December 2019

2019 Year in Review

IVA Worldwide Fund

Class	Ticker	CUSIP
A	IVWAX	45070A107
C	IVWCX	45070A503
I	IVWIX	45070A206

IVA International Fund

Class	Ticker	CUSIP
A	IVIOX	45070A305
C	IVICX	45070A602
I	IVIQX	45070A404

Past performance does not guarantee future results.

The performance data quoted represents past performance and current returns may be lower or higher. Returns are shown net of fees and expenses and assume reinvestment of dividends and other income. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month-end, please call 866.941.4482.

Investment Risks

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

2019 started off strong with the market bouncing back after a weak end to 2018. May and August brought some serious but temporary volatility and many markets reached all-time highs by the year end. Ultra-low interest rates have continued to propel markets higher despite trade war threats, Brexit, uncertain political times, and increased global indebtedness.

Over the full year the IVA Worldwide Fund Class I returned 12.68% versus the MSCI All Country World Index returned 26.60%, while the IVA International Fund Class I ended the year up 14.61% versus the MSCI All Country World Ex-U.S. Index returned 21.51%. While we do not try to mimic the benchmarks, and we would expect to lag somewhat especially in the late stages of a long bull market, this difference is disappointing and merits some explanation. As we reflect on the past year, we have quite a few factors that have all worked against us - somewhat of a perfect storm.

The markets over the past few years, and especially in 2019, have become increasingly bifurcated with so-called value stocks lagging growth stocks. To make matters worse for our portfolios, small and mid-cap stocks have lagged large cap stocks and international continues to trail behind the U.S. This raises some legitimate questions: Why has value investing been so disappointing? Does the discipline still work? Is this trend temporary or secular? We think there are a few factors that explain the recent trends. First, and maybe the most powerful factor is the continuation of ultra-low interest rates. Low rates seem to enormously affect value stocks as value stocks have a larger portion of their business value being derived from cash flows in the near to medium term, while a lot more of the value of growth stocks is derived from cash flows in the distant future. Thus growth stocks have a much longer duration and tend to benefit much more from lower rates.

Another headwind facing value investors has been the massive stock buyback phenomenon, primarily in the U.S. Buybacks have been good for many companies and helped the intrinsic values of many stocks to rise, however they have made it very difficult for many stocks to ever become cheap enough to offer a wide enough margin of safety for us to buy them. This has resulted in a higher than preferred cash position, which has diluted some of our Funds' performance. Interestingly, outside of the U.S. buybacks have remained modest, resulting in many foreign stocks lagging the U.S. We have been pleased to see that value investing has been working much better abroad and, in fact, most of our recent buying has been in foreign stocks. This is reflected by the historical low weighting to the U.S. in our Worldwide Fund of 20%.

Finally, both the lack of true business cycles (mostly in the U.S.) as well as lack of reversion to the mean for many quality and growth stocks has further contributed to value investing looking pretty pedestrian on a relative basis. Without business cycles (times of booms

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and busts), there just isn't opportunity to buy those great businesses that are somewhat cyclical. Similarly, many growth and quality stocks have been able to maintain their growth and quality status much longer than they have in the past thus helping them perform remarkably well. This comes at the same time when so many traditional "value" industries are being severely disrupted. We do believe many of these factors are temporary and value will shine again. This could happen either if the global economy accelerates and Central Bankers have the courage to raise rates or conversely if we see recessions and policy makers resort to untested measures which may result in nasty unintended consequences such as higher rates, or worse, stagflation.

We would be remiss not to include some reflections on stock picking in 2019, as it has not been as pristine as one should expect. Over the year we have had both what we recognize as genuine investment mistakes, cases where we had to revise downward our intrinsic value estimates (ex: Qurate AIB Group, Criteo), and also names which the market has not yet recognized our assessment of their intrinsic value (temporary unrealized losses) (ex: Kangwon Land). Our analyst team continues to focus on getting the right valuations for each security, and concentrating even more on worst case scenarios so we understand clearly how the Funds would be impacted in bad times. In 2019, we had a few takeovers. In 2019, both Funds saw the takeover of Milennium and Copthorne (U.K.) and a proposed takeover of Springland International Holdings (China). Furthermore, Asia Satellite Telecommunications Holdings was a takeover, but only held in the International Fund. It was particularly satisfying as these were done at a huge premia and reasonably close to our intrinsic value estimates

In terms of attribution, Technology and Industrial names led the way contributing over 2% each to the Worldwide Fund. Though there were no detracting sectors, Energy ended the year about flat after a bumpy year. By no surprise, the U.S. was the best performing country (+4.2%) followed by Japan (+2.2%) while Ireland (-0.3%) (due to a poor stock market performance from AIB Group) and China (-0.1%) both detracted slightly. In the International Fund, Industrials and Consumer Discretionary names contributed about 6% combined and the lone negative sector was Holding Companies (-0.13%). Geographically, Japan (+3.5%) and France (+2.1%) were top performers while Ireland (-0.2%) and Bermuda (-0.2%) detracted.

Throughout the year, we saw many of our top names in the Worldwide Fund continue to soar like Bank of America, Samsung Electronics, Astellas Pharma, Nestle and Airbus, forcing us to trim in some cases. Names which stumbled include Qurate, AIB Group, Cimarex, Criteo, and Kangwon Land. The International Fund's best performers were Samsung Electronics, Astellas Pharma, Airbus, Bureau Veritas and Nestle. Similar to the Worldwide Fund, AIB was a poor performer followed by Grupo Comercial Chedraui, Whanin Phamaceutical, Kangwon Land and Criteo.

There was little change to the fixed income portions of the portfolios this year, as we have found little opportunity in this arena. These corporate bonds are mostly energy related and for the year detracted slightly (-0.05%) in Worldwide and (-0.2%) in International.

In late September 2019 we did shift our gold position around a bit. While we still hold gold bullion in both Funds (3.5% in Worldwide and 5.3% in International), we lowered the bullion position and diversified into stocks of three gold mining companies. Though our gold bullion position came down from 6.4% in Worldwide and 7.7% in International from the end of 2018, we estimate the leverage imbedded in these mining shares to be slightly less than 3:1 to the price of gold (so a 2.0% allocation to mining shares would be equivalent to roughly 6.0% in gold bullion). We did this partly in an effort to protect the Funds from an IRS tax rule for mutual funds (commodities are deemed to generate "bad income" when sold at a gain and there are limits to how much "bad income" a fund can have) and also to continue to attempt to have an adequate hedge against falling markets. So although our gold weighting has come down from the end of last year (6.4% to 5.4% in Worldwide and 7.7% to 7.4% in International), in our view we actually have more gold exposure than we previously did.

Even though our cash position increased a bit in both Funds during the course of the year, ending the year at 32.9% in Worldwide and 15.7% in International, we were able to add approximately 18 new names this year during the brief pockets of volatility. Names added to both Funds include Inchcape PLC (U.K.), Sony Corp (Japan), Sina Corp (China) and IPSOS (France) and for the Worldwide Fund LKQ Corp (U.S.) and CDK Global Inc (U.S.). In the International Fund only we also added Emaar Malls PJSC (U.A.E), Loma Negra (Argentina) and Vicat (France). These additions were offset by eliminations of names such as Toho (Japan), Robertet (France), Kimberly-Clark de Mexico (Mexico) in addition to some trimming of names that did well.

As we enter into a new decade, we bring with us the same tool kit to research and value businesses trading at a discount. Rather than becoming extinct or irrelevant so-called value investors, those that know how to accurately assess businesses should someday thrive again. In a world with increasing indebtedness, manipulated monetary policies, major disruptions facing many industries and uncertain political and geopolitical times, qualitative skills when it comes to stock picking should matter more than ever. We shall patiently continue to practice our craft and cling to the knowledge that valuation matters, and many of the current trends cannot last forever.

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

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Performance Information

(as of December 31, 2019)

Class	1 Year	5 Years*	10 Years*	Since Inception* (10/1/08)
IVA Worldwide Fund Class I	12.68%	4.36%	6.34%	7.87%
MSCI All Country World Index (Net)	26.60%	8.41%	8.79%	8.20%
IVA International Fund Class I	14.61%	4.05%	6.15%	7.39%
MSCI All Country World Index (ex-U.S.) (Net)	21.51%	5.51%	4.97%	5.28%

*Annualized

Past performance does not guarantee future results.

Maximum sales charge for the A shares is 5.00%. The expense ratios for the funds are as follows: IVA Worldwide Fund 0.90% (Class I); IVA International Fund 0.91% (Class I). The inception date of both funds is October 1, 2008. Amounts redeemed within 30 days of purchase are subject to a 2.00% fee.

As of December 31, 2019, the IVA Worldwide Fund's top 10 holdings were: Berkshire Hathaway, Inc. Class A; Class B (4.6%); Gold bullion (3.5%); Samsung Electronics Co., Ltd. (2.7%); Bayerische Motoren Werke AG (2.7%); Compagnie Financiere Richemont SA (2.5%); Astellas Pharma, Inc. (2.4%); Bureau Veritas SA (2.3%); AIB Group PLC (2.2%) Bank of America Corp. (2.0%); Acuity Brands, Inc. (1.9%).

As of December 31, 2019, the IVA International Fund's top 10 holdings were: Gold bullion (5.3%); Samsung Electronics Co., Ltd. (3.5%); Astellas Pharma, Inc. (3.1%); Bayerische Motoren Werke AG (3.1%); Compagnie Financiere Richemont SA (2.8%); Bureau Veritas SA (2.8%); AIB Group PLC (2.6%): Nestle SA (2.5%); Sodexo SA (2.3%); Haw Par Corporation Limited (2.2%).

***MSCI All Country World Index (Net)** is an unmanaged index consisting of 49 country indices comprised of 23 developed and 26 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of MSCI Inc. and is not available for direct investment.*

***MSCI All Country World Index (ex U.S.) (Net)** is an unmanaged index consisting of 48 country indices, ex the US, comprised of 22 developed and 26 emerging market country indices and is calculated with dividends reinvested after deduction of withholding tax. The Index is a trademark of MSCI Inc. and is not available for direct investment.*

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

IVA FUNDS

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