

EVENT-DRIVEN INVESTING:
A HISTORY OF STEADY PERFORMANCE



QUAKER® FUNDS

EVENT-DRIVEN INVESTING

Event-driven investing focuses on company-specific events. Examples of events include mergers, acquisitions, distressed securities, activist situations, liquidations, and other investments borne out of a change in a company’s capital structure.

These changes present opportunities to capitalize on pricing inefficiencies that have the potential to generate attractive returns.

EVENT DRIVEN EXPOSURE IN A 40-ACT MUTUAL FUND

Mutual fund investors can now gain access to this attractive investment opportunity.

When compared to the BarclayHedge Event Driven Index, an index that measures the aggregate performance of event-driven hedge funds, the Quaker Event Arbitrage Fund had a correlation coefficient of 0.79 (with 1.00 indicating perfect correlation) from 12/01/2003 to 08/31/2016.

QUARTERLY INVESTMENT RETURNS %				09/30/2016		
CLASS A INCEPTION 11/21/2003				AVERAGE ANNUALIZED RETURNS		
	3 Month	YTD	1 Year	5 Year	10 Year	Since Inception
Before Sales Charges	3.25	11.53	9.67	5.32	2.43	5.37
After Sales Charges	-2.42	5.41	3.65	4.14	1.85	4.91
S&P 500 Total Return Index	3.85	7.84	15.43	16.37	7.24	8.13

Expense Ratio: Net 1.99%* | Gross 2.17%

will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month end is available at www.quakerfunds.com or by calling us toll free at 800.220.8888.

The S&P 500® Total Return Index is a widely recognized, unmanaged index of the approximately 500 largest companies in the United States as measured by market capitalization. You cannot invest directly in an index.

Diversification does not assure a profit or protect against loss in a declining market.

*The net expense ratio reflects a contractual commitment by the Fund’s investment adviser to waive fees and reimburse expenses through October 28, 2016. Absent the waiver and reimbursement, performance would have been less favorable.

QUAKER EVENT ARBITRAGE FUND

SYMBOLS

A: QEAX C: QEACX I: QEAI

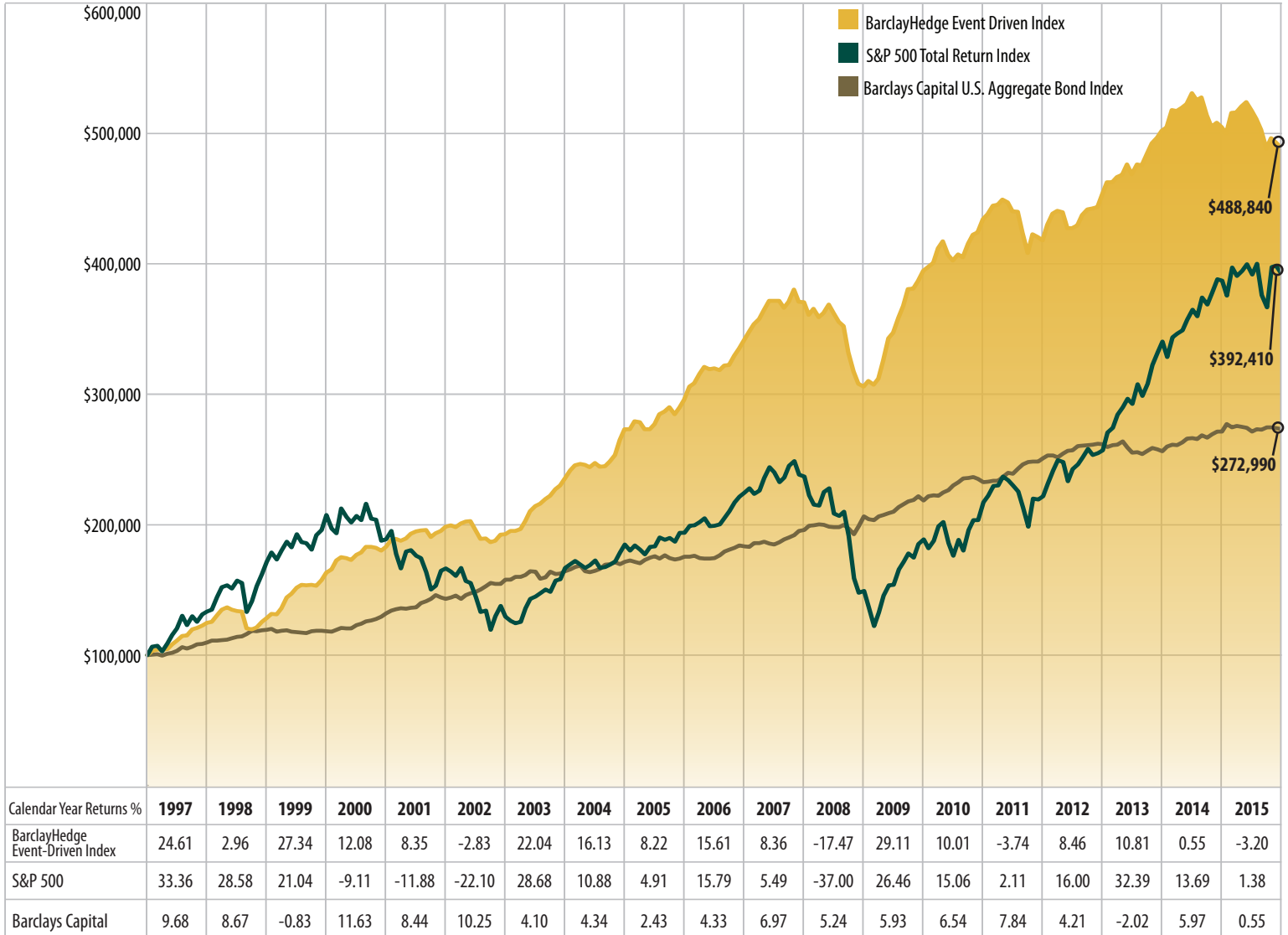
Class A Shares of the Fund have a maximum sales charge of 5.50%. On June 7, 2010, the Pennsylvania Avenue Event-Driven Fund (Pennsylvania Avenue Fund), a series of the Pennsylvania Avenue Funds was reorganized into the Quaker Event Arbitrage Fund. Prior to the Reorganization, the Pennsylvania Avenue Fund did not impose a sales charge.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment

A HISTORY OF CAPITAL APPRECIATION AND PRESERVATION

The Event-Driven Asset Class has delivered long-term growth of capital. It has significantly outperformed traditional asset classes even during market corrections.

**GROWTH OF \$100,000
JANUARY 1, 1997 TO DECEMBER 31, 2015**



Source: Data provided by Zephyr StyleADVISOR®

Data shown represents past performance and is not indicative of future results. Indices do not incur expenses and are not available for investment. Index performance is not illustrative of fund performance. Please visit www.quakerfunds.com to obtain Quaker Fund performance.

EVENT-DRIVEN INVESTING VS OTHER ASSET CLASSES

When measured against traditional as well as other alternative investments, Event-Driven investing has delivered relatively steady performance. Presented below are the most recent twelve years of annual returns of major asset classes that are commonly used when constructing a diversified asset allocation mix.

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
REITs 33.16%	Commodities 25.55%	REITs 35.97%	Commodities 32.67%	Managed Futures 14.09%	Mid-Cap 40.48%	REITs 28.60%	REITs 9.24%	International Equity 17.90%	Small-Cap 38.82%	REITs 31.78%	Market Neutral 5.26%
International Equity 20.70%	International Equity 14.02%	International Equity 26.86%	International Equity 11.63%	Bonds 5.24%	International Equity 32.46%	Small-Cap 26.86%	Bonds 7.84%	REITs 17.59%	Mid-Cap 34.76%	S&P 500 13.69%	REITs 4.23%
Mid-Cap 20.22%	REITs 13.82%	Global 20.65%	Hedge Funds 10.22%	Cash 1.80%	Global 30.79%	Mid-Cap 25.48%	S&P 500 2.11%	Mid-Cap 17.28%	S&P 500 32.39%	Mid-Cap 13.22%	Long/Short 2.51%
Small-Cap 18.33%	Mid-Cap 12.65%	Small-Cap 18.37%	Global 9.57%	Market Neutral -1.09%	Event-Driven 29.11%	S&P 500 15.06%	Market Neutral 0.16%	Global 16.54%	Global 27.36%	Managed Futures 7.61%	S&P 500 1.38%
Commodities 17.28%	Long/Short 11.47%	S&P 500 15.79%	Event-Driven 8.36%	Long/Short -11.88%	REITs 28.60%	Global 12.34%	Cash 0.08%	Small-Cap 16.35%	International Equity 23.29%	Bonds 5.97%	Bonds 0.55%
Event-Driven 16.13%	Hedge Funds 10.67%	Event-Driven 15.61%	Long/Short 7.91%	Event-Driven -17.47%	Small-Cap 27.17%	Hedge Funds 10.88%	Commodities -1.18%	S&P 500 16.00%	Long/Short 13.85%	Global 5.50%	Hedge Funds 0.05%
Global 15.25%	Global 10.02%	Mid-Cap 15.26%	Managed Futures 7.64%	Hedge Funds -21.63%	S&P 500 26.46%	Event-Driven 10.01%	Mid-Cap -1.55%	Event-Driven 8.46%	Hedge Funds 11.12%	Small-Cap 4.89%	Cash 0.03%
S&P 500 10.88%	Event-Driven 8.22%	Hedge Funds 12.39%	Bonds 6.97%	Small-Cap -33.79%	Hedge Funds 23.74%	Commodities 9.03%	Managed Futures -3.09%	Hedge Funds 8.25%	Event-Driven 10.81%	Market Neutral 4.62%	Global -0.32%
Hedge Funds 8.80%	Market Neutral 6.23%	Long/Short 8.04%	Mid-Cap 5.60%	S&P 500 -37.00%	Long/Short 14.42%	International Equity 8.21%	Event-Driven -3.74%	Long/Short 6.35%	Market Neutral 8.61%	Long/Short 2.94%	International Equity -0.39%
Long/Short 6.56%	S&P 500 4.91%	Cash 4.76%	S&P 500 5.49%	REITs -39.20%	Commodities 13.48%	Long/Short 7.27%	Small-Cap -4.18%	Bonds 4.21%	REITs 1.86%	Hedge Funds 2.88%	Managed Futures -1.47%
Bonds 4.34%	Small-Cap 4.55%	Market Neutral 4.67%	Cash 4.74%	Global -40.33%	Bonds 5.93%	Managed Futures 7.05%	Long/Short -4.58%	Market Neutral 1.88%	Cash 0.05%	Event-Driven 0.55%	Mid-Cap -2.44%
Market Neutral 3.80%	Cash 3.00%	Bonds 4.33%	Market Neutral 4.64%	Mid-Cap -41.46%	Cash 0.16%	Bonds 6.54%	Global -5.02%	Commodities 0.08%	Commodities -1.22%	Cash 0.03%	Event-Driven -3.20%
Managed Futures 3.30%	Bonds 2.43%	Managed Futures 3.54%	Small-Cap -1.57%	International Equity -43.06%	Market Neutral -0.35%	Market Neutral 3.64%	Hedge Funds -5.48%	Cash 0.07%	Managed Futures -1.42%	International Equity -4.48%	Small-Cap -4.41%
Cash 1.24%	Managed Futures 1.71%	Commodities -15.09%	REITs -17.56%	Commodities -46.49%	Managed Futures -0.10%	Cash 0.13%	International Equity -11.73%	Managed Futures -1.70%	Bonds -2.02%	Commodities -33.06%	Commodities -32.86%

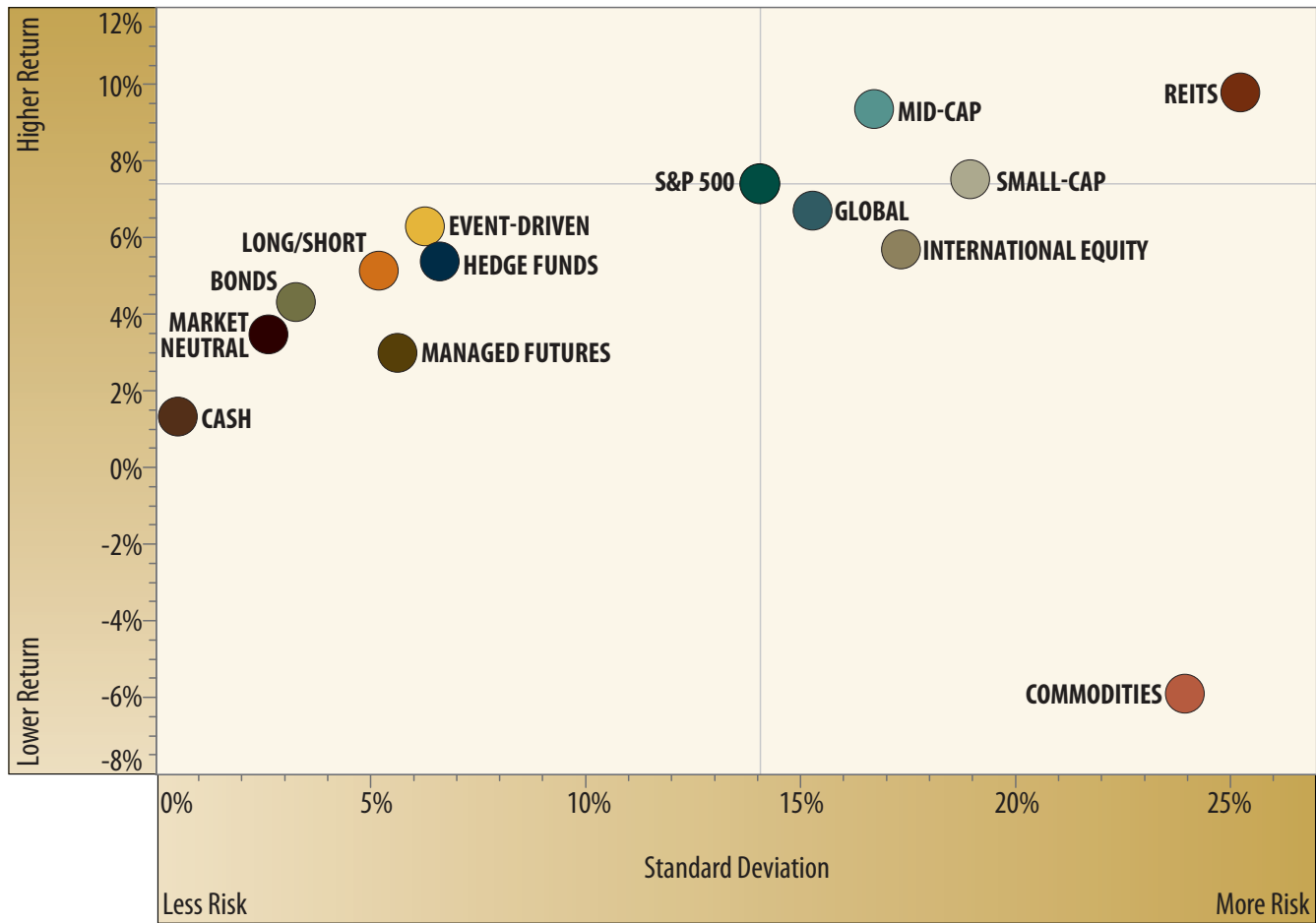
Source: Data provided by Zephyr StyleADVISOR®

ASSET CLASS REPRESENTATIVE INDEX	Bonds: Barclays Capital U.S. Aggregate Bond Index	Cash: Citigroup 3-Month T-Bill	Commodities: S&P GSCI®	Event-Driven: BarclayHedge Event Driven Index	Global: MSCI World Index	Hedge Funds: BarclayHedge Hedge Fund Index	International: MSCI EAFE
Annualized Return	4.32%	1.33%	-5.90%	6.28%	6.70%	5.39%	5.69%
Annualized Standard Deviation	3.27%	0.51%	23.94%	6.26%	15.28%	6.61%	17.34%

Source: Data provided by Zephyr StyleADVISOR®

Of the asset classes shown, none have taken similar or less risk and generated greater returns than the **Event-Driven** asset class.

RISK/RETURN
JANUARY 1, 2004 - DECEMBER 31, 2015



Source: Data provided by Zephyr StyleADVISOR®

Equity Index	Long/Short: Barclays Equity Long/ Short Index	Managed Futures: BarclayHedge CTA Index	Market Neutral: BarclayHedge Equity Market Neutral Index	Mid-Cap: Russell Midcap® Index	REITs: Wilshire REIT	S&P 500® Index	Small-Cap: Russell 2000® Index
%	5.15%	2.98%	3.47%	9.35%	9.80%	7.40%	7.53%
%	5.19%	5.62%	2.62%	16.70%	25.23%	14.07%	18.94%

DETACHED FROM TRADITIONAL RISK EXPOSURES

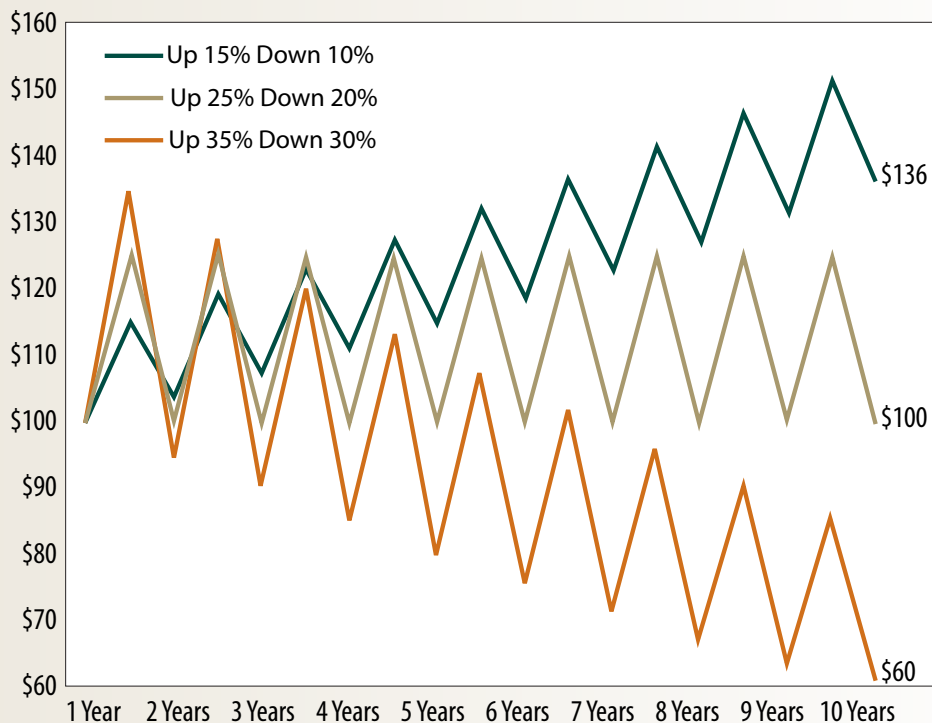
LONG-TERM EFFECTS OF VOLATILITY

This chart illustrates the returns for three hypothetical portfolios.

The average return over the 10-year period is identical but the portfolio with the lowest volatility compounds at higher rates over time.

This is due to the effect of negative compounding on the more volatile portfolios.

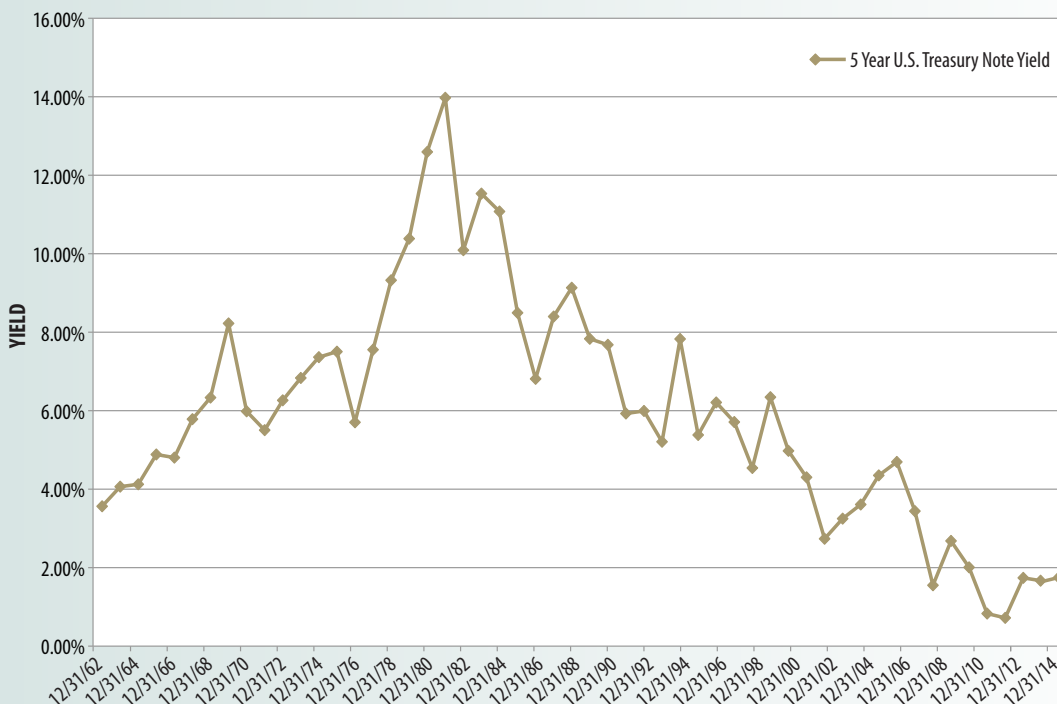
Volatility is a key factor in long-term portfolio performance.



Alternative Investments are speculative and involve substantial risks. Investors may lose some or all of their investment.

HEIGHTENED INTEREST RATE RISK

This chart tracks the yield percentages of the 5 Year U.S. Treasury Note from 12/31/62 through 12/31/15. The 5 Year Treasury has not reached levels this low in decades. Since the value of bonds move in the opposite direction of interest rates, the likelihood of a price decline is elevated.



Source: Data provided by Bloomberg

INTEGRATING THE EVENT-DRIVEN ASSET CLASS INTO A PORTFOLIO

Due to the effects of volatility in equities and the heightened risk of rising long-term interest rates, many investors are moving away from the traditional 60/40 portfolio and investing in alternative asset classes.

The table shown below portrays the benefits of equally reducing the equity and fixed income portions while adding a 20% allocation to seven evenly-weighted, commonly used alts. An even simpler, more convenient solution may be allocating that 20% to the Event-Driven Asset Class. The numbers below speak for themselves.

January 1997 - December 2015: Annualized Summary Statistics

	Return	Standard Deviation
Barclays U.S. Aggregate	5.43%	3.43%
S&P 500	7.46%	15.52%
60/40 Equities/Bonds ("Traditional" Portfolio)	7.17%	9.17%
50/30/20 Equities/Bonds/7 Commonly Used Alts*	7.32%	8.16%
50/30/20 Equities/Bonds/Event-Driven	7.57%	8.60%

Adding alts to the traditional portfolio increased the annualized return 15 basis points and standard deviation decreased 101 basis points.

Allocating 20% to Event-Driven increased the annualized return 40 basis points while decreasing standard deviation by 57 basis points.

*Merger Arbitrage (BarclayHedge Merger Arbitrage Index), Convertible Arb (BarclayHedge Convertible Arbitrage Index), Market Neutral (BarclayHedge Equity Market Neutral Index), Long/Short (BarclayHedge Equity Long/Short Index), Event-Driven (BarclayHedge Event Driven Index), Distressed (BarclayHedge Distressed Securities Index), Managed Futures (BarclayHedge CTA Index)

Source: Data provided by Zephyr StyleADVISOR® Data shown represents Annualized Summary Statistics for the period 01/01/1997 to 12/31/2015. Each of the hypothetical portfolios shown assume that asset classes are equally weighted and rebalanced annually. These examples are presented for informational purposes only. They are not intended as investment advice. Consult with your financial advisor to determine the appropriate investments for your personal circumstances.

PUT EVENT-DRIVEN INVESTING TO WORK FOR YOU

INDEX DESCRIPTIONS

The following are unmanaged indices that measure the aggregate performance of various investment instruments: BarclayHedge Merger Arbitrage Index, BarclayHedge Convertible Arbitrage Index, BarclayHedge Equity Market Neutral Index, BarclayHedge Equity Long/Short Index, BarclayHedge Event Driven Index, BarclayHedge Distressed Securities Index, BarclayHedge CTA Index, Barclays U.S. Aggregate, S&P 500 Total Return Index.

Direct investment in an index is not possible and securities in a Fund will not match those in an index.

Past performance does not guarantee future results.

Alternative Investments are speculative and involve substantial risks. Alternative investments may result in additional risk due to their complexity and possible illiquidity and require specialized investment expertise. Investments in smaller companies involve additional risk such as limited liquidity and greater volatility than larger companies. Investors may lose some or all of their investment.

There is no assurance that a portfolio will achieve its investment objective. In addition, there is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline. Accordingly, you can lose money investing in this strategy. Please be aware this strategy may be subject to certain additional risks, which should be considered carefully along with the strategy's investment objectives and fees before investing.

Standard deviation is a portfolio risk statistic used to measure variability of total return around an average, over a specified period of time.

Mutual fund investing involves risk, including the possible loss of principal.

Consider a fund's investment objectives, risks, charges, and expenses carefully before investing. The Statutory, and where available, the Summary Prospectuses contain this and other important information and are available for download at www.quakerfunds.com or by calling 800.220.8888. Read carefully before investing.

Event-Driven investing typically entails but is not limited to transactions in merger arbitrage, capital structure arbitrage or distressed securities which involves special risks and requires special investment expertise.

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