

## The Perritt MicroCap Opportunities Fund - PRCGX was named to Charles Schwab's Mutual Fund OneSource Select List® for Q3 2018

**Thirty year track record investing in under-researched companies typically ignored by Wall Street.**

CHICAGO, July 20, 2018-- Charles Schwab's ("Schwab") Mutual Fund OneSource Select List® includes [The Perritt MicroCap Opportunities Fund - PRCGX](#).

The Mutual Fund OneSource Select List is comprised of no-load and no-transaction fee mutual funds that the Charles Schwab Investment Advisory, Inc. has screened rigorously for performance, risk, and expenses. The purpose of the OneSource Select List® is to help investors sort through the thousands of available mutual funds.

Proud of its inclusion on the Select List, The Perritt MicroCap Opportunities Fund - PRCGX seeks niche-based micro-cap companies with a potential for long-term capital appreciation. The Fund invests in a diversified portfolio of equity securities that have a market capitalization between \$50 and \$500 million at the time of initial purchase.

Michael Corbett, CIO and Portfolio Manager of the Fund since 1996, says, "We believe the Fund is truly a distinct offering because it invests in under-followed and under-researched companies – companies that Wall Street traditionally ignores."

- The Fund has a 30+ year track record of small/micro-cap investing that has been established over multiple market cycles.
- The Fund exhibited low correlation to the general equity markets due to the under-followed nature of its holdings (current R-Squared\* is 0.46 as of 6/30/2018).

The micro-cap asset class contains companies that range from high to low quality. For this reason, active management in this asset class is crucial. With the Perritt MicroCap Opportunities, we target the high quality end of the spectrum. We focus on niche companies that are growing, have high returns on invested capital, generate cash flow, and have strong balance sheets. We believe this focus has the potential to generate competitive long term results in this exciting area of the market.

### About Perritt Capital Management

Perritt Capital Management focuses on small- and micro-cap stocks, because they have historically outperformed the broader market.\*\* The Firm's investment philosophy is to own companies, not trade their stocks. This long-term perspective drives our investment professionals to evaluate management teams in a way that we believe will potentially provide our shareholders the most gain.

Perritt's goal is to provide investors the opportunity to profit from fundamentally strong small companies through its mutual funds, separately managed accounts, and placements on leading 401k programs.

Visit us at [www.perrittcap.com](http://www.perrittcap.com) or contact Mark Oberrotman at 800-331-8936, [mark@perrittcap.com](mailto:mark@perrittcap.com) for more information.

*Small is passionate.*

## Note About Investment Risk

*The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company and may be obtained by calling 800-331-8936 or by visiting [www.perrittcap.com](http://www.perrittcap.com). Read carefully before investing.*

Mutual fund investing involves risk. Principal loss is possible. The Funds invest in smaller companies, which involve additional risks, such as limited liquidity and greater volatility than larger companies. The Funds invest in micro-cap companies, which tend to perform poorly during times of economic stress. The MicroCap Opportunities Fund may invest in early stage companies, which tend to be more volatile and somewhat more speculative than investments in more established companies. Diversification does not assure profit or protect against loss in a declining market.

Correlation is a statistical measure of how two securities move in relation to each other. \*R-Squared is a statistical measure that represents the percentage of a fund's or security's movements that are explained by movements in a benchmark index. In this instance, the benchmark index is the S&P 500 Index. The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. It is not possible to invest directly in an index. Returns on invested capital (ROIC) gives a sense of how well a company is using its money to generate returns. Cash flow is the net amount of cash and cash-equivalents moving into and out of a business.

\*\*According to Ibbotson & Associates Classic Yearbook 2015 and FRP and Factset 2018, \$1 invested in micro-cap stocks on January 1, 1926 grew to \$36,674 by March 31, 2018. \$1 invested in small-cap and large-cap stocks grew to \$23,470 and \$7,248 over the same time period. Small cap stocks defined as deciles 6-8 of securities ranked by market capitalization from 1926-2016. Micro-cap stocks defined as the bottom two deciles, while large company stocks (broad market) are represented by the S&P 500 Index. S&P 500 is an unmanaged index which is widely regarded as the standard for measuring large-cap U.S. stock market performance. An investment cannot be made directly in an index.

### **Past performance does not guarantee future results.**

While the Fund is no-load, management & other expenses still apply. Please refer to the Prospectus for more information.

While the Fund may not have a transaction fee through Charles Schwab, there may be other fees or expenses applicable to individual accounts.

Charles Schwab & Co., Inc., member of SIPC, receives remuneration from fund companies for record keeping, shareholder services, and other administrative services for shares purchased through its Mutual Fund OneSource service.

**Perritt**  
CAPITAL MANAGEMENT



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