PORTFOLIO MANAGER CONFERENCE CALL TRANSCRIPT
MARCH 2017

Colin

Good afternoon, and thank you for joining us for the Appleseed Fund conference call. My name is Colin Rennich, and I am the Director of Sales for Appleseed Fund. We have muted all of the lines, and the call will be in listen-only mode. Thank you to those individuals who submitted questions in advance. At the end of the call, we will respond to questions. For those of you who have logged into the GoToMeeting webinar, there is a deck of slides accompanying the call. For those of you listening in audio-only mode, the slides will be available on our website shortly following the conclusion of the call.

Today's call will include about 20 to 30 minutes of commentary from Appleseed Fund portfolio managers Adam Strauss and Bill Pekin, followed by Q&A. Portfolio manager Josh Strauss is traveling and is unable to join in on the call.

Before I turn the call over to the team, I would like to take a minute to review the long term performance of the fund. As of market close on Monday, Appleseed Fund generated a year to date gain of 3.47% vs 5.74% for the MSCI World Index. Since inception through the end of last quarter, the Appleseed Fund has generated an annualized return of 5.70% vs 3.83% for the MSCI World Index. More detailed information on the Fund's performance and holdings can be found on our website www.appleseedfund.com.

I will now turn the call over to Bill and Adam who will take you through a brief market commentary, review the fund's current allocation and some of the new positions.

Bill

Thanks, Colin.

I want to start off this conference call with the famous St. Augustine quote, where he said, "Oh Lord make me chaste – but just not yet". For many years, investors have speculated about the return of "normalized" interest rates. And while investors have been eager to see signs of rising rates as evidence of a healthier economy, many market participants were content to bask in the glow of the low rate environment, while it lasted. Over the last eight years, the Fed and many other global Central Banks have conspired to bring ever lower interest rates and with it, ever higher asset prices. To quote Fed Chairman Ben Bernanke in 2010 during the early rounds of QE, "Easier financial conditions will promote economic growth….Lower corporate bond rates will encourage investment. And higher stock prices will boost consumer wealth and help increase confidence, which can also spur spending. Increased spending will lead to higher incomes and profits that, in a virtuous circle, will further support economic expansion."

Of course, it's always easy to pass judgement from the safety of hindsight, but even so, looking back on Bernanke's statement it's clear that only part of the "virtuous circle" has transpired. Despite an unprecedented $3.5 trillion of monetary stimulus since 2008, the economy has barely mustered GDP growth of 2%; this is one of the weakest economic expansions in the post-WWII period. Job creation and wage growth have remained below average and the comprehensive, U-6 unemployment rate is still higher than we would like during this part of the economic cycle.

On the other hand, on the eve of the eighth anniversary of the current Bull Market, the S&P 500 is up about 3x from the March 2009 low. Bernanke and the Fed have indeed created a "wealth effect" for the fortunate owners of capital. The question remains: how dependent is this wealth effect on the tinder provided – low interest rates? To paraphrase St. Augustine, do rising interest rates signal that it's finally time for us to become chaste? And if so, what happens next?

The simple answer is we don't know what comes next. Four months ago, Donald J Trump became President-Elect of the United States. After an initial set-back on election night, the US stock market has powered higher and animal spirits have revived. One year ago, many investors were concerned that we were slipping back into deflation and rates would remain close to the zero-bound. Today, with the 10-yr Treasury touching 2.60%, the 10 year Treasury yield has nearly doubled from the lows seen last summer.

This "reflation" Trump trade was built on the prospect of lower corporate tax rates that would recycle into higher earnings as well as the prospect that lower tax rates would incentivize companies to repatriate foreign-domiciled cash. The thinking goes that this cash would then find its way into investors' pockets through enhanced dividends, share buybacks, capital investment, and/or increased M&A activity. In addition, President Trump has talked about the promise of fiscal stimulus through the passage of a $1 trillion infrastructure bill. The market seems satisfied that the baton is being passed from a clearly flagging Federal Reserve with its bloated balance sheet to a newly energized, pro-growth administration.

However, against these grand electoral promises comes the inescapable reality: the US federal deficit is fast approaching a $600 billion annual rate; US debt to GDP is at a record high of approximately 106%; the US National Debt has nearly doubled from when President Obama took office and is almost $20 trillion; mortgage rates are increasing, threatening an already expensive housing market and consumer discretionary spending and federal tax receipts are slowing.

Just after the election, after it became clear that Republicans controlled the Executive branch and both houses of Congress, the market anticipated that tax cuts and fiscal stimulus would be quickly forthcoming. But now, with the Federal Reserve promising to raise interest rates three times this year, the Administration finds itself bogged down with health care and immigration reform – with its economic and tax agenda sidelined until later in the year or possibly next.

The combination of rising interest rates and delayed fiscal stimulus, among other factors may finally bring us to our own St. Augustine moment. To that end, the Appleseed Fund remains defensively positioned.

I will now turn the call over to Adam to discuss Appleseed Fund's asset allocation and a discussion of top performers and detractors from investment performance.

Adam

As of the end of the year, Appleseed Fund was invested in approximately 33% net long US equites, 28% non-US equities, 16% gold, and 23% cash and bonds. As of year-end, our largest equity holdings included United Natural Foods, Herbalife, Oaktree Capital, Aggreko, SK Telecom, and Syntel.

Some of the top performers of the Fund on a 2017 year-to-date basis, include Gold, Titan International, SK Telecom, Jones Lang LaSalle, and Samsung Electronics. The Fund's performance year-to-date has been partially offset by some of the Fund's most significant detractors in Syntel, United Natural Foods, and BMW.

We don't have much to say with regards to new equity holdings, as we have been sellers rather than buyers in recent months. With that said, we recently invested about 5% of Appleseed Fund in Mexican Peso denominated bonds, due to our view that the Peso has become significantly undervalued since the election. Between the yield that we can generate today owning Mexican bonds and the appreciation that we expect from the Peso itself, we think the risk reward in owning Mexican debt is incredibly attractive right now.

And now we are going to further discuss several of the Appleseed Fund's top holdings. Billy, back to you.

Billy

Thanks Adam.

Let's start with Oaktree Capital Group, which is a U.S. domiciled company that specializes in distressed debt investing. Oaktree we believe to be a best-in-class alternative asset manager best known for its closed-end distressed debt funds. The company, headed by famed investors Howard Marks and Bruce Karsh, has built an impressive track record across nearly all of their investment strategies, abiding by a distressed value strategy that employs minimal leverage.

In our view, industry dynamics are attractive. Alternative asset managers should benefit from a number of secular tailwinds and net assets under management inflows are expected to grow by roughly 5% per year over the next five years. Credit alternative asset managers, in particular, have a large potential opportunity set, as many global banks continue to hold high-risk assets on their balance sheets and are increasingly choosing to offload these investments to non-regulated entities. Further, the high-touch nature of their alternative strategies should insulate these firms from facing the active-to-passive pressures felt by many of the traditional asset managers.

Unlike many alternative asset managers that focus on private equity investments, Oaktree raises its largest funds during economic downturns. It is often during these times that the best investment opportunities are available as Oaktree acts as a liquidity provider to those in need. This counter-cyclical business model should provide some comfort to investors who worry about owning a company whose earnings are ultimately tied to the level of assets under management.

The total return from Oaktree's stock has underperformed the S&P 500 by a wide margin over the last several years. With market forecasters aligned in their view of a rosy near-term outlook for the U.S. and global economies, Oaktree is expected to see limited distressed investment opportunities in 2017. For this reason, the stock has fallen out of favor and sell-side bearishness has reached all-time highs. However, OAK's underlying investment returns have remained strong and the current valuation level looks very inexpensive on a sum-of-the-parts basis. Included in our sum-of-the parts valuation is Oaktree's investment in Jeffrey Gundlach's DoubleLine Capital since its 2009 founding. This investment is held on the balance sheet at $18 million, but it generates roughly $50 million in income for Oaktree annually. For Oaktree Capital, we estimate an intrinsic value of $60, and the stock is now trading at roughly $45, so we have a significant margin of safety with our Oaktree investment.

In summary, while well respected for its investing acumen, Oaktree gets very little respect for the future prospects of its high quality core business. With high margins and impressive returns on invested capital, the valuation is attractive, in our view. While waiting for credit spreads to expand, we are also getting paid a mid-single digit dividend yield for our patience.

Let's now turn east to Japan for a discussion on Toyo Tanso. Headquartered in Osaka, Toyo Tanso is a small cap company that makes specialty graphite and other carbon products for a variety of industries. The Company is an expert in the manufacture of isotropic graphite. This product has attractive physical and thermal capabilities that are used in several industries, but the primary purpose is targeted towards the semiconductor industry.

Semiconductor manufacturers use isotropic graphite to build a crucible of sorts on which to grow certain semiconductor products. The most popular usages for this product include photovoltaic cells for solar energy panels, silicon carbide wafers used in the manufacturing of energy efficient blue and white LEDs, and power semiconductors, which are key building blocks in the battery systems for electric and hybrid electric vehicles. In short, Toyo Tanso is a key component of the supply chain for a variety of different industries that focus on alternative energy efficiency. As increased demand for solar energy, LED lighting, and electric vehicles continues, the demand for Toyo Tanso's products should increase in turn.

The Company has a strong balance sheet with net cash. It pays a 1.3% dividend and certainly could afford to pay more. However, the valuation is attractive, as the market is currently valuing this business at a discount to book value. Despite the large advance in the stock price over the past year, we believe that there remains considerable upside on Toyo Tanso; with its strong balance sheet, Toyo Tanso affords considerable downside protection for investors as well.

Adam is now going to discuss Hyundai Home Shopping.

Adam

Thank you Billy.

Hyundai Home Shopping Network is one of seven home shopping companies that participate in the domestic market in Korea. The company markets and sells products to customers via television, their internet website their mobile app, and a printed catalog. The company receives commissions for their sales such that the majority of revenue recognized is on a consignment basis. The Company does have a number of private brands for which the company assumes inventory risks and sales of these goods have corresponding expenses related to cost of sales. However, these expenses pale in comparison to commissions received and, for this reason, the gross margins for the company are 90%+.

The Company's TV segment is, by far, the largest for the company and is also the most profitable. The Company earns average commissions on television product sales of 35-40%. The major costs for the Company are commissions paid to the cable operators for use of a channel as well as advertising and promotion costs.

We think Hyundai Home Shopping is an attractive investment at this time for several reasons. First, expectations are very low despite the fact that the company generates roughly 120 billion in Korean Won in free cash flow annually, representing close to 9% of the current market capitalization. Second, Korean home shopping companies continue to grow product sales while renegotiating commissions paid to TV stations; meaning margin expansion is not out of the question. Finally, the company holds cash and investments of roughly *90%* of the current stock price). This means, with our investment in Hyundai Home Shopping, we are essentially buying cash and investments while also receiving the core home shopping business for close to free; the enterprise is currently trading at only a 1x EV/EBITDA ratio. Even the continued build-up of cash on the Company's balance sheet would result in annual IRRs of around 9% with the stock at these levels. On top of that, downside from these prices should be limited given the war chest of cash and investments that the company holds.

Hyundai Home Shopping is not the only Korean home shopping company that is trading at an inexpensive valuation. As a group, the publicly-traded Korean home shopping companies are currently trading at depressed multiples given a number of concurrent factors including the fact that:

First, Korean domestic consumption has recently been tepid. Second, cable television subscriptions rates have potentially peaked with viewership giving way to the faster growing IPTV segment. Third, barriers to entry into the fast-growing mobile segment are low and competition from Korean and foreign websites is high, and fourth Korean home shopping companies have yet to prove that foreign home shopping investments can be a meaningful earnings driver.

Management has been cautious with its cash. The stock has a 1.3% dividend yield at current levels and management recently announced a share buyback of roughly 1.3% of outstanding shares. The remaining cash will be used opportunistically to make acquisitions. Given the little to no credit the market gives the company for its cash balance, we would expect any acquisition that increases earnings to be a positive catalyst for the company's share price. Putting all of these pieces together, Appleseed investors own a company with an asset-light, highly-cash generative business model being valued at close to nothing by the market. At current share price levels, the risk-reward proposition looks highly tilted in favor.

Colin

It does not seem that there are any additional questions.

We thank you for your time, your investment in Appleseed Fund, and your continued support of us in our endeavors. Have a great day!

Through 12/31/2016, the Appleseed Fund (APPLX) generated a one year return of 9.94%, a three year annualized return of -0.60%, a five year annualized return of 5.80%, a ten year annualized return of 5.70% and an annualized return of 5.70% since the Fund's inception on 12/08/06.

Performance data quoted above 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. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month is available by calling us toll free at 1-800-470-1029.

Appleseed Fund has contractually agreed to limit the net expense rate to 1.14% of net assets of Investor shares through January 31, 2018. The gross expense ratio of the Fund's investor class is 1.48%, and the net expense ratio after contractual fee waivers is 1.25%. The Fund's ninety day redemption fee is 2.00%.

Diversification does not ensure a profit or guarantee against loss. Investing involves risk, including loss of principal.

There is no guarantee that this, or any investment strategy will succeed. Small and mid-cap investing involve greater risk not associated with investing in more established companies, such as greater price volatility, business risk, less liquidity and increased competitive threat. Investments in international markets present special risks including currency fluctuation, the potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxation and differences in auditing and other financial standards. Fixed income investments are affected by a number of risks, including fluctuations in interest rates, credit risk, and prepayment risk. In general, as prevailing interest rates rise, fixed income securities prices will fall.

Investments in commodities such as gold may be affected by overall market movements, changes in interest rates, and other factors such as embargoes and international economic and political developments. Commodities are assets that have tangible properties, such as oil, metals, and agricultural products. These instruments may subject the Fund to greater volatility than investments in traditional securities.

The views and opinions expressed in this material are those of the authors. While we believe we have a reasonable basis for our appraisals and we have confidence in our opinions, actual results may differ materially from those we anticipate. These opinions are current as of the date of this letter but are subject to change. There is no guarantee that any forecasts or opinions in this material will be realized. Information should not be construed as investment advice nor be considered a recommendation to buy, sell or hold any particular security.

As of 12/31/2016 the following represent the fund's top ten holdings - Sprott Physical Gold Trust - 14.78%, Herbalife Ltd - 8.80%, United Natural Foods Inc - 7.15%, Oaktree Capital Group LLC - 4.83%, SK Telecom Co Ltd ADR - 4.06%, Aggreko PLC - 3.82%, Syntel Inc - 3.62%, Bayerische Motoren Werke AG - 3.15%, Verizon Communications Inc - 3.15%, Toyo Tanso Co Ltd - 3.02%.

You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-800-470-1029.

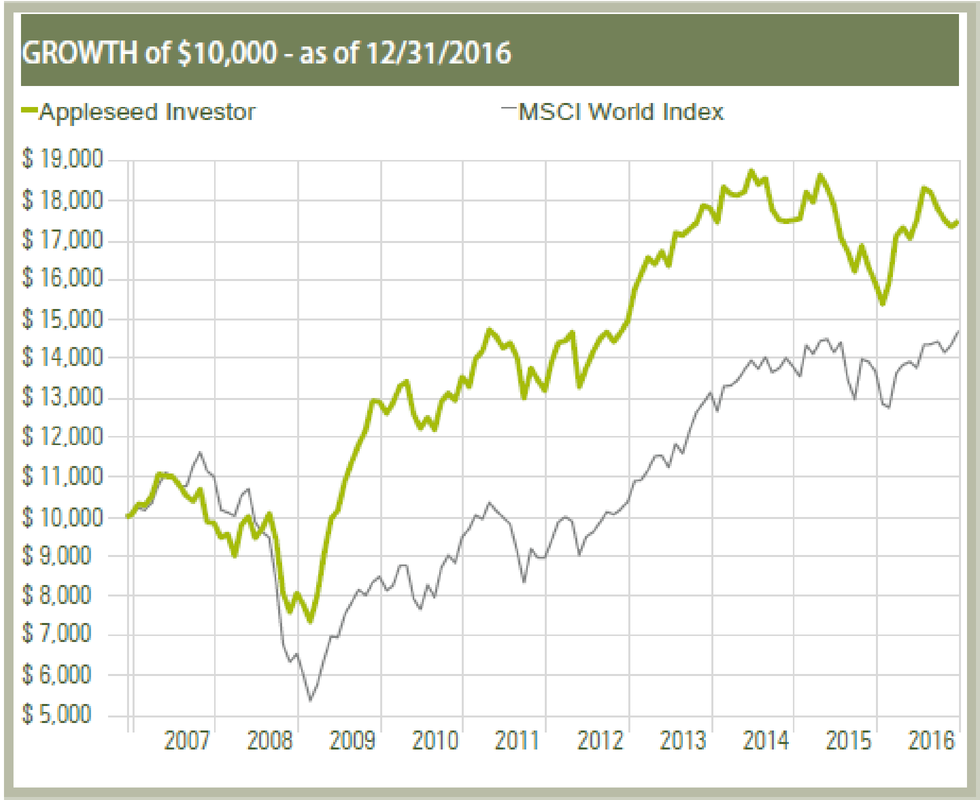
APPLESEED™

FUND

Investor Conference Call

March 2017

Cumulative Returns



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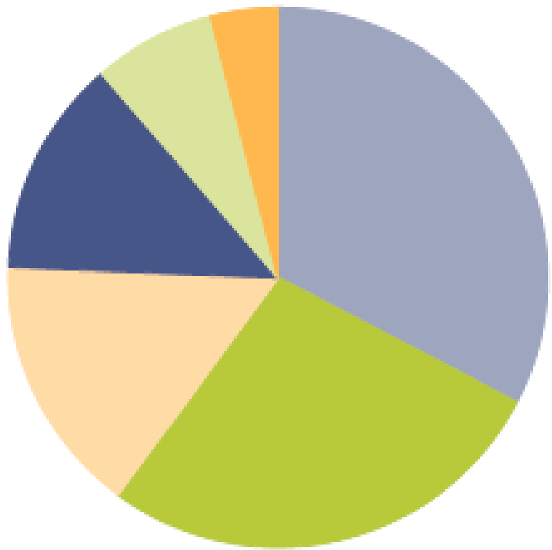
Webinar Agenda

- Market Commentary
- Asset Allocation
- New Positions

Asset Allocation

ALLOCATION BY ASSET CLASS - as of 12/31/2016



	%
US Equity (Net)	32.7
Non-US Equity (Net)	27.5
Other (Net)	15.5
Cash (Net)	13.0
US Bond (Net)	7.3
Non-US Bond (Net)	4.0
Total	**100.0**

Subject to change

Oaktree Capital Group (OAK)

Valuation

Price/Earnings (NTM)	14.8x
Price/Book	3.5x
Dividend Yield	5.3%

Business Description

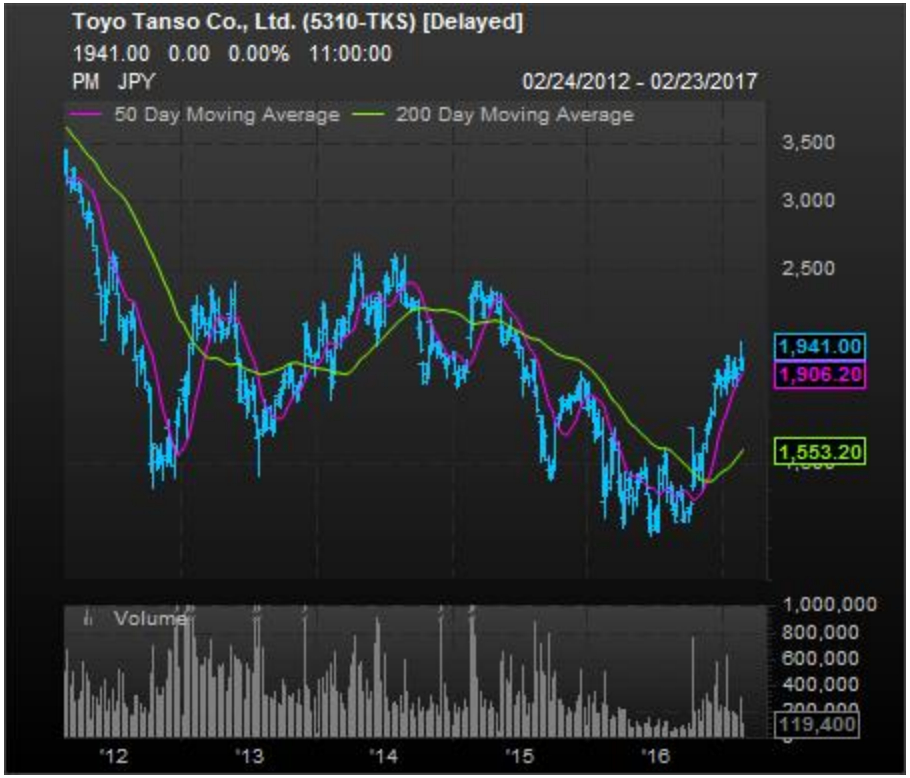
Los Angeles, CA-based Oaktree Capital Group is a leading financial services company that specializes in distressed debt investing. The Company has nearly $100 billion under management.

Source: Appleseed Fund Internal Estimates, FactSet.

Toyo Tanso (5310-JP)

Valuation

Price/Earnings (NTM)	29.8x
EV/FY 2017 EBITDA	7.1x
Price/Book	0.7x
Dividend Yield	1.3%



Business Description

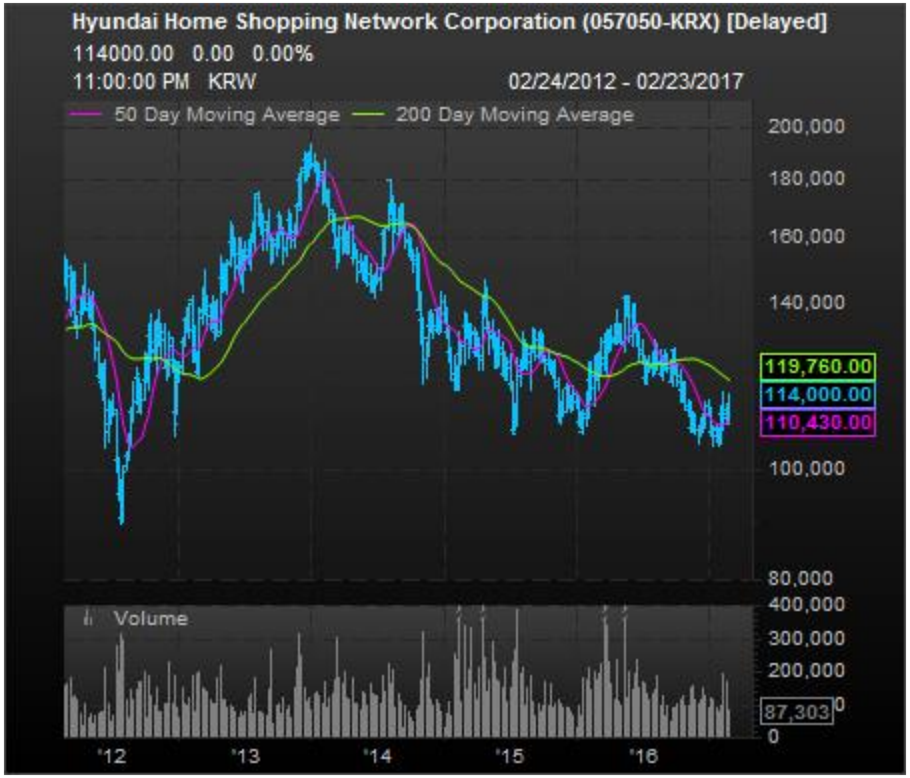
Osaka, Japan-based Toyo Tanso produces and sells specialty graphite and carbon products for a variety of industries, and the primary end products include solar energy, LED lighting, and power semiconductors.

Source: Appleseed Fund Internal Estimates, FactSet.

Hyundai Home Shopping Network (057050-KR)

Valuation

Price/Earnings (NTM)	10.1x
EV/FY 2017 EBITDA	1.0x
Price/Book	1.0x
Dividend Yield	1.3%



Business Description

Seoul, Korea-based Hyundai Home Shopping Network engages in the home shopping industry in Korea. The Company distributes a variety of consumer products through the Internet, television, and catalogs.

Source: Appleseed Fund Internal Estimates, FactSet.

Questions & Answers

Disclosure

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P/E (price/earnings) is computed by taking the price of the stock dividend by the current earnings-per-share. Companies with high P/E ratios are more likely to be considered "risky" investments.

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INVESTMENT TERMS

Alpha is a measure of performance on a risk-adjusted basis. Alpha is often considered to represent the value that a portfolio manager adds to or subtracts from a fund's return. A positive alpha of 1.0 means the fund has outperformed its benchmark index by 1%. Correspondingly, a similar negative alpha would indicate an underperformance of 1%.

Beta is measure of the volatility, or systematic risk, of a portfolio in comparison to the market as a whole. A beta of 1 indicates that the security's price will move with the market. A beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 indicates that the security's price will be more volatile than the market.

EV/EBITDA is the Enterprise Value divided by Earnings Before Interest, Taxes and Depreciation and Amortization.

Sharpe Ratio is a ratio used to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns.

Standard Deviation is applied to the annual rate of return of an investment portfolio to measure the investment's historical volatility.

NTM Earnings is the Next Twelve Months of Earnings forecasted from the current date.

Downside Risk is a statistical measurement of a portfolio's dispersion below the mean return of a benchmark.

Price/Earnings is the A valuation ratio of a company's current share price compared to its per-share earnings.

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Visit us online: www.appleseedfund.com

*For more information on the Appleseed Fund, please call Appleseed at **800-470-1029** for a free prospectus. An investor should consider the investment objectives, risks, charges and expenses of an investment carefully before investing. The prospectus contains this and other information. Read it carefully before you invest or send money. Distributed by Unified Financial Securities, Inc. LLC. (Member FINRA)*