



October 2010

Perritt Capital Management is pleased to announce that Michael Corbett and Dr. Gerald Perritt have entered into an agreement to transfer majority control of the firm from Dr. Perritt to Mr. Corbett. This agreement is part of a succession plan that ensures stability and continuity for the firm. We are confident that the new corporate structure will benefit shareholders of both The MicroCap Opportunities Fund and The Emerging Opportunities Fund.

- **The change in majority control of the firm ensures that Michael Corbett will continue as Portfolio Manager and Chief Investment Officer well into the future.**

Mr. Corbett, currently the firm's Chief Investment Officer, has served as Portfolio Manager of the MicroCap Opportunities Fund since 1996 and Portfolio Manager of The Emerging Opportunities Fund since its inception. Mr. Corbett joined Perritt Capital Management as a research analyst in 1990 and has been thoroughly involved in the application of the philosophy and investment process of The Perritt Funds over the last 20 years.

Dr. Perritt will continue his employment with Perritt Capital Management and assist with strategic planning and research.

For additional information, please call Mark or Sean at 800-331-8936.

We thank you for your continued investment in The Perritt Funds and look forward to helping you meet your investment goals in the future.



Michael Corbett
*CIO, Portfolio
Manager*



Dr. Gerald Perritt
*Founder, Vice
President*

You should carefully consider the Fund's investment objectives, risks, charges and expenses before investing in it. The Fund's prospectus contains this and other important information about the Fund, please call 1-800-331-8936 to receive a free copy of the Fund's prospectus. Please read the prospectus carefully before investing.

Mutual fund investing involves risk. Principal loss is possible.

The Perritt Funds are distributed by Quasar Distributors, LLC.

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