RIVERPARK FUNDS

# RiverPark Short Term High Yield Fund
# &
# RiverPark Strategic Income Fund

## 2Q 2017 Commentary

***Fonti nulla fides.*[1]**
*You can't judge an apple by looking at a tree*
*You can't judge honey by looking at the bee*
*You can't judge a daughter by looking at the mother*
*You can't judge a book by looking at the cover*[2]

On June 23, 2017, Societe Generale's [A] ("SocGen") *Risk Premium in Pictures* declared, "Corporate credit remains very expensive on an absolute basis." To support their claim, they provided several tables, including the one below.

SOCIETE GENERALE
Cross Asset Research

| | Yield to maturity | | | | | Valuation |
|---|---|---|---|---|---|---|
| | Current | Average | Min | Max | %tile Rank | |
| Euro IG credit | 1.1% | 4.1% | 0.8% | 8.0% | 2.2% | Extremely rich |
| Euro HY credit | 2.9% | 8.4% | 2.9% | 21.0% | 0.0% | Extremely rich |
| US IG credit | 3.2% | 5.8% | 2.6% | 10.2% | 10.3% | Extremely rich |
| US HY credit | 5.5% | 9.9% | 4.9% | 21.9% | 2.1% | Extremely rich |

The lower the %tile rank, the richer the valuation. For US, data since January 1990 and for euro area data since Jan 1999 has been used. Source: SG Cross Asset Research/Global Asset Allocation

SocGen argues that the absolute yield of US investment grade and high yield credit is "extremely rich" because they are low on a historical basis, approximately the 10th and 2nd percentile, respectively. The unsuspecting reader might accept these statements at face value and move on, concluding that these markets are unattractive relative to history and should be avoided. This determination, however, employs "cognitive shortcuts…that make one's initial instincts, prejudices and simple hunches appear the result of legitimate…intellectual processes."[3] SocGen's

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[1] While often attributed to more modern sources, the phrase "You can't judge a book by its cover" finds its origins in a much earlier time period. Juvenal, a Roman poet from the first century AD first uses the Latin phrase "Fonti nulla Fides" which translates to "trust not the countenance" or "trust not the front".
[2] Lyrics from the song, "You Can't Judge a Book by the Cover", written by Willie Dixon and originally performed by Bo Diddley in 1962. The song has been covered by a number of artists including the Rolling Stones (1962), the Yardbirds (1963), Jerry Garcia (1972) and the Strypes (2012), among others.
[3] *Surrender, New York*, Caleb Carr (2016)

calculations are correct, but lack context and require further analysis; the observation is meaningless in isolation.

The inquisitive investor would likely pursue further analysis: 1) How do these yields compare to a US Treasury bond of similar maturity? 2) Am I being paid enough to take on the additional risk inherent in a corporate bond?

**Credit Spreads[B]**

| | Current | Avg | Min | Max | %tile Rank |
|---|---|---|---|---|---|
| **US IG Credit** | 115 bp | 139 bp | 58 bp | 596 bp | 44.9% |
| **US HY Credit** | 398 bp | 556 bp | 257 bp | 1940 bp | 27.0% |
| **Treasury Yields** | 2.11% | 4.66% | 1.46% | 9.05% | 10.30% |

The table above compares investment grade and high yield credit spreads since January 1990. As shown in the table above, yields for corporate bonds are low because Treasury rates, the base rate from which corporate rates are determined, are particularly low relative to history. In fact, for the period used by SocGen, US Treasury yields are at the 10th percentile, exactly the same as investment grade yields. Using the credit spread as a measure of compensation for taking on greater risk than a US Treasury, one observes that investment grade credit spreads are near the historic average, at the 45$^{th}$ percentile, and high yield credit spreads, although at the 27$^{th}$ percentile, are still about 140 basis points above the historic low. Thus, in an historical context, corporate credit is not as expensive as SocGen's headline numbers suggest.

However, credit spreads alone do not provide a complete measure of compensation. Another way to look at the situation is to divide the credit spread by the US Treasury yield for bonds of equivalent maturity. The table below illustrates that the credit spread for high yield bonds is more than double the Treasury yield. For IG bonds the spread is about 60% of the Treasury rate. On this basis, credit spreads are above average, at the 72$^{nd}$ percentile for high yield and the 65$^{th}$ percentile for investment grade, countering SocGen's conclusion above.

**Spreads/Treasury[B]**

| | Current | Avg | Min | Max | %tile Rank |
|---|---|---|---|---|---|
| **US IG Credit** | 0.6x | 0.5x | 0.1x | 3.0x | 71.7% |
| **US HY Credit** | 2.4x | 2.2x | 0.4x | 10.4x | 65.3% |

Albert Einstein once said, "I have no special talents. I am only passionately curious." The discussion above demonstrates the value of being curious and questioning consensus. Obviously, there are many more questions one might ask before formulating an appropriate view. We believe that successful investing requires an inquisitive and intellectual approach to reach well-founded, reasoned decisions.

Although we certainly consider "the big picture", our portfolio is based on "bottom up" fundamental analysis. In this effort, a deeper level of questioning is imperative and often leads us to identify opportunities passed over by those taking a more conventional approach. Below is a brief discussion of a few examples of investments we made in in 2Q17 that illustrate this point.

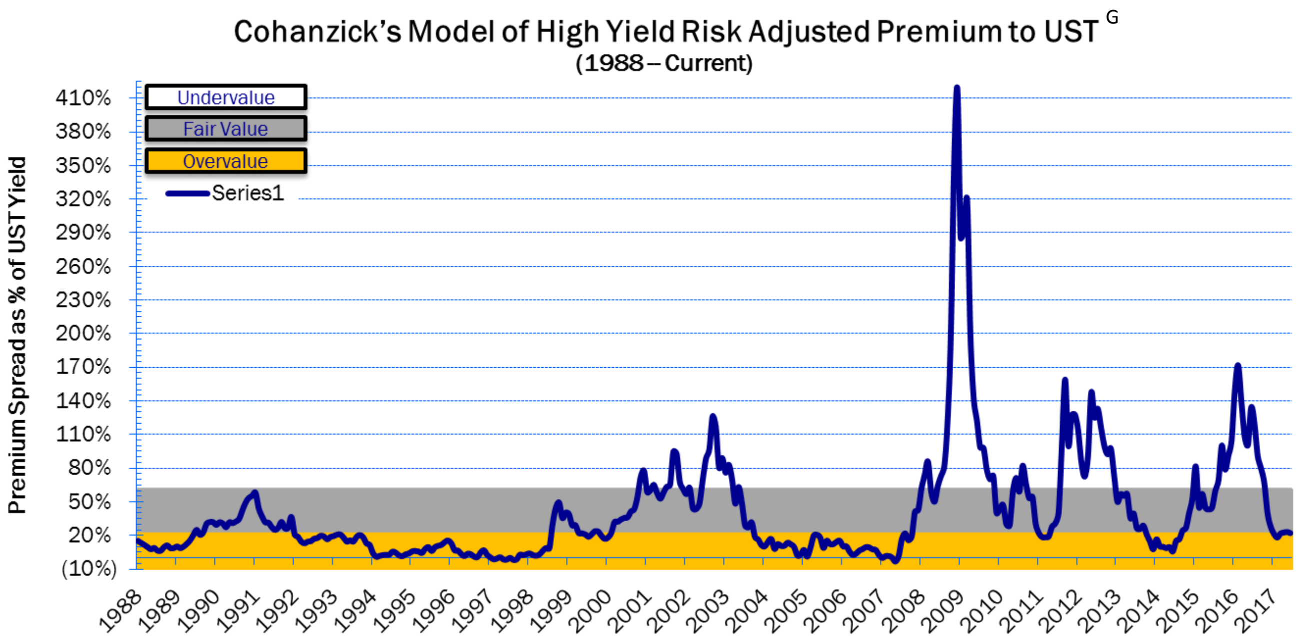
***Blucora*[C]** – Conventional View: Redeemed US corporate bonds should not trade at negative yields. Our View: Not always true. In early April, Blucora, Inc., a tax preparation software provider, announced that it was pursuing a new credit facility that would partly be used to refinance the company's only outstanding bond – the 4.25% Convertible Notes due 2019. We began purchasing the bonds for the RiverPark Short Term High Yield Fund later that month as the process of issuing the new credit facility neared conclusion. Two features made these notes unique compared to the typical called bond that we purchase. First, the conversion feature of the bonds presented us with the potential to earn returns beyond the typical yield for called paper if the price of the company's equity rose. Second, in contrast to most indentures, which usually require a minimum 30-day redemption notice period, these bonds required at least 45 days' notice, allowing us to hold the position longer, thereby increasing the time during which we earned interest as well as the period during which the stock price might rise. Although the stock was still a few dollars below the conversion price when we began purchasing the bonds, it drifted upward in the subsequent days and weeks. By mid-May, the stock surpassed the conversion price, drawing the bond price up with it and allowing us to sell a portion of our position at negative yields. The stock then drifted back down slightly for the rest of May and into the June 5th redemption date when the balance of our bonds was repaid as originally expected. This is a prime example of the value that can accrue in a seemingly boring called bond with a bit of extra digging and identification of upside potential others may miss.

***Spanish Broadcasting*[D]** – Conventional view: Not paying off a bond at maturity is a bad thing. Our View: Not always true. Spanish Broadcasting is a leading Spanish-language media company with radio and TV stations in the top U.S. Hispanic markets. The 12.5% first lien notes matured in April; although the company paid the accrued interest, it did not pay off the bonds and went into default. Despite this, the bonds continued to trade at or above par. Since our initial purchase of the bonds, we have been confident that the value of the company's radio stations fully covered the bonds -- leverage, based solely on radio EBITDA, was a reasonable 4.4x. Any additional value attributable to the company's money-losing TV stations and prospective spectrum sales would only provide extra coverage. The company balked on the repayment of the bonds at maturity solely because the company's preferred shareholders were arguing that their accumulated accrued dividends should be paid concurrently with the refinancing. The company disagreed and was willing to go into default to avoid paying the preferred dividends at that time. Bond investors saw the opportunity to continue to collect the 12.5% bond coupon while the company resolved its issues with the preferred, bearing little concern about the eventual repayment of principal. Thus, the bonds traded up above par following the payment default. The RiverPark Strategic Income Fund sold its bonds in April at 101.75 based on our judgement that the effective yield until expected takeout was no longer sufficiently attractive. Thus, after considering the array of potential outcomes, we maintained our position and benefitted from the default, which caused the bond to trade beyond par.

***Mueller Industries*[E]** – Conventional view: A bond needs a credit rating, an underwriter and investors happy to own it. Our View: Not always true. Mueller manufactures products including copper tube and fittings, brass and copper alloy rods and bars, aluminum and brass forgings and aluminum and copper impact extrusions. The company issued its 6% subordinated notes, due 2027, directly to shareholders without an underwriter in March as a form of dividend. The notes are unrated, have no underwriter to support trading, and, following issuance, were primarily held by equity funds who needed to sell them as they were not natural holders. Despite this, the company's credit statistics indicated investment grade quality, or, worst case, a BB level due to the subordination. We purchased the notes in April at an initial price of 98 3/8, at yields ranging from 6.00% to 6.25%, which was substantially cheap to the BB index yielding 4.2% at the time. The bonds were priced at 102.25 at quarter-end and we expect more appreciation if the bonds become rated. Despite a lack of typical Wall Street support for this bond, we took advantage of the dearth of investors willing to do the requisite credit analysis to identify and source an attractive investment for the RiverPark Strategic Income Fund.

***Whole Foods*[F]** – Conventional view: Investing in high grade bonds is boring, generating "coupon clipper returns" while waiting for something to go wrong. Our View: Not always true. Whole Foods is a well-known chain of natural food markets. We initiated our position in the BBB- bonds for RiverPark Strategic Income in October 2016 when the bonds traded down on fear of a private equity firm buying the company and increasing leverage. We were of the view that the high brand value would attract a strategic buyer that would outbid private equity investors, preserving, if not improving, credit quality. Moreover, the change of control in the bond's terms provided protection against a sale that caused the credit rating to fall below investment grade. We added to the position in early May at a similar spread and lower dollar price. When the company announced in mid-June that it would be acquired by Amazon, the bonds traded up approximately 7 points, the yield narrowing toward that of Amazon's bonds. We subsequently sold the position, continuing to monitor the bonds for an attractive re-entry point. Although we could not have predicted that Amazon would be the buyer, having evaluated the potential outcomes, we were satisfied that our base case was adequate, our downside was limited and that we might just get lucky if the company was sold to a better credit.

We are commonly asked whether we think the high yield market is attractive. For many years, we have tracked the risk-adjusted after-tax yield of high yield bonds relative to the 10-year US Treasury rate as an indicator of whether the market is rich, cheap or fairly-valued. We have provided this study to our investors many times in the past and it is presented again below. At present, this indicator shows that the high yield market is on the low end of fairly-valued.




In keeping with this observation and as discussed in our 1Q17 investor letter, we remain defensively positioned with a low duration and cash holdings available to take advantage of specific investment opportunities as we identify them. The equity and fixed income market continue to exhibit a low degree of volatility with significant identifiable exogenous risks.

Nevertheless, we will continue to identify investment opportunities that should permit the two RiverPark fixed income funds to continue to earn attractive returns while preserving principal.

With curiosity and discipline,

David K. Sherman and the Cohanzick Team

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[A] *Risk Premium in Pictures*, June 23, 2017, Societe Generale Group.

[B] Source: C0A0 - The BofA Merrill Lynch US Corporate Index tracks the performance of US dollar denominated investments grade debt publicly issued on the US domestic market.
H0A0 - The BofA Merrill Lynch US High Yield index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.
Note: 1/1990 to 11/1996: Spread = YTM – 10 year Yield (BAML GA10), Treasury =BAML GA10
12/1996-Present: Spread = BAML Spread to Worst, Treasury = YTW –Spread to Worst for implied Matched Maturity Treasury

[C] As of 3/31/2017, our position in Blucora represented 0.00% of the Short Term High Yield Fund and 0.00% as of 6/30/2017. During the quarter, the Short Term High Yield Fund bought 9.7MM and sold 9.7MM of Blucora.

[D] As of 3/31/2017, our position in Spanish Broadcasting represented 0.24% of the Strategic Income Fund and 0.00% as of 6/30/2017.

[E] As of 3/31/2017, our position in Mueller Industries represented 0.00% of the Strategic Income Fund and 4.57% as of 6/30/2017.

[F] As of 3/31/2017, our position in Whole Foods represented 0.33% of the Strategic Income Fund and 0.00% as of 6/30/2017.

[G] Source: Bank of America Merrill Lynch Bond Indices.
Note: For the period 1988 to current, Cohanzick's proprietary model to evaluate whether the high yield market is "Overvalue", "Fair Value" or "Undervalue". The calculation is a relative analysis of a risk adjusted, after tax adjusted spread of the high yield market's yield-to-maturity ("YTM") to the 10 year US Treasury ("UST"). Specifically, a 200 basis points loss reserve is deducted from the after-tax spread between BancAmerica High Yield Index YTM and UST, which is then compared to the UST yield to determine a relative excess return to the UST. When this comparison is between 20%-60%, we view the high yield market as reflecting "Fair Value"; over 60% is "Undervalue" and under 20% is "Overvalue". The chart reflects a mathematical view that needs to be considered with other factors not incorporated and should not be viewed as a buy, sell, or hold recommendation.

# RiverPark Short Term High Yield Fund
&
# RiverPark Strategic Income Fund

### Second Quarter 2017

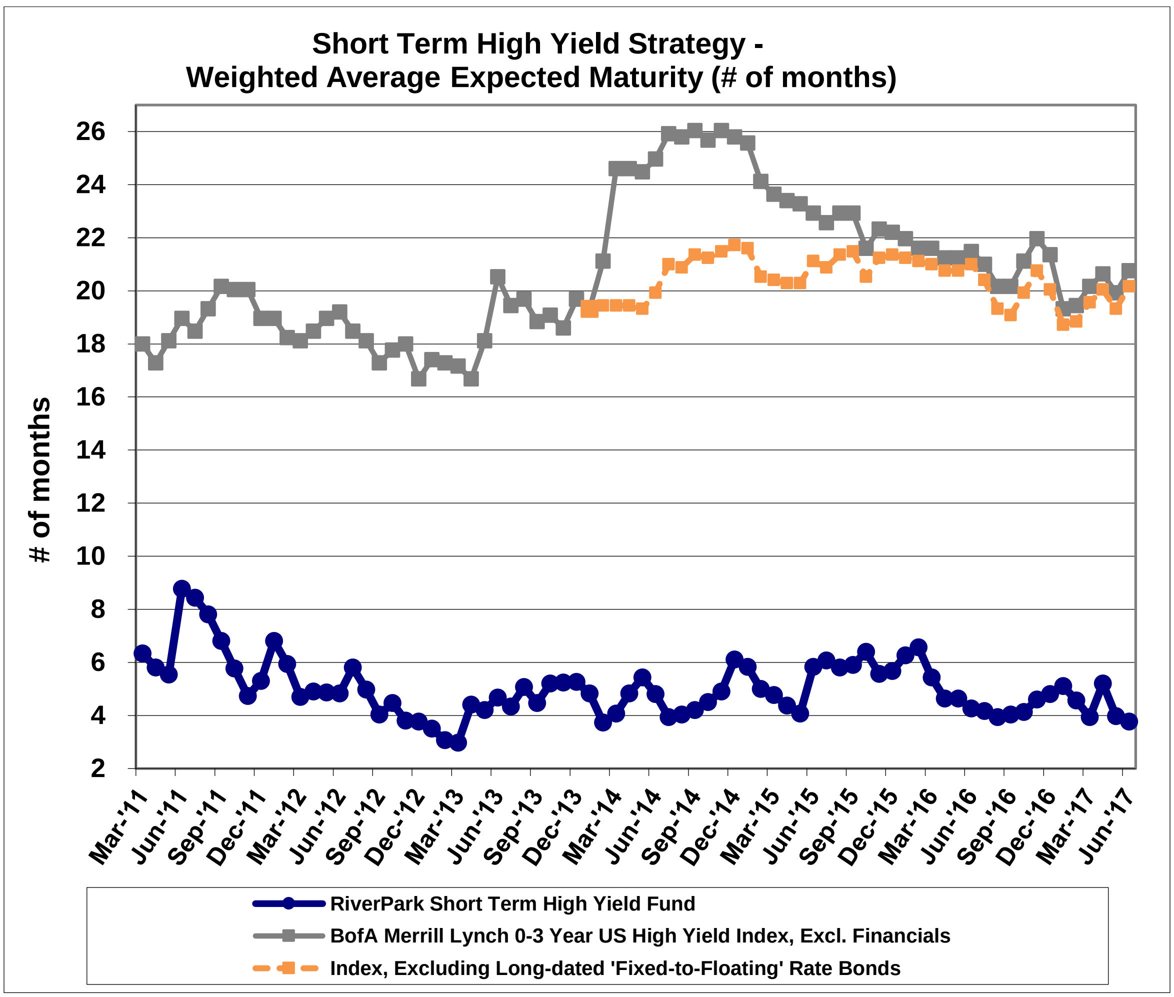
## RIVERPARK SHORT TERM HIGH YIELD FUND
## JUNE 30, 2017

| | RiverPark Short Term High Yield Fund Performance | | BofA Merrill Lynch 1-Year U.S. Treasury Index[1] | BofA Merrill Lynch 1-3 Yr U.S. Corp Index[1] | BofA Merrill Lynch 0-3 Yr U.S. HY Index Ex-Financials[1] |
|---|---|---|---|---|---|
| | RPHIX | RPHYX | | | |
| 2Q17 | 0.59% | 0.52% | 0.14% | 0.60% | 1.65% |
| YTD 2017 | 1.35% | 1.22% | 0.30% | 1.31% | 4.03% |
| One Year | 2.99% | 2.74% | 0.40% | 1.43% | 10.87% |
| Five Year | 2.96% | 2.69% | 0.37% | 1.98% | 5.91% |
| Since Inception* | 3.28% | 2.99% | 0.37% | 2.10% | 5.88% |

** Total Returns presented for periods less than 1 year are cumulative, returns for periods one year and greater are annualized. Fund Inception Date: September 30, 2010.*
*The performance quoted herein represents past performance. Past performance 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.*
*As of the most recent prospectus, dated 1/28/2016, gross expense ratio was 0.87%. Gross Expense Ratio does not reflect the ability of the adviser to recover all or a portion of prior waivers, which would result in higher expenses for the investor. Please reference the prospectus for additional information.*
*[1] The BofA Merrill Lynch 1-3 Year U.S. Corporate Index is a subset of the BofA Merrill Lynch U.S. Corporate Master Index tracking the performance of U.S. dollar denominated investment grade rated corporate debt publicly issued in the U.S. domestic market. This subset includes all securities with a remaining term to maturity of less than 3 years. The BofA Merrill Lynch 1-Year U.S. Treasuries Index is an unmanaged index that tracks the performance of the direct sovereign debt*

*of the U.S. Government having a maturity of at least one year and less than three years. The BofA Merrill Lynch 0-3 Year U.S. High Yield Index Excluding Financials considers all securities from the BofA Merrill Lynch US High Yield Master II Index and the BofA Merrill Lynch U.S. High Yield 0-1 Year Index, and then applies the following filters: securities greater than or equal to one month but less than 3 years to final maturity, and exclude all securities with Level 2 sector classification = Financial (FNCL).*

As of June 30, 2017 the portfolio was comprised of securities with an average maturity of 3.77 months. The average maturity is based on the Weighted Average Expected Effective Maturity, which may differ from the stated maturity because of a corporate action or event.



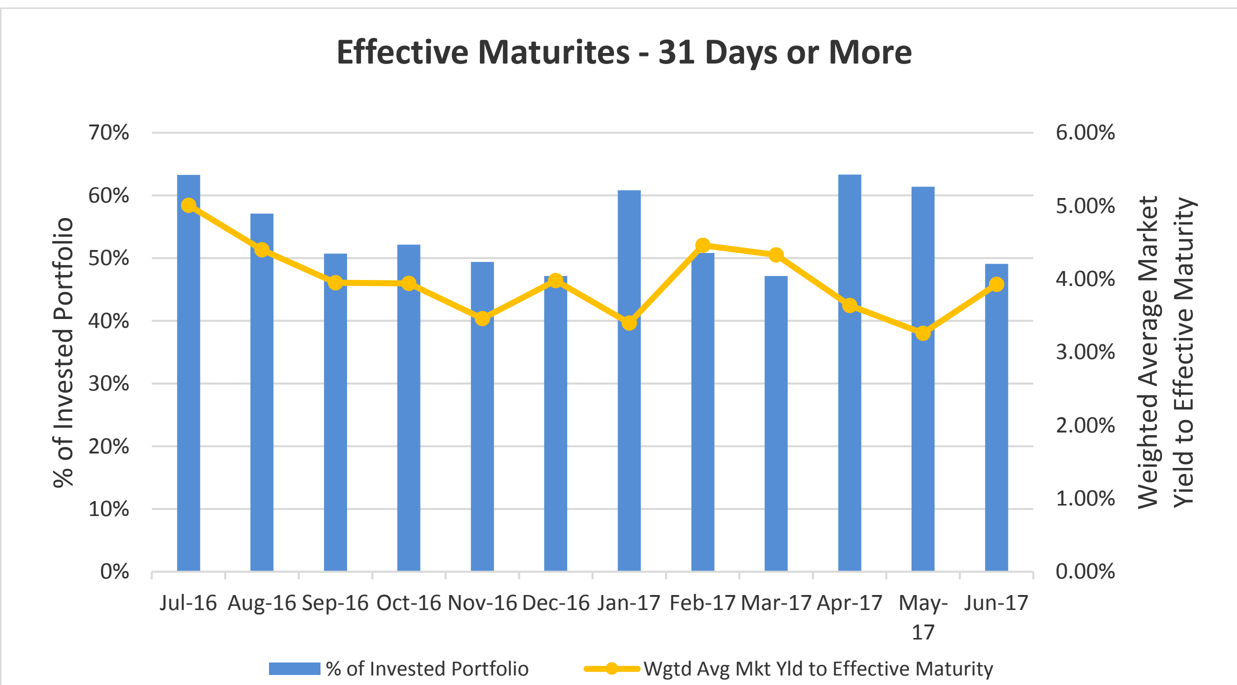

*Source: Bloomberg Professional Analytics*

At quarter-end, the invested portfolio had a weighted average Expected Effective Maturity of 10/21/17, and 50.9% was comprised of securities with an Expected Effective Maturity of 30 days or less. Below is a more specific breakdown of the portfolio's holdings by credit strategy:

***% Of Invested Portfolio As of 6/30/17***

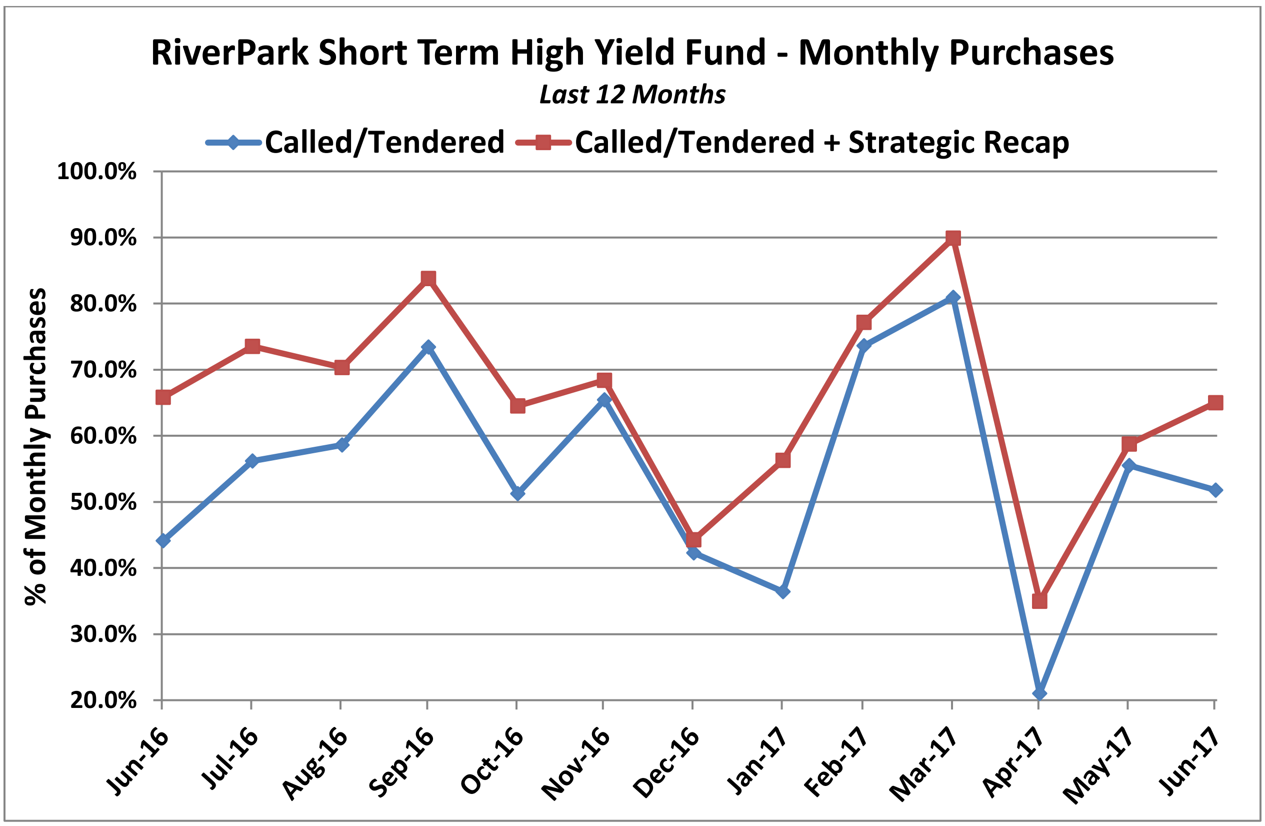
| **Expected Effective Maturity** | Redeemed Debt | Event-Driven | Strategic Recap | Cushion Bonds | Short Term Maturities | |
|---|---|---|---|---|---|---|
| 0-30 days | 46.7% | 1.5% | 1.0% | | 1.7% | **50.9%** |
| 31-60 days | 2.3% | 1.1% | | 6.4% | 2.0% | **11.8%** |
| 61-90 days | | 1.5% | 2.8% | 2.5% | 0.3% | **7.1%** |
| 91-180 days | | | | 5.5% | 3.5% | **9.0%** |
| 181-270 days | | | | 4.4% | 1.2% | **5.6%** |
| 271-365 days | | | 2.8% | 0.7% | 4.0% | **7.5%** |
| 1-2 years | | | | 1.4% | 4.9% | **6.3%** |
| 2-3 years | | | | | 1.8% | **1.8%** |
| | **49.0%** | **4.0%** | **6.5%** | **21.1%** | **19.3%** | **10/21/17** |

As of June 30, 2017 the Weighted Average Market Yield to Effective Maturity was 3.93% for Effective Maturities of 31 days or more. That comprised 49% of the invested Portfolio.



New purchases made by the Fund during the quarter consisted of 42.5% Called/Tendered, 4.5% Event-Driven, 10.1% Strategic Recap, 4.8% Cushion Bonds, and 38.1% Short Term Maturities. Called and Tendered securities continue to be a significant component of our purchases. The supply of these bonds remained ample during most of the period.

When combining Called/Tendered purchases with Strategic Recap (which represent securities that are in the process of being refinanced but have not yet been officially redeemed), the figure reached 52.5% of our purchases during the quarter. We will continue to try focusing a large portion of the Fund in redeemed or soon-to-be redeemed securities, especially in times of market weakness, both to keep the Fund's duration short, and also to ensure that adequate pools of near-term cash are available to take advantage of attractive new purchases.



# RIVERPARK STRATEGIC INCOME FUND
## JUNE 30, 2017

| | RiverPark Strategic Income Fund Performance | | Barclay's Aggregate Bond Index[1] | Morningstar High Yield Bond Category[2] | Morningstar Multisector Bond Category[3] |
|---|---|---|---|---|---|
| | RSIIX | RSIVX | | | |
| 2Q17 | 1.34% | 1.17% | 1.45% | 1.75% | 1.69% |
| YTD 2017 | 3.42% | 3.30% | 2.27% | 4.09% | 3.80% |
| One Year | 8.65% | 8.27% | (0.31%) | 10.73% | 5.99% |
| Since Inception* | 4.29% | 3.98% | 3.00% | 4.49% | 3.76% |

** Total Returns presented for periods less than 1 year are cumulative, returns for periods one year and greater are annualized. Inception Date: September 30, 2013*

*The performance quoted herein represents past performance. Past performance 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.*

*As of the most recent prospectus, dated 1/28/2016, gross expense ratio was 0.90%. Gross Expense Ratio does not reflect the ability of the adviser to recover all or a portion of prior waivers, which would result in higher expenses for the investor. This option is available contractually to the advisor until January 31, 2016. Please reference the prospectus for additional information.*

*[1] The Barclays U.S. Aggregate Bond Index is a broad-based unmanaged index of investment grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS.*

*[2]Source: Morningstar Principia. The Morningstar High Yield Bond Category is used for funds that concentrate on lower-quality bonds, which are riskier than those of higher-quality companies. These portfolios generally offer higher yields than other types of portfolios, but are also more vulnerable to economic and credit risk.*

*[3]Source: Morningstar Principia. The Morningstar Multisector Bond Category is used for funds that seek income by diversifying their assets among several fixed-income sectors, usually U.S. government obligations, foreign bonds, and high-yield domestic debt securities.*

| Category | Weight | YTW | YTW Duration | YTM | YTM Duration |
|---|---|---|---|---|---|
| RiverPark Short Term High Yield Overlap | 29.9% | 3.6% | 0.48 | 6.6% | 1.88 |
| Buy & Hold “Money Good” | 36.5% | 4.9% | 1.80 | 5.1% | 2.51 |
| Priority Based (Above the Fray) | 6.4% | 15.8% | 2.12 | 15.9% | 2.39 |
| Off The Beaten Path | 4.5% | 9.2% | 1.98 | 9.5% | 2.20 |
| Interest Rate Resets | 17.5% | 3.9% | 0.75 | 5.0% | 3.90 |
| ABS | 2.1% | 2.5% | 0.72 | 3.7% | 1.58 |
| Equity | 0.0% | | | | |
| Distressed | 1.2% | | | | |
| Hedges | -2.9% | 4.2% | 4.29 | 5.3% | 5.58 |
| Invested Portfolio | 95.2% | 5.2% | 1.11 | 6.5% | 2.43 |
| Cash | 4.8% | | | | |
| Total Portfolio | 100.0% | 5.0% | 1.06 | 6.2% | 2.32 |

The five largest positions totaled 17.78% of the Fund.

| | |
|---|---|
| Mueller Industries | 4.57% |
| Ford Motor Credit | 3.79% |
| Homefed Corp | 3.40% |
| HC2 Holdings Inc | 3.03% |
| Dell International LLC | 2.99% |
| | 17.78% |

For the quarter, the five best performing positions’ positive contribution outweighed the five worst performing positions (inclusive of interest) on a net basis by 40 basis points. The five best and worst performing positions for the quarter were as follows:

| Positive Contribution – 0.65% | Negative Contribution - (0.25%) |
|---|---|
| Mueller Industries Inc | Postmedia Network Inc |
| Carolina Beverage Group | DPH Holdings Corp |
| SITV LLC/SITV Finance | Westmoreland Coal Co |
| HC2 Holdings Inc | International Wire Group |
| Xerium Technologies Inc | Waste Italia SPA |

In 2Q17, Mueller advanced as the newly-issued unrated bond adjusted to a yield more appropriate to its strong credit quality. Carolina Beverage, SITV and Xerium each reported better-than-expected earnings. HC2 reported solid earnings and successfully raised a $38 million add-on offering for an acquisition.

Postmedia and Westmoreland both reported weak earnings. DPH Holdings fell slightly as investors await their payoff event. International Wire declined as disappointing first quarter earnings were followed by the resignation of a number of board members. Waste Italia drifted lower as the company filed bankruptcy.

| | RiverPark Strategic Income Fund (RSIIX, RSIVX)[1] | Barclays U.S. Aggregate Bond Index* | Markit iBoxx USD Liquid High Yield Index* |
|---|---|---|---|
| YTW | 5.00% | 2.83% | 5.31% |
| Effective Maturity | 9/14/2018 | 6/26/2025 | 7/21/2021 |
| YTM | 6.16% | 2.83% | 5.72% |
| Stated Maturity | 7/21/2020 | 7/14/2025 | 5/18/2023 |
| SEC 30 Day Yield | 4.24% | 2.24% | 4.80% |

1. Numbers represent a weighted average for RSIIX and RSIVX

**This material must be preceded or accompanied by a current prospectus. Investors should read it carefully before investing.**

*****These index characteristics are calculated by Bloomberg Professional Analytics and are based on the iShares ETFs which are passive ETFs comprised of the underlying securities of these indices.

In a defensive market, Riverpark Strategic Income is well-positioned, with an effective maturity just over one year compared to a far longer high yield index, with yield-to-worst only slightly lower and a similar yield-to-maturity.

**This material must be preceded or accompanied by a current prospectus. Investors should read it carefully before investing.**

*Mutual fund investing involves risk including possible loss of principal. In addition to the normal risks associated with investing, international investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. Bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. High yield bonds and non-investment grade securities involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. The RiverPark Strategic Income Fund may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Although such investments may result in significant returns to the Fund, they involve a substantial degree of risk. There can be no assurance that the Fund will achieve its stated objectives.*

*The RiverPark Strategic Income Fund and RiverPark Short Term High Yield Fund are distributed by SEI Investments Distribution Co., One Freedom Valley Drive, Oaks, PA 19456 which is not affiliated with RiverPark Advisors, LLC, Cohanzick Management, LLC, or their affiliates.*