



LEE FINANCIAL TACTICAL FUND  

---

LOVIX

**INVESTOR CLASS**

**TICKER: LOVIX**

**February 1, 2015**  
**PROSPECTUS**

**LEE FINANCIAL MUTUAL FUND, INC.**

**(808) 988-8088**

*These securities have not been approved or disapproved by the Securities and Exchange Commission ("Commission") nor has the Commission passed on the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.*

**LEE FINANCIAL MUTUAL FUND, INC.**  
**(formerly, First Pacific Mutual Fund, Inc.)**  
**3113 OLU STREET**  
**HONOLULU, HAWAII 96816-1425**

**PROSPECTUS DATED**  
**FEBRUARY 1, 2015**

**TABLE OF CONTENTS**

SUMMARY SECTION .....1

ADDITIONAL INFORMATION ABOUT INVESTMENTS .....7

ADDITIONAL INFORMATION ABOUT THE INVESTMENT MANAGER .....14

FUND PRICING .....14

ADDITIONAL INFORMATION ABOUT  
PURCHASING AND REDEEMING FUND SHARES .....15

DISTRIBUTIONS, CAPITAL GAINS AND TAX CONSEQUENCES .....18

DISTRIBUTION ARRANGEMENTS .....21

FINANCIAL HIGHLIGHTS .....22

## SUMMARY SECTION

### INVESTMENT OBJECTIVE

The investment objective of the Lee Financial Tactical Fund (the “Fund”) (formerly, First Pacific Low Volatility Fund) of Lee Financial Mutual Fund, Inc. (“Company”) is to achieve long-term capital appreciation and preservation of capital while lowering volatility.

### FEES AND EXPENSES OF THE FUND

This table below describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

**Shareholder Fees** (fees paid directly from your investment) NONE

**Annual Fund Operating Expenses** (expenses that you pay each year as a percentage of the value of your investment)

Management Fees		1.00%
Distribution (12b-1) Fees		0.12%
Other Expenses		<u>0.56%</u>
Shareholder Servicing Fee	0.10%	
All Other Expenses	0.46%	
Acquired Fund Fees and Expenses*		<u>0.05%</u>
<b>Total Annual Fund Operating Expenses</b>		<b>1.73%*</b>
Fee Waiver**		0.35%
<b>Total Annual Fund Operating Expenses After Fee Waiver**</b>		<b><u>1.38%</u></b>

\*The “Total Annual Fund Operating Expenses” do not correlate to the ratio of expenses to average net assets in the Financial Highlights which reflects the operating expenses of the Fund and does not include Acquired Fund Fees and Expenses.

\*\*The Investment Manager has voluntarily agreed to waive 0.35% of its 1.00% management fees through January 31, 2016. The Investment Manager may discontinue this arrangement anytime thereafter.

### **Example**

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes you invest \$10,000 in the Fund for the time periods indicated and then redeem all your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 YEAR	3 YEARS	5 YEARS	10 YEARS
\$140	\$511	\$906	\$2,012

### **Portfolio Turnover**

The Fund pays transaction costs when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account.

These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. The Fund may actively trade portfolio securities to achieve its investment objective. During the most recent fiscal year, the Fund's portfolio turnover rate was 68% of the average value of its portfolio.

## **PRINCIPAL INVESTMENT STRATEGIES**

- Normally investing primarily in equity securities of U.S. companies.
- Investing in large, medium and/or small capitalization securities, primarily with market capitalizations at the time of purchase of \$2 billion or greater.
- Under normal circumstances, the Fund will allocate a portion of its total assets to structured notes, which are specially designed debt instruments, the terms of which are determined by the purchaser or issuer, and whose principal or interest payments may be linked to, and whose value would rise or fall in response to, the value of an index (such as a securities, commodity or currency index), a basket of securities, interest rate benchmark or other financial asset. The structured notes in which the Fund may invest typically have a "buffer" or principal protection whereby the issuer guarantees full or partial payment of principal on maturity. In some cases the Fund may invest in structured notes that pay an amount based on a multiple of the relative change in value of the asset or reference. This type of note increases the potential for income but at a greater risk of loss than a typical debt security of the same maturity and credit quality. Structured notes are synthetic instruments and the holder has no claim on the asset of reference.
- Writing and purchasing covered call and put options.
- Investing in exchange-traded funds and mutual funds that invest in domestic or foreign securities.
- Investing in either "growth" stocks or "value" stocks or both.
- Investing in foreign securities, including companies included in the Morgan Stanley Capital International ("MSCI") World Index. Additionally, foreign securities may include companies that are listed on an exchange in an emerging market country, that have at least 50% of their assets in an emerging market country, or that derive at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in an emerging market country. An emerging market country is any country included in the MSCI Emerging Markets Index.
- Investing in shares of real estate investment trusts (REITs).
- Investing in fixed income securities (such as investment grade corporate debt securities, U.S. Government obligations, and other investment grade securities with varying maturities and duration), short-term debt instruments and/or cash equivalents.
- Investing in convertible bonds and convertible preferred stock.
- The Fund generally purchases securities using fundamental analysis of factors such as each issuer's financial condition and industry position, as well as market and economic conditions. The Fund generally sells securities for a number of reasons, including when, in the Investment Manager's opinion, the security has achieved its value potential, changing fundamentals signal a deteriorating value potential, other securities display a better value potential, to maintain Fund diversification, or to raise funds to cover redemptions.

## **PRINCIPAL RISKS**

*Stock Market Volatility Risk* – Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.

*Allocation Risk* – The Fund could lose money as a result of less than optimal decisions as to how its assets are allocated or reallocated.

*Derivatives Risk* – A derivative is an instrument whose value is derived from an underlying contract, index or security, or any combination thereof, including structured notes and options.

- *Structured Notes Risk* – Structured notes are subject to interest rate risk. They are also subject to credit risk with respect both to the issuer and, if applicable, to the underlying security. The price of structured notes may be volatile and they may have a limited trading market, making it difficult to value them or sell them at an acceptable price. In exchange for the issuer's guarantee of full or partial payment of principal on maturity, the upside return the Fund could achieve on its investment may be capped or limited and the issuer's guarantee is generally available only if the Fund holds the structured note to maturity. There may be higher fees and costs associated with structured notes than other types of investments. In some cases, the Fund may enter into agreements with an issuer of structured notes to purchase a minimum amount of those notes over time. Structured notes are also subject to counterparty risk, which is the risk that the other party to the transaction will not fulfill its contractual obligations.
- *Options Risk* – Writing and purchasing call and put options are highly specialized activities and entail greater than ordinary investment risks. The successful use of options depends in part on the future price fluctuations and the degree of correlation between the options and the securities markets. The value of the Fund's positions in options will fluctuate in response to changes in the value of the underlying security or index, as applicable. The Fund also risks losing all or part of the cash paid for purchasing call and put options. Portfolio assets covering written options cannot be sold while the option is outstanding, unless replaced with similar assets. As a result there is a possibility that segregation of a large percentage of the Fund's assets could affect its portfolio management as well as the ability of the Fund to meet redemption requests or other current obligations. The Fund may also write and purchase call and put options in combination with each other. Combined options involve multiple trades and therefore have higher transaction costs. Unusual market conditions or the lack of a ready market for any particular option at a specific time may reduce the effectiveness of the Fund's option strategies. Over-the-counter options may be considered illiquid and are also subject to counterparty risk, which is the risk that the other party to the contract will not fulfill its contractual obligation to complete the transaction with the Fund.

*Exchange-Traded Fund Risk* - An ETF may trade at a discount to its net asset value. Investors in the Fund will indirectly bear fees and expenses charged by the underlying ETFs in which the Fund invests in addition to the Fund's direct fees and expenses. The Fund will also incur brokerage costs when it purchases shares of ETFs. In addition, the Fund will be affected by losses of the underlying ETF and the level of risk arising from the investment practices of the underlying ETF.

*Interest Rate Change Risk* - Debt securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities and mortgage securities can be more sensitive to interest rate changes.

*Foreign Exposure Risk* - Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

*Emerging Markets Risk* - The risks associated with foreign investments are heightened when investing in emerging markets. The governments and economies of emerging market countries feature greater instability than those of more developed countries. Such investment tend to fluctuate in price more widely and to be less liquid than other foreign investments.

*Issuer-Specific Changes Risk* - Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Lower-quality debt securities (those of less than investment-grade quality) and certain types of other securities tend to be particularly sensitive to these changes.

*Large Capitalization Securities Risk* - The Fund and certain of the underlying funds are subject to the risk that large capitalization stocks may underperform other segments of the equity market or the equity market as a whole.

*Market Risk* - There is no guarantee that the Fund's investment objective will be met. The Fund's yield, share price and investment return can fluctuate so you may receive more or less than your original investment upon redemption. Loss of money is a risk of investing in the Fund.

*Small and Mid-sized Capitalization Securities Risk* - The value of securities of smaller, less well-known issuers can perform differently from the market as a

whole and other types of stocks and can be more volatile than that of larger issuers. Such companies may have limited product lines, markets or financial resources and may lack management depth. The trading volume of securities of smaller capitalization companies is normally less than that of larger capitalization companies, and therefore may disproportionately affect their market price, tending to make them fall more in response to selling pressure than is the case with larger capitalization companies. Some small capitalization stocks may be illiquid.

*Fixed Income Risk* - An underlying fund's investment in fixed income securities will change in value in response to interest rate changes and other factors, such as the perception of the issuer's creditworthiness. For example, the value of fixed income securities will generally decrease when interest rates rise, which may cause the value of the Fund to decrease. In addition, an underlying fund's investment in fixed income securities with longer maturities will generally fluctuate more in response to interest rate changes.

*Fund of Funds Risk* - By investing in the underlying funds indirectly through the Fund, an investor will incur not only a proportionate share of the expenses of the underlying funds held by the Fund (including operating costs and management fees), but also expenses of the Fund. Consequently, an investment in the Fund entails more direct and indirect expenses than a direct investment in the underlying funds.

*Investment in Investment Companies Risk* - Investing in other investment companies, including ETFs, subjects the Fund to those risks affecting the investment company, including the possibility that the value of the underlying securities held by the investment company could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying investment companies' expenses.

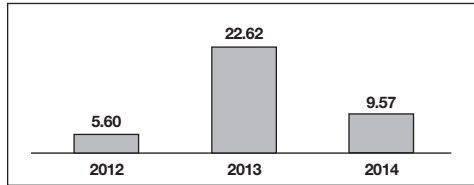
*REIT Risk* - The value of equity REITs may be affected by changes in the value of the underlying property owned by the REITs, while the value of mortgage REITs may be affected by the quality of any credit extended. Investment in REITs involves risks similar to those associated with investing in small capitalization companies, and REITs (especially mortgage REITs) are subject to interest rate risks. Because REITs incur expenses like management fees, investments in REITs also add an additional layer of expenses.

*Frequent Trading* - The Fund may engage in frequent and active trading of portfolio securities to achieve its investment objective. A higher turnover rate (100% or more) will involve correspondingly greater transaction costs, which will be borne directly by the Fund, may have an adverse impact on performance, and may increase the potential for more taxable distributions being paid to shareholders, including short-term capital gains that are taxed at ordinary income rates.

*Non-Diversification Risk* - The Fund is non-diversified and its assets may be invested in fewer issuers than a diversified fund. If the value of portfolio securities changes, the Fund's net asset value may increase or decrease more rapidly than a diversified fund.

**PERFORMANCE**

The following bar chart and table provide some indication of the risks of investing in the Fund. The bar chart illustrates how the Fund’s performance has varied from year to year. The Fund’s past performance before and after taxes is not necessarily an indication of future performance. The following table shows how the Fund’s average annual total returns for the periods indicated compared to those of the S&P 500 Index and the Dow Jones Moderately Aggressive Portfolio Index. Performance reflects fee waivers in effect. If fee waivers were not in place, the Fund’s performance would be reduced. Updated performance information for the Fund is available by calling (808) 988-8088 or (800) 354-9654.



During the period shown in the bar chart, the Fund’s highest quarterly return was 9.22% for the quarter ended December 31, 2013 and the lowest quarterly return was -2.61% for the quarter ended December 31, 2012.

Average Annual Total Returns for the periods ended December 31, 2014

<u>Lee Financial Tactical Fund</u>	<u>1 Year</u>	<u>3 Years</u>	<u>Since Inception (06/10/2011)</u>
Return Before Taxes	9.57%	12.37%	9.10%
Return After Taxes on Distributions	8.05%	10.79%	7.81%
Return After Taxes on Distributions and Sale of Fund Shares	6.61%	9.39%	6.88%
S&P 500 Index*	13.69%	20.41%	17.01%
Dow Jones Moderately Aggressive Portfolio Index*	5.90%	13.37%	9.73%

(Indices reflect no deduction for fees, expenses or taxes)

\*The Company’s Board of Directors agreed to change the Fund’s benchmark from the Dow Jones Moderately Aggressive Portfolio Index to the S&P 500 Index on the Investment Manager’s recommendation that the S&P 500 Index is more indicative of the investment strategy of the Fund. The S&P 500 Index is an unmanaged market capitalization weighted index comprised of 500 widely held common stocks and is generally considered representative of the stock market as a whole. The Fund invests primarily in equity securities of U.S. companies with market capitalizations at the time of purchase of \$2 billion or greater. At September 30, 2014, 80.27% of the Fund’s portfolio was invested in equities meeting those criteria.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Your own after-tax returns will depend on your tax situation and may differ from those shown here. After-tax returns are not relevant to investors who hold their Fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.



## **MANAGEMENT**

Investment Manager – Lee Financial Group Hawaii, Inc. (formerly, Lee Financial Group Inc.).

Portfolio Manager – Terrence K.H. Lee, CEO and President of Lee Financial Group Hawaii, Inc. and portfolio manager of the Fund since inception.

## **PURCHASE AND SALE OF FUND SHARES**

You may purchase and redeem shares of the Fund on any day the New York Stock Exchange is open for business. Fund shares are sold directly from the Fund or through certain financial advisors and brokers. The minimum initial purchase is \$2,500 and the minimum subsequent investment is \$100. These requirements may be waived at the Distributor's discretion. New account applications, additional investment and redemption requests can be mailed to: Lee Financial Securities, Inc., 3113 Olu Street, Honolulu, HI 96816-1425. Telephone redemptions are accepted at (808) 988-8088 or (800) 354-9654.

## **TAX INFORMATION**

The Fund's distributions are generally taxable to you as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account, in which case you may be subject to federal income tax upon withdrawal from such tax deferred arrangements.

## **PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES**

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank or financial adviser), the Fund and its related companies may pay the intermediary for the sale of Fund shares and certain servicing and administrative functions. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

## **ADDITIONAL INFORMATION ABOUT INVESTMENTS**

### **Investment Objective and Principal Strategy**

The investment objective of the Fund may be changed by the Company's Board of Directors without shareholder approval. Shareholders will be given notice before any such change is made.

### **Strategy Implementation:**

The Fund's Investment Manager will allocate the Fund's investments among equities, structured notes, options, fixed income securities and cash and cash equivalents. The Investment Manager may allocate to the various asset classes either through the purchase of open-end investment companies and ETFs (collectively, "Underlying Funds") or through direct investment in the various securities.

The Investment Manager considers a number of factors when making these allocations, including fundamental and business environment analysis to assess

the relative risk and reward potential throughout the financial markets. As a result, the percentages allocated to equities, structured notes of any maturity, options, fixed income securities and cash and cash equivalents will vary. However, the Investment Manager expects that, under normal circumstances, approximately 50%-95% of the Fund's assets will be allocated to equity related securities, primarily focusing on U.S. common stock with a market capitalization at the time of purchase of \$2 billion or greater. Common stocks are selected through identifying target sector allocations, and screening sector companies based on a proprietary scoring model. The model includes valuation factors, risk factors, and growth metrics. The Investment Manager may also allocate equity allocation to small and mid-sized companies, international markets, preferred stock, convertible securities and REITs. In addition, the Fund's portfolio may invest without limitation in foreign securities, including securities issued in emerging market countries, either directly, through ETFs, or by purchasing American Depositary Receipts ("ADRs"). The Fund's portfolio may also invest in Underlying Funds and other investment companies that hold foreign securities or ADRs. The Investment Manager seeks to invest in structured note issuers with at least an investment grade credit rating at the time of purchase. The Investment Manager may also write covered call options and put options and purchase call and put options on securities in which the Fund may invest or on securities indices consisting of securities in which the Fund may invest and engage in combined options strategies.

The Investment Manager may liquidate positions in order to change the Fund's asset allocation or to generate cash to invest in more attractive opportunities, which may result in a larger portion of any net gains being realized as short-term capital gains. In addition, a negative change in the fundamental or qualitative characteristics of the structured note issuer may cause the Investment Manager to sell a security. Finally, the Investment Manager may sell a security when its price approaches, meets or exceeds the Investment Manager's target price.

### Types of Securities

*Equity securities* represent an ownership right, or the right to acquire an ownership right, in an issuer. Different types of equity securities provide different voting and dividend rights and priority in the event of bankruptcy of the issuer. Equity securities include common stocks, preferred stocks, convertible securities, and warrants. Common stock represents an ownership interest in a company, and ranks below preferred stock and debt securities in claims for dividends and in claims for assets of the issuer in a liquidation or bankruptcy. Unlike debt securities, the obligations of an issuer of preferred stock, including dividend and other payment obligations, may not typically be accelerated by the holders of such preferred stock on the occurrence of an event of default or other non-compliance by the issuer of the preferred stock.

*Structured Notes* are specially-designed derivative debt instruments. The terms of the instrument may be determined or "structured" by the purchaser or the issuer of the note. Payments of principal or interest on these notes may be linked to the value of an index (such as a securities index, commodity, or currency) or a basket of securities, interest rate benchmark or other financial asset. The value

of the securities will generally rise or fall in response to the changes in the performance of the underlying security or index. The structured notes in which the Fund may invest typically have a “buffer” or principal protection whereby the issuer guarantees full or partial payment of principal on maturity. The Fund invests in structured notes in an attempt to lower volatility.

*Options* are a type of derivative instrument that gives the holder the right to buy (a “call”) or sell (a “put”) an asset in the future at an agreed upon price prior to the expiration date of the option. The Fund may write (sell) covered call and put options and buy put and call options to reduce the effect of price fluctuations of the securities owned by the Fund on the Fund’s net asset value and to generate additional revenues. Options may relate to particular securities, security indices or financial instruments in which the Fund may invest. The Fund may also write and purchase call and put options in combination with each other on the same security, index or financial instrument to adjust the risk and return characteristics of the overall position, including but not limited to collars (writing a call and buying a put on the same underlying instrument), a spread (writing and buying a put or a call option on the same underlying instrument), or straddles (writing or buying a call and a put on the same underlying instrument). Written call and put options will be “covered” by the Fund by, for example, owning the security underlying the option, segregating cash or other liquid assets at not less than the full value of the option or the exercise price or using other permitted coverage methods.

*ETFs* are typically open-end funds or unit investment trusts listed on a stock exchange. The Fund might invest in ETFs as a way of gaining exposure to securities represented by the ETF’s portfolio at times when the Fund may not be able to buy those securities directly. As a shareholder of an investment company, the Fund would be subject to its ratable share of that investment company’s expenses, including its advisory and administration expenses.

*REITs* are pools of investor funds for investment primarily in income-producing real estate or real estate related loans or interests. REITs can generally be classified as equity REITs, mortgage REITs, or hybrid REITs. REITs are generally not taxed on distributed income if substantially all of its taxable income (other than net capital gains) is distributed to shareholders each year.

*Investment in Other Investment Companies.* The Fund can invest in the securities of other investment companies, which include open-end funds, closed-end funds, and unit investment trusts, subject to the limits set forth in the Investment Company Act of 1940, as amended.

*Debt Securities* are used by issuers to borrow money. The issuer usually pays a fixed, variable, or floating rate of interest, and must repay the amount borrowed, usually at the maturity of the security. Some debt securities, such as zero coupon bonds, do not pay current interest but are sold at a discount from their face values. Debt securities include corporate bonds, government securities, repurchase agreements, mortgage and other asset-backed securities, and other securities that the Investment Manager believes have debt-like characteristics, including hybrids and synthetic securities.

*Convertible Securities.* A convertible security is a bond or preferred stock that may be converted (exchanged) into the common stock of the issuing company within a specified time period for a specified number of shares. Convertible securities offer a way to participate in the capital appreciation of the common stock into which the securities are convertible, while earning higher current income than is available from the common stock.

## **Principal Risks**

The following information provides more detail on some of the principal risks of investing in the Fund discussed in the Summary Section:

**Stock Market Volatility** - The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and “growth” stocks can react differently from “value” stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

**Debt Securities** - The Fund may invest in debt securities, including securities issued or guaranteed by the U.S. government, or its agencies and instrumentalities, or foreign and domestic corporate bonds, notes and debentures. The Fund may select debt securities for their income possibilities or to help cushion fluctuations in the value of its portfolio. Debt securities may be subject to the following risks:

- **Interest Rate Risk.** The values of debt securities usually change when prevailing interest rates change. When interest rates rise, the value of outstanding debt securities generally fall, and those securities may sell at a discount from their face amount. When interest rates fall, the values of already-issued debt securities generally rise. However, when interest rates fall, the Fund’s investments in new securities may be at lower yields and may reduce the Fund’s income. The values of longer-term debt securities usually change more than the values of shorter-term debt securities when interest rates change.

- **Prepayment Risk.** Certain fixed income securities are subject to the risk of unanticipated prepayment. That is the risk that when interest rates fall, borrowers will prepay the loans that underlie these securities more quickly than expected, causing the issuer of the security to repay the principal prior to the security’s expected maturity. The Fund may need to reinvest the proceeds at a lower interest rate, reducing its income. Securities subject to prepayment risk generally offer less potential for gains when prevailing interest rates fall. If the Fund buys those securities at a premium, accelerated prepayments on those securities could cause the Fund to lose a portion of its principal investment represented by the premium. The impact of prepayments on the price of a

security may be difficult to predict and may increase the security's price volatility. Interest-only and principal-only securities are especially sensitive to interest rate changes, which can affect not only their prices but can also change the income flows and prepayment assumptions about those investments.

- **Extension Risk.** If interest rates rise rapidly, repayments of principal on certain debt securities may occur at a slower rate than expected and the expected maturity of those securities could lengthen as a result. Those securities generally have a greater potential for loss when prevailing interest rates rise, which could cause their value to fall sharply.

- **Credit Risk.** Debt securities are also subject to credit risk. Credit risk is the risk that the issuer of a security might not make interest and principal payments on the security as they become due. Securities directly issued by the U.S. Treasury and certain agencies that are backed by the full faith and credit of the U.S. government have relatively little credit risk, and other U.S. government securities generally have lower credit risks, while securities issued by private issuers or certain foreign governments generally have greater credit risks. If an issuer fails to pay interest, the Fund's income might be reduced, and if an issuer fails to repay principal, the value of the security might fall and the Fund could lose the amount of its investment in the security. The extent of this risk varies based on the terms of the particular security and the financial condition of the issuer. A downgrade in an issuer's credit rating or other adverse news about an issuer can reduce the market value of that issuer's securities.

**Convertible Securities Risk** - The price of a convertible security normally will vary in some proportion to changes in the price of the underlying common stock because of either a conversion or exercise feature. However, the value of a convertible security may not increase or decrease as rapidly as the underlying common stock. Additionally, a convertible security normally also will provide income and therefore is subject to interest rate risk. While convertible securities generally offer lower interest or dividend yields than non-convertible fixed-income securities of similar quality, their value tends to increase as the market value of the underlying stock decreases. Also, the Fund may be forced to convert a security before it would otherwise choose, which may have an adverse effect on the Fund's return and its ability to achieve its investment objective.

**Counterparty Risk** - The structured notes entered into by the Fund are privately negotiated in the over-the-counter market. They also involve exposure to credit risk, since performance depends in part on the financial condition of the counterparty. If a counterparty's creditworthiness declines, the Fund may not receive payments owed under the note, or such payments may be delayed, potentially resulting in losses to the Fund. In addition, if a counterparty defaults on its payment obligations to the Fund, this default will cause the value of an investment in the Fund to decrease. To the extent that the Fund deals with a limited number of counterparties, it will be more susceptible to the credit risks associated with those counterparties. The Fund is neither restricted from dealing with any particular counterparty nor from concentrating any or all of its transactions with one counterparty.

**Options Risk** - Options trading is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary Fund securities transactions. The value of options can be highly volatile, and their use can result in loss if the Investment Manager is incorrect in its expectations of price fluctuations and the degree of correlation between the options and the securities markets. The value of the Fund's positions in options fluctuates in response to changes in the value of the underlying security, financial instrument or index, as applicable. The Fund also risks losing all or part of the cash paid for purchasing call and put options. Fund assets covering written options cannot be sold while the option is outstanding, unless replaced with similar assets. As a result, there is a possibility that segregation of a large percentage of the Fund's assets could affect its portfolio management as well as the ability of the Fund to meet redemption requests or other current obligations. Because combined options positions involve multiple trades, they result in higher transaction costs and may be more difficult to open and close out. Unusual market conditions or the lack of a ready market for any particular option at a specific time may reduce the effectiveness of the Fund's option strategies. The Fund may invest and trade in unlisted over-the-counter options only with firms deemed creditworthy by the Investment Manager. However, unlisted options are not subject to the protections afforded purchasers of listed options by the Options Clearing Corporation, which guarantees the performance of the obligations of the parties, thus over the counter options increase counterparty risk. In addition, there can be no assurance that a liquid secondary market will exist for any particular over the counter option at any specific time; therefore, the Fund may be required to treat some or all over-the-counter options and their underlying collateral as illiquid securities.

**Foreign Securities Risk** - The Fund may purchase securities in any foreign country, developed or underdeveloped. There are substantial risks involved in investing in such securities. These risks include differences in accounting, auditing and financial reporting standards, generally higher commission rates on foreign portfolio transactions, the possibility of expropriation or confiscatory taxation, adverse changes in investment or exchange control regulations, political instability, and potential restrictions on the flow of international capital. The dividends payable on the Fund's foreign securities may be subject to foreign withholding taxes, thus reducing the income available for distribution to the Fund's shareholders. Foreign securities often trade with less frequency and volume than domestic securities and, therefore, may exhibit greater price volatility. Changes in foreign exchange rates will affect the value of those securities in the Fund that are denominated or quoted in currencies other than the U.S. dollar. In many countries there is less publicly available information about issuers than is available in reports about companies in the United States.

These risks are often heightened for investments in developing or emerging markets. Developing countries may also impose restrictions on the Fund's ability to repatriate investment income or capital. Even without such restrictions, the mechanics of repatriation may affect certain aspects of the operations of the Fund. Some of the currencies in emerging markets have been devalued relative

to the U.S. dollar. In many cases these devaluations have been significant. Certain developing countries impose constraints on currency exchange. Governments of some developing countries exercise substantial influence over many aspects of the private sector. In some countries, the government owns or controls many companies, including the largest in the country. As such, government actions in the future could have a significant effect on economic conditions in developing countries in these regions, which in turn, could affect the value of the Fund's investments. While in many other emerging markets, there is less government supervision and regulation of business and industry practices, stock exchanges, brokers and listed companies than in the United States. The Fund may invest in foreign securities markets that are smaller, less liquid, and subject to greater price volatility than those in the United States.

Brokerage commissions, custodial services, and other costs relating to investment in foreign securities markets are generally more expensive than in the United States. Foreign securities markets have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could prevent the Fund from investing the proceeds of the sale. Inability to dispose of portfolio securities due to settlement problems could expose the Fund to losses due either to subsequent declines in the value of the Fund security or, if the security has been sold, to claims by the purchaser. There are additional risk factors, including possible losses through the holding of securities in domestic and foreign custodian banks and depositories.

Additional information about the Fund's investments and risks can be found in the Statement of Additional Information ("SAI").

### **Portfolio Holdings**

The Company or its Investment Manager may publicly disclose information concerning the securities held by the Fund in accordance with regulatory requirements, such as periodic portfolio disclosure in filings with the SEC.

The Fund intends to publish its top ten equity holdings and other portfolio securities information, such as asset and sector allocations and other portfolio characteristics, on its website, [www.LeeHawaii.com](http://www.LeeHawaii.com), current as of quarter end, no later than fifteen (15) calendar days after the end of the quarter. This information will generally remain available on the website at least until the Fund files with the SEC its annual/semi-annual shareholder report or quarterly portfolio holding report that includes such period. The Fund may terminate or modify this policy at any time without further notice to shareholders.

A further description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the Fund's SAI and on the Fund's website, [www.LeeHawaii.com](http://www.LeeHawaii.com).

### **Other Investment Practices**

The Fund, from time to time, may take temporary defensive positions that are inconsistent with the Fund's principal investment strategies in an attempt to



respond to adverse market, economic, political, or other conditions. In such circumstances, the Fund may also hold up to 100% of its portfolio in investment-grade debt instruments and cash or cash equivalents. When the Fund's assets are invested in such instruments, the Fund may not be able to achieve its investment objective.

The Fund may sell its portfolio securities (without regard to the length of time it has been held) when the Investment Manager believes that market conditions, creditworthiness factors or general economic conditions warrant such action. A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses, affect the Fund's performance.

## **ADDITIONAL INFORMATION ABOUT THE INVESTMENT MANAGER**

The Investment Manager for the Fund is Lee Financial Group Hawaii, Inc. ("Lee Financial") (formerly, Lee Financial Group Inc.), 3113 Olu Street, Honolulu, HI 96816-1425. Lee Financial was founded in 1988 and as of December 31, 2014 had approximately \$346 million in assets under management. Lee Financial is responsible for: investing the assets of the Fund, providing investment research, administering the Fund's daily business affairs, continuous review and analysis of economic conditions and trends, and evaluating the portfolio and overseeing its performance. As compensation for the investment management services provided by Lee Financial, it is entitled to one percent (1.00%) of the Fund's average daily net assets. However, commencing May 1, 2012, Lee Financial agreed to waive 0.35% of its 1.00% management fees through January 31, 2016. Accordingly, for the Fund's fiscal year ended September 30, 2014, the Fund paid Lee Financial an aggregate management fee equal to 0.65% of the Fund average daily net assets. A discussion regarding the Board of Directors' basis for approving the investment management contract of the Fund is available in the Fund's September 30, 2014 Annual Report to shareholders.

**Portfolio Manager:** The Portfolio is managed by Terrence K.H. Lee. Mr. Lee has been the portfolio manager of the Fund since inception. He is CEO and President of Lee Financial, which he founded in 1988, and serves as the Chief Investment Officer for the Investment Committee of Lee Financial. The SAI provides additional information about the portfolio manager's compensation, other accounts managed by the portfolio manager, and the portfolio manager's ownership of shares in the Fund.

## **FUND PRICING**

The net asset value and price per share for the Fund is determined by calculating the total value of the Fund's assets, deducting its total liabilities and dividing the result by the number of shares outstanding. The net asset value is computed once daily as of the close of regular trading on the New York Stock Exchange (generally 4:00 pm EST). Fund shares will not be priced on the days on which the New York Stock Exchange is closed.



The Fund's shares are valued by using market quotations, prices provided by market makers or estimates of market values obtained from yield data from securities with similar characteristics in accordance with procedures established in good faith by the Board of Directors of the Company. Investments in other mutual funds, if any, are valued based on the net asset value of those mutual funds (which may use fair value pricing as discussed in their prospectuses). When events occur that may affect the accuracy or availability of quotations for the Fund's investments, the Fund may use fair value pricing procedures approved by the Board. The price determined by the Fund in such circumstances may differ from values assigned to securities elsewhere in the marketplace.

## **ADDITIONAL INFORMATION ABOUT PURCHASING AND REDEEMING FUND SHARES**

### **Service Agents**

Shares of the Fund may be purchased and redeemed by customers of service agents such as broker-dealers or other financial intermediaries which have established a shareholder servicing relationship with their customers ("Service Agents") and have agreements with the Fund to promptly transmit their customer purchase and redemption orders to the Fund. The Fund will be deemed to have received a purchase or redemption order when the Service Agent, or its authorized designee, accepts a purchase or redemption order from its customer. Such orders will be priced at the net asset value per share next determined after receipt of the order by the Service Agent or its authorized designee, if the order is actually received in proper order by the Fund's transfer agent not later than a designated time, and the payment is received by the Fund in accordance with settlement instructions agreed upon between the Fund and the Service Agent. The Fund considers orders to be in "proper order" when all required documents are properly completed, signed and received by the Fund's transfer agent. Service Agents may impose additional or different conditions on purchases and redemptions of Fund shares and may charge transaction or other account fees.

The Fund relies upon the integrity of the Service Agents to ensure that orders are timely and properly submitted. Service Agents are responsible to their customers and the Fund for timely transmission of all purchase and redemption requests, investment information, documentation and money to the Fund's transfer agent. The Fund cannot assure you that Service Agents properly submitted to it all purchase and redemption orders received from the Service Agent's customers before the time for determination of the Fund's net asset value in order to obtain that day's price.

### **Purchasing Fund Shares**

Shares are distributed through Lee Financial Securities, Inc., 3113 Olu Street, Honolulu, HI 96816-1425 or from members of the Financial Industry Regulatory Authority who have dealer agreements with Lee Financial Securities, Inc. Shares are not issued in certificated form.

In order to establish a new account, a completed application should accompany an investment in the Fund. Purchases can be made by submitting a personal check or wiring funds. Checks must be made payable to the “Lee Financial Tactical Fund”. New account applications and additional investments can be mailed to: Lee Financial Securities, Inc., 3113 Olu Street, Honolulu, HI 96816-1425. Please note that Fund purchases cannot be made by cashier’s check, official check, traveler’s check or any other cash instrument.

The Fund is offered for investment on a no-load basis; however, Service Agents may charge their customers fees for purchasing shares of the Fund. The minimum initial investment to open an account is \$2,500.00. The minimum subsequent investment is \$100.00. This requirement may be waived at the Distributor’s discretion. There are no investment requirements for 401k accounts. Broker-dealers and other financial intermediaries may impose their own minimum and subsequent investment requirements. Please refer to “Service Agents” above for additional information. For subsequent investments, shareholders should include their Fund account number on the check.

From time to time, the Investment Manager and its affiliates pay, from their own resources, a fee to financial institutions that generate purchase orders. These fees are described in the SAI.

Purchases received by the Fund by the close of the New York Stock Exchange (generally 4:00 pm EST) are confirmed at that day’s net asset value. Purchases received by the Fund after the close of the New York Stock Exchange are confirmed at the net asset value determined on the next business day. Should an order to purchase shares be canceled because an investor’s check does not clear, the investor will be responsible for any resulting losses or fees incurred in that transaction. Lee Financial Securities, Inc. reserves the right to accept or reject any purchase order.

### ***Customer Identification Program***

Federal law requires the Company to obtain, verify and record identifying information, which may include the name, residential or business street address, date of birth (for an individual), social security or taxpayer identification number or other identifying information for each investor who opens or reopens an account with the Company. Applications without the required information, or without any indication that a social security or taxpayer identification number has been applied for, may not be accepted. After acceptance, to the extent permitted by applicable law or its customer identification program, the Company reserves the right (a) to place limits on transactions in any account until the identity of the investor is verified; or (b) to refuse an investment in the Fund or to involuntarily redeem an investor’s shares and close an account in the event that an investor’s identity is not verified. The Company and its agents will not be responsible for any loss in an investor’s account resulting from the investor’s delay in providing all required identifying information or from closing an account and redeeming an investor’s shares when an investor’s identity cannot be verified.

## **Redeeming Fund Shares**

Telephone redemption privileges are automatically established on accounts unless written notification is submitted stating that this privilege is not requested. Redemptions will be processed but proceeds may be delayed until checks received for the purchase of shares have cleared, which may take up to 15 days from the purchase date.

The redemption price of shares is based on the next calculation of the net asset value after the order is received by the Fund. The Fund imposes no sales charges or fees for redeeming shares; however, Service Agents may charge their customers fees for redeeming shares of the Fund. Redemptions may be suspended when the New York Stock Exchange is closed (other than customary weekend and holiday closings) or when the Commission deems an emergency exists and permits such suspension or postponement.

The proceeds of the redemption are made payable to the registered shareholder and mailed to the address of record within five business days.

If the amount being redeemed exceeds \$50,000.00, a written redemption request must be submitted. Signatures must be medallion signature guaranteed. This requirement may be waived at the Distributor's discretion.

If your account falls below \$500.00, you may be asked to increase your balance. If it is still below \$500.00 after 60 days, the Company may close your account and send you the proceeds.

### ***Telephone Redemptions (808) 988-8088***

To protect accounts from unauthorized telephone redemptions, procedures have been established to confirm that instructions communicated by telephone are genuine. When a telephone redemption is received, the caller must provide:

Account Number

Name and address exactly as registered on that account

Dollar or share amount to be redeemed

Last 4 digits of the social security number or tax identification as registered on that account.

If these procedures are followed, the Company, the Fund and Lee Financial Securities, Inc. will not be responsible for the authenticity of instructions received by telephone or any loss, liability cost or expense.

### ***Written Redemption Requests***

If telephone redemption privileges are not established, a written redemption request should be sent to Lee Financial Securities, Inc., 3113 Olu Street, Honolulu, HI 96816-1425. The request must include: registration of account, account number, the dollar or share amount to be redeemed and a signature (signed exactly as the account is registered).

## **Frequent Purchases and Redemptions of Fund Shares**

The Board of Directors ("Board") of the Company has determined that market timing or frequent, short-term purchases and redemptions ("trading") of

Fund shares is not in the best interest of the Fund or its shareholders. Short-term trading of Fund shares creates certain transaction costs that are borne by all shareholders and disrupts the orderly management of the Fund's portfolio investments. In order to deter such trading activity, the Board has determined to limit shareholders in the Fund to six purchase and redemption transactions, within a one-year period. In order to implement this policy, the Fund is directed to monitor trading activity in the Fund and follow the policies and procedures that are described in the Fund's SAI. The Board recognizes that these procedures may differ from the procedures used by various financial intermediaries for similar purposes and it is also recognized that there is no guarantee that the Fund's administrator ("Administrator") will be able to identify individual shareholders who may be making frequent, short-term trades or curtail their trading activity.

## **DISTRIBUTIONS, CAPITAL GAINS AND TAX CONSEQUENCES**

As a regulated investment company, the Fund generally pays no federal income tax on the income and gains it distributes to you. The Fund intends to pay income dividends at least annually from its net investment income. Capital gains, if any, may be paid at least annually. The amount of any distribution will vary, and there is no guarantee the Fund will pay either income dividends or capital gain distributions. Your income dividends and capital gain distributions will be automatically reinvested in additional shares at net asset value (NAV) unless you elect to receive them in cash.

The Fund contemplates distributing as dividends each year all or substantially all of its taxable income, including its net capital gain (the excess of net long-term capital gain over net short-term capital loss). In general, the Fund's distributions will be taxable to you for federal, state and local income tax purposes. Distributions are taxable whether they are received in cash or reinvested in Fund shares. For federal tax purposes, Fund distributions attributable to short-term capital gains and net investment income are generally taxable to you as ordinary income. Distributions attributable to the net capital gain of the Fund will generally be taxable to you as long-term capital gain, no matter how long you own your shares. The maximum long-term capital gain rate applicable to individuals, estates, and trusts is 23.8% (which includes a 3.8% Medicare Tax). You will be notified annually of the tax status of distributions to you.

Distributions of "qualifying dividends" will also generally be taxable to you at long-term capital gain rates, as long as certain requirements are met. In general, if 95% or more of the gross income of the Fund (other than net capital gain) consists of dividends received from domestic corporations or "qualified" foreign corporations ("qualifying dividends"), then all distributions paid by the Fund to individual shareholders will be taxed at long-term capital gains rates. But if less than 95% of the gross income of the Fund (other than net capital gain) consists of qualifying dividends, then distributions paid by the Fund to

individual shareholders will be qualifying dividends only to the extent they are derived from qualifying dividends earned by the Fund. For the lower rates to apply, you must have owned your Fund shares for at least 61 days during the 121-day period beginning on the date that is 60 days before the Fund's ex-dividend date (and the Fund will need to have met a similar holding period requirement with respect to the shares of the corporation paying the qualifying dividend). The amount of the Fund's distributions that qualify for this favorable treatment may be reduced as a result of the Fund's high portfolio turnover rate or investments in debt securities or "non-qualified" foreign corporations.

Although distributions are generally treated as taxable to you in the year they are paid, distributions declared in October, November or December but paid in January are taxable as if they were paid on December 31.

You should note that if you purchase shares of the Fund just before a distribution, the purchase price will reflect the amount of the upcoming distribution, but you will be taxed on the entire amount of the distribution received, even though, as an economic matter, the distribution simply constitutes a return of capital. This adverse result is known as "buying into a dividend."

Certain of the Fund's investment strategies may result in greater amounts of taxable ordinary income for Fund shareholders than would be the case for a more typical equity fund. It is contemplated that the Fund will invest in structured notes and will engage in option strategies, such as purchasing and selling (writing) covered call and put options and purchasing and writing call and put options in combination with each other on securities in which it may invest or securities indices consisting of securities in which it may invest. The tax treatment of these sorts of transactions is complex and may (as may the Fund's high turnover rate) result in the recognition by the Fund of significant amounts of short-term capital gain and ordinary income. This, in turn, may cause significant portions of the distributions by the Fund to shareholders to be taxable at an ordinary income rate. Also, in some cases, these transactions may cause the Fund to recognize income or gain without any corresponding receipt of cash, in which case the Fund may have to liquidate other positions to enable it to distribute the amount of that income or gain to shareholders so as to avoid incurring corporate-level tax.

You will generally recognize taxable gain or loss for federal income tax purposes on a sale or redemption of your shares, based on the difference between your tax basis in the shares and the amount you receive for them. Generally, you will recognize long-term capital gain or loss if you have held your Fund shares for over twelve months at the time you dispose of them.

Any loss realized on shares held for six months or less will be treated as a long-term capital loss to the extent of any capital gain dividends that were received on the shares. Additionally, any loss realized on a disposition of shares of the Fund may be disallowed under "wash sale" rules to the extent the shares disposed of are replaced with other shares of the Fund within a period of 61 days beginning 30 days before and ending 30 days after the shares are disposed of, such as pursuant to a dividend reinvestment in shares of the Fund. If disallowed, the loss will be reflected in an upward adjustment to the basis of the shares acquired.

For shares acquired on or after January 1, 2012, the Fund (or relevant broker or financial adviser) is required to compute and report to the Internal Revenue Service (“IRS”) and furnish to Fund shareholders cost basis information when such shares are sold or exchanged. The Fund has elected to use the first-in first-out method, unless you instruct the Fund to use a different IRS-accepted cost basis method, or choose to specifically identify your shares at the time of each sale or exchange. If your account is held by your broker or other financial adviser, they may select a different cost basis method. In these cases, please contact your broker or other financial adviser to obtain information with respect to the available methods and elections for your account. You should carefully review the cost basis information provided by the Fund and make any additional basis, holding period or other adjustments that are required when reporting these amounts on your federal and state income tax returns. Fund shareholders should consult with their tax advisers to determine the best IRS-accepted cost basis method for their tax situation and to obtain more information about how the cost basis reporting requirements apply to them.

A major exception to the tax principles described above is that distributions on, and sales, exchanges and redemptions of, shares held in an IRA (or other tax-qualified plan) will not be currently taxable unless such shares were acquired with borrowed funds.

The Fund will be required in certain cases to withhold and remit to the IRS a percentage of taxable dividends or gross sale proceeds payable to any shareholder who (i) has failed to provide a correct tax identification number, (ii) is subject to backup withholding by the IRS for failure to properly include on his or her return payments of taxable interest or dividends, or (iii) has failed to certify to the Fund that he or she is not subject to backup withholding when required to do so or that he or she is an “exempt recipient.” The current withholding rate is 28%.

Distributions of ordinary income and capital gains, and gains from the sale of your Fund shares, are generally subject to state and local taxes. State income taxes may not apply, however, to the portions of the Fund’s distributions, if any, that are attributable to interest on U.S. government securities. You should consult your tax adviser regarding the tax status of distributions in your state and locality.

The foregoing is only a summary of certain U.S. tax considerations under current law, which may be subject to change in the future. The discussion relates to investors who are individual United States citizens or residents. All non-U.S. investors should consult their own tax advisers regarding the tax consequences of an investment in the Fund. In all cases, however, you should consult your tax adviser for further information regarding federal, state, local and/or foreign tax consequences relevant to your specific situation.

Additional information about taxes is provided in the SAI.

## **DISTRIBUTION ARRANGEMENTS**

The Fund has adopted a distribution plan under Rule 12b-1 which allows the Fund to pay up to 0.25% per year of its average daily net assets for the sale and distribution of its shares, but currently the Fund pays 0.12%. The Fund also pays fees for services provided to shareholders at the rate of 0.10% per year of its average daily net assets.

These fees are paid out of the Fund's assets on an on-going basis. Over time these fees will increase the cost of an investment in the Fund and may cost more than paying other types of sales charges.

## FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help investors understand the Fund's financial performance since inception. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been audited by Tait, Weller & Baker LLP, Independent Registered Public Accounting Firm, whose report, along with the Fund's financial statements, are included in the Annual Report, which is available upon request.

	INVESTOR CLASS			
	Years and Period Ended September 30,			
	2014	2013	2012	2011*
<b>Net asset value</b>				
Beginning of period	\$ 11.26	\$ 10.42	\$ 9.17	\$ 10.00
<b>Income from investment operations</b>				
Net investment income (loss)	.00	.03	(.01)	(.03)
Net gain (loss) on securities (both realized and unrealized)	<u>1.62</u>	<u>.93</u>	<u>1.26</u>	<u>(.80)</u>
<b>Total from investment operations</b>	<u>1.62</u>	<u>.96</u>	<u>1.25</u>	<u>(.83)</u>
<b>Less Distributions</b>				
Dividends from net investment income	(.01)	(.02)	-	-
Distributions from capital gains	<u>(1.02)</u>	<u>(.10)</u>	<u>-</u>	<u>-</u>
<b>Total distributions</b>	<u>(1.03)</u>	<u>(.12)</u>	<u>-</u>	<u>-</u>
<b>End of period</b>	<u>\$ 11.85</u>	<u>\$ 11.26</u>	<u>\$ 10.42</u>	<u>\$ 9.17</u>
<b>Total return</b>	15.05%	9.34%	13.63%	-8.30%***
<b>Ratios/Supplemental Data</b>				
Net assets, end of period (in 000's)	\$39,569	\$37,140	\$30,695	\$20,910
Ratio of expenses to average net assets before fee waivers (a)	1.68%	1.77%	1.93%	2.28%**
Ratio of expenses to average net assets after fee waivers (a)	1.33%	1.42%	1.77%	2.28%**
Ratio of net investment income to average net assets before fee waivers	-0.32%	-0.08%	-0.30%	-1.58%**
Ratio of net investment income to average net assets after fee waivers	0.03%	0.27%	-0.14%	-1.58%**
<b>Portfolio turnover</b>	68.25%	228.93%	81.84%	18.42%

\* Commenced operations June 10, 2011.

\*\* Annualized.

\*\*\* Total return calculation is not annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.



The SAI dated February 1, 2015 includes additional information about the Fund and is incorporated by reference into (legally part of) this prospectus. Additional information about the Fund's investments is available in the Fund's Annual and Semi-Annual Reports to shareholders. In the Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

To request the SAI, the Annual or Semi-Annual Report, or other information, or if you have other inquiries, call (808) 988-8088 (collect) or (800) 354-9654 or visit the Fund's website at [www.LeeHawaii.com](http://www.LeeHawaii.com). The Company provides the information at no charge to shareholders.

Information about the Company (including the SAI) can be reviewed and copied at the Commission's Public Reference Room in Washington, DC. Call the Commission at (202) 551-8090 for information about the operation of the Public Reference Room. Reports and other information about the Company are available on the EDGAR Database on the Commission's Internet site at [www.sec.gov](http://www.sec.gov) and upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing the Public Reference Section of the Commission, Washington, DC 20549-1520.

SEC File number: 811-05631