STATEMENT OF ADDITIONAL INFORMATION

PROSPECTOR CAPITAL APPRECIATION FUND (PCAFX)

PROSPECTOR OPPORTUNITY FUND (POPFX)

EACH A SERIES OF MANAGED PORTFOLIO SERIES

April 30, 2025

This Statement of Additional Information ("SAI") is intended to provide additional information regarding the activities and operations of the Prospector Capital Appreciation Fund (the "Capital Appreciation Fund"), and the Prospector Opportunity Fund (the "Opportunity Fund") (each, a "Fund" and, together, the "Funds"), each a series of Managed Portfolio Series (the "Trust"). This SAI is not a prospectus and should be read in conjunction with the Fund's current prospectus dated April 30, 2025 (the "Prospectus"), as supplemented and amended from time to time, which is incorporated herein by reference. Capitalized terms used herein that are not defined have the same meaning as in the Prospectus, unless otherwise noted. The Prospectus contains the basic information you should know before investing in the Funds. You should read this SAI together with the Prospectus.

The Funds' (as defined herein) audited financial statements and notes thereto for the fiscal year ended December 31, 2024 are contained in the Funds' annual report to shareholders (the "Annual Report") and are incorporated by reference in their entirety into this SAI.

For a free copy of the current Prospectus or the Annual Report, contact your investment representative, access the Funds online at www.prospectorfunds.com, or call toll free (877) 734-7862.

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THE TRUST AND THE FUNDS

The Trust is a Delaware statutory trust organized on January 27, 2011, and is registered with the U.S. Securities and Exchange Commission ("SEC") as an open-end management investment company under the Investment Company Act of 1940, as amended, (the "1940 Act") and the offering of the Fund's shares is registered under the Securities Act of 1933, as amended (the "Securities Act").

Each Fund is series of the Trust and each Fund has a single share class. The Capital Appreciation Fund is the accounting successor as a result of a reorganization in which the Fund acquired all of the assets and liabilities of the Prospector Capital Appreciation Fund, a former series of Prospector Funds, Inc. (the "Capital Appreciation Predecessor Fund"). The Opportunity Fund is the accounting successor as a result of a reorganization in which the Fund acquired all of the assets and liabilities of the Prospector Opportunity Fund, a former series of Prospector Funds, Inc. (the "Opportunity Predecessor Fund"). The Capital Appreciation Predecessor Fund and Opportunity Predecessor Fund may be referred to herein collectively as the "Predecessor Funds." Each Fund is managed by Prospector Partners Asset Management, LLC, (the "Investment Manager," or alternatively, "Prospector Partners Asset Management"). Each Fund is a diversified series of the Trust and has its own investment objective and policies.

Shares of other series of the Trust are offered in separate prospectuses and SAIs. The Funds do not hold themselves out as related to any other series within the Trust, nor do they share the same investment adviser with any other series of the Trust. The Funds' Prospectus and this SAI are a part of the Trust's Registration Statement filed with the SEC. Copies of the Trust's complete Registration Statement may be obtained from the SEC upon payment of the prescribed fee, or may be accessed free of charge at the SEC's website at www.sec.gov. As permitted by Delaware law, the Trust's Board of Trustees (the "Board") may create additional series (and classes thereof) of the Trust and offer shares of these series and classes under the Trust at any time without the vote of shareholders.

All shares of a series shall represent an equal proportionate interest in the assets held with respect to that series (subject to the liabilities held with respect to that series and such rights and preferences as may have been established and designated with respect to classes of shares of such series), and each share of a series shall be equal to each other share of that series.

Shares are voted in the aggregate and not by series or class, except in matters where a separate vote is required by the 1940 Act, or when the matters affect only the interest of a particular series or class. When matters are submitted to shareholders for a vote, each shareholder is entitled to one vote for each full share owned and fractional votes for fractional shares owned.

The Trust does not normally hold annual meetings of shareholders. Meetings of the shareholders shall be called by any member of the Board upon written request of shareholders holding, in the aggregate, not less than 10% of the shares, such request specifying the purpose or purposes for which such meeting is to be called.

The Board has the authority from time to time to divide or combine the shares of any series into a greater or lesser number of shares of that series without materially changing the proportionate beneficial interest of the shares of that series in the assets belonging to that series or materially affecting the rights of shares of any other series. In case of the liquidation of a series, the holders of shares of the series being liquidated are entitled to receive a distribution out of the assets, net of the liabilities, belonging to that series. Expenses attributable to any series (or class thereof) are borne by that series (or class). Any general expenses of the Trust not readily identifiable as belonging to a particular series are allocated by, or under the direction of, the Board to all applicable series (and classes thereof) in such manner and on such basis as the Board in its sole discretion deems fair and equitable. No shareholder is liable to further calls for the payment of any sum of money or assessment whatsoever with respect to the Trust or any series of the Trust without his or her express consent.

All consideration received by the Trust for the issue or sale of a Fund's' shares, together with all assets in which such consideration is invested or reinvested, and all income, earnings, profits and proceeds thereof, including any proceeds derived from the sale, exchange or liquidation of such assets, and any funds or payments derived from any reinvestment of such proceeds, subject only to the rights of creditors, shall constitute the underlying assets of the Fund.

This SAI relates only to the Capital Appreciation Fund and the Opportunity Fund.

INVESTMENT RESTRICTIONS

For purposes of all investment policies: (1) the term "1940 Act" includes the rules under the Investment Company Act of 1940, as amended, SEC interpretations and any exemptive order upon which a Fund may rely and (2) the term "Code" includes the rules under the Internal Revenue Code of 1986, as amended, IRS interpretations and any private letter ruling or similar authority upon which a Fund may rely.

Generally, the policies and restrictions discussed in this SAI and in the Prospectus apply when a Fund makes an investment. In most cases, a Fund is not required to sell a security because circumstances change and the security no longer meets one or more of such Fund's policies or restrictions. Accordingly, except with respect to borrowing or illiquid investments, if a percentage restriction or limitation is met at the time of investment, a later increase or decrease in the percentage due to a change in the value or liquidity of portfolio securities will not be considered a violation of the restriction or limitation.

If a bankruptcy or other extraordinary event occurs concerning a particular investment by the Fund, the Fund may receive stock, real estate, or other investments that such Fund would not, or could not buy. If this happens, the Fund intends to sell such investments as soon as practicable while trying to maximize the return to shareholders.

Fundamental Investment Policies and Restrictions

Each Fund has adopted certain investment restrictions as fundamental policies. A fundamental policy may only be changed if the change is approved by (i) more than 50% of the relevant Fund's outstanding shares or (ii) 67% or more of the relevant Fund's shares present at a shareholder meeting, if more than 50% of the Fund's outstanding shares are represented at the meeting in person or by proxy, whichever is less.

As a matter of fundamental policy, the Funds may not:

1. Purchase or sell commodities, commodity contracts (except in conformity with regulations of the Commodities Futures Trading Commission such that the Fund would not be considered a commodity pool), or oil and gas interests or real estate. Securities or other instruments backed by commodities are not considered commodities or commodity contracts for purposes of this restriction. Debt or equity securities issued by companies engaged in the oil, gas, or real estate businesses are not considered oil or gas interests or real estate for purposes of this restriction. First mortgage loans and other direct obligations secured by real estate are not considered real estate for purposes of this restriction.

2. Make loans, except to the extent the purchase of debt obligations of any type are considered loans and except that each Fund may lend portfolio securities to qualified institutional investors in compliance with requirements established from time to time by the SEC and the securities exchanges on which such securities are traded.

3. Issue securities senior to its stock or borrow money or utilize leverage in excess of the maximum permitted by the 1940 Act, which is currently 33 1/3% of total assets (including 5% for emergency or other short-term purposes), and this restriction shall not prohibit a Fund from engaging in options transactions and other derivatives transactions, reverse repurchase agreements, purchasing securities on a when-issued, delayed delivery, or forward delivery basis, or short sales in accordance with its objectives and strategies

4. Invest more than 25% of the value of its assets in a particular industry (except that U.S. government securities are not considered an industry).

5. Act as an underwriter except to the extent the Fund may be deemed to be an underwriter when disposing of securities it owns or when selling its own shares.

6. Except as may be described in the Prospectus and SAI, purchase securities on margin.

INVESTMENT POLICIES

General

Each Fund's investment objective and principal investment strategies are described in the Prospectus. The following information supplements, and should be read in conjunction with, the Prospectus. For a description of certain permitted investments discussed below, see the section entitled, "General Description of Investments" in this SAI.

Investment Techniques

Certain words or phrases that may be used in the Prospectus or this SAI may be used in descriptions of a Fund's investment policies and strategies to give investors a general sense of a Fund's level of investment. They are broadly identified with, but not limited to, the following percentages of a Fund's total assets:

"small portion"	less than 10%
"portion"	10% to 25%
"significant"	25% to 50%
"substantial"	50% or more

The percentages above are not intended to be precise, nor are they limitations unless specifically stated as such in the Prospectus or elsewhere in this SAI.

The value of your shares in a Fund will generally increase as the value of the securities owned by such Fund increases and will decrease as the value of the Fund's investments decrease. In this way, you participate in any change in the value of the securities owned by a Fund. In addition to the factors that affect the value of any particular security that a Fund owns, the value of such Fund's shares may also change with movements in the stock and bond markets as a whole.

Capital Appreciation Fund

The Capital Appreciation Fund's investment objective is capital appreciation. This goal is fundamental, and may not be changed by the Board without the consent of shareholders. There can be no assurance that the Capital Appreciation Fund will be able to achieve its investment objective. The Capital Appreciation Fund is classified as a "diversified" investment company under the 1940 Act. This is a fundamental investment policy of the Fund, which may not be changed without a shareholder vote.

A "diversified" investment company is an investment company for which at least 75% of its total assets is represented by cash and cash items, Government securities, securities of other investment companies and other securities for purposes of this calculation, limited in respect of any one issuer to an amount not greater in value than 5% of the value of the company's total assets and to no more than 10% of the outstanding voting securities of such issuer.

The general investment policy of the Capital Appreciation Fund is to invest in securities using a value orientation consisting of bottom-up fundamental value analysis with an emphasis on balance sheet strength. In pursuit of its value oriented strategy, the Capital Appreciation Fund will invest without regard to market capitalization.

Opportunity Fund

The Opportunity Fund's investment objective is capital appreciation. This goal is fundamental, and may not be changed by the Board without the consent of shareholders. There can be no assurance that the Opportunity Fund will be able to achieve its investment objective. The Opportunity Fund is classified as a "diversified" investment company under the 1940 Act. This is a fundamental investment policy of the Fund, which may not be changed without a shareholder vote.

The general investment policy of the Opportunity Fund is to invest using the same value orientation as the Capital Appreciation Fund. In pursuit of its value-oriented strategy, the Opportunity Fund will invest substantially in small-to-mid capitalization companies with market capitalizations at the time of investment in the range of between $150 million and $30 billion.

General Description of Investments

Each Fund will invest in equity securities. The Funds may also invest in securities convertible into, exchangeable for, or expected to be exchanged into common stock (including convertible preferred and convertible debt securities). There are no limitations on the percentage of each Fund's assets that may be invested in equity securities, debt securities, or convertible securities. The Funds reserve freedom of action to invest in these securities in such proportions as the Investment Manager deems advisable. The Funds may also invest in foreign securities and other investment company securities. Each Fund may invest in any industry although it is not the policy of a Fund to concentrate its investments in any one industry.

The following is a description of various types of securities in which a Fund may invest and techniques it may use.

Equity Securities

Equity securities represent a proportionate share of the ownership of a company; their value is based on the success of the company's business and the value of its assets, as well as general market conditions. The purchaser of an equity security typically receives an ownership interest in the company as well as certain voting rights. The owner of an equity security may participate in a company's success through the receipt of dividends, which are distributions of earnings by the company to its owners. Equity security owners also may participate in a company's success or lack of success through increases or decreases in the value of the company's shares as traded in the public trading market for such shares. Equity securities include common stock and preferred stock. Preferred stockholders usually receive greater dividends but may receive less appreciation than common stockholders and may have different voting rights. Equity securities may also include convertible securities, warrants, or rights. Warrants or rights give the holder the right to buy an equity security at a given time for a specified price.

Convertible Securities

Convertible securities are debt securities, or in some cases preferred stock, that have the additional feature of converting into, exchanging or expecting to be exchanged for, common stock of a company after certain periods of time or under certain circumstances. Holders of convertible securities gain the benefits of being a debt holder or preferred stockholder and receiving regular interest payments, in the case of debt securities, or higher dividends, in the case of preferred stock, with the possibility of becoming a common stockholder in the future. A convertible security's value normally reflects changes in the company's underlying common stock value.

As with a straight fixed-income security, a convertible security tends to increase in market value when interest rates decline and decrease in value when interest rates rise. Like a common stock, the value of a convertible security also tends to increase as the market value of the underlying stock rises, and it tends to decrease as the market value of the underlying stock declines. Because both interest rate and market movements can influence its value, a convertible security may not be as sensitive to changes in interest rates as is a similar fixed-income security, nor as sensitive to changes in share price as is its underlying stock.

A convertible security tends to be senior to the issuer's common stock, but subordinate to other types of fixed-income securities issued by that company. A convertible security may be subject to redemption by the issuer, but only after a specified date and under circumstances established at the time the security is issued. When a convertible security issued by an operating company is "converted," the issuer often issues new stock to the holder of the convertible security. However, if the convertible security is redeemable and the parity price of the convertible security is less than the call price, the issuer may pay out cash instead of common stock.

Smaller Companies

Each Fund may invest in securities issued by smaller companies. Historically, smaller company securities have been more volatile in price than larger company securities, especially over the short term. Among the reasons for such price volatility are the relatively less

certain growth prospects of smaller companies, lower degree of liquidity in the markets for such securities, and the sensitivity of smaller companies to changing economic conditions.

In addition, smaller companies may lack depth of management, may be unable to generate funds necessary for growth or development, their products or services may be concentrated in one area, or they may be developing or marketing new products or services for which markets are not yet established and may never become established.

Use of Derivatives, Hedging and Income Transactions

Each Fund may use derivatives and various hedging strategies for risk management purposes and as part of its investment strategy. Hedging is a technique designed to reduce a potential loss to a Fund as a result of certain economic or market risks, including risks related to fluctuations in interest rates, currency exchange rates between U.S. and foreign securities or between different foreign currencies, and broad or specific market movements. The Funds may engage in derivative transactions, including forward foreign currency exchange contracts, currency futures contracts, currency swaps, options on currencies, or options on currency futures. In addition, each Fund may engage in other types of transactions, such as the purchase and sale of exchange-listed and over-the-counter ("OTC") put and call options on securities, equity and fixed-income indices and other financial instruments; and, the purchase and sale of financial and other futures contracts and options on futures contracts (collectively, all of the above are called "Hedging Transactions").

Some examples of situations in which Hedging Transactions may be used are: (i) to attempt to protect against possible changes in the market value of securities held in or to be purchased for a Fund's portfolio resulting from changes in securities markets or currency exchange rate fluctuations; (ii) to protect a Fund's gains in the value of portfolio securities which have not yet been sold; (iii) to facilitate the sale of certain securities for investment purposes; and (iv) as a temporary substitute for purchasing or selling particular securities.

Any combination of Hedging Transactions may be used at any time as determined by the Investment Manager. Whether use of any Hedging Transaction will be successful is a function of numerous variables, including market conditions and the Investment Manager's expertise in utilizing such techniques. The ability of a Fund to utilize Hedging Transactions successfully cannot be assured. Hedging Transactions involving futures and options on futures may be purchased, sold or entered into generally for hedging, risk management or portfolio management purposes. Each Fund will seek to comply with applicable regulatory requirements when implementing these strategies. The SEC has adopted Rule 18f-4, which governs the use of derivatives and certain other forms of leverage by registered investment companies. Rule 18f-4 generally imposes limits based on value-at-risk, or "VaR," on the amount of derivatives and certain other forms of leverage into which a Fund can enter and requires funds whose use of derivatives is more than a limited specified exposure amount to establish and maintain a comprehensive derivatives risk management program ("DRMP") and appoint a derivatives risk manager. Funds that use derivatives in a limited amount are not subject to the full requirements of Rule 18f-4.

The various techniques described above as Hedging Transactions also may be used by each Fund for non-hedging purposes. For example, these techniques may be used to produce income to a Fund where the Fund's participation in the transaction involves the payment of a premium to the Fund. Each Fund also may use a Hedging Transaction if the Investment Manager has a view about the fluctuation of certain indices, currencies or economic or market changes such as a reduction in interest rates.

Regulations affecting derivatives transactions require certain standardized derivatives, including many types of swaps, to be subject to mandatory central clearing. Under these requirements, a central clearing organization is substituted as the counterparty to each side of the derivatives transaction. Each party to a derivatives transaction covered by the regulations is required to maintain its positions with a clearing organization through one or more clearing brokers. Central clearing is intended to reduce, but not eliminate, counterparty risk. To the extent that a Fund uses such derivatives, the Fund will be subject to the risk that its clearing member or clearing organization will itself be unable to perform its obligations. Various U.S. Government entities, including the Commodity Futures Trading Commission ("CFTC") and the SEC, are in the process of adopting and implementing additional regulations governing derivatives markets required by, among other things, the Dodd–Frank Wall Street Reform and Consumer Protection Act (commonly referred to as the Dodd-Frank Act).

Currently, each Fund's use of Hedging Transactions may involve the following types of risks, which differ from and, in certain cases, may be greater than, the risks presented by more traditional investments: (i) market risk, which is the general risk attendant to all

investments that the value of a particular investment will change in a way detrimental to a Fund's interest; (ii) management risk, which is the risk that because these instruments may be highly specialized and require risk analyses that differ from those associated with stocks and bonds, it may be difficult to correctly forecast price, interest rate or currency exchange rate movements; (iii) credit risk and counterparty risk, which involve the risk that a counterparty to a derivative contract may fail to comply with the contract's terms, potentially causing the Fund to incur a loss; (iv) liquidity risk, which exists when a particular instrument is difficult to purchase or sell; (v) leverage risk, which is the risk that, to the extent that an instrument has a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself; (vi) improper valuation or mispricing risk, which is the risk that because these instruments are often valued subjectively, an incorrect valuation can result in increased cash payment requirements to counterparties or a loss of value to a Fund; and (vii) regulatory risk, which involves the risk that additional regulations governing derivative markets could, among other things, restrict a Fund's ability to engage in derivatives transactions, require additional reporting and/or increase the cost of such transactions.

Rule 18f-4 under the 1940 Act permits the Funds to enter into "derivatives transactions" and certain other transactions notwithstanding the restrictions on the issuance of "senior securities" under Section 18 of the 1940 Act. "Derivatives transactions" include: (1) any swap, security-based swap, futures contract, forward contract, option, any combination of the foregoing, or any similar instrument, under which the Fund is or may be required to make any payment or delivery of cash or other assets during the life of the instrument or at maturity or early termination, whether as margin or settlement payment or otherwise; (2) any short sale borrowing; (3) reverse repurchase agreements and similar financing transactions, if a Fund treats these transactions as derivatives transactions under Rule 18f-4; and (4) when-issued or forward-settling securities and non-standard settlement cycle investments, unless the Fund intends to physically settle the transaction and the transaction will settle within 35 days of its trade date.

Rule 18f-4 permits a fund to enter into derivatives transactions, provided that the fund either: (1) adopts and implements a DRMP, adheres to a limit on leverage risk based on VaR and complies with board oversight and reporting requirements or (2) satisfies the conditions of the limited derivatives user exception. A fund that is a limited derivatives user is not required to adopt a DRMP, adhere to the VaR limit or comply with the board oversight and reporting requirements. To rely on the limited derivatives user exception, a fund must adopt and implement policies and procedures reasonably designed to manage its derivatives risks and limit its derivatives exposure to 10% of its net assets.

Each Fund is classified as a limited derivatives user under Rule 18f-4 of the 1940 Act. As a limited derivatives user, a Fund's derivatives exposure, excluding certain currency and interest rate hedging transactions, may not exceed 10% of its net assets.

Swaps

Each Fund may enter into swaps, including currency swaps. A swap is an agreement that obligates two parties to exchange a series of cash flows at specified intervals (payment dates) based upon or calculated by reference to changes in specified prices or rates (*e.g.*, currency exchange rates in the case of currency swaps) for a specified amount of an underlying asset. A currency swap involves the exchange by a fund with another party of a series of payments in specified currencies. Currency swaps may be bilateral and privately negotiated, with a fund expecting to achieve an acceptable degree of correlation between its portfolio investments and its currency swaps positions. Most swaps are entered into on a net basis (i.e., the two payment streams are netted out, with a fund receiving or paying, as the case may be, only the net amount of the two payments).

The use of swap transactions is a highly specialized activity, which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. Risks may arise as a result of, among other things, the failure of the counterparty to a bilateral swap contract to comply with the terms of the swap contract, and from unanticipated movements in interest rates or in the value of the underlying securities. Each Fund risks the loss of the accrued but unpaid amount under a swap agreement, which could be substantial, in the event of default by or insolvency or bankruptcy of a swap counterparty. If a swap transaction is particularly large or if the relevant market is illiquid, the Fund may not be able to establish or liquidate a position at an advantageous time or price, which may result in significant losses. Whether a Fund will be successful in using swap agreements to achieve its investment objective depends on the ability of the Investment Manager correctly to predict which types of investments are likely to produce greater returns.

Options

Each Fund is authorized to purchase and sell exchange-listed options and over-the-counter options ("OTC options"). A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the seller of the option, the obligation to buy, the underlying security, commodity, index, currency or other instrument at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument at the exercise price.

Each Fund may purchase and sell call options on securities, including U.S. Treasury and agency securities, mortgage-backed securities, corporate debt securities, equity securities (including convertible securities) and Eurodollar instruments, that are traded on U.S. and foreign securities exchanges and in the OTC markets and on securities indices, currencies and futures contracts. Each Fund may also purchase and sell put options on securities, including U.S. Treasury and agency securities, mortgage-backed securities, corporate debt securities, equity securities (including convertible securities) and Eurodollar instruments (whether or not it holds the above securities in its portfolio) and on securities indices, currencies and futures contracts other than futures on individual corporate debt and individual equity securities.

A call option sold by a Fund exposes the Fund, during the term of the option, to possible loss of opportunity to realize appreciation in the market price of the underlying security or instrument and may require the Fund to hold a security or instrument which it might otherwise have sold. In selling put options, there is a risk that a Fund may be required to buy the underlying security at a disadvantageous price above the market price. The use of options involves additional risks, including (i) the risk that a Fund may be unable ability to close out its position as a purchaser or seller of an OTC-issued or exchange-listed put or call option due to, among other things, insufficient trading interest in certain options, restrictions on transactions imposed by an exchange, trading halts, suspensions or other restrictions imposed with respect to particular classes or series of options or underlying securities; (ii) the hours of trading for listed options may not coincide with the hours during which the underlying financial instruments are traded, and to the extent that the option markets close before the markets for the underlying financial instruments, significant price and rate movements can take place in the underlying markets that cannot be reflected in the option markets; and (iii) unless the parties provide for it, there may be no central clearing or guaranty function in an OTC option and, as a result, if the counterparty fails to make or take delivery of the security, currency or other instrument underlying an OTC option it has entered into with a Fund or fails to make a cash settlement payment due in accordance with the option, the Fund will lose any premium it paid for the option as well as any anticipated benefit of the transaction.

Futures and Options on Futures

Each Fund may enter into financial and other futures contracts or purchase or sell put and call options on such futures as a hedge against anticipated interest rate, currency or equity market changes, for duration management and for risk management purposes. The sale of a futures contract creates an obligation by a fund, as seller, to deliver to the buyer the specific type of financial instrument or other asset called for in the contract at a specific future time for a specified price (or, with respect to index futures and Eurodollar instruments, the net cash amount).

To the extent that a Fund uses futures and/or options on futures, it intends to enter into such a transaction for hedging, risk management (including duration management) or other portfolio management purposes. Typically, maintaining a futures contract or selling an option on a futures contract, would require a fund to deposit with a financial intermediary, as security for its obligations, an amount of cash or other specified assets (initial margin). Additional cash or assets (variation margin) may be required to be deposited thereafter on a daily basis as the mark-to-market value of the contract fluctuates. If a fund exercises an option on a futures contract, it will be obligated to post initial margin (and potential subsequent variation margin) for the resulting futures positions just as it would for any position. There can be no assurance that a position taken by a Fund can be offset prior to settlement at an advantageous price or that delivery will occur.

A Fund's use of derivatives may not always be an effective means of, and sometimes could be counterproductive to, furthering the Fund's investment objective. Although the use of futures and options transactions for hedging is intended to minimize the risk of loss due to a decline in the value of the hedged position, these transactions also tend to limit any potential gain which might result from an increase in value of the position taken. As compared to options contracts, futures contracts create greater ongoing potential financial risks to a Fund because the Fund is required to make ongoing monetary deposits with futures brokers. Losses resulting from the use of Hedging Transactions can reduce the net asset value ("NAV") of the Fund, and any losses can be greater than if the Hedging Transactions had not been utilized. The cost of entering into Hedging Transactions also may reduce a Fund's total return to investors.

Certain transactions, such as many Hedging Transactions, other derivatives transactions, forward commitments, reverse repurchase agreements and short sales, involve leverage and may expose a fund to potential losses that, in some cases, may exceed the amount originally invested by a fund.

When conducted outside the U.S., Hedging Transactions may not be regulated as rigorously as in the U.S., may not involve a clearing mechanism and related guarantees, and are subject to the risk of governmental actions affecting trading in, or the prices of, foreign securities, currencies and other instruments. The value of such positions also could be adversely affected by various factors, including: (i) other complex foreign political, legal and economic factors, (ii) lesser availability than in the U.S. of data on which to make trading decisions, (iii) delays in a Fund's ability to act upon economic events occurring in foreign markets during non-business hours in the U.S., (iv) the imposition of different exercise and settlement terms and procedures and margin requirements than in the U.S., and (v) lower trading volume and liquidity.

A Fund may purchase and sell derivative instruments only to the extent that such activities are consistent with the requirements of the Commodity Exchange Act ("CEA") and the rules adopted by the CFTC thereunder. Under CFTC rules, a registered investment company that conducts more than a certain amount of trading in futures contracts, commodity options, certain swaps and other commodity interests is a commodity pool and its adviser must register as a commodity pool operator ("CPO"). Under such rules, registered investment companies that are commodity pools are subject to additional recordkeeping, reporting and disclosure requirements. The Investment Manager, with respect to each Fund, has claimed an exclusion from the definition of CPO under CFTC Rule 4.5 under the CEA and the Funds are not currently subject to these recordkeeping, reporting and disclosure requirements under the CEA.

Foreign Securities

Each Fund may purchase securities of non-U.S. issuers whose values are quoted and traded in any currency in addition to the U.S. dollar. Such investments involve certain risks not ordinarily associated with investments in securities of U.S. issuers. Such risks include: fluctuations in the value of the currency in which the security is traded or quoted as compared to the U.S. dollar; unpredictable political, social and economic developments in the foreign country where the security is issued or where the issuer of the security is located, including regional and global conflicts; and the possible imposition by a foreign government of limits on the ability of a Fund to obtain a foreign currency or to convert a foreign currency into U.S. dollars; or the imposition of other foreign laws or restrictions.

Since each Fund may invest in securities issued, traded or quoted in currencies other than the U.S. dollar, changes in foreign currency exchange rates will affect the value of securities in a Fund's portfolio. When deemed advantageous to a Fund, the Investment Manager may attempt, from time to time, to reduce such risk, known as "currency risk," by "hedging," which attempts to reduce or eliminate changes in a security's value resulting from changing currency exchange rates. Hedging is further described above.

In addition, in certain countries, the possibility of expropriation of assets, confiscatory taxation, or diplomatic developments could adversely affect investments in those countries. Expropriation of assets refers to the possibility that a country's laws will prohibit the return to the U.S. of any monies which a Fund has invested in the country. Confiscatory taxation refers to the possibility that a foreign country will adopt a tax law which has the effect of requiring a Fund to pay significant amounts, if not all of the value of the Fund's investment, to the foreign country's taxing authority. Diplomatic developments means that because of certain actions occurring within a foreign country, such as significant civil rights violations or because of actions by the U.S. during a time of crisis in the particular country, all communications and other official governmental relations between the country and the U.S. could be severed. This could result in the abandonment of any U.S. investors', such as a Fund's, money in the particular country, with no ability to have the money returned to the U.S.

There may be less publicly available information about a foreign company than about a U.S. company. Foreign issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of U.S. issuers. The number of securities traded, and the frequency of such trading, in non-U.S. securities markets, may be substantially less than in U.S. markets. As a result, securities of many foreign issuers tend to be less liquid and their prices more volatile than securities of comparable U.S. issuers. Further, non-U.S. securities markets are generally not as developed or efficient as those in the United States and may close for extended periods or for local holidays. Transaction costs, the costs associated with buying and selling securities, on non-U.S. securities markets may be higher than in the U.S. There is generally less government supervision and regulation of exchanges, brokers and issuers than there is in the U.S. A Fund's foreign investments may include both voting and non-

voting securities, sovereign debt and participations in foreign government deals. A Fund may have greater difficulty taking appropriate legal action with respect to foreign investments in non-U.S. courts than with respect to domestic issuers in U.S. courts.

The United Kingdom (the "UK") formally withdrew from the European Union (the "EU") on January 31, 2020. The UK and the EU negotiated an agreement governing their future trading and security relationships. This agreement became effective on a provisional basis on January 1, 2021 and entered into full force on May 1, 2021. The UK and the EU also negotiated a Memorandum of Understanding ("MoU"), which creates a framework for voluntary regulatory cooperation in financial services between the UK and the EU. The impact on the UK and European economies and the broader global economy of the uncertainties associated with implementing the agreement and MoU are significant and could have an adverse effect on the value of a Fund's investments and its NAV. These uncertainties include an increase in the regulatory and customs requirements imposed on cross-border trade between the UK and the EU, the negotiation and implementation of additional arrangements between the UK and the EU affecting important parts of the economy (such as financial services), volatility and illiquidity in markets, currency fluctuations, the renegotiation of other existing trading and cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) of the UK and the EU, and potentially lower growth for companies in the UK, Europe and globally.

Illiquid Investments

A Fund may not purchase an illiquid investment if, at the time of purchase, the Fund would have more than 15% of its net assets invested in illiquid investments. An illiquid investment is any investment that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment.

Rule 144A Securities

Each Fund may invest in unregistered securities which may be sold under Rule 144A under the Securities Act ("144A Securities"). 144A Securities are restricted, which generally means that a legend has been placed on the share certificates representing the securities which states that the securities were not registered with the SEC when they were initially sold and may not be resold except under certain circumstances. In spite of the legend, certain securities may be sold to other qualified institutional buyers provided that the conditions of Rule 144A are met. In the event that there is an active secondary institutional market for 144A Securities, the 144A Securities may be treated as liquid. As permitted by the federal securities laws, the Board has adopted a liquidity risk management program pursuant to Rule 22e-4 under the 1940 Act (the "Liquidity Rule") and related procedures to categorize each Fund's investments, including Rule 144A Securities, and identify illiquid investments. Due to changing markets, an insufficient number of qualified institutional buyers interested in purchasing the 144A Securities, or other factors, 144A Securities may be subject to a greater possibility of becoming illiquid than securities that have been registered with the SEC for sale. If the limitation on illiquid investments is exceeded, the condition will be reported to the Board and, when required by the Liquidity Rule, to the SEC.

Borrowing

Each Fund is permitted to borrow under certain circumstances, as described under "Fundamental Investment Policies" above. Under no circumstances will either Fund make additional investments while any amounts borrowed exceed 5% of the Fund's total assets.

Cash Equivalent Investments

Cash equivalent investments are investments in certain types of short-term debt securities. A Fund making a cash equivalent investment expects to earn interest at prevailing market rates on the amount invested and there is little, if any, risk of loss of the original amount invested. A Fund's cash equivalent investments are typically made in obligations issued or guaranteed by the U.S. or other governments, their agencies or instrumentalities and high-quality commercial paper issued by banks, corporations or others. Commercial paper consists of short-term debt securities which carry fixed or floating interest rates. A fixed interest rate means that interest is paid on the investment at the same rate for the life of the security. A floating interest rate means that the interest rate varies as interest rates on newly issued securities in the marketplace vary.

Debt Securities

A debt security typically has a fixed payment schedule which obligates the company to pay interest to the lender and to return the lender's money over a certain time period. A company typically meets its payment obligations associated with its outstanding debt securities before it declares and pays any dividends to holders of its equity securities. While most debt securities are used as an investment to produce income to an investor as a result of the fixed payment schedule, debt securities also may increase or decrease in value.

The market value of debt securities generally varies in response to changes in interest rates and the financial condition of each issuer. During periods of declining interest rates, the value of debt securities generally increases. Conversely, during periods of rising interest rates, the value of such securities generally declines. These changes in market value will be reflected in a Fund's NAV. These increases or decreases are more significant for longer duration debt securities.

Each Fund may invest in a variety of debt securities, including bonds and notes issued by domestic or foreign corporations and the U.S. or foreign governments and their agencies and instrumentalities. Bonds and notes differ in the length of the issuer's repayment schedule. Bonds typically have a longer payment schedule than notes. Typically, debt securities with a shorter repayment schedule pay interest at a lower rate than debt securities with a longer repayment schedule.

The debt securities which each Fund may purchase may either be unrated, or rated in any rating category established by one or more independent rating organizations, such as S&P Global Ratings ("S&P") or Moody's Investors Service ("Moody's"). Securities are given ratings by independent rating organizations, which grade the company issuing the securities based upon its financial soundness. Each Fund may invest in securities that are rated in the medium to lowest rating categories by S&P and Moody's. Generally, lower rated and unrated debt securities are riskier investments. Debt securities rated BB or lower by S&P or Ba or lower by Moody's are considered to be high yield, high risk debt securities below investment grade, commonly known as "junk bonds." The lowest rating category established by Moody's is "C" and by S&P is "D." Debt securities with these ratings are typically in default as to the payment of principal and interest, which means that the issuer does not have the financial soundness to meet its interest payments or its repayment schedule to security holders. These ratings represent the opinions of the rating services with respect to the issuer's ability to pay interest and repay principal. They do not purport to reflect the risk of fluctuations in market value and are not absolute standards of quality.

If the rating on an issue held in a Fund's portfolio is changed by the rating service or the security goes into default, this event will be considered by the Investment Manager in its evaluation of the overall investment merits of that security, but will not generally result in an automatic sale of the security.

Each Fund generally will invest in debt securities under circumstances similar to those under which they will invest in equity securities; namely, when, in the Investment Manager's opinion, such debt securities are available at prices less than their intrinsic value. Investing in fixed-income securities under these circumstances may lead to the potential for capital appreciation. Consequently, when investing in debt securities, a debt security's rating is given less emphasis in the Investment Manager's investment decision-making process. Each Fund may invest in debt securities issued by domestic or foreign companies that are, or are about to be, involved in reorganizations, financial restructurings or bankruptcy ("Distressed Companies"), because such securities often are available at less than their intrinsic value. Debt securities of such companies typically are unrated, lower rated, in default or close to default. While posing a greater risk than higher rated securities with respect to payment of interest and repayment of principal at the price at which the debt security was originally issued, a Fund will generally purchase these debt securities at discounts to the original principal amount. Such debt typically ranks senior to the equity securities of Distressed Companies and may offer the potential for capital appreciation and additional investment opportunities.

Medium and Lower Rated Corporate Debt Securities

Each Fund may invest in securities of Distressed Companies when the intrinsic values of such securities, in the opinion of the Investment Manager, warrant such investment. Each Fund may invest in securities that are rated in the medium to lowest rating categories by S&P and Moody's, some of which may be so-called "junk bonds." Corporate debt securities rated Baa are regarded by Moody's as medium-grade and subject to moderate credit risk and, as such, may possess certain speculative characteristics. Corporate debt securities rated BBB are regarded by S&P as exhibiting adequate capacity to meet financial commitments, although adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal for

securities in this rating category than in higher rated categories. Companies issuing lower rated, higher yielding debt securities are deemed by the rating agencies to be not as strong financially as those with higher credit ratings. These companies are more likely to encounter financial difficulties and are more vulnerable to changes in the economy, such as a recession or a sustained period of rising interest rates that could prevent them from making interest and principal payments. If an issuer is not paying or stops paying interest and/or principal on its securities, payments on the securities may never resume.

Corporate debt securities that are rated Ba1, Ba2, Ba3 are regarded by Moody's to have speculative elements and be subject to substantial credit risk, and debt securities that are rated B1, B2 or B3 are regarded by Moody's to be speculative and subject to high credit risk. Corporate debt securities rated BB, B, CCC, CC and C are regarded by S&P to have significant speculative characteristics, generally referring to debt securities in which the issuer currently has the ability to repay but faces significant uncertainties, such as adverse business or financial circumstances that could affect credit risk.

Each Fund may also invest in unrated securities.

The ratings of the various nationally recognized statistical rating organizations ("NRSROs"), such as Moody's, S&P, and Fitch Ratings ("Fitch"), generally represent the opinions of those organizations as to the quality of the securities that they rate. Such ratings, however, are relative and subjective, are not absolute standards of quality, evaluate only the safety of principal and interest payments and do not evaluate the market risk of the securities. Additionally, because the creditworthiness of an issuer may change more rapidly than is able to be timely reflected in changes in credit ratings, the Investment Manager monitors the issuers of corporate debt securities held in a Fund's portfolios. Each Fund will rely on the Investment Manager's judgment, analysis and experience in evaluating debt securities. In this evaluation, the Investment Manager will take into consideration, among other things, the issuer's financial resources, its sensitivity to economic conditions and trends, its operating history, the quality of the issuer's management and regulatory matters as well as the price of the security. The credit rating assigned to a security is a factor considered by the Investment Manager in selecting a security for a Fund, but the intrinsic value in comparison to market price and the Investment Manager's analysis of the fundamental values underlying the issuer are generally of greater significance. Because of the nature of medium and lower rated corporate debt securities, achievement by a Fund of its investment objective when investing in such securities is dependent on the credit analysis of the Investment Manager.

A general economic downturn or a significant increase in interest rates could severely disrupt the market for medium and lower grade corporate debt securities and adversely affect the market value of such securities. Securities in default are relatively unaffected by such events or by changes in prevailing interest rates. In addition, in such circumstances, the ability of issuers of medium and lower grade corporate debt securities to repay principal and to pay interest, to meet projected business goals and to obtain additional financing may be adversely affected. Such consequences could lead to an increased incidence of default for such securities and adversely affect the value of the corporate debt securities in a Fund's portfolio. The secondary market prices of medium and lower grade corporate debt securities are less sensitive to changes in interest rates than are higher rated debt securities, but are more sensitive to adverse economic changes or individual corporate developments. Adverse publicity and investor perceptions, whether or not based on rational analysis, also may affect the value and liquidity of medium and lower grade corporate debt securities, although such factors also present investment opportunities when prices fall below intrinsic values. Yields on debt securities in a Fund's portfolio that are interest rate sensitive can be expected to fluctuate over time. In addition, periods of economic uncertainty and changes in interest rates can be expected to result in increased volatility of market price of any medium to lower grade corporate debt securities in a Fund's portfolio and thus could have an effect on the NAV of the Fund if other types of securities did not show offsetting changes in values. The prices of high yield debt securities fluctuate more than higher-quality securities. Prices are often closely linked with the company's stock prices and typically rise and fall in response to factors that affect stock prices. In addition, the entire high yield securities market can experience sudden and sharp price swings due to changes in economic conditions, stock market activity, large sustained sales by major investors, a high-profile default, or other factors. If a Fund purchased primarily higher rated debt securities, such risks would be reduced.

High yield securities are also generally less liquid than higher-quality bonds. Many of these securities do not trade frequently, and when they do trade their prices may be significantly higher or lower than previously quoted market prices. At times, it may be difficult to sell these securities promptly at an acceptable price, which may limit a Fund's ability to sell securities in response to specific economic events or to meet redemption requests. The secondary market value of corporate debt securities structured as zero coupon securities or payment in kind securities may be more volatile in response to changes in interest rates than debt securities which pay interest periodically in cash. Because such securities do not pay current interest, but rather, income is accreted, to the extent that a Fund does not have available cash to meet distribution requirements with respect to such income, it could be required to dispose of

portfolio securities that it otherwise would not. Such disposition could be at a disadvantageous price. Failure to satisfy distribution requirements could result in a Fund failing to qualify as a pass-through entity under the Internal Revenue Code of 1986, as amended (the "Code"). Investment in such securities also involves certain other tax considerations.

The Investment Manager values each Fund's assets pursuant to policies and procedures approved and periodically reviewed by the Board. To the extent that there is no established retail market for some of the medium or lower grade or unrated corporate debt securities in which a Fund may invest, there may be thin or no trading in such securities and the ability of the Investment Manager to accurately value such securities may be adversely affected. Further, it may be more difficult for a Fund to sell such securities in a timely manner and at their stated value than would be the case for securities for which an established retail market did exist. The effects of adverse publicity and investor perceptions may be more pronounced for securities for which no established retail market exists as compared with the effects on securities for which such a market does exist. During periods of reduced market liquidity and in the absence of readily available market quotations for medium and lower grade and unrated corporate debt securities held in a Fund's portfolio, the responsibility of the Investment Manager to value the Fund's securities becomes more difficult and the Investment Manager's judgment may play a greater role in the valuation of the Fund's securities due to a reduced availability of reliable objective data.

Depositary Receipts

Each Fund may invest in securities commonly known as American Depositary Receipts ("ADRs"), European Depositary Receipts ("EDRs") or Global Depositary Receipts ("GDRs") of non-U.S. issuers. Such depositary receipts are interests in a non-U.S. company's securities which have been deposited with a bank or trust company. The bank or trust company then sells interests to investors in the form of depositary receipts. Depositary receipts can be unsponsored or sponsored by the issuer of the underlying securities or by the issuing bank or trust company. ADRs are certificates issued by a U.S. bank or trust company and represent the right to receive securities of a foreign issuer deposited in a domestic bank or foreign branch of a U.S. bank and traded on a U.S. exchange or in an OTC market. EDRs are receipts issued in Europe generally by a non-U.S. bank or trust company that evidence ownership of non-U.S. or domestic securities. Generally, ADRs are in registered form and EDRs are in bearer form. There are no fees imposed on the purchase or sale of ADRs or EDRs although the issuing bank or trust company may impose charges for the collection of dividends and the conversion of ADRs and EDRs into the underlying securities. Investment in ADRs may have certain advantages over direct investment in the underlying non-U.S. securities, since: (i) ADRs are U.S. dollar denominated investments which are often easily transferable and for which market quotations are generally readily available and (ii) issuers whose securities are represented by ADRs are subject to the same auditing, accounting and financial reporting standards as domestic issuers. EDRs are not necessarily denominated in the currency of the underlying security.

Depositary receipts of non-U.S. issuers may have certain risks, including trading for a lower price, having less liquidity than their underlying securities and risks relating to the issuing bank or trust company. Holders of unsponsored depositary receipts have a greater risk that receipt of corporate information and proxy disclosure will be untimely, information may be incomplete and costs may be higher.

Emerging Markets Investments

Investments in companies domiciled in emerging market countries may be subject to potentially higher risks than investments in developed countries. These risks include (i) less economic stability; (ii) political and social uncertainty (for example, regional conflicts and risk of war); (iii) pervasiveness of corruption and crime; (iv) the small current size of the markets for such securities and the currently low or nonexistent volume of trading, which result in a lack of liquidity and in greater price volatility; (v) delays in settling portfolio transactions; (vi) risk of loss arising out of the system of share registration and custody; (vii) certain national policies that may restrict a Fund's investment opportunities, including imposition of capital controls limiting a Fund's ability to repatriate investment income and capital and restrictions on investment in issuers or industries deemed sensitive to national interests; (viii) foreign taxation; (ix) the absence of developed legal structures governing private or foreign investment or allowing for judicial redress for injury to private property; (x) the absence of a capital market structure or market-oriented economy; and (xi) the possibility that recent favorable economic developments may be slowed or reversed by unanticipated political or social events.

In addition, many countries in which a Fund may invest have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain countries. Moreover, the economies of some developing countries may differ favorably or

unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency, and balance of payments position.

Currency Transactions

A forward foreign currency exchange contract involves a privately negotiated obligation to purchase or sell (with delivery generally required) a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. Each Fund may from time to time engage in currency transactions with securities dealers, financial institutions or other parties in order to hedge the value of portfolio holdings denominated in particular currencies against fluctuations in relative value between those currencies and the U.S. dollar. Currency transactions include forward foreign currency exchange contracts, exchange-listed currency futures, exchange-listed and OTC options on currencies, and currency swaps.

Each Fund may enter into currency transactions with counterparties which have received (or the guarantors of the obligations of such counterparties have received) a credit rating of A-1 or Prime-1 by S&P or Moody's, respectively, or that have an equivalent rating from an NRSRO or are determined to be of equivalent credit quality by the Investment Manager. If there is a default by the counterparty, the Fund may have contractual remedies pursuant to the agreements related to the transaction.

Each Fund intends to limit its use of forward foreign currency exchange contracts and other currency transactions such as futures, options, options on futures and swaps to either specific transactions or portfolio positions. Transaction hedging is entering into a currency transaction with respect to specific assets or liabilities of a fund, which will generally arise in connection with the purchase or sale of its portfolio securities or the receipt of income from portfolio securities. Position hedging is entering into a currency transaction with respect to portfolio security positions denominated or generally quoted in that currency.

A Fund will not enter into a transaction to hedge currency exposure if the Fund's exposure, after netting all transactions intended to wholly or partially offset other transactions, is greater than the aggregate market value (at the time of entering into the transaction) of the securities held in its portfolio that are denominated or generally quoted in, or whose value is based on, that foreign currency or currently convertible into such currency other than with respect to proxy hedging, which is described below.

Each Fund also may cross-hedge currencies by entering into transactions to purchase or sell one or more currencies that are expected to decline in value relative to other currencies to which the Fund has, or in which the Fund expects to have, portfolio exposure.

To reduce the effect of currency fluctuations on the value of existing or anticipated holdings of portfolio securities, each Fund also may engage in proxy hedging. Proxy hedging is often used when the currency to which the Fund's portfolio is exposed is difficult to hedge or to hedge against the U.S. dollar. Proxy hedging entails entering into a forward contract to sell a currency whose changes in value are generally considered to be linked to a currency or currencies in which some or all of the Fund's portfolio securities are or are expected to be denominated, and to buy U.S. dollars. The amount of the contract would not exceed the value of the Fund's securities denominated in linked currencies. Proxy hedging involves some of the same risks and considerations as other transactions with similar instruments.

To the extent that a Fund engages in currency transactions, the Fund may incur a loss if the currency being hedged fluctuates in value to a degree, or in a direction, that is not anticipated. To the extent that a Fund engages in proxy hedging at a particular time, there is the risk that the perceived linkage between various currencies may not be present during that time.

Purchases and sales of currency and related instruments may be negatively affected by government exchange controls, blockages, and manipulations or exchange restrictions imposed by governments. These can result in losses to a Fund if it is unable to deliver or receive a specified currency or funds in settlement of obligations and could also cause hedges it has entered into to be rendered useless, resulting in full currency exposure as well as incurring transaction costs.

The use of currency transactions also can result in a Fund incurring losses due to the inability of foreign securities transactions to be completed with the security being delivered to the Fund. Buyers and sellers of currency futures are subject to the same risks that apply to the use of futures generally. Further, settlement of a currency futures contract for the purchase of most currencies must occur at a bank based in the issuing nation. Currency exchange rates may fluctuate based on factors extrinsic to that country's economy.

Investment Company Securities

Each Fund may invest, from time to time, in the securities of other investment companies, subject to applicable law which restricts such investments. Such laws generally restrict a registered investment company's purchase of another investment company's voting securities to 3% of the other investment company's securities, no more than 5% of a registered investment company's assets in any single investment company's securities, and no more than 10% of a registered investment company's assets in all investment company securities, subject to certain exceptions. Rule 12d1-4 under the 1940 Act allows funds to invest in other investment companies in excess of some of the restrictions discussed above, subject to certain limitations and conditions.

A Fund's purchase of the securities of investment companies results in layering of expenses. This layering may occur because investors in any investment company, such as a Fund, indirectly bear a proportionate share of the expenses of the investment company, including operating costs, and investment advisory and administrative fees. A Fund's investment in other investment companies also subjects the Fund indirectly to the underlying risks of those investment companies.

A Fund may invest in securities of an exchange-traded fund ("ETF"), subject to the limitations laid out above. ETFs are pooled investment vehicles that seek to track the performance of a specific index or implement actively-managed investment strategies. Index ETFs will not track their underlying indices precisely since the ETFs have expenses and may need to hold a portion of their assets in cash, unlike the underlying indices, and the ETFs may not invest in all of the securities in the underlying indices in the same proportion as the indices for various reasons. Unlike index ETFs, actively-managed ETFs generally seek to outperform a benchmark index and typically have higher expenses than index ETFs, which reduces investments returns. There are numerous types of index ETFs and actively managed ETFs, including those offering exposure to broad or narrow segments of the equity, fixed income, commodities and foreign currencies markets. A fund will incur transaction costs when buying and selling ETF shares, and indirectly bear the expenses of the ETFs.

Loans of Portfolio Securities

To generate additional income, each Fund may lend certain of its portfolio securities to qualified banks and broker-dealers. These loans may not exceed 33 1/3% of the value of the relevant Fund's total assets, measured at the time of the most recent loan, but neither Fund presently anticipates loaning more than 20% of its portfolio securities. For each loan, the borrower must maintain with the particular Fund's custodian collateral (consisting of any combination of cash, securities issued by the U.S. government and its agencies and instrumentalities, or irrevocable letters of credit) with a value at least equal to 100% of the current market value of the loaned securities. To the extent that a Fund engages in securities lending, the Fund will retain all or a portion of the interest received on investment of the cash collateral or receives a fee from the borrower, and will receive any distributions paid on the loaned securities. A Fund may terminate a loan at any time and obtain the return of the securities loaned within the normal settlement period for the security involved.

Where voting rights with respect to the loaned securities pass with the lending of the securities, the Investment Manager intends to call the loaned securities to vote proxies, or to use other practicable and legally enforceable means to obtain voting rights, when the Investment Manager has knowledge that, in its opinion, a material event affecting the loaned securities will occur or the Investment Manager otherwise believes it necessary to vote. As with other extensions of credit, there are risks of delay in recovery or even loss of rights in collateral in the event of default or insolvency of the borrower. Each Fund will loan its securities only to parties who meet creditworthiness standards approved by the Board.

Repurchase Agreements

Each Fund generally will have a portion of its assets in cash or cash equivalents for a variety of reasons, including satisfying redemption requests from shareholders, waiting for a suitable investment opportunity or taking a defensive position. To earn income on this portion of its assets, each Fund may invest up to 50% of its assets in repurchase agreements. Under a repurchase agreement, a Fund agrees to buy securities guaranteed as to payment of principal and interest by the U.S. government or its agencies from a qualified bank or broker-dealer and then to sell the securities back to the bank or broker-dealer after a short period of time (generally, less than seven days) at a higher price. The bank or broker-dealer must transfer to the Fund's custodian securities with an initial market value of at least 102% of the dollar amount invested by the relevant Fund in each repurchase agreement. The Investment Manager will monitor the value of such securities daily to determine that the value equals or exceeds the repurchase price.

Repurchase agreements may involve risks in the event of default or insolvency of the bank or broker-dealer, including possible delays or restrictions upon a Fund's ability to sell the underlying securities. Each Fund will enter into repurchase agreements only with parties who meet certain creditworthiness standards, i.e., banks or broker-dealers that the Investment Manager has determined present no serious risk of becoming involved in bankruptcy proceedings within the time frame contemplated by the repurchase transaction.

Securities of Companies in the Financial Services Industry

Certain provisions of the federal securities laws permit investment portfolios, including each Fund, to invest in companies engaged in securities-related activities (securities issuers) only if certain conditions are met. Purchases of securities of a company that derived 15% or less of gross revenues during its most recent fiscal year from securities-related activities (i.e., broker, dealer, underwriting, or investment advisory activities) are subject only to the same percentage limitations as would apply to any other security the Fund may purchase.

Each Fund also may purchase securities of an issuer that derived more than 15% of its gross revenues in its most recent fiscal year from securities-related activities, if the following conditions are met: (1) immediately after the purchase of any securities issuer's equity and debt securities, the purchase cannot cause more than 5% of the relevant Fund's total assets to be invested in securities of that securities issuer; (2) immediately after a purchase of equity securities of a securities issuer, the relevant Fund may not own more than 5% of the outstanding securities of that class of the securities issuer's equity securities; and (3) immediately after a purchase of debt securities of a securities issuer, the relevant Fund may not own more than 10% of the outstanding principal amount of the securities issuer's debt securities.

In applying the gross revenue test, an issuer's gross revenues from its own securities-related activities should be combined with its ratable share of the securities-related activities of enterprises of which it owns a 20% or greater voting or equity interest. All of the above percentage limitations are applicable at the time of purchase as well as the issuer's gross revenue test. With respect to warrants, rights, and convertible securities, a determination of compliance with the above limitations must be made as though such warrant, right, or conversion privilege had been exercised.

The following transactions would not be deemed to be an acquisition of securities of a securities-related business: (i) receipt of stock dividends on securities acquired in compliance with the conditions described above; (ii) receipt of securities arising from a stock-for-stock split on securities acquired in compliance with the conditions described above; (iii) exercise of options, warrants, or rights acquired in compliance with the federal securities laws; (iv) conversion of convertible securities acquired in compliance with the conditions described above; and (v) the acquisition of demand features or guarantees (puts) under certain circumstances.

Neither Fund is permitted to acquire any security issued by the Investment Manager or any affiliated company. The purchase of a general partnership interest in a securities-related business is also prohibited.

In addition, each Fund is generally prohibited from purchasing or otherwise acquiring any security (not limited to equity or debt individually) issued by any insurance company if the Fund and any company controlled by the Fund own in the aggregate or, as a result of the purchase, will own in the aggregate more than 10% of the total outstanding voting stock of the insurance company. Certain state insurance laws impose similar limitations.

Temporary Investments

When the Investment Manager believes market or economic conditions are unfavorable for investors, or when the Investment Manager is unable to find sufficient investment opportunities for a Fund meeting the Investment Manager's criteria for investment, the Investment Manager may invest up to 100% of each Fund's assets in a temporary defensive manner by holding all or a substantial portion of its assets in cash, cash equivalents or other high quality short-term investments. Unfavorable market or economic conditions may include excessive volatility or a prolonged general decline in the securities markets, the securities in which the particular Fund normally invests, or the economies of the countries where the Fund invests.

Temporary defensive investments may include short-term debt securities such as obligations issued or guaranteed by the U.S. government, its agencies or instrumentalities and high-quality commercial paper issued by banks or other U.S. and foreign issuers, as well as money market mutual funds. The Investment Manager also may invest in these types of securities or hold cash while looking for suitable investment opportunities.

Portfolio Turnover

Although the Funds generally will not invest for short-term trading purposes, portfolio securities may be sold without regard to the length of time they have been held when, in the opinion of the Investment Manager, investment considerations warrant such action. Portfolio turnover rate is calculated by dividing (1) the lesser of purchases or sales of portfolio securities for the fiscal year by (2) the monthly average of the value of portfolio securities owned during the fiscal year. A 100% turnover rate would occur if all the securities in a Fund's portfolio, with the exception of securities whose maturities at the time of acquisition were one year or less, were sold and either repurchased or replaced within one year. A high rate of portfolio turnover (100% or more) generally leads to higher transaction costs and may result in a greater number of taxable transactions. High portfolio turnover generally results in the distribution of short-term capital gains which are taxed at the higher ordinary income tax rates.

Each Fund's portfolio turnover rate for the fiscal year ended December 31, was as follows:

	2024
Capital Appreciation Fund	30%
Opportunity Fund	27%

The following table provides the portfolio turnover rate for the past two fiscal years for the Predecessor Funds.

	2023	2022
Capital Appreciation Predecessor Fund	41%	33%
Opportunity Predecessor Fund	32%	44%

Portfolio Holdings Information

The Trust, on behalf of the Funds, has adopted portfolio holdings disclosure policies ("Portfolio Holdings Policies") that govern the timing and circumstances of disclosure of portfolio holdings of the Funds. Information about each Fund's portfolio holdings will not be distributed to any third-party except in accordance with these Portfolio Holdings Policies. The Board has considered the circumstances under which the Funds' portfolio holdings may be disclosed under the Portfolio Holdings Policies. The Board has also considered actual and potential material conflicts that could arise in such circumstances between the interests of a Fund's shareholders and the interests of the Investment Manager, principal underwriter or any other affiliated person of a Fund. After due consideration, the Board has determined that each Fund has a legitimate business purpose for disclosing portfolio holdings to persons described in the Portfolio Holdings Policies. The Board also has authorized the Trust's Chief Compliance Officer ("CCO") to consider and authorize dissemination of portfolio holdings information to additional parties, after considering the best interests of the Funds' shareholders and potential conflicts of interest in making such disclosures.

The Board exercises continuing oversight of the disclosure of the Funds' portfolio holdings by (1) overseeing the implementation and enforcement of the Portfolio Holdings Policies, codes of ethics, and other relevant policies of the Funds and their service providers by the CCO, (2) by considering reports and recommendations by the CCO concerning any material compliance matters (as defined in Rule 38a-1 under the 1940 Act), and (3) by considering whether to approve any amendment to these Portfolio Holdings Policies. The Board reserves the right to amend the Portfolio Holdings Policies at any time without prior notice in its sole discretion.

Disclosure of each Fund's complete holdings is required to be made quarterly within 60 days of the end of each fiscal quarter, in the annual and semi-annual reports to Fund shareholders, and in the quarterly holdings report on Form N-PORT. These reports will be made available, free of charge, on the EDGAR database on the SEC's website at www.sec.gov. In addition, the Investment Manager makes each Fund's complete portfolio holdings available on or about 15 days following each month-end on the Funds' website. To view a Fund's portfolio holdings, visit www.https://prospectorpartners.com/funds/mutual-funds/.

In the event of a conflict between the interests of a Fund and its shareholders and the interests of the Investment Manager or an affiliated person of the Investment Manager, the CCO of the Investment Manager, in consultation with the Trust's CCO, shall make a

determination in the best interests of the Fund and its shareholders, and shall report such determination to the Board at the end of the quarter in which such determination was made. Any employee of the Investment Manager who suspects a breach of this obligation must report the matter immediately to the Investment Manager's CCO or to his or her supervisor.

In addition, material non-public holdings information may be provided without a lag as part of the normal investment activities of the Funds to each of the following entities which, by explicit agreement or by virtue of their respective duties to the Funds, are required to maintain the confidentiality of the information disclosed: the administrator; the fund accountant; the custodian; the transfer agent; the Funds' independent registered public accounting firm; counsel to the Funds or the Board; broker-dealers (in connection with the purchase or sale of securities or requests for price quotations or bids on one or more securities); and regulatory authorities. Portfolio holdings information not publicly available with the SEC or on the Funds' web site may only be provided to additional third parties, in accordance with the Portfolio Holdings Policies, when a Fund has a legitimate business purpose, and the third-party recipient is subject to a confidentiality agreement. Such portfolio holdings disclosure must be approved under the Portfolio Holdings Policies by the Trust's CCO.

In no event shall the Investment Manager, its affiliates or employees, or the Funds receive any direct or indirect compensation or other consideration in connection with the disclosure of information about the Funds' portfolio holdings.

There can be no assurance that the Portfolio Holdings Policies and these procedures will protect the Funds from potential misuse of Fund information by individuals or entities to which it is disclosed.

MANAGEMENT OF THE FUNDS

Board of Trustees

The management and affairs of the Funds are supervised by the Board. The Board consists of four individuals. The Trustees are fiduciaries and are governed by the laws of the State of Delaware in this regard. The Board establishes policies for the operation of the Funds and appoints the officers who conduct the daily business of the Funds.

The Role of the Board of Trustees

The Board provides oversight of the management and operations of the Trust. Like all mutual funds, the day-to-day responsibility for the management and operation of the Trust is the responsibility of various service providers to the Trust and its individual series, such as the Adviser; Quasar Distributors, LLC, the Funds' principal underwriter (the "Distributor"); U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services, the Funds' administrator (the "Administrator") and transfer agent (the "Transfer Agent"); and U.S. Bank, N.A., the Funds' Custodian, each of whom are discussed in greater detail in this SAI. The Board approves all significant agreements between the Trust and its service providers, including the agreements with the Adviser, Distributor, Administrator, Custodian and Transfer Agent. The Board has appointed various individuals of certain of these service providers as officers of the Trust, with responsibility to monitor and report to the Board on the Trust's day-to-day operations. In conducting this oversight, the Board receives regular reports from these officers and service providers regarding the Trust's operations. The Board has appointed a CCO who reports directly to the Board and who administers the Trust's compliance program and regularly reports to the Board as to compliance matters, including an annual compliance review. Some of these reports are provided as part of formal "Board Meetings," which are held four times per year, in person, and such other times as the Board determines is necessary, and involve the Board's review of recent Trust operations. From time to time one or more members of the Board may also meet with Trust officers in less formal settings, between formal Board Meetings, to discuss various topics. In all cases, however, the role of the Board and of any individual Trustee is one of oversight and not of management of the day-to-day affairs of the Trust, and its oversight role does not make the Board a guarantor of the Trust's investments, operations, or activities.

Board Leadership Structure

The Board has structured itself in a manner that it believes allows it to effectively perform its oversight function. The Board is comprised of four Trustees that are not considered to be "interested persons" of the Funds, as defined by the 1940 Act ("Independent

Trustees") – Messrs. David A. Massart, Leonard M. Rush, David M. Swanson and Robert J. Kern. Accordingly, 100% of the members of the Board are Independent Trustees, who are Trustees that are not affiliated with the investment adviser to the Funds, its affiliates, or other service providers to the Fund. Prior to July 6, 2020, Mr. Kern was considered an "interested person" of the Trust as defined in the 1940 Act ("Interested Trustee"). He was considered an Interested Trustee by virtue of the fact that he had served as a board member of Quasar Distributors, LLC, which acts as principal underwriter to many of the Trust's series and had been an Executive Vice President of the Administrator. The Board has established two standing committees, an Audit Committee and a Nominating & Governance Committee. The Committees are discussed in greater detail under "Board Committees" below. Each of the Audit Committee and the Nominating & Governance Committee are comprised entirely of Independent Trustees. The Independent Trustees have engaged independent counsel to advise them on matters relating to their responsibilities in connection with the Trust, as well as the Funds.

The Independent Trustees have appointed Leonard M. Rush as Chairman. Prior to July 6, 2020, Mr. Kern served as Chairman of the Trust and Mr. Rush served as lead Independent Trustee with the responsibilities to coordinate activities of the Independent Trustees, act as a liaison with the Trust's service providers, officers, legal counsel, and other Trustees between meetings, help to set Board meeting agendas, and serve as chair during executive sessions of the Independent Trustees.

In accordance with the fund governance standards prescribed by the SEC under the 1940 Act, the Independent Trustees on the Nominating & Governance Committee select and nominate all candidates for Independent Trustee positions. Each Trustee was appointed to serve on the Board because of his experience, qualifications, attributes and skills as set forth in the subsection "Trustee Qualifications" below.

The Board reviews its structure regularly in light of the characteristics and circumstances of the Trust, including: the affiliated or unaffiliated nature of each investment adviser; the number of funds that comprise the Trust; the variety of asset classes that those funds reflect; the net assets of the Trust; the committee structure of the Trust; and the independent distribution arrangements of each of the Trust's series.

The Board has determined that the inclusion of all Independent Trustees as members of the Audit Committee and the Nominating & Governance Committee allows all such Trustees to participate in the full range of the Board's oversight duties, including oversight of risk management processes discussed below. Given the composition of the Board and the function and composition of its various committees as described above, the Trust has determined that the Board's leadership structure is appropriate.

Board Oversight of Risk Management

As part of its oversight function, the Board receives and reviews various risk management reports and assessments and discusses these matters with appropriate management and other personnel, including personnel of the Trust's service providers. Because risk management is a broad concept comprised of many elements (such as, for example, investment risk, issuer and counter-party risk, compliance risk, operational risk, business continuity risk, etc.) the oversight of different types of risks is handled in different ways. For example, the CCO regularly reports to the Board during Board Meetings and meets in executive session with the Independent Trustees and their legal counsel to discuss compliance and operational risks. In addition, Mr. Rush, the Independent Trustee designated as the Audit Committee's "audit committee financial expert", meets with the President, Treasurer and the Funds' independent registered public accounting firm to discuss, among other things, the internal control structure of the Funds' financial reporting function. The full Board receives reports from the investment advisers to the underlying funds and the portfolio managers as to investment risks.

Trustees and Officers

The Trustees and officers of the Trust are listed below with their addresses, present positions with the Trust and principal occupations over at least the last five years.

Name, Address and Year of Birth	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
Independent Trustees					
Leonard M. Rush, CPA 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1946	Chairman, Trustee and Audit Committee Chairman	Indefinite Term; Since April 2011	31	Retired (2011 - present); Chief Financial Officer, Robert W. Baird & Co. Incorporated (financial services), (2000-2011).	Independent Trustee, ETF Series Solutions (55 Portfolios) (2012-Present).
David A. Massart 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1967	Trustee	Indefinite Term; Since April 2011	31	Partner and Managing Director, Beacon Pointe Advisors, LLC (since 2022); Co-Founder and Chief Investment Strategist, Next Generation Wealth Management, Inc. (2005-2021).	Independent Trustee, ETF Series Solutions (55 Portfolios) (2012-Present).

Name, Address and Year of Birth	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
David M. Swanson 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	Trustee and Nominating & Governance Committee Chairman	Indefinite Term; Since April 2011	31	Founder and Managing Principal, SwanDog Strategic Marketing, LLC (2006-present).	Independent Trustee, ALPS Variable Investment Trust (7 Portfolios) (2006 to Present); Independent Trustee, RiverNorth Funds (3 Portfolios) (2018 to Present); RiverNorth Managed Duration Municipal Income Fund, Inc. (1 Portfolio) (2019 to Present); RiverNorth Opportunistic Municipal Income Fund, Inc. (1 Portfolio) (2018 to Present); RiverNorth Capital and Income Fund (1 Portfolio) (2018 to Present); RiverNorth Opportunities Fund, Inc. (1 Portfolio) (2015 to present); RiverNorth/ DoubleLine Strategic Opportunity Fund, Inc. (1 Portfolio) (2019 to Present); RiverNorth Flexible Municipal Income Fund, Inc. (1 Portfolio) (2020 to Present); RiverNorth Flexible Municipal Income Fund II, Inc. (1 Portfolio) (2021 to Present); RiverNorth Managed Duration Municipal Income Fund II, Inc. (1 Portfolio) (2022 to Present).
Robert J. Kern 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1958	Trustee	Indefinite Term; Since January 2011	31	Retired (2018-present); Executive Vice President, U.S. Bancorp Fund Services, LLC (1994-2018).	None
Officers					
Brian R. Wiedmeyer 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	President and Principal Executive Officer	Indefinite Term; Since November 2018	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2005-present).	N/A

Name, Address and Year of Birth	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
Deborah Ward 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1966	Vice President, Chief Compliance Officer and Anti-Money Laundering Officer	Indefinite Term; Since April 2013	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2004-present).	N/A
Benjamin Eirich 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1981	Treasurer, Principal Financial Officer and Vice President	Indefinite Term; Since August 2019 (Treasurer); Indefinite Term; Since November 2018 (Vice President)	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2008-present).	N/A
Jason M. Venner 615 E Michigan St. Milwaukee, WI 53202 Year of Birth: 1972	Secretary	Indefinite Term: Since November 2024	N/A	Vice President, U.S. Bancorp Fund Services, LLC (since 2024); Managing Director & Associate General Counsel, Charles Schwab & Co, Inc. (2017-2024).	N/A
Peter A. Walker, CPA 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1993	Assistant Treasurer and Vice President	Indefinite Term: Since November 2021	N/A	Officer, U.S. Bancorp Fund Services, LLC (2016-present).	N/A
Eli Bilderback 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1991	Assistant Treasurer and Vice President	Indefinite Term; Since March 2024	N/A	Officer, U.S. Bancorp Fund Services, LLC (2022 -present); Operations Analyst, U.S. Bank N.A. (2018 -2022).	N/A
Nasir Saiyed 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 2000	Assistant Treasurer and Vice President	Indefinite Term; Since February 2025	N/A	Officer, U.S. Bancorp Fund Services, LLC (2025 - present); Fund Administrator, U.S. Bancorp Fund Services, LLC. (2023-2025).	N/A

Trustee Qualifications

The Board believes that each of the Trustees has the qualifications, experience, attributes and skills appropriate to their continued service as Trustees of the Trust in light of the Trust's business and structure. The Trustees have substantial business and professional backgrounds that indicate they have the ability to critically review, evaluate and assess information provided to them. Certain of these business and professional experiences are set forth in detail in the table above. In addition, the Trustees have substantial board experience and, in their service to the Trust, have gained substantial insight as to the operation of the Trust. The Board annually conducts a "self-assessment" wherein the effectiveness of the Board and the individual Trustees is reviewed.

In addition to the information provided in the table above, below is certain additional information concerning each individual Trustee. The information provided below, and in the table above, is not all-inclusive. Many of the Trustees' qualifications to serve on the Board involve intangible elements, such as intelligence, integrity, work ethic, the ability to work together, the ability to communicate effectively, the ability to exercise judgment, the ability to ask incisive questions, and commitment to shareholder interests.

Mr. Kern's trustee attributes include substantial industry experience, including over 35 years of service with U.S. Bancorp Fund Services, LLC (the fund accountant ("Fund Accountant"), Administrator, and Transfer Agent to the Trust) where he managed business development and the mutual fund transfer agent operation including investor services, account services, legal compliance, document processing and systems support. He also served as a board member of U.S. Bancorp Fund Services, LLC and previously served as a board member of Quasar Distributors, LLC (principal underwriter of many of the Trust's series). The Board believes Mr. Kern's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

Mr. Massart's trustee attributes include substantial industry experience, including over two decades working with high net worth individuals, families, trusts and retirement accounts to make strategic and tactical asset allocation decisions, evaluate and select investment managers and manage client relationships. He is currently Partner and Managing Director of Beacon Pointe Advisors, LLC. Previously, he served as Chief Investment Strategist and lead member of the investment management committee of the SEC registered investment advisory firm he co-founded. He also previously served as Managing Director of Strong Private Client and as a Manager of Wells Fargo Investments, LLC. The Board believes Mr. Massart's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

Mr. Rush's trustee attributes include substantial industry experience, including serving in several different senior executive roles at various global financial services firms. He most recently served as Managing Director and Chief Financial Officer of Robert W. Baird & Co. Incorporated and several other affiliated entities and served as the Treasurer for Baird Funds. He also served as the Chief Financial Officer for Fidelity Investments' four broker-dealers and has substantial experience with mutual fund and investment advisory organizations and related businesses, including Vice President and Head of Compliance for Fidelity Investments, a Vice President at Credit Suisse First Boston, a Manager with Goldman Sachs, & Co. and a Senior Manager with Deloitte & Touche. Mr. Rush has been determined to qualify as an Audit Committee Financial Expert for the Trust. The Board believes Mr. Rush's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee and as the Chairman to carry out oversight responsibilities with respect to the Trust.

Mr. Swanson's trustee attributes include substantial industry experience, including over 35 years of senior management and marketing experience with over 30 years dedicated to the financial services industry. He is currently the Founder and Managing Principal of a marketing strategy boutique serving asset and wealth management businesses. He has also served as Chief Operating Officer and Chief Marketing Officer of Van Kampen Investments, President and Chief Executive Officer of Scudder, Stevens & Clark, Canada, Ltd., Managing Director and Head of Global Investment Products at Morgan Stanley, Director of Marketing for Morgan Stanley Mutual Funds, Director of Marketing for Kemper Funds, and Executive Vice President and Head of Distribution for Calamos Investments. The Board believes Mr. Swanson's experience, qualifications, attributes and skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that he possesses the requisite skills and attributes as a Trustee to carry out oversight responsibilities with respect to the Trust.

This discussion of the Trustees' experience and qualifications is pursuant to SEC requirements, does not constitute holding out the Board or any Trustee as having special expertise, and shall not impose any greater responsibility or liability on any such Trustee or the Board by reason thereof.

Trustee and Management Ownership of Fund Shares

The following table shows the dollar range of Fund shares and shares in all portfolios of the Trust beneficially owned by the Trustees as of the calendar year ended December 31, 2024.

Name	Capital Appreciation Fund	Opportunity Fund	Aggregate Dollar Range of Fund Shares in the Trust
Independent Trustees			
Leonard M. Rush	None	None	None
David A. Massart	None	None	None
David M. Swanson	None	None	$50,001-$100,000
Robert J. Kern	None	None	None

As of the date of this Prospectus, the Trustees and Officers of the Trust as a group did not own more than 1% of the outstanding shares of either Fund.

Board Committees

Audit Committee. The Trust has an Audit Committee, which is comprised of the Independent Trustees. The Audit Committee reviews financial statements and other audit-related matters for the Funds. The Audit Committee also holds discussions with management and with the Funds' independent registered public accounting firm concerning the scope of the audit and the auditor's independence.

Nominating & Governance Committee. The Trust has a Nominating & Governance Committee, which is comprised of the Independent Trustees. The Nominating & Governance Committee is responsible for seeking and reviewing candidates for consideration as nominees for the position of trustee and meets only as necessary.

The Nominating & Governance Committee will consider nominees recommended by shareholders for vacancies on the Board. Recommendations for consideration by the Nominating & Governance Committee should be sent to the President of the Trust in writing together with the appropriate biographical information concerning each such proposed nominee, and such recommendation must comply with the notice provisions set forth in the Trust's Bylaws. In general, to comply with such procedures, such nominations, together with all required information, must be delivered to and received by the President of the Trust at the principal executive office of the Trust not less than 120 days, and no more than 150 days, prior to the shareholder meeting at which any such nominee would be voted on. Shareholder recommendations for nominations to the Board will be accepted on an ongoing basis. The Nominating & Governance Committee's procedures with respect to reviewing shareholder nominations will be disclosed as required by applicable securities laws.

Trustee Compensation

The Trustees each receive an annual retainer of $118,000. The Chairman of the Audit Committee receives additional compensation of $18,000, the Chairman of the Nominating & Governance Committee receives additional compensation of $8,000 and the Chairman of the Board receives $12,500, each annually. The Trustees each receive $8,000 for regularly scheduled meetings and $2,500 for additional meetings.

The following table sets forth the estimated compensation to be received by the Trustees for the Funds initial fiscal period ending December 31, 2024.

Name of Person/Position	Estimated Aggregate Compensation from the Capital Appreciation Fund[1]	Estimated Aggregate Compensation from the Opportunity Fund[1]	Pension or Retirement Benefits Accrued as Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	Estimated Total Compensation from the Fund and the Trust Paid to Trustees
Leonard M. Rush, Chairman, Independent Trustee and Audit Committee Chairman	$1,487	$1,487	None	None	$176,500
David A. Massart, Independent Trustee	$1,224	$1,224	None	None	$150,000
David M. Swanson, Independent Trustee and Nominating & Governance Committee Chairman	$1,293	$1,293	None	None	$158,000
Robert J. Kern, Independent Trustee	$1,224	$1,224	None	None	$150,000

1. Trustee fees and expenses are allocated among the Funds and any other series comprising the Trust.

CODE OF ETHICS AND PROXY VOTING POLICIES AND PROCEDURES

Code of Ethics

The Trust and the Investment Manager each have adopted a code of ethics in accordance with Rule 17j-1 under the 1940 Act. These codes of ethics permit the personnel of these entities to invest in securities, including securities that the Fund may purchase or hold. The codes of ethics are on public file with, and are available from, the SEC.

Proxy Voting Policies and Procedures

The Board has delegated the responsibility to vote proxies for securities held in the Funds' portfolios to the Investment Manager, subject to the Board's oversight. The Investment Manager's proxy voting policies, attached hereto as Appendix A, are reviewed periodically, and, accordingly are subject to change. Each Fund's voting record relating to portfolio securities during the most recent twelve-month period ended June 30, may be obtained upon request and without charge by calling toll free (877) 734-7862, on the Fund's website at www.prospectorfunds.com, and on the SEC's website at http://www.sec.gov.

INVESTMENT ADVISORY AND OTHER SERVICES

INVESTMENT MANAGER AND SERVICES PROVIDED

The Funds' Investment Manager is Prospector Partners Asset Management, LLC, a Delaware limited liability company controlled by John D. Gillespie and owned by Prospector Partners, LLC. John D. Gillespie is the managing member of Prospector Partners, LLC, and together with Kevin R. O'Brien, owns a majority of that entity. The Trust, on behalf of the Funds, has entered into an investment advisory agreement (the "Investment Advisory Agreement") with the Investment Manager. The Investment Manager, located at 370 Church Street, Guilford, CT 06437, is a registered investment adviser with the SEC.

Subject to such policies as the Board may determine, the Investment Manager is ultimately responsible for investment decisions for the Funds. Pursuant to the terms of the Investment Advisory Agreement, the Investment Manager provides the Funds with such

investment advice as it deems necessary for the proper supervision of the Funds' investments. The Investment Manager also monitors and maintains each Fund's investment criteria and determines from time to time what securities may be purchased by the Funds.

The Investment Advisory Agreement will continue in effect for an initial period of two years and thereafter from year to year only if such continuance is specifically approved at least annually by the Board or by vote of a majority of a Fund's outstanding voting securities and by a majority of the Trustees who are not parties to the Investment Advisory Agreement or interested persons of any such party, at a meeting called for the purpose of voting on the Investment Advisory Agreement. The Investment Advisory Agreement is terminable without penalty by the Trust on behalf of a Fund, upon giving the Investment Manager 60 days' notice when authorized either by a majority vote of the Fund's shareholders or by a vote of a majority of the Board, or by the Investment Manager on 60 days' written notice, and will automatically terminate in the event of its "assignment" (as defined in the 1940 Act). The Investment Advisory Agreement provides that the Investment Manager shall not be liable for any action or inaction of the Investment Manager relating to any event whatsoever in the absence of bad faith, willful misfeasance or gross negligence in the performance of or the reckless disregard of the Investment Manager's duties or obligations under the Investment Advisory Agreement.

Management Fees

Under the Investment Advisory Agreement, the Investment Manager is eligible to receive from each Fund a fee equal to an annual rate of 1.00% of the average daily net assets of the Fund. The Investment Manager has contractually agreed to waive a portion of its fees and/or pay Fund expenses (excluding shareholder servicing plan fees, front-end or contingent deferred loads, taxes, leverage/ borrowing interest, interest expense, dividends paid on short sales, brokerage commissions, acquired fund fees and expenses, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation) in order to limit the Total Annual Fund Operating Expenses After Fee Waiver and Expense Reimbursement for each of the Funds to 1.15% of their respective average daily net assets. This Expense Cap will remain in effect through at least September 9, 2026. Thereafter, the agreement may be terminated at any time upon 60 days' written notice by the Board or the Investment Manager. Fees waived and expenses paid by the Investment Manager may be recouped by the Investment Manager for a period of 36 months following the day on which such fee waiver and/or expense payment was made, if such recoupment can be achieved without exceeding the expense limit in effect at the time the fee waiver and/or expense payment occurred and the expense limit in place at the time of recoupment.

The fee is computed at the close of business on the last business day of each month, according to the terms of the Investment Advisory Agreement.

The Funds paid the following management fees to the Investment Manager for the fiscal year ended December 31:

	Management Fees Accrued by Investment Manager	Management Fees Waived	Management Fees Recouped	Net Management Fees Paid to Investment Manager
Fiscal period ended December 31, 2024				
Capital Appreciation Fund	$399,037	$(132,549)	$—	$266,488
Opportunity Fund	$2,569,199	$(251,744)	$—	$2,317,455

The Predecessor Funds paid the following management fees to the Investment Manager for the three most recent fiscal years shown:

	Management Fees Accrued by Investment Manager	Management Fees Waived	Management Fees Recouped	Net Management Fees Paid to Investment Manager
Fiscal year ended December 31, 2023				
Capital Appreciation Predecessor Fund	$287,172	$145,828	$0	$141,344
Opportunity Predecessor Fund	$2,169,543	$264,247	$0	$1,905,296
Fiscal year ended December 31, 2022				
Capital Appreciation Predecessor Fund	$275,531	$140,905	$0	$134,626
Opportunity Predecessor Fund	$2,203,176	$208,540	$0	$1,994,636
Fiscal year ended December 31, 2021				
Capital Appreciation Predecessor Fund	$280,368	$147,451	$0	$132,917
Opportunity Predecessor Fund	$2,279,223	$202,416	$0	$2,076,807

PORTFOLIO MANAGERS

The Capital Appreciation Fund and the Opportunity Fund are managed by a team comprised of Kevin R. O'Brien, Jason A. Kish and Steven R. Labbe.

Other Client Accounts

As of December 31, 2024, the Portfolio Managers were responsible for the day-to-day management of certain other client accounts, as follows:

	Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Portfolio Manager	**Number of Accounts**	**Total Assets**	**Number of Accounts**	**Total Assets**	**Number of Accounts**	**Total Assets**
Kevin R. O'Brien	1	$202	4*	$350	2	$107
Jason A. Kish	1	$202	4*	$350	2	$107
Steven R. Labbe	1	$202	4*	$350	2	$107

* 3 of the 4 accounts listed above totaling $340 million are subject to a performance-based advisory fee.

The Investment Manager and its affiliates manage other institutional client accounts, including private pooled investment funds (collectively, "Other Client Accounts").

The portfolio managers that comprise each portfolio management team are responsible for managing other accounts, including proprietary accounts, separate accounts and other pooled investment vehicles. They manage separate accounts or other pooled investment vehicles which may have materially higher or different fee arrangements than the Funds and may also be subject to performance-based fees.

The Investment Manager may give advice and take action with respect to any of the Other Client Accounts it manages, or for its own account, that may differ from action taken by the Investment Manager on behalf of a Fund. Similarly, with respect to the Funds, the Investment Manager is not obligated to recommend, buy or sell, or to refrain from recommending, buying or selling any security that the Investment Manager and access persons, as defined by applicable federal securities laws, may buy or sell for its or their own account or for Other Client Accounts. The Investment Manager is not obligated to refrain from investing in securities held by a Fund or Other Client Accounts it manages.

The Investment Manager has adopted a Rule 17j-1 Code of Ethics, which provides certain requirements for personal securities transactions engaged in by employees who are designated as access persons. The personal securities transactions of access persons of the Investment Manager will be governed by the Rule 17j-1 Code of Ethics.

The Investment Manager and its affiliates pay its investment professionals out of its total revenues and other resources, including the advisory fee earned with respect to the Funds.

Compensation

The compensation structure of the Investment Manager and its affiliates is designed to attract and retain high caliber investment professionals necessary to deliver high quality investment management services to its clients. The compensation of each of the portfolio managers includes a fixed base salary and incentive components. It is expected that the portfolio managers will receive an incentive payment based on the revenues earned by the Investment Manager and its affiliates from the Funds and from Other Client Accounts. It is expected that the incentive compensation component with respect to all portfolios managed by the portfolio managers can, and typically will, represent a significant portion of each portfolio manager's overall compensation, and can vary significantly from year to year.

Ownership of Fund Shares

As of December 31, 2024, the portfolio managers owned shares of the Funds in the following dollar ranges, as indicated below:

Amount Invested Key

A.	$1 - $10,000
B.	$10,001 - $50,000
C.	$50,001 - $100,000
D.	$100,001 - $500,000
E.	$500,001 - $1,000,000
F.	Over $1,000,000

Portfolio Managers	Capital Appreciation Fund	Opportunity Fund
Kevin R. O'Brien	F	F
Jason A. Kish	E	E
Steven R. Labbe	D	D

CONFLICTS

As an investment adviser and fiduciary, the Investment Manager owes its clients a duty of loyalty. In recognition of the fact that conflicts of interest are inherent in the investment management business, the Investment Manager has adopted policies and procedures reasonably designed to identify and manage the effects of actual or potential conflicts of interest in the areas of employee personal trading, managing multiple accounts for multiple clients and allocation of investment opportunities. All employees of the Investment Manager and its affiliates are subject to these policies.

The Investment Manager has adopted a Code of Ethics that is designed to detect and prevent conflicts of interest when personnel own, buy or sell securities which may be owned, bought or sold for clients. Personal securities transactions may raise a potential conflict of interest when an employee owns or trades in a security that is owned or considered for purchase or sale by a client, or recommended for purchase or sale by a client. The Investment Manager's personnel are not permitted to engage in transactions for their personal accounts in any security to be purchased or sold or considered for purchase or sale for a client until a specified number of days after the completion of the client transaction, except that this prohibition is not applicable to securities that were completely sold from a client account. Subject to reporting requirements, preclearance and other limitations in the Code of Ethics, the Investment Manager permits its employees to engage in personal securities transactions in other securities and to acquire shares of the Funds. The Investment Manager's Code of Ethics requires disclosure of all personal accounts and reporting of all securities transactions.

The portfolio managers manage multiple portfolios for multiple clients. These accounts may include mutual funds, separate accounts and private pooled investment vehicles (commonly referred to as "hedge funds"). Each portfolio manager may have responsibility for

managing the investments of multiple accounts with a common investment strategy or several investment styles. Accordingly, client portfolios may have investment objectives, strategies, time horizons, tax considerations and risk profiles that differ from those of the Funds. The portfolio managers make investment decisions for each Fund based on the Fund's investment objective, policies, practices, cash flows, tax and other relevant investment considerations. Consequently, the portfolio managers may purchase or sell securities for one client portfolio and not another client portfolio, and the performance of securities purchased for one portfolio may vary from the performance of securities purchased for other portfolios. In addition, a particular security may be bought for one or more client portfolios when one or more other client portfolios are opening a short position. The portfolio managers may place transactions on behalf of other clients or a Fund that are directly or indirectly contrary to investment decisions made on behalf of the other Fund, which has the potential to adversely impact such Fund, depending on market conditions. In addition, some of these Other Client Account structures have fee structures, such as performance based fees, that differ (and may be lower or higher than) the Funds. Accordingly, conflicts of interest may arise when the Investment Manager has a particular financial incentive, such as a performance-based fee, relating to an account.

The Investment Manager has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts and the allocation of investment opportunities. The Investment Manager reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, the Investment Manager's allocation procedures specify the factors that are taken into account in making allocation decisions and require that, to the extent that clients that participate in an aggregated order with the same broker-dealer will participate at the average share price, and that the transaction costs are shared pro rata based on each client's participation in the transaction. Finally, the Investment Manager's procedures also require objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair and equitable allocation among accounts. These areas are monitored by the Investment Manager's CCO.

DISTRIBUTOR

Pursuant to a distribution agreement (the "Distribution Agreement"), Quasar Distributors, LLC, Three Canal Plaza, Suite 100, Portland, ME 04101, serves as the principal underwriter for the shares of each of the Funds. The Distribution Agreement has an initial agreement of two years and continues in effect for successive one-year periods, provided such continuance is specifically approved at least annually by the Board or by vote of a majority of the Funds' outstanding voting securities and, in either case, by a majority of the Independent Trustees. The offering of the Funds' shares is continuous.

Distribution and Service Plan

In accordance with Rule 12b-1 under the 1940 Act, each Fund has adopted a distribution plan (the "Plan"), which provides for the reimbursement by the Fund of distribution expenses incurred by the Distributor on behalf of the Fund at an annual rate of up to 0.25% of the average daily net assets of the Fund.

The Plan provides that the Distributor may, in accordance with the terms of the Plan, be reimbursed for expenses it incurs in connection with distribution and other services described in the Plan on behalf of the Fund. Services for which the Distributor may be reimbursed by the Fund include: (i) any sales, marketing and other activities primarily intended to result in the sale of shares of the Funds, (ii) reviewing the activity in Funds' accounts; (iii) providing training and supervision of the Funds' personnel; (iv) maintaining and distributing current copies of prospectuses and shareholder reports; (v) advertising the availability of its services and products; (vi) providing assistance and review in designing materials to send to customers and potential customers and developing methods of making such materials accessible to customers and potential customers; (vii) responding to customers' and potential customers' questions about the Funds; and (viii) providing ongoing account services to shareholders (including establishing and maintaining shareholder accounts, answering shareholder inquiries, and providing other personal services to shareholders). Expenses for such activities may include the incremental costs of printing (excluding typesetting) and distributing prospectuses, statements of additional information, annual reports and other periodic reports for use in connection with the offering or sale of shares of the Funds to any prospective investors; and the costs of preparing, printing and distributing sales literature and advertising materials used by the Distributor or others in connection with the offering of shares of the Funds for sale.

The Plan requires the Funds and the Distributor to prepare and submit to the Board, at least quarterly, and the Board to review, written reports setting forth all amounts expended under the Plan and identifying the activities for which those expenditures were made.

The Plan provides for the ability to use Fund assets to pay financial intermediaries (including those that sponsor mutual fund supermarkets), plan administrators, and other service providers to finance any activity that is principally intended to result in the sale of Fund shares (distribution services) and for the provision of personal and other administrative services to shareholders. The payments made by the Funds to financial intermediaries are based primarily on the dollar amount of assets invested in a Fund through the financial intermediaries or the number of accounts held with the financial intermediary. These financial intermediaries may pay a portion of the payments that they receive from a Fund to their investment professionals. In addition to the ongoing asset-based fees paid to these financial intermediaries under the 12b-1 Plan, the Funds may, from time to time, make payments under the 12b-1 Plan that help defray the expenses incurred by these intermediaries for conducting training and educational meetings about various aspects of the Funds for their employees. In addition, the Funds may make payments under the 12b-1 Plan for exhibition space and otherwise help defray the expenses these financial intermediaries incur in hosting client seminars where the Funds are discussed.

The Plan provides that it shall continue in effect provided it is approved at least annually by the Board, including a majority of the Independent Trustees who have no direct or indirect financial interest in the operation of the Plan or related agreements ("Qualified Directors"). The Plan further provides that it may not be amended to materially increase the costs, which the Funds bear for distribution pursuant to the Plan without shareholder approval and that other material amendments of the Plan must be approved by the Board and a majority of the Qualified Directors. The Plan may be terminated at any time by a majority of the Qualified Directors or by shareholders of the Funds.

The following tables show the dollar amounts by category allocated to the Funds for distribution related expenses for the fiscal year ended December 31, 2024:

Capital Appreciation Fund

Actual Rule 12b-1 Expenditures Paid by the Fund During the Fiscal Year Ended December 31, 2024

	Total Dollars Allocated
Advertising / Marketing	$1,671
Printing / Postage	$0
Payment to Distributor	$3,152
Payment to Dealers	$9,982
Compensation to Sales Personnel	$0
Interest, Carrying, or Other Financial Charges	$0
Other	$0
Total	**$14,805**

Opportunity Fund

Actual Rule 12b-1 Expenditures Paid by the Fund During the Fiscal Year Ended December 31, 2024	
	Total Dollars Allocated
Advertising / Marketing	$10,524
Printing / Postage	$0
Payment to Distributor	$20,486
Payment to Dealers	$178,007
Compensation to Sales Personnel	$0
Interest, Carrying, or Other Financial Charges	$0
Other	$0
Total	**$209,017**

SERVICE PROVIDERS

U.S. Bancorp Fund Services, LLC doing business as U.S. Bank Global Fund Services ("Fund Services"), located at 615 East Michigan Street, Milwaukee, Wisconsin, 53202 serves as the Administrator, Fund Accountant and Transfer Agent for the Funds.

Pursuant to a Fund Servicing Agreement between the Trust and Fund Services, Fund Services provides certain administrative services to the Funds, including, among other responsibilities, portfolio accounting services, tax accounting services and furnishing financial reports, coordinating the negotiation of contracts and fees with, and the monitoring of performance and billing of, the Funds' independent contractors and agents; preparation for signature by an officer of the Trust of all documents required to be filed for compliance by the Trust and the Funds with applicable laws and regulations; arranging for the computation of performance data, including NAV per share and yield; responding to shareholder inquiries; and arranging for the maintenance of books and records of the Funds, and providing, at its own expense, office facilities, equipment and personnel necessary to carry out its duties. In this capacity, Fund Services does not have any responsibility or authority for the investment management of the Funds, the determination of investment policy, or for any matter pertaining to the distribution of Fund shares. As compensation for its services, the Funds pay Fund Services a fee based on the Funds' average daily net assets, subject to an annual minimum fee.

The Funds had not paid any servicing fees to Fund Services as of the date of this SAI.

U.S. Bank N.A. (the "Custodian"), 1555 N. Rivercenter Drive, Suite 302, Milwaukee, Wisconsin, 53212, is custodian for the securities and cash of each Fund. Under the Custody Agreement, the Custodian holds the Funds' portfolio securities in safekeeping and keeps all necessary records and documents relating to its duties. The Custodian is compensated with an asset-based fee plus transaction fees and is reimbursed for out-of-pocket expenses.

The table below shows the amount of administration fees paid by the Funds to Fund Services for the fiscal year ended December 31:

	2024
Capital Appreciation Fund	$47,828
Opportunity Fund	$242,781

The table below shows the amount of administration fees paid by the Predecessor Funds to Fund Services for the fiscal years shown.

	2023	2022	2021
Capital Appreciation Fund	$45,220	$36,284	$51,657
Opportunity Fund	$235,210	$220,867	$236,528

LEGAL COUNSEL

Stradley Ronon Stevens & Young, LLP, 2005 Market Street, Suite 2600, Philadelphia, Pennsylvania 19103, serves as legal counsel to the Trust and as independent legal counsel to the Board.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen & Company, Ltd., 342 North Water Street, Suite 830, Milwaukee, Wisconsin 53202, serves as the independent registered public accounting firm for the Funds. Its services include auditing the Funds' financial statements. Cohen & Co Advisory, LLC, an affiliate of Cohen & Company, Ltd., provides tax services as requested.

PORTFOLIO TRANSACTIONS AND BROKERAGE

The Investment Manager selects brokers and dealers to execute each Fund's portfolio transactions in accordance with criteria set forth in the Investment Advisory Agreement and any directions that the Board may give.

When placing a portfolio transaction, the Investment Manager seeks to obtain "best execution" - the best combination of high quality transaction execution services, taking into account the services and products to be provided by the broker or dealer, and low relative commission rates with the view of maximizing value for the Fund and the Investment Manager's other clients. For most transactions in equity securities, the amount of commission paid is negotiated between the Investment Manager and the broker executing the transaction. The determination and evaluation of the reasonableness of the brokerage commissions paid are based to a large degree on the professional opinions of the investment personnel of the Investment Manager responsible for placement and review of the transactions. These opinions are based on the experience of these individuals in the securities industry and information available to them about the level of commissions being paid by other institutional investors. The Investment Manager may also place orders to buy and sell equity securities on a principal rather than agency basis if the Investment Manager believes that trading on a principal basis will provide best execution. Purchases of portfolio securities from underwriters will include a commission or concession paid by the issuer to the underwriter, and purchases from dealers will include a spread between the bid and ask price.

The Investment Manager may cause a Fund to pay certain brokers' commissions that are higher than those another broker may charge, if the Investment Manager determines in good faith that the amount paid is reasonable in relation to the value of the brokerage and research services it receives. This may be viewed in terms of either the particular transaction or the Investment Manager's overall responsibilities to client accounts over which it exercises investment discretion. The brokerage commissions that are used to acquire services other than brokerage are known as "soft dollars." Research provided can be either proprietary (created and provided by the broker-dealer, including tangible research products as well as access to analysts and traders) or third-party (created by a third-party but

provided by the broker-dealer). To the extent permitted by applicable law, the Investment Manager may use soft dollars to acquire both proprietary and third-party research.

The research services that brokers may provide to the Investment Manager include, among others, supplying information about particular companies, markets, countries, or local, regional, national or transnational economies, statistical data, quotations and other securities pricing information, access to portfolio company management, and other information that provides lawful and appropriate assistance to the Investment Manager in carrying out its investment advisory responsibilities. These services may not always directly benefit the Fund. They must, however, be of value to the Investment Manager in carrying out its overall responsibilities to its clients.

It is not possible to place an accurate dollar value on the special execution or on the research services the Investment Manager receives from dealers effecting transactions in portfolio securities. The allocation of transactions to obtain additional research services allows the Investment Manager to supplement its own research and analysis activities and to receive the views and information of individuals and research staffs from many securities firms. It is not anticipated that the receipt of these products and services will reduce the Investment Manager's research activities in providing investment advice to the Funds.

As long as it is lawful and appropriate to do so, the Investment Manager and its affiliates may use this research and data in their investment advisory capacities with other clients. Each Fund may obtain other services from brokers in connection with the Fund's investment transactions with such brokers. Such services will be limited to services that would otherwise be a Fund expense.

If purchases or sales of securities of a Fund and one or more other clients managed by the Investment Manager are considered at or about the same time, transactions in these securities will be allocated among the several clients in a manner deemed equitable to all by the Investment Manager, taking into account the respective sizes of the accounts and the amount of securities to be purchased or sold. In some cases this procedure could have a detrimental effect on the price or volume of the security so far as the Fund is concerned. In other cases it is possible that the ability to participate in volume transactions may improve execution and reduce transaction costs to the Funds.

Because each Fund may, from time to time and subject to applicable law, invest in broker-dealers, it is possible that a Fund will own more than 5% of the voting securities of one or more broker-dealers through whom the Fund placed portfolio brokerage transactions. In such circumstances, the broker-dealer would be considered an affiliated person of such Fund. To the extent a Fund places brokerage transactions through such a broker-dealer at a time when the broker-dealer is considered to be an affiliate of the Fund, the Fund will be required to adhere to certain rules relating to the payment of commissions to an affiliated broker-dealer. These rules require the Fund to adhere to procedures adopted by the board to ensure that the commissions paid to such broker-dealers do not exceed what would otherwise be the usual and customary brokerage commissions for similar transactions.

The following table sets forth the amount of brokerage commissions paid by each Fund during the fiscal years ended December 31:

	2024
Capital Appreciation Fund	$17,942
Opportunity Fund	$128,487

There were no brokerage commissions paid to affiliated broker-dealers by the Funds for the fiscal year ended December 31, 2024.

The following tables set forth the brokerage commissions that were paid by the Predecessor Funds during the fiscal years ended December 31:

	2023	2022	2021
Capital Appreciation Fund	$13,528	$11,244	$14,149
Opportunity Fund	$124,114	$165,691	$133,475

There were no brokerage commissions paid to affiliated broker-dealers by the Predecessor Funds for the fiscal years ended December 31, 2023, December 31, 2022 and December 31, 2021.

The Opportunity Fund and the Capital Appreciation Fund did not own securities issued by any of the ten broker-dealers or the parent companies of such broker-dealers with whom the Funds transacted the most business during the fiscal year ended December 31, 2024.

TAXATION OF THE FUNDS

Qualification as a Regulated Investment Company

Each Fund has elected to be treated as a regulated investment company ("RIC") under Subchapter M of the Code. A RIC qualifying under Subchapter M of the Code is required to distribute to its shareholders at least 90% of its investment company taxable income (including the excess of net short-term capital gain over net long-term capital losses) and generally is not subject to federal income tax to the extent that it distributes annually 100% of its investment company taxable income and net capital gain (that is, the excess of net long-term capital gain over net short-term capital loss) in the manner required under the Code. Each Fund intends to distribute at least annually all of its investment company taxable income and net capital gain and therefore does not expect to pay federal income tax, although in certain circumstances, a Fund may determine that it is in the interest of shareholders to distribute less than that amount.

To be treated as a RIC under Subchapter M of the Code, each Fund must also (a) derive at least 90% of its gross income from dividends, interest, payments with respect to securities loans and gains from the sale or other disposition of securities or foreign currencies, or other income (including, but not limited to, gains from options, futures or forward contracts) derived with respect to the business of investing in such securities or currencies, or net income derived from interests in certain qualified publicly traded partnerships, and (b) diversify its holdings so that, at the end of each fiscal quarter, (i) at least 50% of the market value of each Fund's assets is represented by cash, U.S. government securities and securities of other regulated investment companies, and other securities (for purposes of this calculation, generally limited in respect of any one issuer, to an amount not greater than 5% of the market value of the Fund's assets and 10% of the outstanding voting securities of such issuer) and (ii) not more than 25% of the value of its assets is invested in (A) the securities of (other than U.S. government securities or the securities of other regulated investment companies) any one issuer or two or more issuers which the Fund controls and which are determined to be engaged in the same or similar trades or businesses, or (B) the securities of one or more qualified publicly traded partnerships.

If for any taxable year a Fund does not qualify as a RIC, all of its taxable income will be subject to tax at regular corporate rates without any deduction for dividends paid to shareholders, and the dividends will be taxable to the shareholders as ordinary income to the extent of the Fund's current and accumulated earnings and profits. Failure to qualify as a RIC would thus have a negative impact on a Fund's income and performance.

For purposes of calculating capital gain distributions, each Fund offsets any prior taxable year's capital loss carryovers against the current taxable year's realized capital gains, if any, to the extent allowable by the Code; accordingly, no capital gain distributions will be made by a Fund for a taxable year until it has realized gains in that year in excess of any such loss carryover. On December 22, 2010, the Regulated Investment Company Modernization Act of 2010 (the "RIC Modernization Act") was signed into law. Pursuant to the RIC Modernization Act, capital losses incurred after December 31, 2010 may now be carried forward indefinitely, and the loss carryover retains the character of the original loss (i.e., as short-term or long-term). Under pre-enactment laws, capital losses could be

carried forward for eight years, and carried forward as short-term capital loss, irrespective of the character of the original loss. As of December 31, 2024, neither fund had any capital loss carryovers.

Excise Tax

Under the Code, a nondeductible excise tax of 4% is imposed on the excess of a RIC's "required distribution" for the calendar year ending within the RIC's taxable year over the "distributed amount" for such calendar year. The term "required distribution" means the sum of (a) 98% of ordinary income (generally net investment income) for the calendar year, (b) 98.2% of capital gain (both long-term and short-term) for the one-year period ending on October 31 of the calendar year (or December 31 if elected by a Fund) and (c) the sum of any untaxed, undistributed net investment income and net capital gains of the RIC for prior periods. The term "distributed amount" generally means the sum of (a) amounts actually distributed by a Fund from its current year's ordinary income and capital gain net income and (b) any amount on which a Fund pays income tax for the taxable year ending in the calendar year. Although each Fund intends to distribute its net investment income and net capital gains so as to avoid excise tax liability, a Fund may determine that it is in the interest of shareholders to distribute a lesser amount.

Certain Tax Rules Applicable to the Funds' Transactions

Certain listed options, regulated futures contracts, and forward foreign currency contracts are considered "Section 1256 contracts" for federal income tax purposes. Section 1256 contracts held by a Fund at the end of each taxable year will be "marked to market" and treated for federal income tax purposes as though sold for fair market value on the last business day of such taxable year. Gain or loss realized by a Fund on Section 1256 contracts (other than certain foreign currency contracts) generally will be considered 60% long-term capital gain or loss and 40% short-term capital gain or loss.

Under the Code, gains or losses attributable to fluctuations in exchange rates which occur between the time a Fund accrues interest or other receivables or accrues expenses or other liabilities denominated in a foreign currency and the time the Fund actually collects such receivables or pays such liabilities are treated as ordinary income or ordinary loss. Similarly, gains or losses from the disposition of foreign currencies, from the disposition of debt securities denominated in a foreign currency, or from the disposition of a forward foreign currency contract which are attributable to fluctuations in the value of the foreign currency between the date of acquisition of the asset and the date of disposition also are treated as ordinary income or loss. These gains or losses, referred to under the Code as "Section 988" gains or losses, increase or decrease the amount of a Fund's investment company taxable income available to be distributed to its shareholders as ordinary income, rather than increasing or decreasing the amount of such Fund's net capital gain.

Sale or Redemption of Shares

In general, you will recognize a gain or loss on the sale or redemption of shares of a Fund in an amount equal to the difference between the proceeds of the sale or redemption and your adjusted tax basis in the Fund shares. All or a portion of any loss so recognized may be disallowed if you purchase (for example, by reinvesting dividends) other shares of the Fund within 30 days before or after the sale or redemption (a so-called "wash sale"). If disallowed, the loss will be reflected in an upward adjustment to the basis of the shares acquired. In general, any gain or loss arising from the sale or redemption of shares of a Fund will be capital gain or loss and will be long-term capital gain or loss if the shares were held for longer than one year. Any capital loss arising from the sale or redemption of shares held for six months or less, however, is treated as a long-term capital loss to the extent of the amount of distributions of net capital gain received on such shares. In determining the holding period of such shares for this purpose, any period during which your risk of loss is offset by means of options, short sales or similar transactions is not counted. Capital losses in any year are deductible only to the extent of capital gains plus, in the case of a noncorporate taxpayer, $3,000 of ordinary income.

CONTROL PERSONS AND PRINCIPAL SHAREHOLDERS

A principal shareholder is any person who owns of record or beneficially 5% or more of the outstanding shares of a Fund. A control person is one who owns beneficially or through controlled companies more than 25% of the voting securities of a Fund or acknowledges the existence of control. A controlling person possesses the ability to control the outcome of matters submitted for shareholder vote by the Fund. The following tables list the shareholders considered to be either a control person or a principal

shareholder of each class of each Fund as of March 31, 2025.

Capital Appreciation Fund

Name and Address	% Ownership	Type of Ownership[1]
GILLESPIE FAMILY 2000 LLC C/O CRAVATH SWAINE & MOORE NEW YORK NY 10019-7416	28.53%	Beneficial
RICHARD P HOWARD GUILFORD CT 06437-2005	12.43%	Beneficial
SLW INVESTMENTS LLC PO BOX 27336 HOUSTON TX 77227-7336	10.86%	Record
JOHN D GILLESPIE 2012 DESCENDANTS TRUST WILSON WY 83014-1752	6.78%	Beneficial
JUNIPER TRUST FOR THE EXCLUSIVE BENEFIT OF ITS CUSTOMER KEMAH TX 77565-2537	6.39%	Record
CHARLES SCHWAB & CO INC SPECIAL CUSTODY A/C FBO CUSTOMERS ATTN MUTUAL FUNDS 211 MAIN ST SAN FRANCISCO CA 94105-1901	6.04%	Record

Opportunity Fund

Name and Address	% Ownership	Type of Ownership[1]
NATIONAL FINANCIAL SERVICES LLC FOR THE EXCLUSIVE BENEFIT OF ITS CUSTOMERS ATTN MUTUAL FUNDS DEPT 4TH FL 499 WASHINGTON BLVD JERSEY CITY NJ 07310-1995	34.58%	Record
CHARLES SCHWAB & CO INC SPECIAL CUSTODY A/C FBO CUSTOMERS ATTN MUTUAL FUNDS 211 MAIN ST SAN FRANCISCO CA 94105-1901	19.57%	Record
GILLESPIE FAMILY 2000 LLC C/O CRAVATH SWAINE & MOORE NEW YORK NY 10019-7416	14.70%	Beneficial
ATTN MUTUAL FUND ADMINISTRATOR FOR THE EXCLUSIVE BENEFIT OF ITS CUSTOMER SEI PRIVATE TRUST COMPANY ONE FREEDOM VALLEY DRIVE OAKS PA 19456-9989	6.35%	Record
BROWN BROTHERS HARRIMAN & CO CUST FBO BBH PRIVATE BANKING PRIVATE CL OMNIBUS ATTN MUTUAL FUND SERVICES 140 BROADWAY NEW YORK NY 10005-1108	5.92%	Record

BUYING AND SELLING SHARES

For investors outside the U.S., the offering of Fund shares may be limited in many jurisdictions. An investor who wishes to buy shares of a Fund should determine, or have a broker-dealer determine, the applicable laws and regulations of the relevant jurisdiction. Investors are responsible for compliance with tax, currency exchange or other regulations applicable to redemption and purchase transactions in any jurisdiction to which they may be subject. Investors should consult appropriate tax and legal advisors to obtain information on the rules applicable to these transactions. The Funds may reject any order to buy shares placed by an investor outside the U.S., in their discretion.

All checks, drafts, wires and other payment mediums used to buy or sell shares of a Fund must be denominated in U.S. dollars. The Funds may, in their sole discretion, either (a) reject any order to buy or sell shares denominated in any other currency or (b) honor the transaction or make adjustments to your account for the transaction as of a date and with a foreign currency exchange factor determined by the drawee bank. We may deduct any applicable banking charges imposed by the bank from your account.

If you buy shares through the reinvestment of dividends, the shares will be purchased at the NAV determined on the business day following the dividend record date (sometimes known as the "ex-dividend date"). The processing date for the reinvestment of dividends may vary and does not affect the amount or value of the shares acquired.

Investment by Asset Allocators

Each Fund permits investment in the Funds by certain asset allocators ("Asset Allocators") who make investment decisions on behalf of underlying clients. The Asset Allocators typically make asset allocation decisions across similarly situated underlying accounts that are invested in the Funds. As a result of adjustments in such asset allocation decisions, the Funds may experience relatively large purchases and redemptions when the Asset Allocators implement their asset allocation adjustment decisions. The Funds, based on monitoring of the trading activity of such Asset Allocator accounts, reserves the right to treat such Asset Allocators as market timers. In such circumstances, the Funds may restrict or reject trading activity by Asset Allocators if, in the judgment of the Investment Manager, such trading may interfere with the efficient management of a Fund's portfolio, may materially increase a Fund's transaction costs or taxes, or may otherwise be detrimental to the interests of a Fund and its shareholders. None of the Funds, the Investment Manager or any other affiliated party receives any compensation or other consideration in return for permitting investments by Asset Allocators.

Other Payments

From time to time, the Investment Manager, at its expense, may provide additional compensation to dealers which sell or arrange for the sale of shares of a Fund. Such compensation may include financial assistance to dealers that enable the Investment Manager to participate in and/or present at conferences or seminars, sales or training programs for invited registered representatives and other employees, client and investor events and other dealer-sponsored events. These payments may vary depending upon the nature of the event.

Other compensation may be offered to the extent not prohibited by state laws or any self-regulatory agency, such as the Financial Industry Regulatory Authority. The Investment Manager makes payments for events it deems appropriate, subject to the Investment Manager's guidelines and applicable law.

You can ask your dealer for information about any payments it receives from Prospector Partners Asset Management and any services provided.

Anti-Money Laundering Compliance Program

The Trust has established an Anti-Money Laundering Compliance Program (the "Program") as required by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 ("USA PATRIOT Act"). To ensure compliance with this law, the Trust's Program provides for the development of internal practices, procedures and

controls, designation of anti-money laundering compliance officers, an ongoing training program and an independent audit function to determine the effectiveness of the Program. Ms. Deborah Ward has been designated as the Trust's Anti-Money Laundering Compliance Officer.

Procedures to implement the Program include, but are not limited to: determining that the Distributor and the Transfer Agent have established proper anti-money laundering procedures; reporting suspicious and/or fraudulent activity; checking shareholder names against designated government lists, including Office of Foreign Asset Control, and a complete and thorough review of all new opening account applications. The Funds will not transact business with any person or legal entity whose identity and beneficial owners, if applicable, cannot be adequately verified under the provisions of the USA PATRIOT Act.

As a result of the Program, the Funds may be required to "freeze" the account of a shareholder if the shareholder appears to be involved in suspicious activity or if certain account information matches information on government lists of known terrorists or other suspicious persons, or the Funds may be required to transfer the account or proceeds of the account to a governmental agency.

Redemptions in Kind

In the case of redemption requests, each Fund reserves the right to make payments in whole or in part in securities or other assets of the Fund, in case of an emergency, or if the payment of such a redemption in cash would be detrimental to the existing shareholders of the Fund. In these circumstances, the securities distributed would be valued at the price used to compute the Fund's net assets and you may incur brokerage fees in converting the securities to cash. The Funds do not intend to redeem illiquid securities in kind. If this happens, however, you may not be able to recover your investment in a timely manner.

The Funds have elected to be governed by Rule 18f-1 under the 1940 Act, pursuant to which the relevant Fund is obligated to redeem shares solely in cash up to the lesser of $250,000 or 1% of the NAV of the Fund during any 90-day period for any one shareholder.

Share Certificates

We will credit your shares to your Fund account. We do not issue share certificates. This eliminates the costly problem of replacing lost, stolen or destroyed certificates.

PRICING OF SHARES

When you buy shares, you pay the NAV per share. The number of Fund shares you will be issued will equal the amount invested divided by the applicable offering price for those shares, calculated to three decimal places using standard rounding criteria.

When you sell shares, you receive the NAV per share minus any applicable redemption fees.

The NAV of a Fund is determined by deducting the Fund's liabilities from the total assets of the portfolio. The NAV per share is determined by dividing the total NAV of the Fund by the applicable number of shares outstanding.

NAV per share = Net Assets / Shares Outstanding

Each Fund calculates its NAV per share after the close of trading on the NYSE (normally 4:00 p.m., Eastern Time) each business day the NYSE is open. The Funds do not calculate the NAV on days the NYSE is closed for trading, which include New Year's Day, Martin Luther King Jr. Day, President's Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Generally, the Funds' investments are valued at market value or, in the absence of a market value, at fair value as determined under fair value pricing policies approved by the Board. Pursuant to Rule 2a-5 under the 1940 Act, the Investment Manager has been designated by the Board as the valuation designee for each Fund and has been delegated the responsibility for making good faith, fair value determinations with respect to the Funds' portfolio securities. When market prices are not readily available, or believed by the

Investment Manager to be unreliable, a security or other asset is valued at its fair value by the Investment Manager as determined under fair value pricing procedures approved by the Board. The Board reviews, no less frequently than annually, the adequacy of the Fund's policies and procedures and the effectiveness of their implementation. These fair value pricing procedures will also be used to price a security when corporate events, events in the securities market and/or world events cause the Investment Manager to believe that a security's last sale price may not reflect its actual market value. The intended effect of using fair value pricing procedures is to ensure that a Fund is accurately priced. The Board will regularly evaluate whether the Trust's fair value pricing procedures continue to be appropriate in light of the specific circumstances of the Funds and the quality of prices obtained through the application of such procedures.

When determining its NAV, each Fund values cash and receivables at their realizable amounts, and records interest as accrued and dividends on the ex-dividend date. Each Fund may utilize independent pricing services to assist in determining a current market value for each security. If market quotations are readily available for portfolio securities listed on a securities exchange or on the NASDAQ National Market System, each Fund values those securities at the last quoted sale price or the official closing price of the day, respectively, or, if there is no reported sale, at the last quoted bid price. Each Fund generally values OTC portfolio securities at the last quoted sales price (if adequate trading volume is present) or, otherwise, at the last bid price. If a security is traded or dealt in on more than one exchange, or on one or more exchanges and in the OTC market, quotations from the market in which the security is primarily traded shall be used.

Requests to buy and sell shares are processed at the NAV per share next calculated after we receive your request in proper form.

Generally, trading in corporate bonds, U.S. government securities and money market instruments is substantially completed each day at various times before the close of the NYSE. The value of these securities used in computing the NAV is determined as of such times. Occasionally, events affecting the values of these securities may occur between the times at which they are determined and the close of the NYSE that will not be reflected in the computation of the NAV. Each Fund may rely on third-party pricing vendors to monitor for events materially affecting the value of these securities during this period. If an event occurs, the third-party pricing vendors will provide revised values to the relevant Fund.

FINANCIAL STATEMENTS

The Annual Report is a separate document supplied with this SAI. The financial statements, accompanying notes, and the report of the Funds' independent registered public accounting firm appearing in the Annual Report are incorporated by reference into this SAI.

APPENDIX A – PROXY VOTING PROCEDURES

PROSPECTOR FUNDS (SERIES UNDER MANAGED PORTFOLIO SERIES)

PROXY VOTING POLICIES AND PROCEDURES

Adopted September 7, 2007
Updated September 9, 2024

SECTION 1. PURPOSE

Shareholders of the various series ("Series") of Prospector Funds (the "Fund") expect the Fund to vote proxies received from issuers whose voting securities are held by a Series. The Fund exercises its voting responsibilities as a fiduciary, with the goal of maximizing the value of the Fund's and its shareholders' investments.

This document describes the Policies and Procedures for Voting Proxies ("Policies") received from issuers whose voting securities are held by each Series.

SECTION 2. RESPONSIBILITIES

(A) **Adviser.** Pursuant to the investment advisory agreement between the Fund and the investment adviser providing advisory services to the Series (the "Adviser"), the Fund has delegated the authority to vote proxies received by each Series regarding securities contained in its portfolio to the Adviser. Accordingly, the Fund incorporates herein and makes a part hereof, the Adviser's proxy voting policies and procedures. These Policies are to be implemented by the Adviser for each Series for which it provides advisory services. To the extent that these Policies do not cover potential voting issues with respect to proxies received by a Series, the Adviser shall act on behalf of the applicable Series Funds to promote the Series' investment objectives, subject to the provisions of these Policies.

The Adviser shall periodically inform its employees (i) that they are under an obligation to be aware of the potential for conflicts of interest on the part of the Adviser with respect to voting proxies on behalf of the Series, both as a result of the employee's personal relationships and due to circumstances that may arise during the conduct of the Adviser's business, and (ii) that employees should bring conflicts of interest of which they become aware to the attention of the management of the Adviser.

The Adviser shall be responsible for coordinating the delivery of proxies by the Series' custodian to the Adviser or to an agent of the Adviser selected by the Adviser to vote proxies with respect to which the Adviser has such discretion (a "Proxy Voting Service").

(B) **Proxy Manager.** The Fund will appoint a proxy manager (the "Proxy Manager"), who shall be an officer of the Fund. The Proxy Manager shall oversee compliance by the Adviser and the Fund's other service providers with these Policies. The Proxy Manager will, from to time, periodically review the Policies and industry trends in comparable proxy voting policies and procedures. The Proxy Manager may recommend to the Board, as appropriate, revisions to update these Policies.

SECTION 3. SCOPE

These Policies summarize the Fund's positions on various issues of concern to investors in issuers of publicly-traded voting securities, and give guidance about how the Adviser should vote the Series' shares on each issue raised in a proxy statement. These Policies are designed to reflect the types of issues that are typically presented in proxy statements for issuers in which a Series may invest; they are not meant to cover every possible proxy voting issue that might arise. Accordingly, the specific policies and procedures listed below are not exhaustive and do not address all potential voting issues or the intricacies that may surround specific issues in all cases. For that reason, there may be instances in which votes may vary from these Policies.

SECTION 4. POLICIES AND PROCEDURES FOR VOTING PROXIES

(A) General

(1) **Use of Adviser Proxy Voting Guidelines or Proxy Voting Service.** If (A) the Adviser has proprietary proxy voting guidelines that it uses for its clients and/or the Adviser uses a Proxy Voting Service and the Proxy Voting Service has published guidelines for proxy voting; (B) the Fund's Board of Directors (the "Board") has been notified that the Adviser intends to use either such Adviser or Proxy Voting Service proxy voting guidelines to vote an applicable Series' proxies and has approved such guidelines; and (C) the Adviser's and/or Proxy Voting Service's Guidelines are filed as an exhibit to the applicable Series' Registration Statement (collectively considered "Adviser Guidelines"), then the Adviser may vote, or may delegate to the Proxy Voting Service the responsibility to vote, the Series' proxies consistent with such Adviser Guidelines.

(2) **Absence of Proxy Voting Service Guidelines.** In the absence of Adviser Guidelines, the Adviser shall vote the Series' proxies consistent with Sections B and C below.

(B) Routine Matters

As the quality and depth of management is a primary factor considered when investing in an issuer, the recommendation of the issuer's management on any issue will be given substantial weight. The position of the issuer's management will not be supported in any situation where it is determined not to be in the best interests of the Series' shareholders.

(1) **Election of Directors.** Proxies should be voted for a management-proposed slate of directors unless there is a contested election of directors or there are other compelling corporate governance reasons for withholding votes for such directors. Management proposals to limit director liability consistent with state laws and director indemnification provisions should be supported because it is important for companies to be able to attract qualified candidates.

(2) **Appointment of Auditors.** Management recommendations will generally be supported.

(3) **Changes in State of Incorporation or Capital Structure.** Management recommendations about reincorporation should be supported unless the new jurisdiction in which the issuer is reincorporating has laws that would materially dilute the rights of shareholders of the issuer. Proposals to increase authorized common stock should be examined on a case-by-case basis. If the new shares will be used to implement a poison pill or another form of anti-takeover device, or if the issuance of new shares could excessively dilute the value of outstanding shares upon issuance, then such proposals should be evaluated to determine whether they are in the best interest of the Series' shareholders.

(C) Non-Routine Matters

(1) **Corporate Restructurings, Mergers and Acquisitions.** These proposals should be examined on a case-by-case basis.

(2) **Proposals Affecting Shareholder Rights.** Proposals that seek to limit shareholder rights, such as the creation of dual classes of stock, generally should not be supported.

(3) **Anti-takeover Issues.** Measures that impede takeovers or entrench management will be evaluated on a case-by-case basis taking into account the rights of shareholders and the potential effect on the value of the company.

(4) **Executive Compensation.** Although management recommendations should be given substantial weight, proposals relating to executive compensation plans, including stock option plans, should be examined on a case-by-case basis to ensure that the long-term interests of management and shareholders are properly aligned.

(5) **Social and Political Issues.** These types of proposals should generally not be supported if they are not supported by management unless they would have a readily-determinable, positive financial effect on shareholder value and would not be burdensome or impose unnecessary or excessive costs on the issuer.

(D) Conflicts of Interest

The Adviser is responsible for maintaining procedures to identify conflicts of interest. The Fund recognizes that under certain circumstances an Adviser may have a conflict of interest in voting proxies on behalf of a Series advised by the Adviser. A "conflict of interest" includes, for example, any circumstance when the Series, the Adviser, the principal underwriter, or one or more of their affiliates (including officers, directors and employees) knowingly does business with, receives compensation from, or sits on the board of, a particular issuer or closely affiliated entity, and, therefore, may appear to have a conflict of interest between its own interests and the interests of Fund shareholders in how proxies of that issuer are voted.

If the Adviser determines that it, or a Proxy Voting Service, has a conflict of interest with respect to voting proxies on behalf of a Fund, then the Adviser shall disclose the conflict to the Fund's Board of Trustees (the "Board") and obtain the Board's consent to the proposed vote prior to voting on such proposal.

a. Detailed Disclosure to the Board. To enable the Board to make an informed decision regarding the vote in question, such disclosure to the Board shall include sufficient detail regarding the matter to be voted on and the nature of the conflict. When the Board does not respond to such a conflict disclosure request or denies the request, the Adviser shall abstain from voting the securities held by the relevant Series.
b. Use of Independent Third Party. To the extent there is a conflict of interest between the Adviser, the Series' principal underwriters, or an affiliated person of the Adviser or a principal underwriter and one or more Series and the Adviser notifies the Board of such conflict, the Board may vote the proxy in accordance with the recommendation of an independent third party.

(E) Abstention

The Fund may abstain from voting proxies in certain circumstances. The Adviser or the Proxy Manager may determine, for example, that abstaining from voting is appropriate if voting may be unduly burdensome or expensive, or otherwise not in the best economic interest of the Series' shareholders, such as when foreign proxy issuers impose unreasonable or expensive voting or holding requirements or when the costs to the Series to effect a vote would be uneconomic relative to the value of the Series' investment in the issuer.

(F) Reporting

(1) **Presentation of Proxy Voting Policies to the Board.** Initially the Adviser shall present to the Board for its review the Adviser's Proxy Voting Policies and Procedures. Annually the Board will review a summary of the Adviser's Proxy Voting Policy. In addition, the Adviser shall notify the Board promptly of material changes to the Adviser's Policies and Procedures.

(2) **Annual Presentation of Proxy Voting Record to the Board.** At least annually, the Adviser shall provide to the Board a record of each proxy voted with respect to portfolio securities held by the Series during the year. With respect to those proxies that the Adviser has identified as involving a conflict of interest, the Adviser shall submit a separate report indicating the nature of the conflict of interest and how that conflict was resolved with respect to the voting of the proxy. For this purpose, a "conflict of interest" shall be deemed to occur when the Adviser, the Fund's principal underwriters, or an affiliated person of the Adviser or a principal underwriter has a financial interest in a matter presented by a proxy to be voted on behalf of a Series, other than the obligation the Adviser incurs as investment adviser to that Series, which may compromise the Adviser's independence of judgment and action in voting the proxy.

(G) Annual Filing of Proxy Voting Record

The Series shall file an annual report of each proxy voted with respect to portfolio securities held by the Series during the twelve-month period ended June 30 on Form N-PX not later than August 31 of each year.

(H) Proxy Voting Disclosures

(1) **The Fund shall include in its registration statement:**

a. A description of these Policies and Procedures and of the Adviser's Policies and Procedures; and

b. A statement disclosing that information regarding how the Series voted proxies relating to portfolio securities held by each Series during the most recent twelve-month period ended June 30 is available without charge, upon request, by calling the Series's toll-free telephone number or through a specified Internet address or both and on the SEC website.

(2) **The Fund shall include in its Annual and Semi-Annual Reports to shareholders:**

a. A statement that a description of these Policies and Procedures is available without charge, upon request, by calling the Fund's toll-free telephone number or through a specified Internet address or both and on the SEC website.

b. A statement that information regarding how the Series voted proxies relating to portfolio securities held by the Series during the most recent 12-month period ended June 30 is available without charge, upon request, by calling the Fund's toll-free telephone number or through a specified Internet address or both and on the SEC website.

SECTION 5. REVOCATION OF AUTHORITY TO VOTE

The delegation by the Board of the authority to vote proxies relating to portfolio securities held by the Series may be revoked by the Board, in whole or in part, at any time.

APPENDIX A – PROXY VOTING PROCEDURES

PROSPECTOR PARTNERS ASSET MANAGEMENT, LLC

Proxy Voting Policy and Procedures

Adopted July 11, 2005

Revised: October, 2015; November, 2020; August 2022; December 2024

I. Statement of Policy

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised. Prospector Partners Asset Management, LLC (the "Advisor") generally retains proxy-voting authority with respect to securities purchased for its clients. Under such circumstances, the Advisor votes proxies in the best interest of its clients and in accordance with these policies and procedures.

II. Use of Third-Party Proxy Voting Service

The SEC has expressed its view that although the voting of proxies remains the duty of a registered adviser, an Advisor may contract with service providers to perform certain research and recommendation functions with respect to proxy voting so long as the Advisor is comfortable that (i) the proxy voting service is independent from the issuer companies on which it completes its proxy research, and (ii) the Advisor maintains ongoing oversight of the delegated proxy voting functions; and (iii) the Advisor conducts due diligence on how the proxy voting service conducts its delegated functions.[1]

The Advisor has entered into an agreement with Institutional Shareholder Services (the "Proxy Voting Service"), an independent third-party, for the Proxy Voting Service to provide the Advisor with its research on proxies and to facilitate the electronic voting of proxies.

The Advisor has instructed the Proxy Voting Service that it is generally not to execute any ballot on behalf of the Advisor without first receiving specific instruction from the Advisor, unless the Proxy Voting Service's and company management's recommendation are the same. If no approval is received by Proxy Voting Service by the voting deadline, the Proxy Voting Service will execute ballots in accordance with its recommendation and will notify the Advisor immediately that a vote has been executed on its behalf and the character of the vote.

Periodic Review of Proxy Voting Service's Policies and Procedures and Continued Retention of the Proxy Voting Service. The Advisor shall review periodically the proxy voting policies, procedures and methodologies, conflicts of interest and competency of the Proxy Voting Service. The Advisor will also review the continued retention of the Proxy Voting Service, including whether any relevant credible potential factual errors, incompleteness or methodological weaknesses in the Proxy Voting Service's analysis that the Advisor is aware of materially affected the research and recommendations used by the Advisor. In addition, the Advisor will also consider the effectiveness of the Proxy Voting Service's policies and procedures for obtaining current and accurate information relevant to matters included in its research and on which it makes voting recommendations.

[1] See Commission Guidance Regarding Proxy Voting Responsibilities of Investment Advisers, Release Nos. IA-5325; IC-33605 (Aug. 21, 2019) and SEC Staff Legal Bulletin No. 20, Proxy Voting: Proxy Voting Responsibilities of Investment Advisers and Availability of Exemptions from the Proxy Rules for Proxy Advisory Firms (June 30, 2014).

III. Proxy Voting Procedures

The Advisor follows the Proxy Voting Service's "United States Proxy Voting Guidelines and Benchmark Policy Recommendations" which are consistent with the Advisor's proxy voting guidelines.

Proxies relating to securities held in client accounts will be sent directly to the Proxy Voting Service. If a proxy is received by the Advisor and not sent directly to the Proxy Voting Service, the Compliance Officer will promptly forward it to the Proxy Voting Service. In the event that (a) the Proxy Voting Service is unable to complete/provide its research regarding a security on a timely basis, (b) the Compliance Officer or the Proxy Voting Service determines that the Proxy Voting Service has a conflict of interest with respect to voting a proxy, or (c) the Advisor has made a determination that it is in the best interests of the Advisor's clients for the Advisor to vote the proxy, the Advisor's general voting guidelines (Section IV) are required to be followed.

For all proxies, the Compliance Officer or its designee, with the assistance of the Proxy Voting Service will:

1. Keep a record of each proxy received;

2. Provide a report of companies for which proxies need to be voted to the Portfolio Managers and Analysts on a weekly, monthly or periodic basis;

3. In cases where the Proxy Voting Service's and company management's recommendation are the same, the vote for all ballots in line with the Proxy Voting Service's recommendation will be automatically submitted without further approval by the Advisor;

4. If the Proxy Voting Service makes a recommendation contrary to company management's recommendation, the Proxy Voting Service research report will be provided to the Portfolio Manager / Analyst to assist in determining how to vote. Absent material conflicts (see Section VI), the Portfolio Manager / Analyst will determine how to vote. If the recommended vote is against the Proxy Voting Service recommendation, an explanation must be provided to enable the Chief Compliance Officer to conclude that the vote is in the best interest of the client(s); and

5. Perform reconciliations to ensure that all ballots have been received for shares that are owned as of the record date by Advisor's clients for all proxies.

IV. General Voting Guidelines

To the extent that the Advisor is voting a proxy itself and not utilizing the Proxy Voting Service, the Advisor will follow these general voting guidelines. Investment professionals of the Advisor each have the duty to vote proxies in a way that, in their best judgment, is in the best interest of the Advisor's clients. Generally, the Advisor believes that voting proxies in accordance with the following guidelines is in the best interests of its clients. However, it is anticipated that circumstances may arise where votes are inconsistent with these general guidelines. In addition, the Advisor will vote proxies in the best interests of each particular client, which may result in different votes for proxies for the same issuer.

A. Elections of Directors

Unless there is a proxy fight for seats on the Board of Directors, the Advisor will generally vote in favor of the management proposed slate of directors. The Advisor may withhold votes if the board fails to act in the best interests of shareholders, including, but not limited to, their failure to:

- Implement proposals to declassify boards
- Implement a majority vote requirement
- Submit a rights plan to a shareholder vote
- Act on tender offers where a majority of shareholders have tendered their shares

The Advisor may withhold votes for directors of non-U.S. issuers if insufficient information about the nominees is disclosed in the proxy statement.

B. Appointment of Auditors

The Advisor generally believes that the company remains in the best position to choose its auditors and will generally support management's recommendation for the appointment of auditors.

The Advisor will generally oppose the appointment of auditors when:

- The fees for non-audit related services are disproportionate to the total audit fees
- Other reasons to question the independence of the auditors exist

C. Changes In Capital Structure

Absent a compelling reason to the contrary, the Advisor will generally cast votes in accordance with the company's management. However, the Advisor will review and analyze on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company.

The Advisor will generally favor increases in authorized common stock when it is necessary to:

- Implement a stock split
- Aid in restructuring or acquisition
- Provide a sufficient number of shares for an employee savings plan, stock option plan or executive compensation plan

The Advisor will generally oppose increases in authorized common stock when:

- There is evidence that the shares will be used to implement a poison pill or another form of anti-takeover defense
- The issuance of new shares could excessively dilute the value of the outstanding shares upon issuance

D. Corporate Restructurings, Mergers and Acquisitions

The Advisor will analyze such proposals on a case-by-case basis, taking into account, among other things, the views of investment professionals managing the portfolios in which the stock is held.

E. Proposals Affecting Shareholder Rights

The Advisor believes that certain fundamental rights of shareholders must be protected. The Advisor will weigh the financial impact of proposed measures against the impairment of shareholder rights.
The Advisor will generally favor proposals that give shareholders a greater voice in the affairs of the company, and generally oppose proposals that have the effect of restricting shareholders' voice in the affairs of the company.

F. Corporate Governance

The Advisor believes that good corporate governance is important in ensuring that management and the Board of Directors fulfill their obligations to the company's shareholders.

The Advisor will generally favor proposals that promote transparency and accountability within a company, such as those promoting:

- Equal access to proxies

- A majority of independent directors on key committees
- The Advisor will generally oppose:
- Companies having two classes of shares
- The existence of a majority of interlocking directors

G. Anti-Takeover Measures

In general, proposed measures (whether advanced by management or shareholder groups) that impede takeovers or have the effect of entrenching management may be detrimental to the rights of shareholders and may negatively impact the value of the company. The Advisor will generally favor proposals that have the purpose or effect of restricting or eliminating existing anti-takeover measures that have previously been adopted, such as:

- Shareholder proposals that seek to require the company to submit a shareholder rights plan to a shareholder vote.

The Advisor will generally oppose proposals that have the purpose or effect of entrenching management or diluting shareholder ownership, such as:

- "Blank check" preferred stock
- Classified boards
- Supermajority vote requirements

H. Executive Compensation

The Advisor generally believes that company management and the compensation committee of the Board of Directors should, within reason, be given latitude in determining the types and mix of compensation and benefit awards offered.

- The Advisor will review proposals relating to executive compensation plans on a case-by-case basis to ensure:
- The long-term interests of management and shareholders are properly aligned
- The option exercise price is not below market price on the date of grant
- An acceptable number of employees are eligible to participate in such compensation programs

The Advisor will generally favor proposals that have the purpose or effect of fairly benefiting both management and shareholders, such as proposals to:

- "Double trigger" option vesting provisions
- Seek treating employee stock options as an expense

The Advisor will generally oppose proposals that have the purpose or effect of unduly benefiting management, such as:

- Plans that permit re-pricing of underwater employee stock options
- "Single trigger" option vesting provisions

I. Social and Corporate Responsibility

The Advisor will review and analyze on a case-by-case basis proposals relating to social, political and environmental issues to determine their financial impact on shareholder value. The Advisor will generally oppose such social, political and environmental proposals that have a negative financial impact on shareholder value, such as measures that are unduly burdensome or result in unnecessary and excessive costs to the company.

J. Abstentions; Determination Not to Vote; Closed Positions

The Advisor will abstain from voting or affirmatively decide not to vote if the Advisor determines that abstention or not voting is in the best interests of the client. In making this determination, the Advisor will consider various factors, including, but not limited to, (i) the costs associates with exercising the proxy (e.g., translation or travel costs); and (ii) any legal restrictions on trading resulting from the exercise of a proxy. The Advisor may determine not to vote proxies relating to securities in which clients have no position as of the receipt of the proxy (for example, when the Advisor has sold, or has otherwise closed, a client position after the proxy record date but before the proxy receipt date).

Proxy voting in certain countries requires "share blocking." Shareholders wishing to vote their proxies must deposit their shares shortly before the date of the meeting (usually one week) with a designated depositary. During this blocking period, shares that will be voted at the meeting cannot be sold until the meeting has taken place and the shares are returned to the clients' custodian banks. The Advisor may determine that the value of exercising the vote is outweighed by the detriment of not being able to sell the shares during this period. In cases where we want to retain the ability to trade shares, we may abstain from voting those shares.

V. Disclosure

A. The Advisor will disclose in its Form ADV Part 2 that clients may contact the Compliance Officer via e-mail or telephone in order to obtain information on how the Advisor voted such client's proxies, and to request a copy of these policies and procedures. If a client requests this information, the Compliance Officer will prepare a written response to the client that lists, with respect to each voted proxy that the client has inquired about, (1) the name of the issuer; (2) the proposal voted upon and (3) how the Advisor voted the client's proxy.

B. A concise summary of these Proxy Voting Policies and Procedures will be included in the Advisor's Form ADV Part 2, and will be updated whenever these policies and procedures are updated.

VI. Potential Conflicts of Interest

A. In the event that the Advisor is directly voting a proxy, the Compliance Officer will examine conflicts that exist between the interests of the Advisor and its clients. This examination will include a review of the relationship of the Advisor, its personnel and its affiliates with the issuer of each security and any of the issuer's affiliates to determine if the issuer is a client of the Advisor or an affiliate of the Advisor or has some other relationship with the Advisor, its personnel or a client of the Advisor.

B. If, as a result of the Compliance Officer's examination, a determination is made that a material conflict of interest exists, the Advisor will determine whether voting in accordance with the voting guidelines and factors described above is in the best interests of the client. If the proxy involves a matter covered by the voting guidelines and factors described above, the Advisor will *generally* vote the proxy in accordance with the voting guidelines. Alternatively, the Advisor may vote the proxy in accordance with the recommendation of the Proxy Voting Service provided the Proxy Voting Service is not subject to a material conflict of interest.

C. The Advisor may disclose the conflict to the affected clients and, except in the case of clients that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), give the clients the opportunity to vote their proxies. In the case of ERISA clients, if the Investment Management Agreement reserves to the ERISA client the authority to vote proxies when the Advisor determines it has a material conflict that affects its best judgment as an ERISA fiduciary, the Advisor will give the ERISA client the opportunity to vote its proxies.

D. If the Advisor determines that it, or a Proxy Voting Service, has a conflict of interest with respect to voting proxies on behalf of a series (the "Fund") then the Advisor shall disclose the conflict to the Fund's Board of Trustees (the "Board") and obtain the Board's consent to the proposed vote prior to voting such proposal.

VII. Proxy Recordkeeping

The Compliance Officer or its designee will maintain records relating to the Advisor's proxy voting procedures in an easily accessible place. (Under the services contract between the Advisor and its Proxy Voting Service, the Proxy Voting Service will maintain the Advisor's proxy-voting records). Records will be maintained and preserved for five years from the end of the fiscal year during which the last entry was made on a record, with records for the most recent two years kept in the offices of the Advisor. Records of the following will be included in the files:

1. copies of these proxy voting policies and procedures, and any amendments thereto;

2. A copy of each proxy statement that the Advisor receives regarding client securities (the Advisor may rely on third parties or EDGAR);

3. A record of each vote that the Advisor casts;

4. A copy of any document the Advisor created that was material to making a decision how to vote proxies, or that memorializes that decision. (For votes that are inconsistent with the Advisor's general proxy voting polices, the reason/ rationale for such an inconsistent vote is required to be briefly documented and maintained.); and

5. A copy of each written client request for information on how the Advisor voted such client's proxies, and a copy of any written response to any (written or oral) client request for information on how the Advisor voted its proxies.

6. A copy of the documentation relating to the Advisor's determination that a conflict of interest exists with respect to a proxy, including the nature of the conflict, the factors considered in determining how to resolve and address the conflict, and any action taken with respect to the particular proxy.