FRANK VALUE FUND

UNCONSTRAINED INVESTING IN US EQUITIES

WWW.FRANKFUNDS.COM - 800-869-1679 - FRNKX - FNKIX - FNKCX

Frank Capital Partners LLC

Q1 17 LETTER TO SHAREHOLDERS

The Frank Value Fund Investor Class returned 1.49% in Q1 17 compared to 6.07% for the S&P 500 TR Index. Please see the end of this letter for more performance information.

Fear of missing out on the historic rally drove record ETF inflows in the first quarter. According to *FactSet*, ETF inflows in Q1 were an all-time record of $134 billion, with $58.9 billion going into US equities. "Inflows were strong in March as well, about $45 billion, despite concern over the Trump Agenda[1]." These ETFs do not do research nor are they making long-term decisions, they are merely chasing performance, and we believe all the outperformance of the S&P 500 and other indices relative to the Frank Value Fund will be erased in a reversion to normal valuations. The ease of these index gains tests the patience of the most disciplined investors, but our fundamental research process is still urging extreme caution.

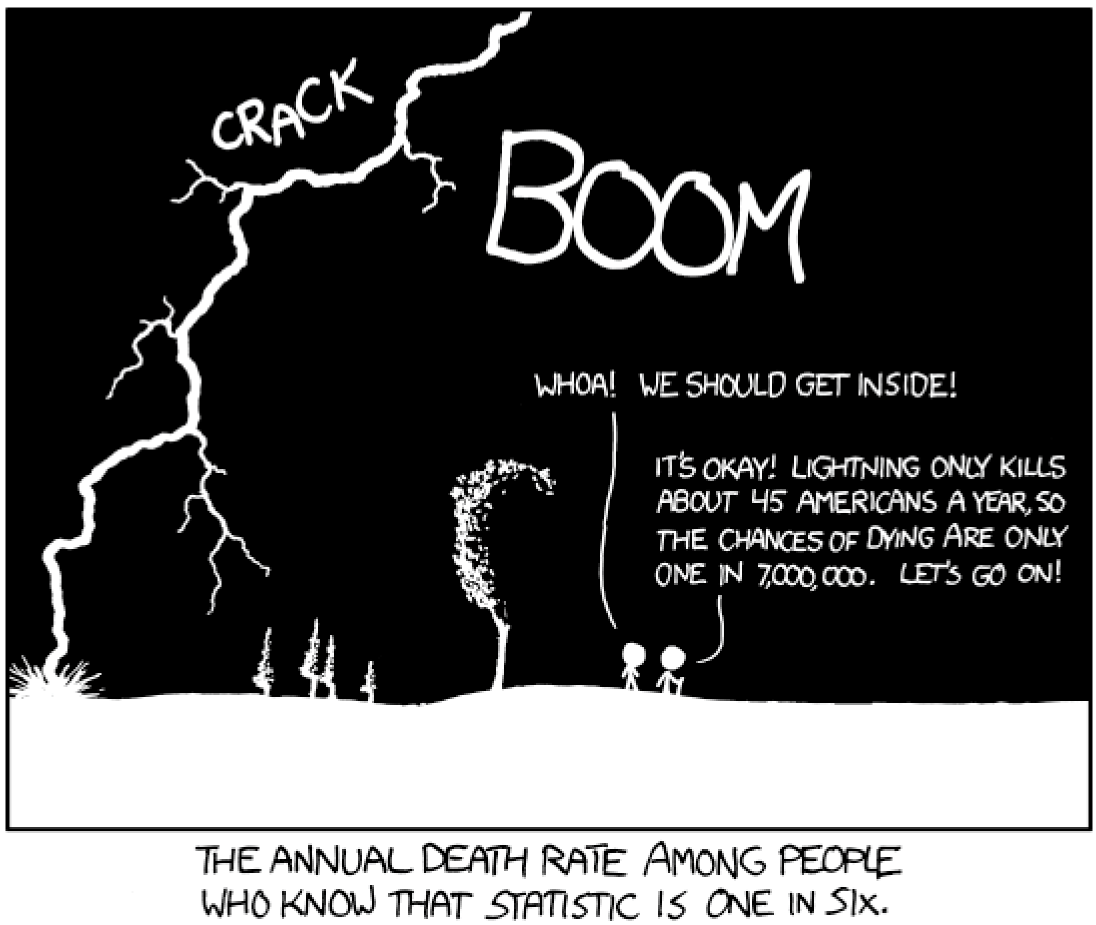
Meanwhile, underneath the surface of a broad-based march into US equities, the first quarter brought pockets of opportunity for the Frank Value Fund. Earnings season did not bring about an anticipated acceleration of the US economy. Rather, results and forward guidance were mixed, mirroring other recent periods. Since the only buyers of US stocks are retail flows into ETFs, we were able to purchase three companies where institutional selling overwhelmed the passive tide, yet long-term value persists.

We purchased shares in H&R Block (NYSE: HRB), DSW (NYSE: DSW), and Shutterfly (NASDAQ: SFLY) during the first quarter. All three traded at attractive, low valuations in the first months of 2017 and are fighting through tough short-term challenges. However, our research found compelling longer-term value in these companies, and the low, current valuation gives us a much higher expected return than the thousands of companies in our target universe.

Shutterfly, the leader in photo-based, personalized products, is shaking-up its business in 2017, and this retrenchment by new management caused the stock to trade from a high of $53 down to the low $40s in the first quarter. Growth investors had continuously rewarded SFLY with high valuations over its public history, as revenue grew at a breakneck pace. Unfortunately, much of this growth destroyed value, with a focus on speculative acquisitions away from the core business. In the past year, a new CEO took over, and he pledged to abandon or merge most of the acquired websites and focus on the core Shutterfly.com brand. This reversal shocked growth investors, as revenue and earnings growth will grind to a halt during the transition. This is where our ability to be patient and long-term is an advantage.

Looking out just a few years, the transition will be complete and the profit stream thereafter is trading at a cheap present-value. Experience tells us when a tough-talking CEO favors long-term fundamentals at the expense of short-term growth, as long as the core business is sound, this setup tends to be an attractive long-term entry point. Shutterfly has a recognizable brand, and is an effective competitor with companies like Amazon and Google. The niche-focus and breadth of offering of this $1.6 billion company sticks in the minds of consumers looking to personalize their gifts. Our opportunistic entry-point at a low valuation means that growth in the industry or at Shutterfly.com will be a bonus rather than necessary for a base-case return.

The three opportunities we found in the first quarter are more in-line with our average activity, but still the historic, pervasive over-valuation of almost every stock continues. As trying as it is to continue to have an extremely conservative stance, we know from experience the vindication will be swift and significant. The passive crowd touting an unmovable allocation to stocks in all environments reminds us of the below comic.



Comic by xkcd.com

Probability should be considered conditionally. The majority of the time, stocks represent a compelling way to generate outsized, long-term returns. However when extreme over-valuation is present, investors should adjust as we have in the Frank Value Fund. Our cash has a high option value at this point in the market cycle and we will use it to maximize returns.

Thank you for your investments.

Sincerely,

Brian Frank

Lead Portfolio Manager

Frank Value Fund

Performance as of 3/31/17	Average Annualized Total Returns						Total Return
	1 Yr. %	3 Yr. %	5 Yr. %	7 Yr. %	10 Yr. %	Since 7/21/04 %	Since 7/21/04 %
Investor Class (FRNKX)	2.05	0.64	7.00	8.48	5.80	7.13	139.56
Class C (FNKCX)	1.26	-0.11	6.21	7.73*	5.05*	6.38*	
Institutional Class (FNKIX)	2.26	0.87	7.28	8.73*	6.05*	7.38*	
S&P 500 Total Return	17.18	10.36	13.29	12.93	7.50	8.41	178.94

* Represents an estimate based on the performance of the fund's oldest share class, adjusted for fees.

1 - http://www.cnbc.com/2017/03/31/stocks-had-a-solid-first-quarter-thanks-to-record-flows-into-etfs.html

Please see our website for distribution information: www.frankfunds.com/distribution-history. Performance data quoted represents past performance and 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 may be lower or higher than the performance data quoted. You may obtain performance data current to the most recent month-end by calling the Fund at 1-800-869-1679 or visiting our website at www.frankfunds.com. Returns include reinvestment of any dividends and capital gain distributions.

Non-FDIC insured. May lose value. No bank guarantee. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the Fund, and it may be obtained by calling 1-800-869-1679. Please read it carefully before you invest or send money.

This publication does not constitute an offer or solicitation of any transaction in any securities. Any recommendation contained herein may not be suitable for all investors. Information contained in this publication has been obtained from sources we believe to be reliable, but cannot be guaranteed.

The information in this portfolio manager letter represents the opinions of the individual portfolio managers and is not intended to be a forecast of future events, a guarantee of future results or investment advice. Also, please note that any discussion of the Fund's holdings, the Fund's performance, and the portfolio managers' views are as of **April 4, 2017**, and are subject to change without notice.