

ADVISER'S PERSPECTIVE QUARTERLY | Q2 2009

QUAKER SMALL-CAP GROWTH TACTICAL ALLOCATION FUND

Markets rebounded during the second quarter of 2009. For the quarter ended June 30, 2009, the Russell 2000 Growth Index ("Index") increased 23%; the Quaker Small-Cap Growth Tactical Allocation Fund ("Fund") jumped 18.01% (before sales charges, 11.52% after sales charges) even though its equity exposure averaged roughly 85%. Since the inception of the Fund on September 30, 2008, it has outperformed the market by nearly 20% (before sales charges, over 14% after sales charges). The Fund continues to adhere to its investment discipline that owns only those companies that meet very strict fundamental criteria designed to achieve its goal of creating a "Margin of Safety" for the total portfolio. Generally speaking, the portfolio is willing to sacrifice a little upside gain to limit the downside risks.

The Fund continues to concentrate on fast growing companies and had a higher exposure of these than the market throughout the past quarter. Most of these companies were concentrated in the Technology sectors and they handily outperformed their peers in the Index. Another positive contribution to the portfolio derived from its ownership of gold mining companies. In both instances of the technology companies and the mining companies, the market capitalization were on the higher end, the \$1 Billion plus end, of the small cap scale. The portfolio underperformed the Index with companies represented in the Consumer Non-Durable, Transportation, and Health Technology sectors. Importantly, the Fund benefitted from owning companies that operate in mainland China.

At the time of this writing, many of the clouded macroeconomic factors that affect the marketplace are beginning to clear. Times are still abnormal, as both the Fed balance sheet and the U.S. income statement attest. However, companies' earnings appear to be surprisingly strong and the credit markets are beginning to point not only to repair but to recovery. The Fund remains diligent in its efforts to own those companies that we find are well priced for growth and that we expect to perform well in all market environments.

Provided by Stephen W. Shipman, CFA, Century Management

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Performance	For Calendar Quarter Ended 6/30/2009		
	Before Sales Charges	After Sales Charges	Russell 2000® Growth Index
Class A Inception 9/30/2008			
3 Months	18.01%	11.52%	23.38%
Year-to-Date	7.00%	1.11%	11.36%
1 Year (Cumulative)	n/a	n/a	n/a
5 Years (Annualized)	n/a	n/a	n/a
10 Years (Annualized)	n/a	n/a	n/a
Life of Share Class (Annualized)*	0.90%	-4.65%	-19.20%

Expense Ratio: 1.74% | * Returns shown represent performance for less than one year.

Performance data shown before sales charges does not reflect the deduction of the sales load. Short term performance, in particular, is not a good indication of a fund's future performance. Performance data shown after sales charges reflects the Class A maximum sales charge of 5.50%.

Performance data quoted 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 end is available by calling us toll free at 800-220-8888.

Additional disclosures about the Fund appear on the next page.

Sub-Adviser: Century Management

Fund Assets: \$9.5 Million

Public Offering Price: \$10.68

Ticker Symbols

Class A: QGASX

Class C: QGCSX

Institutional Class: QGISX

Mutual Fund Exposures % Assets

Long Positions 55.82%

Cash 44.18%

Top Positions % Assets

Lincoln Educational Services Corp. 2.96%

Telecom Argentina S.A. 2.91%

RehabCare Group Inc. 2.76%

Core-Mark Holding Co. Inc. 2.58%

Perfect World Co. Ltd. 2.52%

Spartan Motors Inc. 2.43%

The Buckle Inc. 2.39%

Aeropostale Inc. 2.19%

Gammon Gold Inc. 1.92%

Northgate Minerals Corp. 1.90%

Total 24.56%

The Fund's holdings and characteristics are as of 6/30/2009 and are subject to change. Current and future holdings are subject to risk.



QUAKER® FUNDS

QUAKER SMALL-CAP GROWTH TACTICAL ALLOCATION FUND

Q2 2009

Quaker Small-Cap Growth Tactical Allocation Fund engages in short selling (selling securities not owned at time of sale), which involves special risks and requires special investment expertise.

The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Additionally, the Fund invests in smaller companies (generally less than \$1.5 billion market capitalization). Smaller companies can be riskier investments than larger companies. The Fund invests in companies that appear to be "undervalued" in the marketplace (i.e. trading at prices below the company's true worth). If the Fund's perceptions of value are wrong, the securities purchased may not perform as expected, reducing the Fund's return.

The Russell 2000® Growth Index measures the performance of those Russell® 2000 companies with higher price-to-book ratios and higher forecasted growth values. You cannot invest directly in an index.

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Century Management (CM) succeeds Bjurman, Barry and Associates, Inc. (BBA) as sub-adviser to the Fund effective April 20, 2009. CM is a privately held investment advisory firm based in Austin, Texas. The firm was founded in 1974. At the end of March, CM had assets under management of approximately \$2.1 billion. Stephen W. Shipman, CFA, formerly with BBA, has managed the Fund continuously since its inception.

Mutual fund investing involves risk, including the possible loss of principal.

Consider investment objectives, risks, charges, and expenses carefully before investing. The Prospectus contains this and other information and is available for download at www.quakerfunds.com or by calling 800-220-8888. Read the Prospectus carefully before investing.



QUAKER® FUNDS

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