COMMUNITY CAPITAL MANAGEMENT

CCM Small/Mid-Cap Impact Value Fund*

Investment Objective

The CCM Small/Mid-Cap Impact Value Fund (the "Fund") seeks to provide long-term growth of capital.

Why Invest

The Fund seeks to provide long-term growth of capital by investing in a concentrated, benchmark-agnostic portfolio of well-researched equities that are trading at valuations that do not reflect their full potential. The determination of value goes beyond just price—it is also a function of a company's fundamentals, which are analyzed along multiple dimensions, including an assessment of its environmental, social, and governance opportunities and risks.

Share Classes

	Ticker	Inception Date	Gross Expense Ratio %	Net Expense Ratio %
Institutional	QSVIX	1/1/18	2.41	1.58
Advisor	QUSVX	1/1/18	2.66	1.83

Portfolio Managers

Andy Kaufman
Chief Investment Officer
Industry Start Date: 2004
CCM Portfolio Manager Since 2015

Andrew Cowen
Head of Equities
Industry Start Date: 2000
CCM Portfolio Manager Since 2013

Thomas Lott
Portfolio Manager
Industry Start Date: 1999
CCM Portfolio Manager Since 2013

Alex Alario
Jr. Portfolio Manager
Industry Start Date: 2015
CCM Portfolio Manager Since 2020

Key Takeaways

- The proliferation of COVID-19 vaccinations and continued fiscal stimulus provided investors the needed confidence to drive equity markets even higher.
- Interest rates rose as expectations for economic growth and inflation took hold.
- Equities were broadly higher, with the stocks of smaller-capitalization companies posting the best returns amidst an expected rebound in the hardest-hit areas of the economy.

Market Commentary

Similar to the first quarter of 2020, the first quarter of 2021 was defined by COVID-19. But instead of lockdowns and an exponential spread of the virus, the quarter ended with a record vaccine rollout where over 590 million doses have been administered worldwide.[1] The quarter also delivered a new U.S. president, another infusion of COVID-19 relief stimulus, and a $2.3 trillion government spending proposal focused on job creation and infrastructure. Consumer confidence, spending, and income all increased as the prospect of normalcy and "life after COVID-19" becomes closer in sight. The enthusiasm extended to the stock market with the S&P 500[3] Index posting a new high, more than recovering from the precipitous 34% drop that occurred during the first quarter of last year. Between continued government spending and the pent-up demand for a recovery from COVID-19-related losses last year, inflation expectations grew, contributing to a sell-off in the bond market. Yields on U.S. Treasurys experienced a swift move higher, with the 10-year Treasury note ending the quarter at 1.74% (0.81% higher than where it started the quarter).

In fixed income, the Bloomberg Barclays U.S. Aggregate Index[4] (the Index) posted a negative quarterly return of 3.37%, the largest negative quarterly return since 1981. With the speed of the vaccination rollout and corresponding expectations for improving economic conditions, yields rose beyond previous consensus expectations. While most segments of the Index declined, U.S. Treasurys posted the worst results with the long-dated segment of the sector declining by 13.51%. Amidst an improving economic outlook, spreads narrowed across most sectors, particularly in segments of the mortgage-backed securities (MBS) sector where rising interest rates put a halt to the record-setting home refinancing wave of the prior nine months. Despite spreads narrowing in the corporate bond sector, the corporate segment of the Index still declined 4.65%. The amount of long-term investment grade corporate debt outstanding reached a record high, contributing to the overall sector's average maturity of 12 years, and thus its increased interest rate sensitivity. The debate around the level of future inflation has become fierce and is expected to continue as investors weigh the inflationary effects of increased government spending against the potential deflationary effects of higher taxes. This should lead to continued volatility in the level of rates and provide opportunities for bond managers who are active in managing portfolio duration and yield curve exposures.

In equities, the gains were widespread and impressive. Stocks of the smallest publicly traded companies were the best performers with the Russell Microcap Index[5] and Russell 2000 Value Index[6] posting gains of 23.9% and 21.2%, respectively. The rebound in the previously most beaten-down areas of the market has been remarkable with the demand for services, such as travel and entertainment, bidding up stock prices of commodities and cyclical industries. The energy sector was the best performer in the S&P 500 Index posting a quarterly return of 30.9% and trailing return of 116% since the lows in March 2020. The financial sector was the second-best performer in the S&P 500 Index, with a return of 16% as the earnings prospects for larger banks grew amidst a steepening yield curve. The returns for individual stocks in each sector most negatively impacted by COVID-19 has been a swift and extreme recovery; however, the impact on their future earnings and operations is still uncertain. Many stocks benefited from the lifestyle changes that accompanied the virus and carry valuations that assume a "new normal." Amidst this backdrop, there should be ample opportunities for active investment managers who are responsive to the post-COVID-19 economy shift and its impact on companies and sectors.

About CCM

Community Capital Management, Inc. (CCM) was founded in 1998 and is a pioneer in impact and ESG investing. The firm believes a fully integrated portfolio, one that includes impact and environmental, social and governance (ESG) factors, can deliver strong financial performance while simultaneously having positive long-term economic and sustainable outcomes. CCM provides impact and ESG investing solutions coupled with customized reporting to clients on the positive impact outcomes of their investments. For more information, please call 877-272-1977 or visit: www.ccminvests.com.

Firm Assets	$3.4 Billion
Impact and ESG Experience	21 Years
Impact and ESG Initiatives[1]	$11.1 Billion Invested Nationwide

Portfolio Commentary

The Small/Mid-Cap value market continued the fourth quarter's momentum weighted more to the small-cap and highly speculative space than the larger more traditional value names. Indeed, some market actions in the first quarter of 2021 are likely to be notable for years to come.

The "Reddit Rally" in small-market cap companies with massive short interest, such as AMC theaters and GameStop (GME), was truly breathtaking as were their impacts on the market. The Russell 2000 Index has 2000 components. As such, most holdings never approach 1% of the Index much less drive 1% performance of the Index in either direction. Yet GME started 2021 at $18.84 and rose to a closing high of $347.51 on January 27. Even if GME started the year at 0.10% of the Index, that 18x is enough to drive significant moves in the Index. No fundamental improvement accompanied this move. By all appearances, the drive higher was purely technical spurred by retail enthusiasm, attracting nimble institutional traders, and short covering for an unlucky few.

Normally, we would shrug our shoulders at such nonsensical action and not pay much attention. However, the visceral belief among some apparently unsophisticated and inexperienced investors in the justification for such strong market performance for secularly challenged companies deserves inspection. It is one thing for companies with phenomenal franchises whose shares were unfairly beaten down to stage notable comebacks as their businesses prove more resilient than the market believed. It is quite another for companies to stage all-time highs that far exceed any reasonable estimate for what their underlying cash flows[7] deserve simply because legions of investors expect the stock to keep going higher simply by a propulsion of buying. Stocks and even whole markets can behave like that for a few weeks, months, or even quarters. In the end, multi-billion-dollar valuations had better be accommodated by multi-billion-dollar cash flows or monetizable asset values. Otherwise, stories like the Reddit Rally are just another example of excess indicative of overheated market conditions.

[1]https://www.bloomberg.com/graphics/covid-vaccine-tracker-global-distribution/ [2]Impact numbers are approximate figures.

[3]Stock market index of the 500 largest U.S. publicly traded companies. [4]Index measuring U.S. investment grade bond market. [5]Index measuring the microcap segment of the U.S. equity market. [6]Index measuring the performance of the small-cap segment of the U.S. equity market. [7]Total amount of money being transferred into and out of business.

Inception date as of January 1, 2018. The funds may experience negative performance. Past performance does not guarantee future results. The fund recently experienced significant negative short-term performance due to market volatility associated with the COVID-19 pandemic.

*As of 03/31/2021, the average annual returns for the **CCM Small/Mid-Cap Impact Value Fund** Institutional Shares for 1-year and since inception were 80.24% and 2.44%.*

Performance quoted is past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. An investor's investment return and principal value will fluctuate so that your shares, when redeemed, may be worth more or less than your initial cost. To obtain the most recent month-end performance, call 877-272-1977. Returns over one year are annualized.

*The Adviser has contractually agreed to waive all or a portion of its investment advisory fees and/or pay/reimburse expenses for **the CCM Small/Mid-Cap Impact** Value Fund's Institutional Shares is gross 2.41%, net 1.58% with an inception date of January 1, 2018 (excluding any Rule 12b-1 fees, taxes, interest, acquired fund fees and expenses, short sale dividend and interest expenses, brokerage fees, certain insurance costs, and nonroutine expenses or costs, including, but not limited to, those relating to reorganizations, litigation, conducting shareholder meetings, liquidations and other extraordinary expenses) in order to prevent total annual fund operating expenses from exceeding 1.30% of the Fund's average daily, net assets through October 28, 2021. Pursuant to its expense limitation agreement with the Fund, the Adviser is entitled to recoup any fees that it waived and/or Fund expenses that it paid for a period of three years following such fee waivers and expense payments, to the extent that such recoupment by the Adviser will not cause the Fund to exceed any applicable expense limitation that was in place for the Fund when the fees were waived or expenses were paid. These waivers and reimbursements may be terminated at any time with respect to the Fund by its Board of Trustees upon sixty (60) days' written notice to the Adviser without payment of any penalty and shall automatically terminate upon the termination of the Fund's advisory contract with the Adviser.*

The top 10 holdings as of 03/31/2021 are: Independence Reality Trust Inc (6.66%), Enviva Partners LP (5.88%), Starwood Property Trust Inc (4.58%), Fidelity National Financial Inc (4.26%), Timken Co (3.95%), Two Harbors Investment Corp (3.81%), W.P. Carey Inc (3.79%), Liberty Media Corp Del (3.65%), Raymond James Financial Inc (3.58%), Synovus Financial Corp (3.56%). Holdings are subject to change.

Important Information

There's no guarantee that a strategy will be successful. Mutual fund investing involves risk including the possible loss of principal. Impact/ESG investing is qualitative and subjective by nature. There is no guarantee that Impact/ESG criteria used by the Adviser will reflect beliefs or values of any particular investor. Common stock risks include the financial risk or selecting individual companies that do not perform as anticipated, the risk that the stock markets in which the Fund invests may experience periods of turbulence and instability, and the general risk that domestic and global economies may go through period of decline and cyclical change. Recent Market Events Risk – The effects of COVID-19 may lead to a substantial economic downturn or recession in the U.S. and global economies, the recovery from which is uncertain and may last for an extended period of time. As a result of this significant volatility, many of the risks discusses herein associated with an investment in the Fund may be increased.

The Russell 2500® Value Index measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. You cannot invest directly in an index.

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.ccminvests.com or by calling 866.202.3573. Read carefully before investing.

Source: Fund data provided by Quaker Investment Trust. CCM is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

The CCM Funds are distributed by Foreside Fund Services, LLC.

*Effective October 28, 2020 the Fund's name changed from Quaker Small/Mid-Cap Impact Value Fund to CCM Small/Mid-Cap Impact Value Fund.