Charles de Vaulx

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October 28, 2020

Dear Shareholder,

Over the period under review, October 1, 2019 to September 30, 2020, the IVA Worldwide Class A (no load) was down -4.86% while the IVA International Class A (no load) was down -6.82%. The MSCI All Country World Index ("ACWI") over the same period was up 10.44%, while the MSCI ACWI (ex-U.S.) was up 3.00%.

What a difference a year can make! Last year at this time, life was seemingly "normal" and then 2020 came along and the year can be best described as volatile and unpredictable. The once-in-a-lifetime global pandemic has changed just about everything from the economy, to the way business is conducted, how our children are educated and life in general. What has happened in the markets over the last twelve months can be summed up in three sub segments. A year ago, the economy was on a strong footing with unemployment at record lows and markets reaching record highs in mid-February. Then COVID-19 suddenly hit the entire world, panic ensued and global markets made a complete about-face falling sharply up until late March. Since then, we have seen a vigorous market recovery like no other, though many questions still loom in the background.

With the speedy recovery over the last six months and indices once again in positive territory, the performance of your Funds may seem disappointing over this past fiscal year. One thing that has remained relatively constant throughout the past several years is the fact that value stocks continue to lag their growth counterparts. Also, smaller stocks have trailed larger stocks significantly. The divergence between value and growth widened even further this year which was attributed to a number of factors and exacerbated by the virus. First and foremost, a very long period of ultra-low interest rates has dramatically favored growth stocks which are long duration assets and benefit much more from lower rates than the more mundane value stocks. Second, technology has disrupted so many industries in a way that may temporarily destroy "moats" that used to exist. The tremendous gains in technology stocks were further fueled by the pandemic and resulting lockdowns throughout the world which favored a select few technology companies that are in a unique position of being able to thrive with everyone stuck at home. Amazon, Apple, Microsoft, Facebook, Zoom, and Netflix are some that come to mind. From the March 23rd low, the NASDAQ Composite rose 75.7% through September 2nd. Finally, the increasing popularity of passive investing is forcing the gradual liquidation of portfolios invested in small and mid-cap value stocks.

In addition to the struggles experienced by value stocks, international stocks have also lagged considerably. International indices took a greater beating earlier this year and have not bounced back with as much enthusiasm as the U.S. market. This is explained to a great extent by the fact that there are far fewer technology stocks outside the U.S. and many more value stocks. Technology companies today account for 27.5% of the S&P 500 compared to just 7.5% of the S&P Europe 350. Conversely, financials have the largest weighting in Europe at 15.1% of the index vs. 10.3% in the U.S. As a matter of fact, it has been observed that half of the underperformance of international markets relative to the U.S. market over the last ten years is due to this underweight in technology. That is truly eye-opening!

As of September 30, 2020, the IVA Worldwide Fund had 59.2% in equities (compared to 62.7% a year prior) while the IVA International Fund had 67.8% in equities (compared to 76.6%) a year prior. While we did put a good amount of cash to work when markets corrected in March, particularly in the Worldwide Fund (about 10%), we have been net sellers recently as markets snapped back and some names approached their intrinsic values. Some notable additions to the portfolios over the last fiscal year are Anheuser Busch InBev SA (Belgium), Heineken NV (Netherlands), Dassault Aviation SA (France), Gruma (Mexico), Wells Fargo & Co. (U.S.), Western Union Co. (U.S.), Aena SA (Spain), Publicis Group SA (France) and Bangkok Bank Public Co. (Thailand). Some names that we exited and took profits are Acuity Brands Inc. (U.S.), Alten SA (France), Antofagasta Plc (U.K.), Arcos Dorados Holdings Inc. (Uruguay), Hyundai Motor Co. (South Korea), Samsung Electronics Co. Ltd. (South Korea), and Oracle Corp. (U.S.). We also benefited from two takeovers (Millennium & Copthorne Hotels and Clear Media) that each took place at a nice premium to their share price at the time of acquisition.

We are now completely out of gold bullion in both Funds and our gold exposure consists of a handful of gold mining stocks. As a mutual fund, we are at the mercy of the IRS and a tax rule limiting the amount of gains that can be derived from owning a physical commodity. Gold has behaved exactly as it should over the last year and was up 28%. Negative real interest rates have increased the investment demand for gold and it is our expectation that real yields may remain negative for the foreseeable future. Also, the U.S. dollar has weakened which further supports the price of gold. Even though gold mining shares are not cheap these days, it is not our intention at this point to buy back bullion.

We believe that now more than ever caution is in order. The pandemic crisis will have lasting and unpredictable consequences on society and the economy, as well as on a vast number of business models in industries such as travel, hospitality, airlines, catering, retail, and commercial real estate to name a few. So many questions surrounding the impact on the global economy and corporate earnings remain impossible to answer with any certainty at this stage: Will an effective vaccine be found soon or is COVID-19 going to be with us for a few more years? Is the virus going to mutate and become more deadly or will it fade into extinction? Will a second wave force countries to impose new restrictions and lockdowns? We are already seeing this happen in Europe – is the U.S. next? How will consumer behavior be affected? Will the pressure of falling incomes and health care costs trigger some social unrest? To make matters worse, we are in the midst of what could end up being a contentious U.S. election that could send markets into a tailspin.

This situation makes the valuation of many businesses today rather difficult and we struggle in this environment to find enough suitable investment opportunities. The valuation of many stocks is still quite elevated, especially amongst what we consider high quality businesses with "safe" balance sheets, good capital allocation, decent corporate governance, and strong franchise value. Even though the valuation spread between value and growth stocks is as high now as it was during the previous tech bubble in the late 90's, that remains a relative valuation spread. In absolute terms, stocks and in particular value stocks, are not remotely as cheap as they were back then and we would argue that they are probably 30% to 40% on average more expensive, courtesy of low interest rates. Not only are interest rates throughout the world lower today than before the onslaught of the pandemic, but what used to be the "lower for longer" view has morphed into "lower forever." We know, as the saying goes, that history does not repeat itself but it often rhymes. This lower forever brings to mind a quote I recently came across:

"That the rate of interest will be lower when commerce languishes and when there is little demand for money, than when the energies of commerce are in full play and there is an active demand for money, is indisputable; but it is equally beyond doubt, that every speculative mania which has run its course of folly and disaster in this country has derived its original impulse from cheap money."

— *The Economist, 1858 (h/t Jamie Catherwood)*

There is no doubt that the U.S. stock market today is again in bubbly territory. Market cap to GDP in the U.S. is approaching 200%, an unprecedented level. We have seen this movie play out before. The last two times that this ratio peaked, a market crash soon followed. Today, there are certainly major differences than with the Great Financial Crisis of 2009. The Fed and the European Central Bank are providing ample liquidity. Interest rates are lower today, corporate taxes are lower as well, which pushes valuations up. Also, the most valuable companies today in the U.S. are global technology companies, and comparing those market caps to the U.S. GDP alone (as opposed to global GDP) may skew the ratio slightly higher than it should be. Nevertheless, even accounting for these changes over time, it remains difficult to argue that markets are cheap on an absolute basis.

So how do we deal with this situation? Our analysts are busy valuing companies on the basis of reasonable multiples of our own 2022 earnings estimates; we model such estimates assuming that the world economy in the year 2021 remains in a severe recession versus 2019. We are attempting to understand and avoid risk while finding those companies with the strength to survive a rocky road. We also make sure to take into account any balance sheet deterioration between now and then. We continue to favor well capitalized companies.

These are challenging times indeed and only time will tell how this movie plays itself out in the end. In the meantime, we continue to stay the course and stick to our beliefs. We admit that it has been very difficult to be a value investor and the headwinds are well known: ultra-low interest rates, aggressive share buybacks and capital structures, massive industry disruptions, widespread technological innovation, and extreme aversion to cyclical risk during the pandemic. However, we question the alternatives, especially when one's objective is to preserve capital. The idea of purposely owning exceedingly expensive, if not overpriced assets, both stocks and bonds, today because value investing has done so poorly for so long, is truly a very misguided idea. We believe that, with a three-year view, many cyclicals we own are substantially undervalued today, and will outperform more fully valued defensive or growth equities as the world economy comes out of the funk sometime in the future. We also think that international stocks may be poised to make a comeback especially if the U.S. dollar continues to weaken.

We appreciate your continued confidence and thank you for your support.

Charles de Vaulx, Chief Investment Officer and Portfolio Manager

Important Information Concerning the Attached October 28, 2020 Letter from the IVA Funds Portfolio Managers

The views expressed in this document reflect those of the portfolio manager(s) only through the end of the period as stated and do not necessarily represent the views of IVA or any other person in the IVA organization. Any such views are subject to change at any time based upon market or other conditions and IVA disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for an IVA fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any IVA fund. The securities mentioned are not necessarily holdings invested in by the portfolio manager(s) or IVA. References to specific company securities should not be construed as recommendations or investment advice.

Total Returns as of 12/31/20	1 Year	3 Year*	5 Year*	10 Year*	Since Inception* (10/1/08)
IVA Worldwide Fund A (no load)	-0.71%	1.06%	4.48%	4.33%	6.90%
IVA Worldwide Fund A (with load)	-5.69%	-0.65%	3.41%	3.79%	6.46%
MSCI All Country World Index	16.25%	10.06%	12.26%	9.13%	8.83%
IVA International Fund A (no load)	-4.25%	-1.69%	2.64%	3.83%	6.14%
IVA International Fund A (with load)	-9.07%	-3.36%	1.60%	3.30%	5.70%
MSCI All Country World Index (ex-U.S.)	10.65%	4.88%	8.93%	4.92%	5.70%

**Annualized*

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The expense ratios for the funds are as follows: IVA Worldwide Fund: 1.16% (A shares); IVA International Fund: 1.17% (A shares). Maximum sales charge for the A shares is 5.00%. Amounts redeemed within 30 days of purchase are subject to a 2.00% fee.

As of December 31, 2020, the IVA Worldwide Fund's top 10 holdings were: Berkshire Hathaway, Inc. Class A; Class B (6.2%); Bayerische Motoren Werke AG (3.8%); Astellas Pharma, Inc. (3.7%); Compagnie Financiere Richemont SA (3.5%); Newmont Corporation (3.1%); LKQ Corp. (3.1%); Western Union Company (2.3%); Publicis Groupe SA (2.1%); Danone SA (2.0%); Sodexo SA (2.0%). As of December 31, 2020, the IVA International Fund's top 10 holdings were: Astellas Pharma, Inc. (4.6%); Bayerische Motoren Werke AG (4.3%); Newmont Corporation (4.1%); Compagnie Financiere Richemont SA (3.9%); Danone SA (3.2%); UBS Group AG (2.7%); Bureau Veritas SA (2.5%); Publicis Groupe SA (2.4); Sodexo SA (2.2%); Heineken NV (1.9%).

As of December 31, 2020, total firm assets under management totaled $3.2 billion.

Effective July 13, 2020, Chuck de Lardemelle is no longer portfolio manager of the IVA Funds. Charles de Vaulx is the sole portfolio manager of the funds and is the Chief Investment Officer of IVA, the funds' adviser.

Economic and Market Events Risk: The impact of the outbreak of a novel coronavirus may be short term or may last for an extended period of time, result in a substantial economic downturn and could negatively affect the worldwide economy. Any such impact could adversely affect the Fund and may lead to losses on your investment in the Funds.

MSCI All Country World Index (Net) is an unmanaged index consisting of 52 country indices comprised of 24 developed and 28 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of MSCI, Inc. and is not available for direct investment.

MSCI All Country World Index (ex-U.S.) (Net) is an unmanaged index consisting of 51 country indices, ex the US, comprised of 23 developed and 28 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of MSCI, Inc. and is not available for direct investment.

Mutual fund investing involves risks including possible loss of principal. There are risks associated with investing in funds that invest in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates. Value-based investments are subject to the risk that the broad market may not recognize their intrinsic value.

An investor should read and consider the funds' investment objectives, risks, charges and expenses carefully before investing. This and other important information are detailed in our prospectus and summary prospectus, which can be obtained by calling 1-866-941-4482 or visiting www.ivafunds.com. Please read the prospectus and summary prospectus carefully before you invest.

The IVA Funds are offered by Foreside Fund Services, LLC.

This disclosure page must accompany the October 28, 2020 Letter from the IVA Funds Portfolio Managers