



RiverPark Focused Value Fund (RFVIX / RFVFX) Overview

Investment Objective

The Fund's objective is to seek capital appreciation by investing primarily in large capitalization US equity securities that we believe are trading at substantial discounts to intrinsic value. The Fund is a high-conviction strategy and intends to be concentrated, with generally 20-25 investments.

Investment Approach

The Fund's investment approach is security-specific, fundamental, rigorous, research-intensive value investing. Investments will generally fall into two categories: high-quality businesses at reasonable prices and businesses impacted by temporary changes and will generally have three important characteristics:

- **A durable, predictable business**
- **Shareholder-oriented management that is focused on *per share* value creation**
- **Valuation that offers the opportunity for mid-teens returns annually over a 3-5 year holding period**

Investment Philosophy

The Fund's investment philosophy is that:

- **Markets are generally efficient, but occasionally inefficient.** We look for occasional inefficiencies that may result from a market over response to short-term issues or failure to appreciate the true earnings power of a business.
- **We are investing in pieces of businesses, not pieces of paper.** We are investors, not traders. We look for management teams that view shareholders as owners and are focused on building *per share* value over time.
- **Security pricing is very important in assessing investment merit.** The best *business* can become a poor *investment* if too high a price is paid. Conversely, some lower-quality businesses can be compelling investments at the right price.
- **Diversification is important, to a point.** We believe a portfolio of 20-25 positions provides the proper balance between diversification (not putting too many eggs in any one basket) and concentration (allowing us to reap the benefits of our best ideas).



Investment Process

The Fund's four step investment process is meant to develop a portfolio of 20-25 high conviction ideas:

- **Step One:** Identify what we believe are durable, predictable businesses. These are businesses where we believe we can develop reasonable business projections based on our understanding of the drivers of revenue and profitability. We focus on competitive positioning, pricing power, and return on invested capital. We believe that most businesses fall into the “too hard” bucket and we pass in order to spend our time on businesses where we believe research can make a difference.
- **Step Two:** Conduct a deep dive into the underlying business economics. We spend time analyzing corporate filings, financial reports, competitor relative performance, and when appropriate, conducting field research. The goal of this step in the process is to separate GAAP from business economics and to develop a multi-year projection of the income statement and cash flow, based on conservative assumptions.
- **Step Three:** Assess management's business strategy, capital allocation, and shareholder orientation. In order to be considered for investment, management must think and behave, in our opinion, as owners. It is imperative that we believe that management has a strategy for per share value creation.
- **Step Four:** Invest patiently with conviction and discipline. We believe that price is the final arbiter between a poor and a great investment. We attempt to follow a strict discipline to purchase and own investments when we believe they are selling at a substantial discount to our assessment of intrinsic value based on what we believe are reasonable valuation metrics. We believe a strong sell discipline is essential to the Fund's overall value approach. We will generally have a specific price target in mind when entering a position, will monitor each position as the stock price and our assessment of value evolve, and will re-size or exit positions accordingly.

Risk Management

The most important element in the Fund's risk management is a strict value discipline. We believe if we own companies that, in our view, are attractively priced then it is less likely they will experience substantial declines in value during broad market declines. We also pay close attention to our portfolio companies' financial leverage, as levered businesses have the potential to produce greater portfolio risk. While we believe in focused investing and will likely own fewer than 25 positions, we believe that diversification is a strong risk management tool. The Fund will have a maximum exposure of 15% to any single investment theme or specific external investment assumption. The Fund will maintain a guideline of less than 30% exposure to any broad economic sector and will not invest more than 10%, at cost or market, in any single position. The Fund will be subject to independent portfolio review by the firm's CEO.



RiverPark Commitment

RiverPark believes strongly in investing alongside our shareholders. As of December 31, 2017, RiverPark's portfolio managers and employees had a total of more than \$50 million invested across all of the RiverPark Funds, including, with respect to the Fund, approximately \$10 million from the portfolio manager and his family and more than \$2 million from other RiverPark professionals.

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and other information may be found in the Fund's summary and full prospectuses, which may be obtained by calling 888.564.4517, or by visiting the website at www.riverparkfunds.com. Please read the prospectus carefully before investing.

Mutual fund investing involves risk including possible loss of principal. In addition to the normal risks associated with investing, international investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. The Fund may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such investments may result in significant returns to the Fund, they involve a substantial degree of risk. There can be no assurance that the Fund will achieve its stated objectives. The Fund is not diversified.

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