Charles de Vaulx

Chuck de Lardemelle

May 1, 2018

Dear Fellow Shareholder,

The future remains uncertain; valuations are high around the globe and the economic cycle in China and the U.S. is advanced. Bargains, in our opinion, are few and far between.

Overall asset valuations globally are at extreme levels by historical standards. Global market capitalization to global GDP is hovering around 90%, a level reached only in 2000 and 2007. Subsequent 10-year returns for global index huggers were poor.

The Federal Reserve is tightening; short-term interest rates in the U.S. are rising. The 1-month Libor rate was around 0.15% three years ago, versus 1.9% today. 10-year Treasury yields have moved up from less than 1.4% in the summer of 2016 to close to 3% today. U.S. inflation remains subdued around 2%.

The global economy is doing well. Recent substantial U.S. corporate tax cuts are helping corporate cash flows.

The U.S. bull market that started in 2009 is getting old; it is now the second longest equity bull market in U.S. financial history.

We believe it is a time to be cautious: the mix of high valuations, rising interest rates and an advanced economic cycle in the U.S. with near peak employment and corporate profits, make it difficult for value investors like us to find bargains.

Given our focus on capital preservation, and as a consequence of a lack of suitable investment opportunities, the cash position in the Worldwide Fund continues to hover around 40%. That cash is invested in commercial paper of our choosing, and of short maturities, and currently yields around 1.8% in U.S. dollars. Over the period under review, we made investments in oil and gas-related securities, in advertising agencies and advertising-related businesses, as well as in Mexico and South Korea. The cash position in the International Fund is over 20% of assets; global markets, ex-U.S. have done poorly in terms of total returns since 2007, and we've been able to find recently a few small-caps in Mexico, as well as investments in South Korea and in oil-related companies (both equipment and services) and advertising-related businesses as well.

Overall discounts in the portfolio to our estimates of intrinsic value, (defined as what a knowledgeable buyer would pay in cash for the whole business), remain low by historical standards; however, the vast majority of the investments in your Funds carry good to pristine balance sheets, and the cash position provides dry powder to make investments if the discounts offered in the market widen to more attractive levels.

Gold bullion remains the largest position in both the Worldwide Fund and International Fund. We view gold as a currency, not an investment, and historically, in a majority of cases, gold goes up in bear markets, providing a useful hedge. That's because most bear markets are triggered by economic recessions, which themselves trigger a lowering of short-term interest rates by central bankers; the differential in (nominal and real) interest rates narrowing between fiat currencies and gold, pushes the yellow metal up. This phenomenon is useful in our quest to protect capital, and we would expect it to happen again in a classic bear triggered by a recession.

According to Bank Credit Analyst research, global market capitalization to global GDP reached the current levels twice in the past, in 2000 and 2007. In both cases, equity returns for the following decade were extremely poor, in the range of 0-2% per year including dividend income. This massive and coordinated yield manipulation by central bankers around the world has pushed up valuation of financial assets to levels rarely seen before; what happens to these asset values as these extraordinary measures are reversed, remains to be seen.

How might these previous peaks in equity valuations compare to today's situation?

In 2000, there were plenty of places to hide for value investors: small-cap in the U.S. and Europe, gold, old economy stocks delivered strong returns over the decade following the burst of the Telecom, Media, and Technology ("TMT") bubble. Overall extreme valuations at the turn of the century were driven up by a handful of crazily overvalued securities in the TMT sectors. In hindsight, a classic stock bubble.

In 2007, it was harder to hide: many asset classes were expensive, including real estate, high yield and equities in general, regardless of geography and sector or market capitalization. In the background, credit was growing too fast, fueling a real estate debt binge that ended up in tears and infected the global financial system with bad loans and rotten misrated structured products. The place NOT to be was financials; the place to be, long-dated Treasuries.

Fast forward to today: while a few large tech companies may sport high overall valuations (the FAANG crowd, Facebook, Amazon, Apple, Netflix, Google), they present superb characteristics; valuations, while far from cheap by any standards, may be rationally justified by their owners/shareholders in our opinion. There does not seem to be fast credit growth in the developed world, a condition underlying most serious asset bubbles historically. We doubt the place to hide is 10-year Treasuries yielding 3%, although looking at 10-year yields in Japan at 0.05%… a 10-year Treasury owner may make a bullish argument, at least relative to the Japanese government credit! Also, the 10-year may do well in a U.S. recession. After nine years, this economic expansion is long in the tooth, and we do not believe that economic cycles have been vanquished by money printing and the wisdom of Central Bankers… While valuations are elevated, credit growth in developed economies remains tepid at best, perhaps mitigating risks… (the large exception to the rule is China, where massive credit growth continues unabated, planting the seeds of a serious future credit crisis in our opinion, hopefully confined to China). Is quantitative easing, however, a form of credit, creating a massive bubble in government bonds… and distorting pricing of all asset classes? Only time will tell, but one fact is for sure: price discovery by market participants has been denied by Central Bonkers[1], potentially creating large misallocations in the global economy.

We remain committed to protecting your principal. It seems harder in our opinion to hide today than at previous peaks in valuation.

After a calendar year 2017 marked by extremely low volatility in the U.S., markets so far in 2018 have been more erratic, providing some select opportunities in stock picking.

We, at IVA, enjoy volatility, it allows price and value to sometimes diverge meaningfully, creating investment opportunities.

[1] Pun intended

While it seems difficult to hide today (few depressed economies or sectors, low and manipulated interest rates), we strive to deliver returns as absolute as possible; we stick to our discipline of diversification and reasonable investment size on each opportunity, so that a possible mistake will not impair your capital; and if we cannot find safe and discounted investments to put your capital to work, we are happy sitting in cash. Patience remains a necessary virtue for value investors.

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

Charles de Vaulx, Chief Investment Officer and Portfolio Manager

Charles de Lardemelle, Portfolio Manager

Important Information Concerning the Attached May 1, 2018 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 12/31/18	1 Year	5 Year*	10 Year*	Since Inception* (10/1/08)
IVA Worldwide Fund A (no load)	-7.55%	2.34%	7.03%	7.15%
IVA Worldwide Fund A (with load)	-12.16%	1.29%	6.48%	6.61%
MSCI All Country World Index	-9.42%	4.26%	9.46%	6.55%
IVA International Fund A (no load)	-13.15%	1.29%	6.35%	6.44%
IVA International Fund A (with load)	-17.50%	0.25%	5.80%	5.91%
MSCI All Country World Index (ex-U.S.)	-14.20%	0.68%	6.57%	3.81%

**Annualized*

Past performance does not guarantee future results. *The performance data quoted represents past performance and current returns may be lower or higher. Returns are shown net of fees and expenses and assume reinvestment of dividends and other income. The 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. To obtain performance information current to the most recent month-end, please call 1-866-941-4482.*

As of the most recent prospectus, the expense ratios for the funds are as follows: IVA Worldwide Fund: 1.25% (A shares); IVA International Fund: 1.25% (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, 2018, the IVA Worldwide Fund's top 10 holdings were: Gold bullion (6.4%); Berkshire Hathaway, Inc. Class A; Class B (4.0%); Sodexo SA (2.5%); AIB Group PLC (2.4%); Nestle SA (2.4%); Samsung Electronics Co., Ltd. (2.3%); Astellas Pharma, Inc. (2.3%); Bureau Veritas SA (2.2%); Bayerische Motoren Werke AG (2.2%); Oracle Corporation (2.0%). As of December 31, 2018, the IVA International Fund's top 10 holdings were: Gold bullion (7.7%); Bureau Veritas SA (3.8%); Sodexo SA (3.6%); AIB Group PLC (3.1%); Astellas Pharma, Inc. (3.0%); Samsung Electronics Co., Ltd. (2.9%); Nestle SA (2.9%); Kangwon Land, Inc. (2.7%); Bayerische Motoren Werke AG (2.2%); Airbus Group SE (2.2%).

As of December 31, 2018, total firm assets under management totaled $14.2 billion.

MSCI All Country World Index (Net) is an unmanaged index consisting of 47 country indices comprised of 23 developed and 24 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 46 country indices comprised of 22 developed and 24 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 IVA Funds Distributors, LLC.

This disclosure page must accompany the May 1, 2018 Letter from the IVA Funds Portfolio Managers