

## CVR Quarterly Letter – Q2 2015

We hope our investors will find the following CVR Quarterly Letter informative. Your feedback is welcome at [info@cvrfunds.com](mailto:info@cvrfunds.com).

### Important Information

**Before investing in CVR Dynamic Allocation Fund you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other important information is contained in the Fund's prospectus, a copy of which may be obtained by calling (855) 328-7691 or by visiting the Fund's website at [www.cvrfunds.com](http://www.cvrfunds.com). Please read the prospectus carefully before investing.**

### AVERAGE ANNUAL TOTAL RETURNS (%)

	Q2 2015	YTD	1 Year	Since Inception 12/30/13
CVRAX	-0.64	1.22	1.29	5.65
S&P 500 Index	0.28	1.23	7.42	10.13
HFRX Equity Hedge Index	0.16	2.37	2.51	2.69

Expense Ratios (%)	Net*	
	Gross	(what you pay)
CVRAX	3.32	1.65
CVRVX	3.57	1.90

Investment Minimums	Initial	Additional
CVRAX	\$100,000	None
CVRVX	\$2,500	\$100

**Returns represent past performance and do not guarantee future results. Investment return and share price will fluctuate with market conditions, and investors may have a gain or loss when shares are sold. Mutual fund performance changes over time and currently may be significantly lower than stated above. For the most recent month-end performance, please call 855-328-7691. \*The Adviser has contractually agreed to waive fees and/or reimburse expenses until March 31, 2016.**

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The CVR Dynamic Allocation Fund (“the Fund”) is rule-based, unemotional and repeatable. Designed to participate in upward trending markets and to minimize losses in difficult markets, leading to the potential for an improved up/down capture ratio.

### Q2 Commentary

In an otherwise promising quarter, the S&P 500 lost over 3% during the last week of June to finish up a modest 0.28% for the quarter. Equity weakness was attributable to several macro factors including the potential that Greece could default on its debt obligations as a member of the Eurozone, and a sharp sell-off across Chinese equity markets. The HFRX Equity Hedge Index returned 0.16% during the second quarter and the CVR Dynamic Allocation Fund was down -0.64% over the same period.

The Defensive Equity strategy of the Fund, which assigns a risk score to the equity market based on rates of change in volatility, has been indicating a steady increase in risk for equities as an asset class throughout 2015. The Fund is designed to adjust to higher risk by deemphasizing sectors that show higher rates of change in volatility. This methodology ultimately leads to reduced equity exposure as fewer sectors offer attractive risk profiles.

We do not profess to know what the next quarter or year will bring, but we do believe that our risk managed approach to equity investing offers a unique return stream that will yield a better investment outcome over the long term.

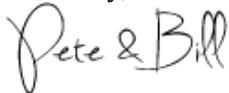
### CVR News & Announcements

We recently came across an article published by Morningstar that supports a widely held belief that there is a direct link between managers who invest their own money in their funds and better performance. The gist of the article, titled “Why You Should Invest with Managers Who Eat Their Own Cooking”, is that manager investment correlates with better fund performance. As significant investors in the fund ourselves we wholeheartedly agree.

We are pleased to announce that ROW Asset Management, LLC has been approved by the Fund’s board to act as a sub-adviser to the Fund’s Absolute Return strategy. We welcome ROW as a strategic partner.

We recently posted our Q2 Fact Sheet to our website. Please don’t hesitate to contact us with any questions.

Sincerely,



CVR Portfolio Funds | One Bromfield Street | Suite 5100 | Boston MA 02108 | 855-328-7691 | [cvrfunds.com](http://cvrfunds.com)

**CORRELATION**  
Monitor Correlations

**VOLATILITY**  
Manage Volatility

**REBALANCE**  
Opportunistically Rebalance

Peter Higgins & Bill Monaghan  
Founders  
CVR Portfolio Funds  
[www.CVRFunds.com](http://www.CVRFunds.com)

#### **Risk Disclosure**

All investing involves risk including the possible loss of principal. There can be no assurance the Fund will achieve its investment objectives. In addition to the general risks of investing, the Fund is subject to additional risks including commodities risk, derivatives risks, ETF risk, risks of foreign investing and model and data risks. Exposure to the commodities markets may subject the Fund to greater volatility than investments in traditional securities. Derivatives, such as options, futures and swaps, can be volatile, and a small investment in a derivative can have a large impact on the performance of the Fund as derivatives can result in losses in excess of the amount invested. Shares of an ETF may trade at a premium or discount to the net asset value of its portfolio securities. Foreign investments may be subject to additional risks, which include international trade, currency, political, regulatory and diplomatic risks, which may affect their value. Given the complexity of the investments and strategies of the Fund, the Adviser relies heavily on quantitative models and data supplied by third parties. Models and Data may prove to be incorrect or incomplete and expose the Fund to potential risks. Please see the prospectus for a complete discussion of the Fund's risks.

**Standard Deviation** is a measure of the dispersion of a set of data from its mean. Beta is the measure of a fund's relative volatility as compared to the S&P 500 Index. Beta attempts to measure the relative risk. A Beta rating above 1.0 indicates greater volatility than the market. A Beta rating below 1.0 indicates lower volatility than the market. **Sharpe Ratio** is a risk-adjusted measure calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance. **R-Squared** is the measure of percentage movement of a fund compared to the S&P 500 Index. A high R-Squared (between 85 and 100) indicates the Fund's performance patterns have been in line with the Index. **The S&P 500 Total Return Index** is a market capitalization-weighted index of 500 large-capitalization stocks commonly used to represent the U.S. equity market. All returns reflect reinvested dividends and capital gains distributions. One cannot invest directly in an index. **Liquid Alternatives** are any nontraditional asset with potential economic value that would not be found in a standard investment portfolio and trades with daily liquidity.

The Fund is distributed by Foreside Fund Services, LLC

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