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PORTFOLIO COMMENTARY - Second Quarter, 2009

The 2nd quarter was the strongest quarter for the Absolute Strategies Fund since inception. The Fund returned 10.83% for the quarter vs. 15.93% for the S&P 500 Index and 4.85% for the HFRX Global Hedge Fund Index. Year-to-date through June 30, the Fund was up 8.97% vs. 3.16% for the S&P 500 and 5.56% for the HFRX Index. Certainly many investments did well during the quarter, but it's important to realize that most simply rebounded slightly from losses of 50% or more. Even with a furious market rally, the S&P 500 and HFRX Index are still down -36% and -21% respectively since 6/30/07, compared to -4% for our Fund.

[As of 06/30/08, the 1- year and since the Fund's inception date of 7/27/05, annualized performance for I- Share was (3.90%) and 1.60%, respectively. Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. For performance current to the most recent month-end, visit the Fund's web site at www.absoluteadvisers.com. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) for Institutional Shares is 2.37%. Excluding the effect of expenses attributable to dividends on short sales, the Fund's total annual operating expense ratio was 1.81% for Institutional Shares for the fiscal year ended 3/31/09.]

Much of the foundation for the Fund's recent performance was laid prior to the financial crisis and was not created by taking large risks. We had consistently discussed the potential for the unwinding of leverage and a return of volatility. Given the zero to negative risk premiums offered across almost every asset class, the Fund was positioned defensively with high levels of liquidity. (It should be noted that the careless financial behavior that developed over the past few years was the real outlier, not necessarily the financial crisis itself). The ensuing fallout led to overwhelming fear and panic resulting in forced selling of assets and massive deleveraging. While many competitors and other funds were busy dealing with illiquidity/redemptions and trying to figure out what went wrong, our Fund's liquidity and positioning enabled us and our managers to take advantage of several dislocations. As discussed in our 4th quarter commentary, we re-allocated our assets opportunistically toward convertible arbitrage, distressed debt, global macro and opportunistic equity managers. Those moves, along with opportunities captured by our managers, turned out to be very profitable for the Fund.

Over the past year, the huge swings in investor psychology and behavior have been remarkable. Last year many investors

were betting on the "inflation trade", which quickly turned toward tremendous fear of deflation and depression. Within a few months the inflation crowd is back at it again while others' sentiment goes from "green shoots" one week to the need for added stimulus the next. We are currently doubtful of most of the nonsense that is coming from these self-promoting experts. Nobody knows what will happen over the next several years, but to proclaim a new bull market or hyper-inflation simply after a rally that was created by fears of the end of the world is, in our view, ignorance.

What is clear to us is that the opportunities and mis-pricings today are not nearly as broad as they were six months ago. While there are some positives, most aspects of the economy are still dire and there really has only been news that is "less bad" with no real improvement in the outlooks for companies. Continued wage deflation, rising unemployment, reduced consumer spending and higher savings rates are not bullish and should not necessarily be viewed as "lagging indicators" in a consumer-based economy. Although the overall economy may bottom out in the short-term, the recovery is unlikely to be thrilling as we are dealing with unprecedented issues that are not easy to recover from. The U.S. is not alone here as many foreign and emerging economies are simply levered to the U.S. consumer with little domestic demand. The upside is that these forces will likely create a new equilibrium that may provide a better economic balance in the long run.

While we are currently skeptical of large directional asset class bets, we believe there are still many attractive opportunities in several of our manager strategies that may benefit from continued volatility, range-bound markets, and shifts in investor sentiment. However, as investor behavior has moved from risk aversion to a fear of "missing out," the Fund's equity exposure has recently been reduced or hedged to mitigate risk from potential negatives that may not be priced in, including outlooks for interest rates, corporate defaults, commercial real estate, and state and local governments. Although rekindled animal spirits and more "less bad" news could drive overall markets higher, there are many unknowns at the moment and better opportunities to take risk likely lie ahead.

Sub-Adviser Strategy	Allocations as of:	
	June 30 2008	June 30 2009
Distressed Debt	11%	17%
Global Macro	8%	12%
Discretionary Fixed Income	3%	3%
Opportunistic Equity	11%	15%
Long/Short Equity	23%	16%
Market-Neutral Equity	24%	12%
Convertible Arbitrage	19%	22%
Unallocated	1%	3%

• ***Definitions:** Beta is the measure of a fund's relative volatility as compared to the S&P 500 Index which by definition is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the Index in up markets and 10% worse in down markets. Alpha is the difference between a fund's actual returns and its expected performance, given its level of risk as measured by Beta. The S&P 500 Index is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The HFRI Indices are equally weighted performance indexes, utilized by numerous hedge fund managers as a benchmark for their own hedge funds. It is not possible to invest directly in an index or average. Standard Deviation indicates the volatility of a fund's total returns. In general, the higher the standard deviation, the greater the volatility of return.

Additional Risks

Since the Fund utilizes a multi-manager strategy with multiple subadvisers, it may be exposed to varying forms of risk. The Fund's net asset value and investment return will fluctuate based upon changes in the value of its portfolio securities. There is no assurance that the Fund will achieve its investment objective, and an investment in the Fund is not by itself a complete or balanced investment program. For a complete description of the Fund's principal investment risks please refer to the prospectus.

The Fund is non-diversified and may focus its investments in the securities of a comparatively small number of issuers. Concentration in securities of a limited number of issuers exposes a fund to greater market risk and potential monetary losses than if its assets were diversified among the securities of a greater number of issuers.

The Fund may invest in small- and medium-sized companies which involve greater risk than investing in larger, more established companies, such as increased volatility of earnings and prospects, higher failure rates, and limited markets, product lines or financial resources.

The Fund may invest in foreign or emerging markets securities which involve special risks, including the volatility of currency exchange rates and, in some cases, limited geographic focus, political and economic instability, and relatively illiquid markets.

The Fund may invest in debt securities which are subject to interest rate risk. An increase in interest rates typically causes a fall in the value of the debt securities in which the Fund may invest.

The Fund may also invest in high yield, lower rated (junk) bonds which involve a greater degree of risk and price fluctuation than investment grade bonds in return for higher yield potential. The Fund's distressed debt strategy may involve a substantial degree of risk, including investments in sub-prime mortgage securities.

The Fund may purchase securities of companies in initial public offerings. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. The Fund may leverage transactions which include selling securities short as well as borrowing for other than temporary or emergency purposes. Leverage creates the risk of magnified capital losses.

The Fund may also invest in derivatives which can be volatile and involve various types and degrees of risks, depending upon the characteristics of a particular derivative. The Fund may invest in options and futures which are subject to special risks and may not fully protect the Fund against declines in the value of its stocks. In addition, an option writing strategy limits the upside profit potential normally associated with stocks. Futures trading is very speculative, largely due to the traditional volatility of futures prices.

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. This and other information is in the prospectus, a copy of which may be obtained by calling (888) 992-2765 or visiting the Fund's web site: www.absoluteadvisers.com. Please Read the prospectus carefully before you invest.



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