

# EuroPac International Value Fund (EPIVX)

DEC 31, 2011 FUND FACTS

## INVESTMENT APPROACH

The EuroPac International Value Fund attempts to generate income and capital appreciation over a long-term investment horizon by selectively choosing undervalued foreign companies, primarily located within Europe and the Pacific Rim, and with minimal exposure to the US Dollar.

## INVESTMENT PROCESS HIGHLIGHTS

The EuroPac International Value Fund uses a top-down allocation approach to select what it views as the most fundamentally sound countries to invest and a bottom-up approach to select high-quality, undervalued companies. Because of the Advisor's approach of buying in countries it views as having the best fundamentals, the Fund will typically be underweight the United Kingdom, Western Europe and Japan. The strategy seeks to diversify currency risk and takes a long-term investment view with low portfolio turnover.

The team adheres to a controlled investment process with Peter Schiff as the Investment Committee Chairman. The investment process includes three tiers; country selection, sector selection and security selection.

## COUNTRY SELECTION

The team reviews and focuses on the countries it views to have the best fundamentals. Selection criteria include an expected 1-2 year trade surplus, high real interest rates, low debt-GDP ratio, favorable real GDP growth estimates, and stock market price-to-earnings valuations that are attractive relative to expected earnings growth.

### COUNTRY ALLOCATION\* (% OF TOTAL PORTFOLIO EQUITIES) AS OF 12/31/2011

Canada	21.63%	Hong Kong	7.29%	China	2.38%
Norway	18.63%	Japan	7.14%	New Zealand	1.66%
Australia	9.54%	Thailand	4.80%	Chile	1.27%
Singapore	8.59%	Netherlands	4.49%	Luxembourg	0.21%
Brazil	8.56%	Switzerland	3.81%		

## SECTOR SELECTION

The team reviews and selects sectors it believes will perform well against the macro economic backdrop and in the countries it focuses on. The team will focus on sectors in individual countries with favorable expected growth rates, a good fit with expectations for secular shifts in supply/demand, plentiful resources and a favorable political outlook. The team will also change overall portfolio sector allocation to adjust the risk of the portfolio.

### SECTOR DIVERSIFICATION\* (% OF TOTAL PORTFOLIO EQUITIES) AS OF 12/31/2011

Energy	26.26%	Industrials	7.05%
Materials	17.57%	Financials	6.76%
Consumer Staples	17.54%	Information Technology	5.86%
Utilities	8.68%	Consumer Discretionary	2.46%
Telecommunication Services	7.85%	Health Care	0.00%

\* Source: Euro Pacific Asset Management/Bloomberg

## SECURITY SELECTION

The team focuses on 4 main characteristics to select individual securities within the countries and sectors identified by the top-down investment process:

**ATTRACTIVE VALUATION** – Rather than focus on cheap companies, the team looks for value using a number of quantitative and qualitative factors applied over a universe of approximately 3,000 individual securities.

**FAVORABLE DIVIDEND YIELD** – In addition to finding fundamentally undervalued companies, the team also seeks out companies that pay or are likely to pay high distributions relative to their peers that are sustainable.

**FINANCIAL STRENGTH** – The team believes in selecting companies with strong balance sheets to reduce capital risk and earnings volatility. The team also believes undervalued companies with strong balance sheets are most likely to have the ability to unlock value when attractive opportunities present themselves.

**HIGH BUSINESS AND MANAGEMENT QUALITY** – The team focuses on selecting companies with strong management teams and a history of generating consistent returns and value for shareholders.

The fund will typically hold 50 to 60 stocks and will be balanced across Asia, Europe and the Resource Countries (Australia, New Zealand and Canada) to diversify currency risk, while using allocation between non-cyclical and cyclical industries to vary portfolio volatility. The fund typically invests in common stocks of companies located in Europe and the Pacific Rim, but may invest up to 20% of its assets in companies located outside of Europe and the Pacific Rim such as Brazil and India.

### TOP 10 HOLDINGS† (% OF TOTAL PORTFOLIO EQUITIES) AS OF 12/31/2011

Royal Dutch Shell Plc-A Shs	4.49%	Cfs Retail Property Trust	3.32%
Crescent Point Energy Corp	3.76%	Precision Drilling Corp	3.24%
Telefonica Brasil-Adr	3.66%	Cemig Sa -Spons Adr	3.02%
Ensign Energy Services Inc	3.57%	Goldcorp Inc	2.99%
Yamana Gold Inc	3.41%	Marine Harvest	2.97%

† Portfolio holdings will change due to ongoing management of the fund. References to specific securities (or sectors) should not be construed as recommendations by the Fund, the Advisor or the Distributor.

### FUND STATISTICS (AS OF 12/31/2011)

Weighted Average Market Cap <sup>§</sup>	\$31.9 bil	Harmonic Avg. P/E (FY2) <sup>§</sup>	10.5X
Harmonic Avg. Price / Book	1.6X	Number of Holdings	64
Harmonic Avg. P/E (FY1) <sup>§</sup>	10.8X		

<sup>§</sup> Harmonic mean is a way of averaging multiples, and gives equal weight to each data point rather than greater weights to high data points. For example, with a simple arithmetic mean, companies with high price to earnings multiples would have a greater impact on the overall earnings multiple of the portfolio due to their large size relative to other companies with smaller multiples, whereas the harmonic mean would adjust for this impact by giving equal weight to both the company with the high multiple and the low multiple in calculating the overall price to earnings multiple for the portfolio.

The P/E (price to earnings) ratio is an indicator of how much investors are willing to pay for the opportunity to share in the company's future earnings potential. "FY1" refers to the P/E ratio calculated using the company's current year earnings as projected by analysts. "FY2" refers to the P/E ratio calculated using the company's earnings as projected by analysts two fiscal years forward.

The Price / Book ratio is used to compare a stock's market value to its book value and is commonly used to compare a company's valuation to other peers within its industry.

# EuroPac International Value Fund (EPIVX)

DEC 31, 2011 FUND FACTS

PERFORMANCE	THROUGH DECEMBER 31, 2011					Since Inception	
	1 Month	3 Month	6 Month	YTD	1 Year	Annualized	Cumulative
EuroPac International Value Fund **							
with impact of maximum sales charge	-8.76%	0.99%	-19.79%	-16.75%	-16.75%	-5.05%	-8.60%
without impact of maximum sales charge	-4.47%	5.79%	-16.05%	-12.84%	-12.84%	-2.50%	-4.30%
MSCI World Ex USA Value Index <sup>‡</sup>	-0.45%	3.04%	-16.38%	-11.69%	-11.69%	-5.40%	-9.17%

## PORTFOLIO MANAGEMENT

**INVESTMENT ADVISOR:** Euro Pacific Asset Management, LLC

**PETER SCHIFF** is the Owner of Euro Pacific Asset Management, LLC. Peter began his investment career as a financial consultant with Shearson Lehman Brothers, after having earned a degree in finance and accounting from U.C. Berkeley in 1987. A financial professional for over twenty years he joined Euro Pacific Capital, Inc in 1996 and has served as its President since January 2000. In 2007, Peter authored the bestselling book “Crash Proof” in which he warned of the coming economic downturn as well as “The Little Book of Bull Moves in Bear Markets” and “Crash Proof 2.0”.

**JIM NELSON** is the Director of Euro Pacific Asset Management, LLC and the Portfolio Manager of the EuroPac International Value Fund. Prior to Euro Pacific Asset Management, Jim created Euro Pacific Capital's Wealth Management division and currently serves as Portfolio Manager for the firm's International Value Separately Managed Accounts. Jim originally joined Euro Pacific's Capital Markets division, having spent time in both Research Analyst and Investment Banking roles. Prior to Euro Pacific, Jim was a research analyst at Roth Capital Partners, where he gained extensive experience in analyzing the market opportunities of both domestic and foreign companies. Prior to Roth, Jim served as a Commissioned Officer in the United States Air Force, where he gained extensive experience as a Financial Controller, having directed finance and accounting activities for a number of acquisition programs, as well as Air Force installations including Misawa Air Force Base in Japan. Jim received his B.S. in Management from the United States Air Force Academy, and is a CFA Charterholder.

<sup>‡</sup> Reflects no deduction for fees, expenses or taxes.

\*\* Inception Date: April 7, 2010

As of 9/30/2011 the 1-year and annualized since inception performance were -14.73% and -9.39% including the maximum sales charge and -10.74% and -6.54% without the maximum sales charge respectively. As of 9/30/2011 the 1-year and annualized since inception performance for the MSCI World EX USA Value Index were -9.36% and -8.16% respectively.

The gross and net expense ratios are 2.30% and 1.75%, respectively. The performance data quoted here represents past performance. Past performance does not guarantee future results. The investment return and principal will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information quoted. Investors may obtain performance information current to the most recent month-end, within 7 business days, by calling +1 (888) 558-5851. A redemption fee of 2.00% may be imposed on redemptions of shares you have owned for 30 days or less. Please see the prospectus for more information. The performance data reflects payment of the 4.50% maximum sales charge at the beginning of the stated periods.

The Fund's advisor has contractually agreed to waive its fees and/or absorb expenses of the Fund to ensure that total annual fund operating expenses (excluding acquired fund fees and expenses) do not exceed 1.75% of average daily net assets of the Fund. This agreement is in effect until March 1, 2012, and it may be terminated before that date only by the Trust's Board of Trustees. The Fund's advisor is permitted to seek reimbursement from the Fund, subject to limitations, for fees it waived and Fund expenses it paid for three years from the date of any such waiver or payment.

Carefully consider the risks and special considerations associated with investing in the fund. You may lose money by investing in the fund. Foreign investments also present risks due to currency fluctuations, economic and political factors, lower liquidity, government regulations, differences in securities regulations and accounting standards, possible changes in taxation, limited public information and other factors. The risks are magnified in countries with emerging markets, since these countries may have relatively unstable governments and less established markets and economies. More information about these risks and others can be found in the fund's prospectus.

**The EuroPac International Value Fund is distributed by Grand Distribution Services, LLC.**

You should carefully consider the Fund's investment objectives, risk, charges, and expenses before investing. To obtain a summary prospectus and/or prospectus that contains this and other information about the Fund, visit [www.europacificfunds.com](http://www.europacificfunds.com) or call +1 (888) 558-5851. Please read the summary prospectus and prospectus carefully before investing.