ADVISER'S PERSPECTIVE QUARTERLY | Q1 2009
QUAKER SMALL-CAP VALUE FUND

The Quaker Small-Cap Value Fund returned -14.27% for Class A Shares before sales charges (-18.99% after sales charges) for the first quarter, beating the Russell 2000® Index return of -14.95%.

While March was a great month for the equity markets — by some definitions, it was the return of a bull market — it wasn't good enough to overcome the awful bear market of January and February. In a period marked by strong intervention (by governments around the world, no less), enough confidence returned to allow the market to end the quarter with a rally. Overall, growth beat value and mid caps beat large and small caps.

The Quaker Small-Cap Value Fund holds a broadly diversified selection of small-cap stocks. Our investment approach is disciplined: we are fully invested in U.S. equities, avoid broad sector bets, and take only modest industry-level and stock-specific bets. Our goal is to outperform the benchmark, the Russell 2000 Index, with incremental gains across 150+ names. Using bottom-up stock selection, we evaluate companies relative to their industry peers using three broad categories of measures: value, management, and momentum. Value means the somewhat traditional ratios of price to fundamental value; management means we look for evidence that a company's executive team has and will continue to emphasize earning power; and momentum indicates when stocks might begin to rise toward full valuation. As we search for opportunities, we keep a sharp eye on minimizing transaction costs, helping us maximize profits in our stock-selection effort.

In a period like this last quarter when measures of value underperformed, the Fund benefitted from the attention we pay to management and momentum. Companies with efficient management as quantified by a positive long-run return on assets, and those with earnings momentum and low levels of "short" activity were rewarded. In addition, our stock selection led us to successfully avoid the real estate industry and underweight banks within the financial sector, and overweight software companies within the technology sector. (It's important to note that we do not make broad sector bets but may make modest under/overweights at the industry level based on stock valuation.) Of course, the Fund had its share of disappointments, mostly in the insurance industry, as many insurance companies reflected 2008 investment losses. That said, our philosophy of prudent diversification works to ensure that the net impact of any individual name won't have a significant effect overall. Instead, positive and negative influences will come from the market's reaction to the fundamentals we employ to pick stocks – namely value, management and momentum – and our intended bias toward value.

Provided by Aronson+Johnson+Ortiz, LP

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Performance	**For Calendar Quarter Ended 3/31/2009**		
Class A Inception 11/25/1996	**Before Sales Charges**	**After Sales Charges**	***Russell 2000® Index***
3 Months	-14.27%	-18.99%	*-14.95%*
Year-to-Date	-14.27%	-18.99%	*-14.95%*
1 Year (Cumulative)	-36.83%	-40.30%	*-37.50%*
5 Years (Annualized)	-4.78%	-5.85%	*-5.24%*
10 Years (Annualized)	5.17%	4.58%	*1.93%*
Life of Share Class (Annualized)	6.14%	5.65%	*2.81%*

Maximum Expense Ratio: 1.78%

Sub-Adviser:	Aronson+Johnson+Ortiz, LP
Fund Assets:	$71.8 Million
Public Offering Price:	$ 8.96

Ticker Symbols	
Class A:	QUSVX
Class B:	QSVBX
Class C:	QSVCX
Institutional Class:	QSVIX

Mutual Fund Exposures	**% Assets**
Long Positions	98.15%
Exchange Traded Funds	0.50%
Cash	1.35%

Top Positions	**% Assets**
Myriad Genetics Inc.	1.28%
NetFlix Inc.	1.12%
Credicorp Ltd.	1.06%
Platinum Underwriters Holdings	0.99%
Hewitt Associates Inc.	0.99%
Sybase Inc.	0.96%
Aeropostale Inc.	0.96%
j2 Global Communications Inc.	0.94%
Panera Bread Co.	0.94%
Synaptics Inc.	0.94%
Total	10.18%

The Fund's holdings and characteristics are as of 3/31/2009 and are subject to change. Current and future holdings are subject to risk.

QUAKER® FUNDS

The returns shown above reflect the performance of the former No-Load Class for periods ending before June 23, 2000, and Class A Shares thereafter. Performance data shown before sales charges does not reflect the deduction of the sales load for periods end. Performance data shown after sales charges for periods after June 23, 2000 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.

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® Index is a widely recognized, unmanaged market capitalization weighted index that measures the performance of the 2,000 smallest companies in the Russell 3000® Index, which represent approximately 8% of the total market capitalization of the Russell 3000® Index. You cannot invest directly in an index.

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Price to Fundamental Value Ratio compares a stock's actual price to its fundamental value.

Return on Assets (ROA) is an indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings. Sometimes this is referred to as "return on investment".

AJO+

Aronson+Johnson+Ortiz, LP, based in Philadelphia, PA, was founded in 1984 and currently has more than $15.0 billion under management.

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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