

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

Key Takeaways

- The introduction of a COVID-19 vaccine and fiscal stimulus provided investors the needed confidence to drive equity and corporate debt markets even higher.
- Lower-quality bonds posted significantly higher returns than higher-quality bonds.
- Equities of the highest-growth and largest capitalization companies no longer led the market.

Market Commentary

The fourth quarter proved eventful across the globe. The number of new COVID-19 infections grew to record levels, causing increased deaths and contributing to another pause in economic activity. Consumer confidence, spending, and income declined as most developed countries were forced to roll back their previous attempts to re-open their economies. In November, the delayed, and then contested, results from the U.S. presidential election and still unknown senate results in Georgia meant the country's future political leadership was still unknown. The anticipated announcement of two potential COVID-19 vaccines helped alleviate some of the uncertainty, especially with both receiving approval for emergency use. Following this good news was the \$900 billion of fiscal stimulus authorized in late December. Both positive outcomes helped overcome the ongoing political uncertainty, providing investors the additional confidence needed to drive equity and corporate debt markets higher.

In fixed income, the Bloomberg Barclays U.S. Aggregate Index ("the Index") posted a positive quarterly return of 0.67%, with a wide dispersion of returns among the Index sectors. In a continued recovery from the drawdown that occurred in the first quarter, the corporate sector of the Index led the way in the fourth quarter delivering a 3.05% return while the U.S. Treasury and mortgage-backed security (MBS) sectors of the Index lagged, declining 0.83% and gaining 0.24%, respectively. With the positive news of the COVID-19 vaccines and the prospect of further economic stimulus, lower-quality bonds posted significantly higher returns than higher-quality bonds with investment-grade Index bonds rated "BBB" delivering a 4.03% return in the fourth quarter and high-yield bonds returning 6.45%, as measured by the Bloomberg Barclays U.S. Corporate High Yield Index. With the 9-month-long recovery in the corporate bond market, investment-grade corporate bond spreads are now close to where they were 12 months ago, indicating that investors have almost fully regained the confidence they lost back in the first quarter when the ramifications of the pandemic were unknown. With yields still near historic lows, investors continue to reach for yield across the bond market, taking more risk by accepting lower spreads. Investors seem to be more willing to accept lower spreads, especially in an environment where interest rates are expected to rise, and the Federal Reserve is supporting most bond market sectors.

U.S. equity investors started the fourth quarter with uncertainty and quickly regained confidence in early November, helping to drive the S&P 500 to a 12.2% total return for the quarter. Small-cap stocks were the largest winners with the Russell 2000 gaining 31.4%, an almost 100% return from the low levels in March when it declined over 40% in the span of just 23 trading days. The fourth quarter also gave active equity managers the long-awaited opportunity they have been seeking — the largest U.S. stocks were no longer the leading performers they had been in prior quarters, as evidenced by the 6.3% advantage of the equal-weighted S&P 500 Index, which gained 18.5% during the quarter. And those valuation-conscious active investment managers were additionally rewarded when the value segments of the Russell 1000 and Russell 2000 indexes outperformed their growth counterparts by 4.86% and 3.75%, respectively, during the fourth quarter. Valuations among the major market indices and among sectors of the S&P 500 still look high relative to their 10-year averages; however, they are lower than where they were in the third quarter, given the improvement in earnings expectations. With earnings expectations for the S&P 500 and Russell 2000 remaining negative and valuations high, there is little margin of safety in these broad indexes if the vaccine distribution and/or results fail to meet expectations. Given that the valuations of the largest growth equities relative to the rest of the stock market are at the highest levels in decades and have a disproportionate impact on the major stock market index valuations, good value remains elsewhere, providing astute and selective active managers with opportunities to outperform.

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	\$3.3 Billion
Impact and ESG Experience	21 Years
Impact and ESG Initiatives¹	\$10.5 Billion Invested Nationwide

Portfolio Commentary

The Small/Mid-Cap (SMID) value market finally caught some tailwind in the fourth quarter. A mix of political certainty post-election and COVID-19 vaccines spurred belief in economic recovery to which the market tethers many smaller market-cap companies.

Even after the rally, many companies remain at depressed valuations compared to their pre-pandemic levels despite negligible impact from the virus or the economic disruption. Moreover, many yielding companies that own assets trading at all-time high private market valuations continue to trade at depressed levels in the public markets. It has been our experience over the years that such disparities do not last forever, particularly in an accommodative credit environment. Either strategic buyers or financial sponsors take advantage of the mispricing. Indeed, we have seen an uptick in such activity recently. We do not count on such corrective measures, but we take comfort that they offer a potential upside while limiting potential downside.

In a world of elevated asset prices, value-oriented investments stand out not just for the discounts they offer versus other assets but versus their own historic prices. We could understand this dynamic if underlying company performance demonstrated secular challenges or other meaningful deterioration. We believe nothing in our portfolio faces such issues and, therefore, remain hopeful of continued meaningful recovery for many securities.

¹Bonds with a rating of BBB- (on the Standard & Poor's and Fitch scale) or Baa3 (on Moody's) or better are considered investment-grade.

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 12/31/2020, the average annual returns for the **CCM Small/Mid-Cap Impact Value Fund** Institutional Shares for 1-year and since inception were -19.85% and -2.12%.

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 12/31/2020 are: Enviva Partners LP (6.31%), Enviva Partners LP (5.93%), Skyline Champion Corporation Com (5.17%), Raymond James Financial Inc (4.85%), AGNC investment Corp (4.74%), Crestwood Equity Partners LP (4.36%), Crestwood Equity Partners LP (3.90%), Liberty Media Corp Del (3.84%), Starwood Property Trust Inc (3.83%), Two Harbors Investment Corp (3.76%). 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 of 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 discussed 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.