RIVERPARK FUNDS

Q4 2012

RiverPark Large Growth Fund (Tickers: RPXIX/RPXFX)

Fourth Quarter and Full Year 2012 Performance Summary

In the fourth quarter of 2012, the RiverPark Large Growth Fund (the Fund) advanced 0.9%. This compares with the S&P 500 decline of 0.4% and the Russell 1000 Growth decline of 1.3%. For the year, the Fund returned 21.4% to investors, outperforming the S&P 500 Index total return of 16.0% and the Russell 1000 Growth total return of 15.3%.

While we monitor our performance daily and write to you quarterly, we measure our performance, as we do our portfolio companies, over the long-term. Since inception September 2010, the Fund has returned an annualized 13.8%, which compares with a 12.8% total return for the S&P 500 and 13.2% for the Russell 1000 Growth.

TABLE I
Fund returns for period ended December 31, 2012

	INSTITUTIONAL SHARES (RPXIX)	RETAIL SHARES (RPXFX)	S&P 500 (w/dividend)	RUSSELL 1000 GROWTH
FOURTH QUARTER 2012	0.94%	0.85%	-0.38%	-1.32%
YEAR-TO-DATE	21.77%	21.44%	16.00%	15.26%
ONE YEAR	21.77%	21.44%	16.00%	15.26%
SINCE INCEPTION – ANNUALIZED (SEPTEMBER 30, 2010)	14.14%	13.84%	12.80%	13.22%

Performance quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be higher or lower than the performance quoted. High short-term performance of the fund is unusual and investors should not expect such performance to be repeated. For performance data current to the most recent month end, please visit the website at www.riverparkfunds.com or call 1-888-564-4517. Expense ratios are: RPXIX 2.78% (gross); 1.00% (net); RPXFX 3.03% (gross) 1.25% (net). Fee waivers are contractual and subject to annual approval by the Board of Trustees.

Market Overview

The S&P 500's 16% total return for 2012 was a surprise to many observers, as it was in the face of many headwinds at the start of the year. The combination of continued economic struggles in Greece, Spain, and Italy; slowing economies for the global growth leaders China and India; persistently high U.S. unemployment; a contentious Presidential election; congressional gridlock; ever-increasing entitlement expenditures; and record debt levels at home and abroad, all seemed to keep most market observers and commentators exceedingly cautious on the market's potential for 2012. In fact, a review of predictions from some of Wall Street's top strategists (including Morgan Stanley, Goldman Sachs, UBS, Bank of America, and Citigroup) at the beginning of 2012 reveals that they had forecasted returns for 2012 ranging from negative single-digit to positive single-digit for the year, with no forecasts over 10% -- much less the eventual return of 16%.

The S&P 500's return was even more surprising given that earnings fell far short of Wall Street strategists' forecasts. Wall Street analysts began 2012 expecting earnings to increase 16% (even though most predicted much less market appreciation). Yet, the actual earnings growth, when fourth quarter reporting finally comes to a close in the coming weeks, will be much lower, closer to 3% for the year.[1] Generally, when strategists start cautious on market returns, and then earnings disappoint, the market struggles. And yet in 2012 when earnings disappointed quite significantly, market returns were well ahead of Wall Street forecasts. To put it lightly, strategists were of little help to investors. Or, as a recent Bloomberg Businessweek headline summed it up -- "Almost All of Wall Street Got 2012 Market Calls Wrong."

Herbert Simon, one of the 20th century's most influential social scientists, has said "a wealth of information creates a poverty of attention." We believe this is the problem with Wall Street market predictions. Strategists focus on a wealth of information, from countries to currencies to credit to China to consumers (and that's just the inputs starting with "c"), while ignoring what is to us, the important information. If we had been focused on the myriad inputs and risks economists, strategists, and pundits use in forecasting broad economic activity and market earnings and returns we would have likely gotten it wrong too. To us, such prognostications are of little help in trying to research the individual company fundamentals and valuations of secular winners and losers in a given industry.

We prefer to focus our attention on the industries and companies undergoing the most dramatic secular change rather than the overall direction of the market or the economy. The more specific information on which we focus our attention includes: e-commerce grew more than 15% during the year in what was a little to no-growth consumer environment; Internet advertising grew far faster than a stagnant media market, growing 18% year-over-year; mobile computing continued its torrid growth -- smartphone sales grew 45%, tablet sales grew 70%, and mobile data grew

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[1] Per Bloomberg as of the end of 4th Quarter 2012.

50%-100%+; electronic payments grew at double digit rates, as did the flow of net new assets to alternative asset managers. [2]

Long-term secular drivers, rather than broad, indiscriminate economic indicators, are what govern the results of our portfolio companies. We believe it is our specific focus on these secular themes, instead of being distracted by the "wealth of information," that has led to our 2012 outperformance and our strong returns since inception. Moreover, we expect these positive secular drivers to continue throughout 2013, providing similar opportunity for strong results this year.

RiverPark Investment Philosophy

RiverPark Advisors, LLC ("RiverPark"), the Funds' SEC registered investment adviser, was founded on the premise that we could bring together a group of best-in-class investment managers, with a client-centric approach to products and fees, and create funds that reflect our research-driven, long-term approach to investing. In particular, the RiverPark Large Growth Fund was launched as a continuation of the strategies that have been developed and employed by our core team which has worked together for the better part of the last two decades, first at Baron Funds and now here at RiverPark.

The RiverPark investment process is, first and foremost, directed at fundamental, company-specific research and bottoms-up stock picking. We focus on companies that we believe have substantial, long-term growth opportunities and we invest with a time horizon measured in 3-5 year increments. We are not short-term traders, nor do we attempt to time the market or rotate our holdings in and out of sectors based on near-term macro-economic projections. We concentrate our portfolio in a limited number of investments (we expect to own 40-60 positions in the Fund) and expect our portfolio turnover to be well below the 100% national average for actively-managed domestic growth funds (per Morningstar as of December, 2010).

We build our knowledge and conviction through our own proprietary research. We endeavor to understand the full structure and competitive landscape of an industry well before we consider making an investment. Although individual company research is the key to our process, we direct that company-specific research toward a handful of high conviction secular trends and themes that the companies we are researching have the potential to benefit from. We believe that these secular trends are powerful and on-going – such as an increasingly mobile society, the growth of Internet usage, the globalization of financial markets, the growth of electronic payments, and the aging of the Baby Boomers. By combining both a bottoms-up stock picking approach with theme-oriented industries of focus, we believe that we can identify many small, mid-sized, and large businesses that have the potential to experience very high rates of growth and stock price appreciation regardless of the near-term direction of the economy or the broader stock market.

[2] Per industry sources and RiverPark research as of January 2013.

Finally, but possibly most importantly, although RiverPark is a growth-focused investor, all of our positions must pass our strict value-oriented purchase disciplines before being included in our portfolios. As our research uncovers exciting companies with strong growth prospects, we patiently wait for opportunities to purchase those investments at what we believe to be attractive prices. We describe our portfolio management process as a “value orientation to growth” and it is one of the most critical components of our investment process. A great business becomes a great investment only if it is purchased at a great price.

Portfolio Spotlight

Realogy

We recently initiated a long position in Realogy, the largest owner and franchiser of real estate brokerages in the US. The company’s network has over 230,000 brokers in 13,500 offices across the country, as well as a portfolio of additional real estate broker-related services. This breadth allows the company to touch a remarkable 26% of all broker-involved domestic home sales each year, making it three times larger than its nearest competitor. We see in Realogy an asset-light opportunity to profit from the broad secular trend of a US housing rebound, plus a company-specific recovery of Realogy’s equity value as the company continues to de-lever from a poorly timed December 2006 leveraged buyout.

We have a long history of investing in and researching franchise business models as we have always been attracted to their strong brands, recurring revenue, and high return on capital. These franchise characteristics generally exist across industries and we have invested in franchisors across sectors including the restaurant, fitness, and retail and lodging industries. In fact, we have a long history with Realogy itself, having researched HFS (the franchise conglomerate out of which Realogy was eventually spun) in prior years, as well as luxury auction leader Sotheby’s, whose real estate franchise Realogy now owns. We were excited for the opportunity to reconnect with the company’s management team after Realogy re-emerged as a stand-alone public company through an IPO in October 2012, after which we began to accumulate shares.

Realogy operates four businesses: (1) it is the owner of real estate brokerages, predominantly in the US, under brand names Coldwell Banker, Citi Habitats, Corcoran, ERA, and Sotheby’s; (2) it is the franchisor of the real estate brands Century 21, Better Homes & Gardens, Coldwell Banker, ERA, and Sotheby’s International; (3) it is the operator of the Cartus Broker Network, the leading relocation company in the U.S.; and, (4) it is the operator of a title and settlement services company. About 80% of the company’s operating profit comes from its owned and franchised residential brokerage operations, which is mostly driven by the price and volume of existing home sales.

Despite the company’s top market positioning and attractive business model, for the past half-decade-plus, Realogy operated in a severely depressed market (company revenue declined almost 40%), while overloaded with more than $7 billion of debt from its 2006 Apollo-led LBO. During this time, US housing prices declined by more than 30% peak-to-trough, and sales volumes were cut by almost 50%. In addition, there have also been a host of competitive threats to the domestic residential real estate transaction structure as many Internet-based businesses emerged to challenge the age-old brokerage fee structure of home sales. Between the price and volume declines and competitive pressures, it is hard to argue that a more difficult period could have existed for the company. Despite these challenges, the company survived, as Realogy's management team, led by CEO Richard Smith, kept the business and its brands intact, invested in innovation, and maintained operating profitability. Moreover, the industry's 5%-6% real estate brokerage commission has survived Internet pressures, while Realogy has benefitted from industry consolidation.

Over the past couple years as the housing market has bottomed, Realogy's business has stabilized and begun to show signs of growth. During this time, Management cut expenses by $1.5 billion and reduced debt by $3 billion. Consequently, we believe that as the company benefits from the secular housing tailwind, it should also gain market share, acquire new franchisees, and execute synergistic acquisitions. Realogy's incremental profit margin on each dollar of additional revenue should be quite high. While the incremental income should provide healthy cash returns for the company, shareholder returns should be even higher as management plans to use the majority of its cash flow to pay down its remaining, high-rate LBO debt. As of this writing, Realogy is a top 10 holding.

Apple

Given Apple has been a top ten holding in the Fund since inception, the stock's 35% decline from its Fall peak, and that Apple's stock is also one of the largest decliners in the S&P 500 this year, we thought it timely to review our thoughts on the company.

Apple has missed and/or lowered expectations for the last few quarters culminating in its latest report in mid-January. Although expectations for this past quarter were low, the company's stock traded off following its earnings report. Many reasons have been cited for the decline in the company's shares from Apple no longer being cool ("iPhone Fatigue Sets In," Reuters January 27, 2013), to the competitive threat of Samsung ("Has Apple Lost Its Cool to Samsung?" WSJ January 28, 2013); to needing a low-cost phone for emerging markets ("Can Apple Afford to Ignore Emerging Markets?" CNBC Friday November 2, 2012); to profitability issues ("Apple iPhone profits likely peaked" BGR.com November 26, 2012); to carrier subsidies ("iPhone's Crutch of Subsidies" WSJ February 27, 2012); to declining Mac sales ("Why are Mac sales plummeting?" digitaltrends.com January 24, 2013). All these issues point to two fundamental questions about Apple: (1) Is growth slowing or even declining, and (2) are profits shrinking? Slowing growth and declining profits are a deadly combination.

To answer these questions, Apple's actual results are more instructive than hyperbolic newspaper headlines. In the company's most recent quarter (a 13-week quarter vs. last year's 14-week quarter), revenue grew 18%. The company's two major products – iPhone and iPad (74% of revenue) grew 28% and 22%, respectively. The more accurate, apples-to-apples, growth results are 27% overall revenue growth, 38% iPhone revenue growth, and 31% iPad revenue growth.

These growth rates are the envy of almost every S&P 500 company, especially considering these rates could have been higher since iPhones and iPad minis were supply constrained for the quarter.

Apple's growth in profits has slowed more significantly and is worthy of a deeper look. In the holiday quarter between 2010 and 2011, the company's profits almost doubled, and between 2011 and 2012 profits more than doubled. In the holiday quarter just reported, profits were basically flat (on an apples-to-apples time period, operating profits increased 7%, still a far cry from the previous two years). While Apple's operating profits are still strong -- $17 billion and a 32% operating margin – the market wants to believe this will grow, not shrink.

The company's profitability decline can be attributed to a few factors: (1) the new iPad mini, which sells for significantly less than the full-size iPad; (2) lower short-term margins due to the ramp over the past quarter of new products across 80% of Apple's product line; and (3) unusually high margins a year ago. For context, Apple's gross margins were approximately 40% 2009-2011, then 44% last year, the result of lower commodity costs and fewer new product introductions. With the manufacturing ramp of the iPad mini and the iPhone 5 this past quarter, gross margins fell to 39% and the company is guiding margins to 38% next quarter. This return to normalized gross margins, or even shy of past gross margins, isn't a reason to panic about Apple's future. Apple's gross margins have historically rebounded from lower-margin quarters post new product manufacturing ramps (the iPad introduction temporarily lowered gross margins to 37% from 39%). The iPad mini is competing with some devices that don't even appear to be making any money. Apple is still making money, albeit less, as a percentage than it did in the recent past, but at 38% gross margin (compared with 20%-25% gross margins for Samsung, Dell and HP), we are impressed, not worried, especially when you consider Apple's opportunity in tablets could be larger than the worldwide market for PCs (as many expect).

We believe Apple has a couple structural advantages that distinguish the company from declining businesses of PC hardware makers and commodity cellphone manufacturers, and should help it to maintain its margins. Apple is a vertically integrated company – they design their own microprocessors (the A6 chip), have their own operating system (iOS), design their own hardware, and retail the vast percentage of their products in their own stores that also provide hands on customer service and support. Apple also generates billions of dollars in e-commerce and software revenue through iTunes, the App Store, AppleCare, iBookstore, and Apple.com. This e-commerce and software revenue ($13 billion in FY12, up 38% year-over-year) is not only high-margin, but, more importantly to us, these products combined with the company's retail customer service experience provide an ecosystem with incredibly high switching costs to change phones, tablets, or computer brands. To put this in perspective, during the PC era (which lasted for 20 years) this would have been the equivalent of combining Intel, Microsoft, Dell and Best Buy into one firm, selling one brand. Instead, you could go to any computer retailer to buy any type of computer with Intel and Microsoft inside. In today's wireless era, Apple could be the equivalent of combining Qualcomm, Google's Android operating system and apps, Samsung's hardware, and Amazon's retail into one firm. Because of

Apple's vertical integration, ecosystem and resultant switching costs, we believe the company can sustain operating margins at or about its just reported 32%.

Few would argue Apple shares are not cheap relative to the market. At its current $460, Apple's stock trades at just 3x its $137 billion of cash, 9x our FY2013 Earnings Per Share[3] estimate (6x excluding its cash), 5x our FY2013 Earnings Before Interest, Taxes, Depreciation and Amortization[4] estimate, and has a 12% free cash flow yield. These metrics are more than a 30% discount to the S&P 500s's 14x Price/Earnings[5] and 9x EBITDA. Meanwhile, Apple pays a 2.3% dividend yield vs. the S&P 500's 2.1%.

Given the company's growth and cash-generation potential over the next several years, we believe Apple shares are even more undervalued than currently appears. For perspective, Apple's current $460 share price includes $145 per share of cash on the company's balance sheet. We forecast 13% annual net income growth for the company over the following five years, generating $340 per share of free cash flow.[6] Adding this $340 to the company's current $145 of cash on its balance sheet totals $485 of cash in five years, greater than the company's current $460 market price.

We do this cash flow analysis for every stock in our Fund. We view a stock as undervalued if it has cash in excess of its stock price in *ten* years and compelling if it has cash in excess of its stock price in 7-8 years; no other company in our Fund is projected to have cash per share in excess of its current stock price in *five* years.

We are acutely aware that a stock price only seems cheap when a company's business is declining. However, while Apple's growth will certainly slow from its past torrid growth rates, causing future cash growth to slow as well (our 13% EPS growth modeling forecast over the next five years should more than account for a slowdown) it is important to recall that last quarter consumers bought almost 6 million iPhones, iPads, and Macs per week, driving 27% average weekly revenue growth.[7]

Yes, while the stock is cheap and recent growth has still been strong (although a deceleration from past year years), it is the future that matters. For Apple, that means future products. Last year the company spent a combined $12 billion on research and development and capital expenditures. Notably, our 13% EPS growth forecast is based only on current products and enhancements, yet included in our projections is $70 billion of estimated research and development and capital expenditures over the coming five years. Much of this spend should

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[3] The portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability.
[4] EBITDA is net income with interest, taxes, depreciation, and amortization added back to it, and can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.
[5] A valuation ratio of a company's current share price compared to its per-share earnings.
[6] Free cash flow represents the cash that Apple generates that is available for distribution to stock holders.
[7] *Apple First Quarter 2013 Earnings Press Release January 23, 2013.*

generate new products and investment returns neither of which are incorporated in our projections. For context, in early 2010, Wall Street did not incorporate iPads in their models. Two years later, iPads generated more than $30 billion in revenue.

We have added to our position and Apples continues to be one of the Fund's top holdings.

Portfolio Impact, Changes, and Holdings

The below charts depict significant portfolio contributors, detractors and changes during the most recent quarter.

Table I
Top Contributors to Performance for the Quarter Ended December 31, 2012

	Percent Impact
The Blackstone Group L.P.	0.48%
Realogy Holdings Corp.	0.46%
Equinix Inc.	0.37%
Tripadvisor Inc.	0.33%
Fossil, Inc.	0.26%

Table II
Top Detractors From Performance for the Quarter Ended December 31, 2012

	Percent Impact
Apple Inc.	- 0.95%
Dollar Tree, Inc.	- 0.55%
National-Oilwell Varco, Inc.	- 0.37%
Google Inc.	- 0.28%
Devon Energy Corp.	- 0.21%

Table III
Top Position Size Increases for the Quarter Ended December 31, 2012

	Amount
Realogy Holdings Corp.	3.61%
Equinix Inc.	3.20%
Dollar Tree, Inc.	1.90%
The Blackstone Group L.P.	1.40%
Monsanto Co.	1.31%

Table IV
Top Position Size Decreases for the Quarter Ended December 31, 2012

	Amount
McDonald's Corp.	- 1.95%
IntercontinentalExchange Inc.	- 1.31%
Coach, Inc.	- 1.20%
Las Vegas Sands Corp.	- 1.17%
Cognizant Technology Solutions Corp.	- 1.16%

Top Ten Holdings, Number of Positions and Industry Exposure

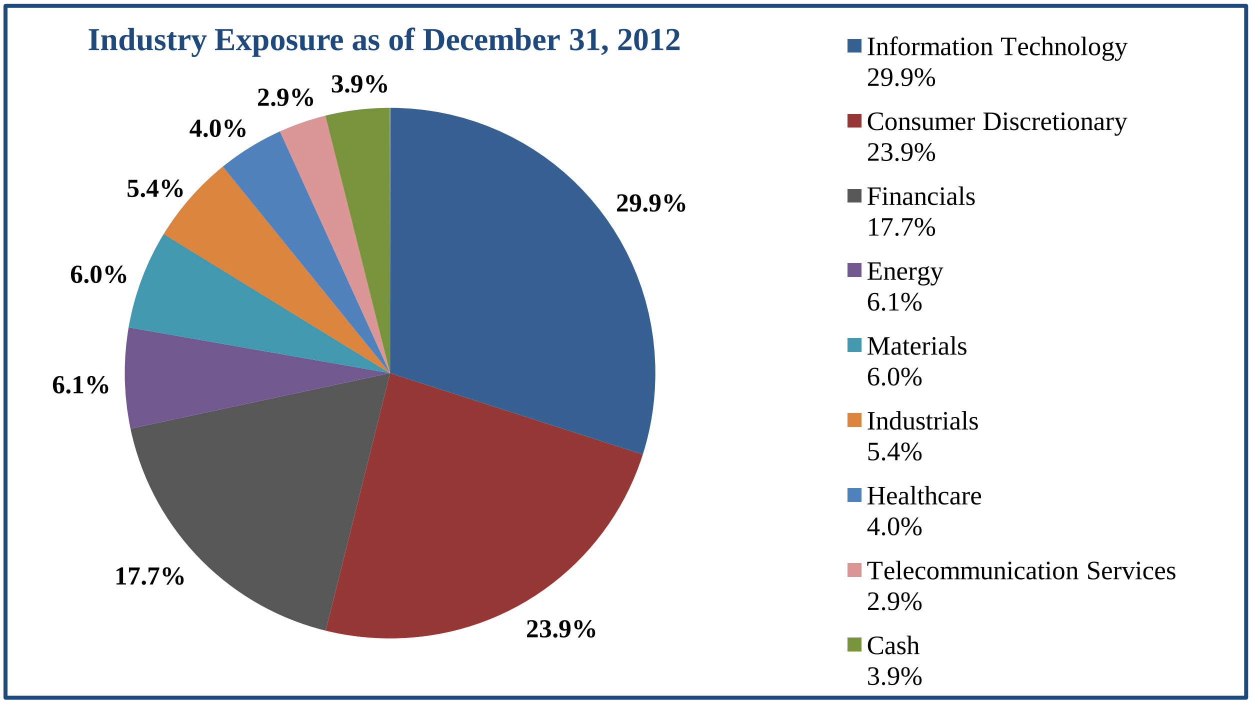
As of the end of the fourth quarter, the Fund held 48 positions and our top ten holdings represented approximately 44.1% of the Fund, as compared to 37.7% at the end of the third quarter of 2012.

Table VI
Top Ten Holdings as of December 31, 2012

	Percent of Net Assets of the Fund
The Blackstone Group L.P.	5.6%
Equinix Inc.	5.4%
Apple Inc.	5.3%
Dollar Tree, Inc.	5.0%
Google Inc.	4.4%
Qualcomm, Inc.	4.3%
Monsanto Co.	4.1%
Priceline.com Inc.	3.6%
Realogy Holdings Corp.	3.3%
Starbucks Corp.	3.0%
	44.1%

Holdings are subject to change. Current and future holdings are subject to risk.

As depicted below, information technology (29.9%), consumer discretionary (23.9%) and financials (17.7%) remain our sectors of highest concentration at the end of the period.



Summary

We believe our secular-themed, large capitalization growth portfolio is well positioned to continue to generate strong absolute and relative performance. While market volatility continues and macro-economic challenges remain, the long-term drivers benefitting our long portfolio have not changed.

We will continue to keep you apprised of our process and portfolio holdings. As always, please do not hesitate to contact us if you have any questions or comments about anything we have written in our letters or about any of our Funds.

We thank you for your support as early investors in the RiverPark Large Growth Fund.

Sincerely,

Mitch Rubin
Chief Investment Officer
Portfolio Manager

To determine if a 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 prospectus, which may be obtained by calling 1-888-564-4517 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. There can be no assurance that the Funds will achieve their stated objectives.

This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding the funds or any security in particular.

The Russell 1000 Index is a stock market index that represents the highest-ranking 1,000 stocks in the Russell 3000 Index, which represents about 90% of the total market capitalization of that index. S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic equity market through changes in the aggregate market value of 500 stocks representing all major industries. Investors cannot invest directly in an index.

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