political or other conditions, take temporary defensive positions. In such circumstances the Ultra MicroCap Fund may invest in money market instruments (like U.S. Treasury Bills, commercial paper or repurchase agreements). The Ultra MicroCap Fund will not be able to achieve its investment objective of long-term capital appreciation to the extent that it invests in money market instruments since these securities do not appreciate in value. When the Ultra MicroCap Fund is not taking a temporary defensive position, it may hold some cash and money market instruments so that it can pay its expenses, satisfy redemption requests or take advantage of investment opportunities. The Ultra MicroCap Fund may not invest more than 20% of its assets in cash and money market instruments when it is not taking a temporary defensive position.

The Ultra MicroCap Fund may purchase shares of exchange-traded funds ("ETFs"). All ETFs are registered investment companies that are bought and sold on a securities exchange. Most ETFs represent a fixed portfolio of securities designed to track a particular market index. Typically, the Ultra MicroCap Fund would purchase ETF shares to increase its equity exposure to all or a portion of the stock market while maintaining flexibility to meet the liquidity needs of the Ultra MicroCap Fund. The risks of owning shares of an ETF generally reflect the risks of owning the underlying securities in which they invest, although lack of liquidity in a particular ETF could result in it being more volatile than the underlying portfolio of securities and trading at a discount to its net asset value. ETFs also have management fees that are part of their costs, and the Ultra MicroCap Fund will indirectly bear its proportionate share of these costs. Generally, the Ultra MicroCap Fund will purchase shares of ETFs having the characteristics of the types of common stocks in which the Ultra MicroCap Fund typically invests. If greater liquidity is desired, then the

Ultra MicroCap Fund may purchase shares of ETFs designed to track the price performance and dividend yield of the Standard & Poor's 500[®] Index (S&P 500[®]) and the Standard & Poor's 400[®] MidCap Index. Subject to certain exceptions, the Ultra MicroCap Fund currently may not own in the aggregate (a) more than 3% of the total voting stock of any one ETF; (b) securities issued by an ETF having an aggregate value in excess of 5% of the Ultra MicroCap Fund's total assets; or (c) securities issued by an ETF and any other investment company (whether or not registered) having an aggregate value in excess of 10% of the Ultra MicroCap Fund's total assets.

Perritt Low Priced Stock Fund

The Perritt Low Priced Stock Fund (the "Low Priced Stock Fund"), normally invests at least 80% of its net assets (plus any borrowings for investment purchases) in low priced common stocks with market capitalizations that are below \$3 billion at the time of initial purchase. (The Low Priced Stock Fund may continue to hold the securities of a company after it exceeds \$3 billion in market capitalization.) Low priced stocks are those that are trading at or below \$15 per share at the time of initial purchase. (Subsequent to the initial purchase, the Low Priced Stock Fund may purchase such securities at a price above \$15 per share.) If the Low Priced Stock Fund decides to change this policy, it will provide at least a sixty (60) day written notice of its decision to shareholders.

Principal Investment Strategies

The Low Priced Stock Fund's strategy is based on the premise that low priced stocks offer growth potential because these stocks have limited broker research coverage, the companies' prospects are misunderstood by most investors, and some investors mistakenly believe stocks trading below \$15 per share are more "speculative" than those trading at higher levels and therefore avoid low priced stocks.

The Low Priced Stock Fund will invest in "growth" stocks, "value" stocks, or a combination of both. Given the market capitalization restrictions, the Low Priced Stock Fund will normally invest in securities issued by small-cap companies, including some micro-cap companies. However, micro-cap companies will only make up a small portion of the Low Priced Stock Fund's portfolio. Micro-cap companies represent the smallest sector of public companies based on market capitalization

The Adviser uses fundamental analysis to look for stocks of small-cap and micro-cap companies that appear to have the potential for more rapid price appreciation than other small-cap and micro-cap stocks and the overall stock market in general. The Adviser uses a "bottom-up" approach of fundamental analysis when selecting investments for the Low Priced Stock Fund. This means the Adviser bases investment decisions on company specific factors, not general economic conditions.

In addition, the Adviser seeks to invest in companies with the following attributes:

- Have a high percentage of their shares owned by company management;
- Possess relatively low levels of long-term debt;
- Have a potential for above-average growth in revenues and/or earnings; and
- Possess reasonable valuations based on the ratios of price-to-sales, price-to-earnings, and price-to-book values.

At times, the Low Priced Stock Fund's portfolio may contain the shares of unseasoned companies, companies that are undergoing corporate restructuring or initial public offerings, and companies believed to possess undervalued assets.

Buying Stocks. The research process includes prescreening potential investments, using databases and industry contacts, analyzing annual reports and financial statements, making onsite visits and meeting with top management. Stocks meeting the Low Priced Stock Fund's general selection criteria are subjected to a proprietary nine-step scoring system based on analysis of both the company's balance sheet and income statement. Stocks selected for purchase will generally possess above-average scores generated by this system. Investors should expect the Low Priced Stock Fund's portfolio to be diversified among a large number of stocks drawn from several industries.

Although it seeks to invest for the long term, the Low Priced Stock Fund retains the right to sell securities irrespective of how long they have been held. It is expected, though not assured, that the annual portfolio turnover rate of the Low Priced Stock Fund will not typically exceed 100%. A turnover rate of 100% would occur, for example, if all of the Low Priced Stock Fund's securities were replaced within one year. A turnover rate of 100% or more would result in the Low Priced Stock Fund incurring more transaction costs such as mark-ups or mark-downs. Payment of these transaction costs could reduce the Low Priced Stock Fund's total return. High portfolio turnover could also result in the payment by Low Priced Stock Fund shareholders of increased taxes on realized gains. During the last three fiscal years, the Low Priced Stock Fund's annual portfolio turnover rate has averaged 71.4%.

Selling Stocks. Although the Low Priced Stock Fund seeks long-term capital appreciation, stocks may be sold in the short-term for several reasons. These include: (1) a company's financial condition deteriorates to the point that, in the opinion of the Low Priced Stock Fund's investment adviser, the company's future growth prospects are impaired; (2) a company's valuation multiples such as price-to-sales ratio, price-to-earnings ratio, or price-to-book value ratio expand to the point that the Fund's investment adviser believes the company's stock is significantly overvalued; or (3) the Fund's investment adviser believes that another stock has better investment potential.

Non-Principal Investment Strategies

Ordinarily, the Adviser intends to keep the portfolio fully invested in stocks. However, the Low Priced Stock Fund may, in response to adverse market, economic, political or other conditions, take temporary defensive positions. In such circumstances the Low Priced Stock Fund may invest in money market instruments (like U.S. Treasury Bills, commercial paper or repurchase agreements). The Low Priced Stock Fund will not be able to achieve its investment objective of long-term capital appreciation to the extent that it invests in money market instruments since these securities do not appreciate in value. When the Low Priced Stock Fund is not taking a temporary defensive position, it may hold some cash and money market instruments so that it can pay its expenses, satisfy redemption requests or take advantage of investment opportunities. The Low Priced Stock Fund may not invest more than 20% of its assets in cash and money market instruments when it is not taking a temporary defensive position.

The Low Priced Stock Fund may purchase shares of exchange-traded funds ("ETFs"). All ETFs are registered investment companies that are bought and sold on a securities exchange. Most ETFs represent a fixed portfolio of securities designed to track a particular market index. Typically, the Low Priced Stock Fund would purchase ETF shares to increase its equity exposure to all or a portion of the stock market while maintaining flexibility to meet the liquidity needs of the Fund. The risks of owning shares of an ETF generally reflect the risks of owning the underlying securities in which they invest, although lack of liquidity in a particular ETF could result in it being more volatile than the underlying portfolio of securities and trading at a discount to its net asset value. ETFs also have management fees that are part of their costs, and the Low Priced Stock Fund will indirectly bear its proportionate share of these costs. Generally, the Low Priced Stock Fund will purchase shares of ETFs having the characteristics of the types of common stocks in which the Fund typically invests. If greater liquidity is desired, then the Low Priced Stock Fund may purchase shares of ETFs designed to track the price performance and dividend yield of the Standard &

Poor's 500[®] Index (S&P 500[®]) and the Standard & Poor's 400[®] MidCap Index. Subject to certain exceptions, the Low Priced Stock Fund currently may not own in the aggregate (a) more than 3% of the total voting stock of any one ETF; (b) securities issued by an ETF having an aggregate value in excess of 5% of the Fund's total assets; or (c) securities issued by an ETF and any other investment company (whether or not registered) having an aggregate value in excess of 10% of the Fund's total assets.

Distribution Plan

The Low Priced Stock Fund has adopted a Rule 12b-1 plan, which allows the Fund to pay distribution and other fees for the sale and distribution of shares and for services provided to shareholders (the "Plan"). The maximum level of distribution expenses is 0.25% per year of the Low Priced Stock Fund's average daily net assets.

Currently, the Board of Directors has not authorized payments under the Plan and, as a result, the Low Priced Stock Fund currently neither accrues nor pays any fees under the Plan. As such fees would be paid out of the Low Priced Stock Fund's assets on an on-going basis, if the Fund was using the Plan, over time these fees would increase the cost of an investment in shares of the Fund and might cost investors more than paying other types of sales charges.

Redemption/Exchange Fee

The Funds are designed for investors with a long-term investment perspective and are not suitable for investors who attempt to profit from short-term market swings. In fact, the Funds assess a 2% redemption/exchange fee for shares held ninety (90) days or less in an attempt to deter "market timing" investors from investing in the Funds. See the disclosure under the heading "Redeeming and Exchanging Shares - Frequent Purchases and Redemptions of Fund Shares" for a more detailed discussion of the redemption fee. The Funds are also not a suitable investment for investors who cannot accept the relatively high portfolio volatility and other risks associated with investing in stocks of micro-cap and small capitalization companies. Furthermore, there is no assurance that the objectives of the Funds will be realized or that any income will be earned. Since the Funds' share price may fall below the initial purchase price, investors in the Funds may lose a portion of their investment capital.

Disclosure of Portfolio Holdings of the Funds

The Statement of Additional Information ("SAI"), which is incorporated by reference into this Prospectus, contains a description of each Fund's policies and procedures regarding disclosure of its portfolio holdings. The Funds may, from time to time, make available portfolio holdings information on the Funds' website at www.perrittcap.com.

Management of the Funds

Perritt Capital Management, Inc. serves as each Fund's investment adviser. The Adviser is located at 300 South Wacker Drive, Suite 2880, Chicago, Illinois 60606, and currently serves as investment adviser to the MicroCap Fund pursuant to an investment advisory agreement dated February 28, 2013, as investment adviser to the Ultra MicroCap Fund pursuant to an investment advisory agreement dated October 10, 2010 and as investment adviser to the Low Priced Stock Fund pursuant to an investment advisory agreement dated February 28, 2014. The Adviser was incorporated as an Illinois corporation on July 8, 1987 and has been serving as an investment adviser to registered investment companies since the formation of the predecessor MicroCap Fund in 1987. The Adviser is a wholly owned subsidiary of Investment Information

Services, Inc. (“IIS”). IIS was organized in 1983. Michael J. Corbett, President of the Adviser, owns a majority of the outstanding common stock of IIS and controls both IIS and the Adviser. As of December 31, 2017, the Adviser had approximately \$430 million in assets under management.

As the investment adviser to the Funds, the Adviser manages the investment portfolio for each Fund. It makes the decisions as to which securities to buy and which to sell. Under an investment advisory agreement for the MicroCap Fund, the MicroCap Fund pays the Adviser a monthly investment advisory fee at the annual rate of 1.00% of its average daily net assets. For the fiscal year ended October 31, 2017, the Adviser received an advisory fee at an annual rate of the MicroCap Fund’s average annual daily net assets of 1.00%.

Under an investment advisory agreement for the Ultra MicroCap Fund, the Ultra MicroCap Fund pays the Adviser an annual investment advisory fee equal to 1.25% of its average daily net assets less than or equal to \$100 million; 1.00% with respect to average daily net assets in excess of \$100 million and less than or equal to \$200 million; and 0.50% with respect to average daily net assets in excess of \$200 million. For the fiscal year ended October 31, 2017, the Adviser received an advisory fee at an annual rate of the Ultra MicroCap Fund’s average annual daily net assets of 1.25%.

Under an investment advisory agreement for the Low Priced Stock Fund, the Low Priced Stock Fund pays the Adviser a monthly investment advisory fee at the annual rate of 1.00% of its average daily net assets. The Adviser has 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 for the Low priced Stock Fund do not exceed 1.39%. This arrangement cannot be terminated prior to February 28, 2019 without the consent of the Board of Directors. For the fiscal year ended October 31, 2017, after including the effect of the fee waiver, the Adviser received an advisory fee at the annual rate of the Low Priced Stock Fund’s average daily net assets of 0.00%.

A discussion regarding the basis for the Board of Directors approval of the investment advisory agreement for each of the Funds is available in the Funds’ Semi-Annual Report to shareholders for the most recent period ended April 30.

Michael Corbett is responsible for the day-to-day management of the Funds. Mr. Corbett joined the Adviser in 1990 as a research analyst and is currently President of the Adviser. Mr. Corbett obtained a B.S. degree from DePaul University. Mr. Corbett has been a Portfolio Manager for the MicroCap Fund since 1996, the Ultra MicroCap Fund since its inception in 2004, the Low Priced Stock Fund since its inception in 2014, and the Predecessor since 2012.

George Metrou, CFA, is jointly responsible for the day-to-day management of the MicroCap Opportunities Fund’s portfolio with Mr. Corbett. Mr. Metrou joined the Adviser as a research analyst in 2005, and was named Director of Research in 2012. Mr. Metrou received his B.S. in Finance from DePaul University in 2005 and has been awarded a CFA charter. In 2014, Mr. Metrou joined Mr. Corbett as Co-Portfolio Manager to the MicroCap Opportunities Fund.

Matthew Brackmann is jointly responsible for the day-to-day management of the Ultra MicroCap Fund’s portfolio with Mr. Corbett. Mr. Brackmann joined the Adviser as a research analyst in 2004, and was named Director of Trading in 2012. Mr. Brackmann received his B.A. in Finance from the University of Iowa in 2004 and is a Level 3 CFA Charter candidate. In 2014, Mr. Brackmann joined Mr. Corbett as Co-Portfolio Manager to the Ultra MicroCap Fund.

The SAI provides additional information about the compensation of the Funds' portfolio managers, other accounts managed by the portfolio managers, and the portfolio managers' ownership of shares of the Funds that they manage.

Share Prices of the Funds

The price at which investors purchase shares of the Funds and at which shareholders redeem or exchange shares of the Funds is called the net asset value ("NAV"). The Funds normally calculate their NAV as of the close of regular trading on the New York Stock Exchange ("NYSE") (normally 4:00 p.m. Eastern time) on each day the NYSE is open for trading. The NYSE is closed on national holidays, Good Friday and weekends. The NYSE also may be closed on national days of mourning or due to natural disaster or other extraordinary events or emergency. The Funds calculate their NAVs based on the market prices of the securities (other than money market instruments) they hold unless market quotations are not readily available, or are deemed unreliable, or other circumstances require fair valuing the securities (as discussed below).

Securities and other assets for which market quotations are not readily available or are deemed unreliable are valued by appraisal at their fair value as determined in good faith by the Adviser under procedures established by and under the general supervision and responsibility of the Funds' Board of Directors. The Funds value money market instruments that they hold with remaining maturities of less than sixty (60) days at their amortized cost, as long as the Adviser determines that amortized cost approximates the fair value of the instruments under valuation procedures described above. Other types of securities that the Funds may hold for which fair value pricing might be required include, but are not limited to: (a) illiquid securities (only the Ultra MicroCap Fund and Low Priced Stock Fund may invest in illiquid securities), including "restricted" securities and private placements for which there is no public market; (b) securities of an issuer that has entered into a restructuring; and (c) securities whose trading has been halted or suspended. Valuing securities at fair value involves greater reliance on judgment than securities that have readily available market quotations. There can be no assurance that each Fund could obtain the fair value assigned to a security if it were to sell such security at approximately the same time at which each Fund determines its NAV per share.

Equity securities of relatively small companies frequently will be traded only in the over-the-counter market or on regional stock exchanges and often will be closely held with only a small proportion of the outstanding securities held by the general public. In view of such factors, the Funds may assume positions in securities with limited trading markets that are subject to wide price fluctuations. Therefore, the current NAV of the Funds may fluctuate significantly. In addition, the Funds may invest in securities that are traded on foreign exchanges or markets, which may be open when the NYSE is closed. As a result, the value of your investment in the Fund may change on days when you are unable to purchase or redeem shares.

The Funds will process purchase orders, redemption orders and exchange orders that they receive in good order **prior to the close of regular trading** on a day that the NYSE is open at the NAV determined **later that day**. The Funds will process purchase orders, redemption orders and exchange orders that they receive in good order **after the close of regular trading** at the NAV calculated on the **next day** the NYSE is open. A purchase, redemption or exchange order is in "good order" when a Fund or your servicing agent receives properly completed and signed documents.

Purchasing Shares

How to Open an Account and Make Purchases by Mail and Wire

1. Read this Prospectus very carefully before you invest.
2. Share purchase applications can be obtained by calling 1-800-332-3133, or by visiting the Funds' website at www.perrittcap.com.
3. Determine how much you want to invest keeping in mind the following minimums:

Minimum Investment Requirements

Initial Purchase:	\$1,000
Additional Purchase:	\$ 50
Automatic Investment Plan:	\$ 50
Individual Retirement Account:	\$ 250
Tax Deferred Retirement Account:	\$ 250
Uniform Gifts to Minors Act:	\$ 250
Dividend Reinvestment:	None

The Funds may change minimum investment requirements at any time.

4. The Funds will not accept payment in cash or money orders. Also, to prevent check fraud, the Funds will not accept third party checks, U. S. Treasury checks, credit card checks, traveler's checks or starter checks for the purchase of shares. As applicable, make your check payable to "Perritt MicroCap Opportunities Fund," "Perritt Ultra MicroCap Fund", "Perritt Low Priced Stock Fund", or "U.S. Bancorp Fund Services, LLC" as the Funds' transfer agent (the "Transfer Agent"). All checks must be in U.S. Dollars drawn on a domestic financial institution and must be payable in U.S. dollars. **The Funds are unable to accept post-dated checks or any conditional order or payment. The Transfer Agent will charge a \$25 service fee when a check is returned. The shareholder will also be responsible for any losses suffered by the Funds as a result. The Funds may redeem shares you own as reimbursement for any such losses. The Funds reserve the right to reject any purchase order for Fund shares.**
5. Mail the application and check to:

By First Class Mail

Perritt Funds, Inc.
c/o U.S. Bancorp Fund Services, LLC
P.O. Box 701
Milwaukee, WI 53201-0701

By Overnight or Express Mail

Perritt Funds, Inc.
c/o U.S. Bancorp Fund Services, LLC
615 East Michigan Street
Milwaukee, WI 53202-5207

Please do not mail letters by overnight delivery service to the Post Office Box address.

The Funds do not consider the U.S. Postal Service or other independent delivery services to be their agents. Therefore, deposit in the mail or with such services, or receipt at the Transfer Agent's post office box of purchase orders or redemption requests does not constitute receipt by the Transfer Agent of the Funds. Receipt of purchase orders or redemption requests is based on when the order is received at the Transfer Agent's offices.

By Wire

6. If you are making your first investment in the Funds by wire, please call 1-800-332-3133 before you wire funds in order to make arrangements with a telephone service representative to submit your completed application via mail, overnight delivery or facsimile. You can mail or overnight deliver your completed application to the Transfer Agent. Upon receipt of your completed application, an account will be established for you. The account number assigned will be required as part of the instruction that should be given to your bank to send the wire. Your bank must include the name of the Fund, your name, and your account number so that monies can be correctly applied. Your bank should transmit funds by wire to:

U.S. Bank, N.A.
777 East Wisconsin Avenue
Milwaukee, WI 53202
ABA #075000022
Credit: U.S. Bancorp Fund Services, LLC
Account #112-952-137
Further Credit: Perritt Funds, Inc. [Insert Fund Name]
(Shareholder name, Shareholder Account #)

Subsequent Investments by Wire

7. Please call 1-800-332-3133 before you wire funds in order to advise the Transfer Agent of your intent to wire funds. This will ensure prompt and accurate credit upon receipt of your wire.

Please remember that U.S. Bank N.A. must receive your wired funds prior to the close of regular trading on the NYSE for you to receive same day pricing. The Funds and U.S. Bank N.A. are not responsible for the consequences of delays resulting from the banking or Federal Reserve wire system, or from incomplete wiring instructions.

Purchases through Financial Service Agents

Some broker-dealers may sell shares of the Funds. These broker-dealers may charge investors a fee either at the time of purchase or redemption. The fee, if charged, is retained by the broker-dealer and not remitted to the Funds or the Adviser.

The Funds and/or the Adviser may enter into agreements with broker-dealers, financial institutions or other service providers (collectively, "Servicing Agents" and each a "Servicing Agent"), such as Charles Schwab & Co., Inc. and TD Ameritrade, that may include the Funds as investment alternatives in the programs they offer or administer. Servicing Agents may:

- Become shareholders of record of the Funds. This means all requests to purchase additional shares and all redemption requests must be sent through the Servicing Agent. This also means that purchases made through Servicing Agents are not subject to the Funds' minimum investment requirements.
- Use procedures and impose restrictions that may be in addition to, or different from, those applicable to investors purchasing shares directly from the Funds.

- Charge their customers fees for the services they provide. Also, the Funds and/or the Adviser may pay fees to Servicing Agents to compensate the Servicing Agent for the services provided to their customers. Such payments may provide incentives for Servicing Agents to make shares of the Funds available to their customers, and may allow the Funds greater access to such Servicing Agents and their customers than would be the case if no payments were made.
- Be allowed to purchase shares by telephone with payment to follow the next day. If the telephone purchase is made prior to the close of regular trading on the NYSE, it will receive the same day pricing.
- Be authorized to accept purchase orders on behalf of the Funds (and designate other Servicing Agents to accept purchase orders on the Funds' behalf). If a Fund has entered into an agreement with a Servicing Agent pursuant to which the Servicing Agent (or its designee) has been authorized to accept purchase orders on the Fund's behalf, then all purchase orders received in good order by the Servicing Agent (or its designee) before 4:00 p.m. Eastern time will receive that day's NAV, and all purchase orders received in good order by the Servicing Agent (or its designee) after 4:00 p.m. Eastern time will receive the next day's NAV.

If you decide to purchase shares through a Servicing Agent, please carefully review the program materials provided to you by the Servicing Agent because particular Servicing Agents may adopt policies or procedures that are separate from those described in this Prospectus. Investors purchasing or redeeming through a Servicing Agent need to check with the Servicing Agent to determine whether the Servicing Agent has entered into an agreement with the Funds. When you purchase shares of a Fund through a Servicing Agent, it is the responsibility of the Servicing Agent to place your order with that Fund on a timely basis. If the Servicing Agent does not place your order on a timely basis, or if it does not pay the purchase price to the Fund within the period specified in its agreement with the Fund, the Servicing Agent may be held liable for any resulting fees or losses.

How to make Subsequent Investments in the Funds

Mail or Wire

To make a subsequent investment in a Fund, see the instructions above under "How to Open an Account and Make Purchases by Mail and Wire."

Automatic Investment Plan

Once your account has been opened with the initial minimum investment you may make additional purchases at regular intervals through the Automatic Investment Plan ("AIP"). The AIP provides a convenient method to have monies deducted from your bank account, for investment into a Fund, on a monthly or quarterly basis. In order to participate in the AIP, each purchase must be in the amount of \$50 or more, and your financial institution must be a member of the Automated Clearing House ("ACH") network. If your bank rejects your payment, the Transfer Agent will charge a \$25 fee to your account. To begin participating in the AIP, please complete the Automatic Investment Plan section on your application or call the Transfer Agent at 1-800-332-3133 for additional information. Any request to change or terminate your AIP should be submitted to the Transfer Agent five (5) days prior to the effective date.

Telephone Purchases

The telephone purchase option may not be used for initial purchases of the Funds' shares, but may be used for subsequent purchases. The telephone purchase option allows you to make subsequent investments

directly from a bank checking or savings account. The telephone purchase option will be established on your account unless you declined telephone options on the Purchase Application. Only bank accounts held at domestic financial institutions that are Automated Clearing House (“ACH”) members may be used for telephone transactions. This first telephone purchase can occur no earlier than 15 calendar days after the account is open. To have Fund shares purchased at the NAV determined at the close of regular trading on a given date, the Transfer Agent must receive your purchase order prior to the close of regular trading on such date. Most transfers are completed within one (1) business day. Telephone purchases may be made by calling 1-800-332-3133. Once a telephone transaction has been placed, it cannot be canceled or modified after the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time).

If you have already opened an account, you may request this option by sending the Transfer Agent the “Telephone Option” form available on the Funds’ website (www.perrittcap.com). If an account has more than one owner or authorized person, the Funds will accept telephone instructions from any one owner or authorized person.

Internet Purchases

After your account is established, you may set up a password by logging onto the Funds’ website (www.perrittcap.com). This will enable you to purchase shares by having the purchase amount deducted from your bank account by electronic funds transfer via the ACH network. Please make sure that your Fund account is set up with bank account instructions and that your bank is an ACH member. You must have indicated on your application that telephone transactions are authorized and also have provided a voided check or savings deposit slip with which to establish your bank account instructions in order to complete Internet transactions.

For transactions conducted over the Internet, we recommend the use of a secure Internet browser. In addition, you should verify the accuracy of your confirmation statements immediately after you receive them. If an account has more than one owner or authorized person, the Funds will accept Internet instructions from any one owner or authorized person.

Telephone and Electronic Transactions

During periods of high market activity, shareholders may encounter higher than usual call waits. Further, it may be difficult to reach the Funds by telephone or via the Internet during periods of unusual market activity. Please allow sufficient time to place your telephone transaction. If you are unable to reach a representative by telephone, you may have to send written instructions.

Neither the Funds nor the Transfer Agent will be liable for following instructions for telephone or Internet transactions that they reasonably believe to be genuine, provided reasonable procedures are used to confirm the genuineness of the instructions, but may be liable for unauthorized transactions if they fail to follow such procedures. These procedures include requiring some form of personal identification or personalized security codes or other information prior to acting upon the telephone or Internet instructions and recording all telephone calls.

Once a telephone or Internet transaction has been placed, it cannot be canceled or modified after the close of regular trading on the NYSE (generally, 4:00 p.m., Eastern time). If an account has more than one owner or authorized person, the Funds will accept telephone and Internet instructions from any one owner or authorized person.

Other Information about Purchasing Shares of the Funds

Each Fund may reject any share purchase application or any purchase for any reason. Each Fund will not accept purchase orders made by telephone, unless they are from a Servicing Agent that has an agreement with the Fund.

The Funds will not issue certificates evidencing shares purchased. Each Fund will send investors a written confirmation for all purchases of shares.

Each Fund offers the following retirement plans:

- Traditional IRA
- Roth IRA
- Coverdell Education Savings Account
- SEP-IRA
- SIMPLE IRA

Fees for these accounts consist of an annual maintenance fee of \$15 and \$25 per withdrawal. Please refer to the IRA disclosure booklet for fees unique to IRAs and Qualified Plan accounts.

Investors can obtain further information about the retirement plans by calling the Funds at 1-800-332-3133. The Funds recommend that investors consult with a competent financial and tax adviser regarding the retirement plans before investing through these plans.

Shares of the Funds may be offered to only United States citizens and United States resident aliens having a social security number or individual tax identification number. This Prospectus should not be considered a solicitation or offering of Fund shares to non-U.S. citizens or non-resident aliens. As noted, investors generally must reside in the U.S. or its territories (which includes U.S. military APO or FPO addresses) and have a U.S. tax identification number.

Redeeming and Exchanging Shares

Shareholders may redeem (sell) their shares at any time. The redemption price you receive will be equal to the NAV next determined after the Transfer Agent receives a request for redemption in good order. The value of your shares on redemption may be more or less than their original cost. *A redemption fee of 2% of the amount of the redemption is generally applicable for shares held ninety (90) days or less.* Requests for redemption by telegram will not be honored. Questions regarding the proper form of redemption requests should be directed to the Transfer Agent at 1-800-332-3133.

How to Redeem Fund Shares

Redeeming Shares In Writing:

1. Prepare a letter of instruction containing:
 - The name of the Fund or Funds;
 - Account number(s);
 - The amount of money or number of shares being redeemed;
 - The names on the account;
 - Daytime telephone number; and

- Additional information the Funds may require for redemptions by corporations, executors, administrators, trustees, guardians, or others who hold shares in a fiduciary or representative capacity. Please contact the Transfer Agent in advance at 1-800-332-3133, if you have any questions.
2. Sign the letter of instruction exactly as the shares are registered. Joint ownership accounts must be signed by all owners.
 3. A signature guarantee, from either a Medallion program member or a non-Medallion program member, is required in the following situations:
 - The redemption request exceeds \$50,000;
 - The redemption proceeds are payable or sent to any person, address or bank account not on record;
 - The redemption request is received within fifteen (15) calendar days of an address change; or
 - You are changing ownership on an account.

In addition to the situations described above, the Funds and/or the Transfer Agent may require a signature guarantee in other instances based on the facts and circumstances relative to a particular situation.

Signature guarantees will generally be accepted from domestic banks, brokers, dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations, as well as from participants in the New York Stock Exchange Medallion Program and the Securities Transfer Agent Medallion Program (STAMP). A notarized signature is not an acceptable signature guarantor. The Funds reserve the right to waive any signature requirement at their discretion.

Non-financial transactions including establishing or modifying certain services on an account may require a signature guarantee, a signature verification from a Signature Validation Program (“SVP”) member, or other acceptable form of authentication from a financial institution source. You can get a signature guarantee or SVP stamp from most banks, credit unions, federal savings and loan associations, or securities dealers, **but not from a notary public.**

4. Written redemption requests from shareholders in an IRA or defined contribution retirement plan must include instructions regarding federal income tax withholding. Written redemption requests will be subject to withholding unless the shareholder makes an election not to have federal income tax withheld.
5. Send the letter containing redemption instructions to:

By First Class Mail

Perritt Funds, Inc.
 c/o U.S. Bancorp Fund Services, LLC
 P.O. Box 701
 Milwaukee, WI 53201-0701

By Overnight or Express Mail

Perritt Funds, Inc.
 c/o U.S. Bancorp Fund Services, LLC
 615 East Michigan Street
 Milwaukee, WI 53202-5207

Please do not mail letters by overnight delivery service to the Post Office Box address.

How to Redeem Fund Shares Through Telephone/Online Privileges

Unless you declined the telephone redemption option or have not set up the Internet redemption option on your account, you may redeem up to \$50,000 per day by calling 1-800-332-3133 or visiting the Funds' website at www.perrittcap.com. Shares held by retirement plans may not be redeemed by telephone or online. You may elect to have telephone redemption proceeds sent by check to your address of record, by wire to your bank account of record, or funds may be sent via electronic funds transfer through the ACH network to your pre-determined bank account. Proceeds may be wired and are subject to a \$15 fee paid by the investor. You do not incur any charge for proceeds sent via the ACH system and credit is usually available within 2-3 days.

How to Redeem Fund Shares Through Servicing Agents

If your shares are held by a Servicing Agent (such as Charles Schwab & Co. Inc. or TD Ameritrade), you must redeem your shares through the Servicing Agent. Contact your Servicing Agent for instructions on how to do so.

Redemption Price

- The redemption price per share you receive for redemption requests is the next determined NAV after the Transfer Agent receives your written request in good order with all required information; or
- If a Fund has entered into an agreement with a Servicing Agent pursuant to which the Servicing Agent (or its designee) has been authorized to accept redemption requests on behalf of the Fund, then all redemption requests received in good order by the Servicing Agent (or its designee) before 4:00 p.m. Eastern time will receive that day's NAV, and all redemption requests received in good order by the Servicing Agent (or its designee) after 4:00 p.m. Eastern time will receive the next day's NAV.

Payment of Redemption Proceeds

- If you redeem shares by mail, the Transfer Agent will normally mail a check in the amount of the redemption proceeds no later than the seventh (7th) day after it receives the written request in good order with all required information, or transfer the redemption proceeds to your designated bank account within seven (7) days, if you have elected to receive redemption proceeds by either Electronic Funds Transfer or wire. If any portion of the shares to be redeemed represents an investment made by check or an electronic funds transfer through the ACH network, a Fund may delay the payment of the redemption proceeds until the Transfer Agent is reasonably satisfied that the purchase has been collected. This may take up to twelve (12) calendar days from the purchase date.
- If you redeem shares through a Servicing Agent, you will receive the redemption proceeds in accordance with the procedures established by the Servicing Agent.

Other Redemption Considerations

The Funds offer a Systematic Withdrawal Plan ("SWP") whereby shareholders may request that a particular amount be sent to them each month, calendar quarter, or annually. Payment can be made by sending a check to your address of record, or funds may be sent directly to your pre-determined bank account via the

ACH network. To establish a SWP, your account must have a value of at least \$10,000, and the minimum withdrawal amount is \$250. For more information on a SWP please see the Funds' SAI or contact the Transfer Agent.

When redeeming shares of the Funds, shareholders should consider the following:

- The redemption may result in a taxable gain or loss.
- As permitted by the 1940 Act, a Fund may delay the payment of redemption proceeds for up to seven (7) days in all cases. In addition, the Funds can suspend redemptions and/or postpone payments of redemption proceeds beyond seven (7) days at times when the NYSE is closed or during emergency circumstances, as determined by the Securities and Exchange Commission.
- If any portion of the shares to be redeemed represents an investment made by check or electronic funds transfer through the ACH network, a Fund may delay the payment of the redemption proceeds until the Transfer Agent is reasonably satisfied that the purchase has been collected. This may take up to twelve (12) calendar days from the purchase date.
- The Transfer Agent currently charges \$15 for each wire redemption but does not charge a fee for Electronic Funds Transfers.
- A Fund may pay redemption requests "in kind." This means that a Fund may pay redemption requests entirely or partially with liquid securities rather than cash. Shareholders who receive a redemption "in kind" may incur costs upon the subsequent disposition of such securities.

How to Exchange Shares

You may exchange shares of identically registered accounts between the MicroCap Fund, the Ultra MicroCap Fund, and the Low Priced Stock Fund, provided that you meet each Fund's minimum initial investment requirement. Before exchanging your shares, you should first carefully read the appropriate sections of this Prospectus for the new Fund and consider the tax consequences if yours is a taxable account. When you exchange shares, you are redeeming your shares in one Fund and buying shares of the other Fund. Shares redeemed in an exchange transaction will be treated as a sale of the Fund's shares and any gain (or loss) on the transaction may be reportable as a gain (or loss) on your federal income tax return. This concern does not apply to IRA or other tax exempt accounts.

After the exchange, the account from which the exchange is made must have a remaining balance of at least \$500 for the MicroCap Fund, or \$1,000 for the Ultra MicroCap Fund and the Low Priced Stock Fund, in order to remain open. The Funds reserve the right to terminate or materially modify the exchange privilege upon 60 days' advance notice to shareholders.

You may exchange Fund shares by calling Shareholder Services at 800-332-3133 prior to the close of trading on the NYSE, generally 3:00 p.m. Central Time on any day the NYSE is open for regular trading. The Transfer Agent will charge a \$5 fee for each telephone exchange. To exchange shares via mail, you may submit a signed letter of instruction. There is no \$5 charge to exchange shares if your request is in writing. All registered account holders must sign the request.

If you exchange Fund shares 90 days or less from the date of purchase, you will generally be charged a redemption fee of 2% of the amount exchanged.

Small Accounts and Involuntary Redemption

The Funds' account owners share the high cost of maintaining accounts with low balances. To reduce this cost, the Funds reserve the right to close your account when a redemption leaves your account with a balance below \$500 for the MicroCap Fund or \$1,000 for the Ultra MicroCap Fund and the Low Priced Stock Fund. The Funds will notify you in writing before your account is closed and you will have thirty (30) calendar days for the MicroCap Fund or sixty (60) calendar days for the Ultra MicroCap Fund and the Low Priced Stock Fund to bring the balance up to the required level.

In addition to the ability to redeem shares in connection with the closing of small accounts, as discussed above, the Funds may involuntarily redeem a shareholder's shares upon certain conditions as may be determined by the Board of Directors, including, for example and not limited to, (1) if the shareholder fails to provide the Funds with identification required by law; (2) if the Funds are unable to verify the information received from the shareholder; and (3) to reimburse a Fund for any loss sustained by reason of the failure of the shareholder to make full payment for shares purchased by the shareholder.

Lost Shareholders, Inactive Accounts and Unclaimed Property

It is important that the Funds maintain a correct address for each shareholder. An incorrect address may cause a shareholder's account statements and other mailings to be returned to the Funds. Based upon statutory requirements for returned mail, a Fund will attempt to locate the shareholder or rightful owner of the account. If the Fund is unable to locate the shareholder, then it will determine whether the shareholder's account can legally be considered abandoned. Your mutual fund account may be transferred to the state government of your state of residence if no activity occurs within your account during the "inactivity period" specified in your state's abandoned property laws. The Funds are legally obligated to escheat (or transfer) abandoned property to the appropriate state's unclaimed property administrator in accordance with statutory requirements. The shareholder's last known address of record determines which state has jurisdiction. Please proactively contact the Transfer Agent at 1-800-332-3133 (toll free) at least annually to ensure your account remains in active status.

If you are a resident of the state of Texas, you may designate a representative to receive notifications that, due to inactivity, your mutual fund account assets may be delivered to the Texas Comptroller. Please contact the Transfer Agent if you wish to complete a Texas Designation of Representative form.

Frequent Purchases and Redemptions of Fund Shares

Frequent purchases and redemptions/exchanges of shares of the Funds may harm other shareholders by interfering with the efficient management of a Fund's portfolio, increasing brokerage and administrative costs, and potentially diluting the value of its shares. The Funds' Board of Directors has adopted policies and procedures with respect to frequent purchases and redemptions of Fund shares by shareholders of the Fund (collectively, the "market timing policy"). The market timing policy does not apply to each Fund's SWP.

In order to deter market timers and excessive trading, each Fund imposes a 2% redemption/exchange fee on the value of shares redeemed ninety (90) days or less after the date of purchase (any proceeds of the fee are paid to the Fund). The redemption/exchange fee does not apply to shares acquired through the reinvestment of dividends and capital gains, nor to shares redeemed through a SWP. The Funds reserve the right to waive the redemption/exchange fee, subject to their sole discretion, in instances deemed by the Adviser not to be disadvantageous to a Fund or its shareholders and which do not indicate market timing strategies. In addition to the redemption fee, each Fund may temporarily or permanently bar future purchases into that

Fund by such investor or, alternatively, may limit the amount, number or frequency of any future purchases and/or the method by which such investor may request future purchases and redemptions.

In calculating whether redemption of a Fund's shares is subject to the redemption/exchange fee, a shareholder's holdings will be viewed on a "first in/first out" basis. This means that, in determining whether any fee is due, the shareholder will be deemed to have redeemed the shares he or she acquired earliest. The fee will be calculated based on the current price of the shares as of the redemption date.

Investors are subject to these policies whether they are a direct shareholder of a Fund or they invest in a Fund indirectly through a financial intermediary such as a broker-dealer, a bank, an investment adviser or an administrator or trustee of a tax-deferred retirement plan that maintains an "Omnibus Account" with a Fund for trading on behalf of its customers.

The ability of the Funds to apply their market timing policy to investors investing through financial intermediaries is dependent on the receipt of information necessary to identify transactions by the underlying investors and the financial intermediary's cooperation in implementing the policy. Investors seeking to engage in excessive short-term trading practices may deploy a variety of strategies to avoid detection, and despite the efforts of the Funds to prevent excessive short-term trading, there is no assurance that the Funds or their agents will be able to identify those shareholders or curtail their trading practices.

If suspicious trading patterns are detected in an Omnibus Account, the relevant Fund will request information from the financial intermediary concerning trades placed in the Omnibus Account. The Fund will use this information to monitor trading in the Fund and to attempt to identify shareholders in the Omnibus Account engaged in trading that is inconsistent with the market timing policy or otherwise not in the best interests of the Fund. In considering an investor's trading activity, the relevant Fund may consider, among other factors, the investor's trading history, both directly and, if known, through intermediaries, in the Funds. If a Fund detects such activity, then the Fund may request that the financial intermediary take action to prevent the particular investor or investors from engaging in frequent or short-term trading. If inappropriate trading recurs, a Fund may refuse all future purchases from the Omnibus Account, including those of plan participants not involved in the inappropriate activity.

Household Delivery of Shareholder Documents

Only one Prospectus, Annual Report and Semi-Annual Report will be sent to shareholders who have the same address on record for their Fund accounts, unless you request multiple copies. If you would like to receive separate copies, please call the Funds at 1-800-332-3133. The Funds will begin sending your additional copies free of charge within thirty (30) days. If your shares are held through a financial institution, please contact them directly.

Distributions and Taxes

Each Fund distributes substantially all of its net investment income and capital gains annually. Distributions are generally made in December. Each Fund will automatically reinvest on your behalf all dividends and distributions in additional shares of the Fund unless you have elected to receive dividends and/or distributions in cash. You may make this election on the share purchase application or by writing to the Transfer Agent. If you wish to change your distribution option, notify the Transfer Agent in writing or by telephone at least five days prior to the record date of the next distribution.

The following discussion regarding federal income taxes is based on laws that were in effect as of the date of this Prospectus and summarizes only some of the important federal income tax considerations affecting

the Fund and you as a shareholder. It does not apply to foreign or tax-exempt shareholders or those holding Fund shares through a tax-advantaged account, such as a 401(k) plan or Individual Retirement Account. This discussion is not intended as a substitute for careful tax planning. You should consult your tax advisor about your specific tax situation. Please see the SAI for additional federal income tax information.

Each Fund has elected to be treated, and intends to qualify each year as, a regulated investment company (a “RIC”). A RIC is not subject to tax at the corporate level on income and gains from investments that are distributed in a timely manner to shareholders. However, a Fund's failure to qualify as a RIC would result in corporate level taxation, and consequently, a reduction in income available for distribution to you as a shareholder.

Each Fund’s distributions, whether received in cash or additional shares of the Fund, may be subject to federal, state, and local income tax. These distributions may be taxed as ordinary income, dividend income, or long-term capital gain.

Corporate shareholders may be able to deduct a portion of their distributions when determining their taxable income.

If you purchase shares of a Fund shortly before it makes a taxable distribution, your distribution will, in effect, be a taxable return of capital. Similarly, if you purchase shares of a Fund that has appreciated securities, you will receive a taxable return of part of your investment if and when the Fund sells the appreciated securities and distributes the gain. The Funds have built up, or have the potential to build up, high levels of unrealized appreciation.

The Funds will notify you of the tax status of ordinary income distributions and capital gain distributions after the end of each calendar year.

You will generally recognize taxable gain or loss on a redemption of shares in an amount equal to the difference between the amount received and your tax basis in such shares. This gain or loss will generally be capital and will be long-term capital gain or loss if the shares were held for more than one year.

In general, when a shareholder sells shares of a Fund, the Fund must report to the shareholder and the IRS the shareholder’s cost basis, gain or loss and holding period in the sold shares using a specified method for determining which shares were sold. You are not bound by this method and, if timely, can choose a different, permissible method. Please consult with your tax advisor.

If you hold shares in a Fund through a broker (or another nominee), please contact that broker (or nominee) with respect to the reporting of cost basis and available elections for your account.

When you receive a distribution from a Fund or redeem shares, you may be subject to backup withholding.

Anti-Money Laundering Program

In compliance with the USA PATRIOT Act of 2001, please note that the Transfer Agent will verify certain information on your account application as part of the Funds’ Anti-Money Laundering Program. As requested on the account application, you must supply your full name, date of birth, social security number and permanent street address. Mailing addresses containing only a P.O. Box will not be accepted. Effective May 11, 2018, if you are opening the account in the name of a legal entity (*e.g.*, partnership, limited liability company, business trust, corporation, etc.), you must also supply the identity of the

beneficial owners. Please contact the Transfer Agent at 1-800-332-3133, if you need additional assistance when completing your account application.

If the Transfer Agent does not have a reasonable belief of the identity of an investor, the account application will be rejected or the investor will not be allowed to perform a transaction on the account until such information is received. The Funds also reserve the right to close the account within five (5) business days if clarifying information/documentation is requested and not received.

The Funds might request additional information about you (which may include certain documents, such as articles of incorporation for companies) to help the Transfer Agent verify your identity. Please note that your application will be returned if any information is missing. If you require additional assistance when completing your application, please contact the Transfer Agent at 1-800-332-3133.

Index Descriptions

The Russell 2000[®] Index is a popular measure of the stock performance of small companies. It is comprised of the stocks of the 2,000 smallest companies in the Russell 3000[®] Index. The Russell 3000[®] Index is comprised of the 3,000 largest U.S. companies based on market capitalization. The index reflects no deductions for expenses or taxes. A direct investment in an index is not possible.

The Russell Microcap[®] Index measures the performance of the microcap segment of the U.S. equity market. It makes up less than 3% of the U.S. equity market. It includes 1,000 of the smallest securities in the small-cap Russell 2000[®] Index based on a combination of their market cap and current index membership plus the next 1,000 smallest eligible securities by market cap. The index reflects no deductions for expenses or taxes. A direct investment in an index is not possible.

Financial Highlights

The financial highlights tables are intended to help you understand the Funds' financial performance for the past 5 years or for the period of a Fund's operations if less than 5 years. The financial information presented for the MicroCap Opportunities Fund is that of the Predecessor Fund. The MicroCap Opportunities Fund is the accounting successor to the Predecessor Fund as a result of the reorganization of the Predecessor Fund into the MicroCap Opportunities Fund after the close of business on February 28, 2013. The MicroCap Opportunities Fund has adopted the Financial Statements of the Predecessor Fund. Certain information reflects financial results for a single Fund share. The total returns in the tables represent the rate that an investor would have earned, or lost, on an investment in the Funds (assuming reinvestment of all dividends and distributions). This information was audited by Cohen & Company, Ltd., the Funds' independent registered public accounting firm, whose report, along with the Funds' financial statements, are included in the Annual Report, which is available on request.

Perritt MicroCap Opportunities Fund

For a Fund share outstanding throughout the year

	For the Years Ended October 31,				
	2017	2016	2015	2014	2013
<i>Net asset value, beginning of year</i>	\$34.18	\$32.52	\$36.00	\$37.38	\$26.47
<i>Income/(loss) from investment operations:</i>					
Net investment income/(loss) ²	(0.15)	0.13	0.04	(0.18)	(0.06)
Net realized and unrealized gain/(loss) on investments	7.94	2.06	(1.10)	2.29	11.21
Total from investment operations	7.79	2.19	(1.06)	2.11	11.15
<i>Less dividends and distributions:</i>					
From net investment income	(0.09)	—	—	—	(0.24)
Distributions from net realized gains	(3.29)	(0.53)	(2.42)	(3.49)	—
Total dividends and distributions	(3.38)	(0.53)	(2.42)	(3.49)	(0.24)
<i>Redemption fees</i> ^{2,3}	—	—	—	—	—
<i>Net asset value, end of year</i>	\$38.59	\$34.18	\$32.52	\$36.00	\$37.38
<i>Total return</i> ¹	24.20%	6.85%	(3.07%)	6.17%	42.46%
<i>Supplemental data and ratios:</i>					
Net assets, end of year (in thousands)	\$225,445	\$262,268	\$372,768	\$462,716	\$463,469
Ratio of net expenses to average net assets:	1.23%	1.23%	1.21%	1.19%	1.22%
Ratio of net investment income/(loss) to average net assets:	(0.41%)	0.41%	0.12%	(0.51%)	(0.20%)
Portfolio turnover rate	18.0%	6.2%	20.7%	29.1%	41.4%

¹ Total return reflects reinvested dividends but does not reflect the impact of taxes.

² Net investment income (loss) and redemption fees per share has been calculated based on average shares outstanding during the period.

³ Amount is less than \$0.01 per share.

Perritt Ultra MicroCap Fund

For a Fund share outstanding throughout the year

	For the Years Ended October 31,				
	2017	2016	2015	2014	2013
<i>Net asset value, beginning of year</i>	\$15.46	\$14.39	\$16.79	\$16.23	\$11.50
<i>Income/(loss) from investment operations:</i>					
Net investment income/(loss) ²	(0.18)	0.07	(0.06)	(0.19)	(0.15)
Net realized and unrealized gain/(loss) on investments	3.94	1.22	(0.06)	1.12	4.88
Total from investment operations	3.76	1.29	(0.12)	0.93	4.73
<i>Less dividends and distributions:</i>					
Distributions from net realized gains	(0.73)	(0.22)	(2.29)	(0.39)	—
Total dividends and distributions	(0.73)	(0.22)	(2.29)	(0.39)	—
<i>Redemption fees</i> ²	— ³	— ³	0.01	0.02	— ³
<i>Net asset value, end of year</i>	\$18.49	\$15.46	\$14.39	\$16.79	\$16.23
<i>Total Return</i> ¹	25.27%	9.11%	(0.82%)	5.96%	41.13%
<i>Supplemental data and ratios:</i>					
Net assets, end of year (in thousands)	\$69,636	\$54,336	\$60,053	\$67,571	\$82,000
Ratio of net expenses to average net assets:	1.70%	1.77%	1.75%	1.56%	1.75%
Ratio of net investment income/(loss) to average net assets:	(1.07%)	0.48%	(0.43%)	(1.06%)	(1.14%)
Portfolio turnover rate	43.0%	18.1%	30.1%	64.2%	33.9%

¹ Total return reflects reinvested dividends but does not reflect the impact of taxes.

² Net investment income (loss) and redemption fees per share has been calculated based on average shares outstanding during the period.

³ Amount is less than \$0.01 per share.

Perritt Low Priced Stock Fund

For a Fund share outstanding throughout the year/period

	For the Years Ended October 31,			For the Period From February 28, 2014 ⁴ to October 31, 2014 ⁴
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>31, 2014</u>
<i>Net asset value, beginning of year/period</i>	\$15.55	\$15.39	\$14.15	\$15.00
<i>Income/(loss) from investment operations:</i>				
Net investment loss ²	(0.11)	(0.04)	(0.01)	(0.06)
Net realized and unrealized loss on investments	<u>4.51</u>	<u>0.20</u>	<u>1.25</u>	<u>(0.79)</u>
Total from investment operations	4.40	0.16	1.24	(0.85)
<i>Redemption fees</i> ^{2,3}	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
<i>Net asset value, end of year/period</i>	\$19.95	\$15.55	\$15.39	\$14.15
<i>Total return</i> ^{1,7}	28.28%	1.04%	8.76%	(5.67%)
<i>Supplemental data and ratios:</i>				
Net assets, end of year/period (in thousands)	\$7,156	\$5,700	\$4,612	\$2,090
Ratio of net expenses to average net assets	1.39%	1.39%	1.49% ⁷	1.50% ⁵
Ratio of net investment loss to average net assets	(0.61%)	(0.28%)	(0.08%)	(0.67%) ⁵
Ratio of expenses (prior to reimbursement) to average net assets	2.65%	3.25%	4.90%	7.15% ⁵
Ratio of net investment loss (prior to reimbursement) to average net assets	(1.87%)	(2.14%)	(3.49%)	(6.32%) ⁵
Portfolio turnover rate	75.0%	62.7%	76.6%	49.0% ⁶

¹ Total return reflects reinvested dividends but does not reflect the impact of taxes.

² Net investment income (loss) and redemption fees per share has been calculated based on average shares outstanding during the period.

³ Amount is less than \$0.01 per share.

⁴ Commencement of operations.

⁵ Annualized for periods less than one year.

⁶ Not annualized for periods less than one year.

⁷ Effective October 1, 2015, the Advisor expense limit was reduced from 1.50% to 1.39%.

Privacy Policy

The Funds collect the following nonpublic personal information about you:

- Information the Funds receive from you on or in applications or other forms, including but not limited to, your name, address, phone number, and social security number; and
- Information about your transactions with the Funds, their affiliates or others, including but not limited to, your account number and balance, parties to transactions, cost basis information and other financial information.

The Funds do not disclose any nonpublic personal information about their current or former shareholders to nonaffiliated third parties, except as permitted by law. For example, the Funds are permitted by law to disclose all the information the Funds collect to their transfer agent to process your transactions. Furthermore, the Funds restrict access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Funds maintain physical, electronic, and procedural safeguards through their transfer agent, U. S. Bancorp Fund Services, LLC, that comply with federal standards to guard your nonpublic personal information.

In the event that you hold shares of the Funds through a financial intermediary, including, but not limited to, a broker-dealer, bank or trust company, the privacy policy of your financial intermediary would govern how your nonpublic personal information would be shared with nonaffiliated third parties.

For More Information

You can learn more about the Funds in the following documents:

Statement of Additional Information

The Funds' SAI contains more detailed information about the Funds, and the SAI is filed with the Securities and Exchange Commission ("SEC"). The SAI is incorporated by reference into this Prospectus. This means that you should consider the contents of the SAI to be part of the Prospectus.

Annual and Semi-Annual Reports to Shareholders

Additional information about the Funds' investments is available in the Funds' annual and semi-annual reports to shareholders.

The annual report includes a discussion of the market conditions and investment strategies that significantly affected the performance of the Funds during the last fiscal year.

To request a free copy of the current SAI or annual and semi-annual reports, call the Funds, toll-free, at 1-800-332-3133 or 1-312-669-1650, or write to the Funds at 300 South Wacker Drive, Suite 2880, Chicago, Illinois 60606. You may also obtain a copy of these documents free of charge from the Funds' website at www.perrittcap.com.

Prospective investors and shareholders with questions about the Funds also may call the above number or write to the above address.

You can review and copy information about the Funds (including the SAI) at the SEC's Public Reference Room in Washington, D. C. (Please call 1-202-551-8090 for information on the operation of the Public Reference Room). Reports and other information about the Funds are also available on the EDGAR Database on the SEC's Internet website at www.sec.gov, and copies of this information may be obtained (duplicating fee required) by electronic request at publicinfo@sec.gov or by writing to:

Public Reference Section
Securities and Exchange Commission
Washington, D.C. 20549-1520

Fund Symbols and CUSIPS

The shares of the Perritt Funds have the following fund symbols and CUSIPS:

<u>Fund</u>	<u>Symbol</u>	<u>CUSIP</u>
Perritt MicroCap Opportunities Fund	PRCGX	714402203
Perritt Ultra MicroCap Fund	PREOX	714402104
Perritt Low Priced Stock Fund	PLOWX	714402302

Investment Company Act File No. 811-21556

Perritt

MicroCap Opportunities Fund (PRCGX)

Ultra MicroCap Fund (PREOX)

Low Priced Stock Fund (PLOWX)