FRANK VALUE FUND

UNCONSTRAINED INVESTING IN US EQUITIES

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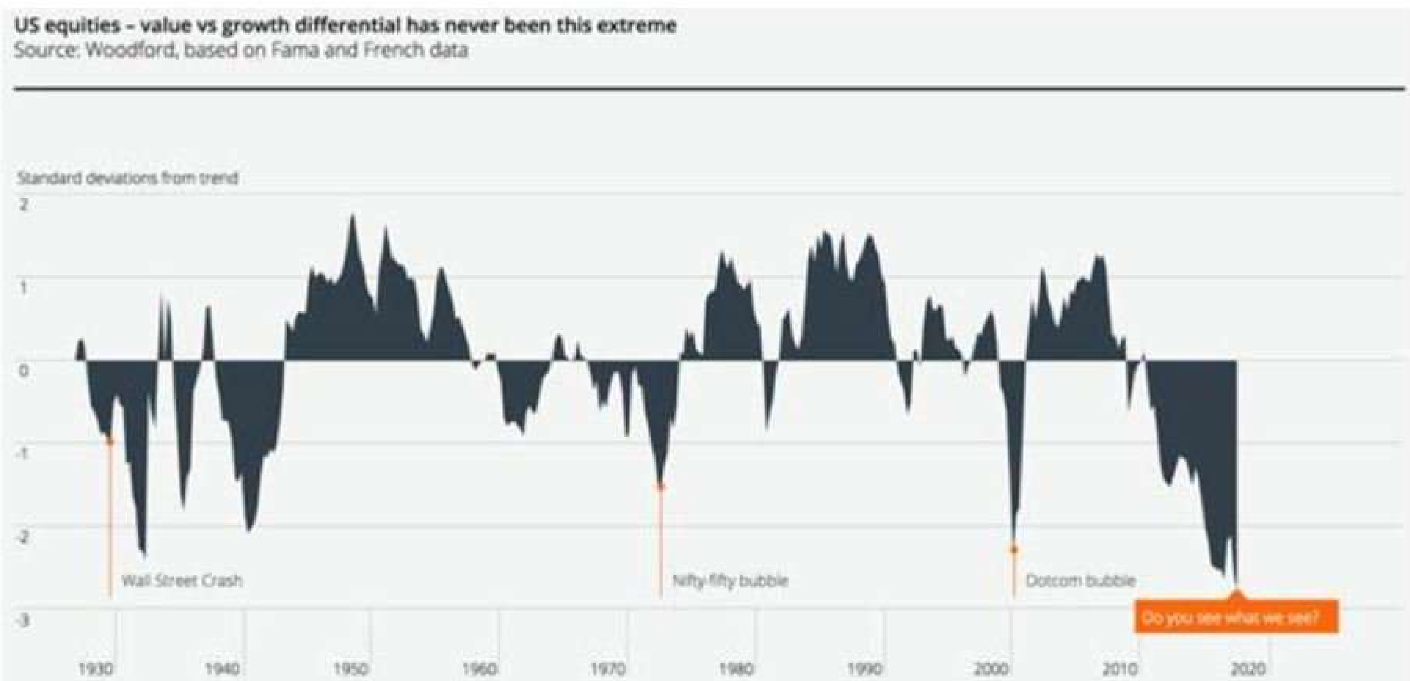
Frank Capital Partners LLC

Q3 19 LETTER TO SHAREHOLDERS

The Frank Value Fund Investor Class returned 1.26% in Q3 2019 compared to 1.70% for the S&P 500 TR Index. Please see the end of this letter for more performance information.

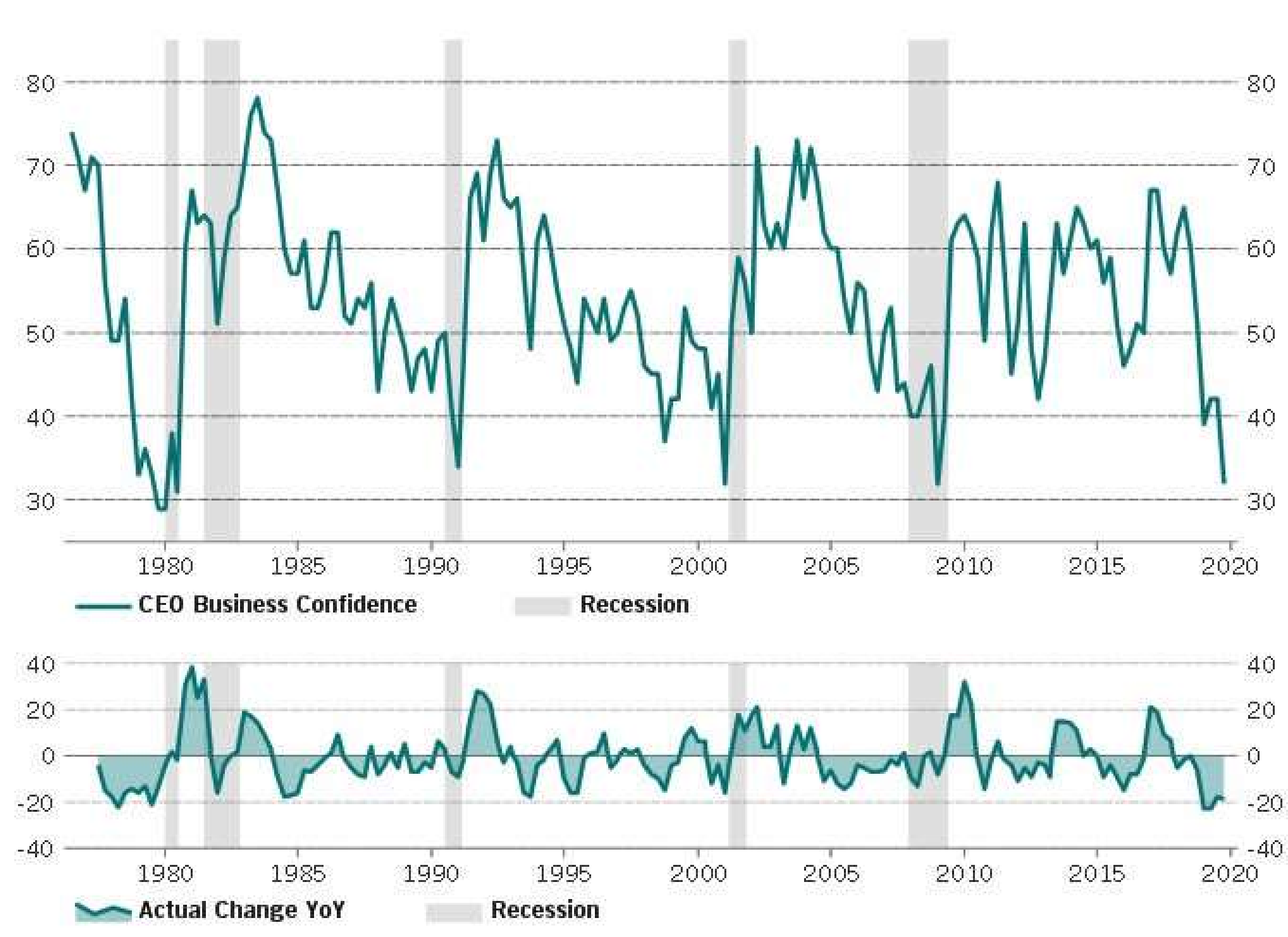
In early October, Frank Value Fund holding Liberty Latin America continued expanding with an acquisition of AT&T's wireless and wireline operations in Puerto Rico and the US Virgin Islands. Liberty's disciplined management team paid around 6 times pre-tax cash flow for the assets, which is roughly 60% cheaper than the average S&P 500 valuation. While Liberty as a company continues to do well, the valuation remains unfairly discounted. The below chart shows just how extreme the gap is between value vs. growth companies – it is the deepest discount ever, and one of the longest periods of underperformance since the 1940s.



Why remain invested in companies like Liberty Latin America while they lag the general market? First, value-investors focus on the fundamentals of the company, and we believe our companies are not only strong operations, but they are also much more recession resistant than average. Second, also in the above chart, you can see when value comes back into favor, it happens quickly and without notice. Betting on an even more extreme outperformance from growth stocks today is without historical precedent. Finally, we believe the US and the world are entering recession, and investors are giving up on the most dubious growth companies with high yield spreads increasing and valuation declines like WeWork (failed IPO,) Smiledirectclub (down 40% from IPO,) and Uber (down 25% from IPO.)

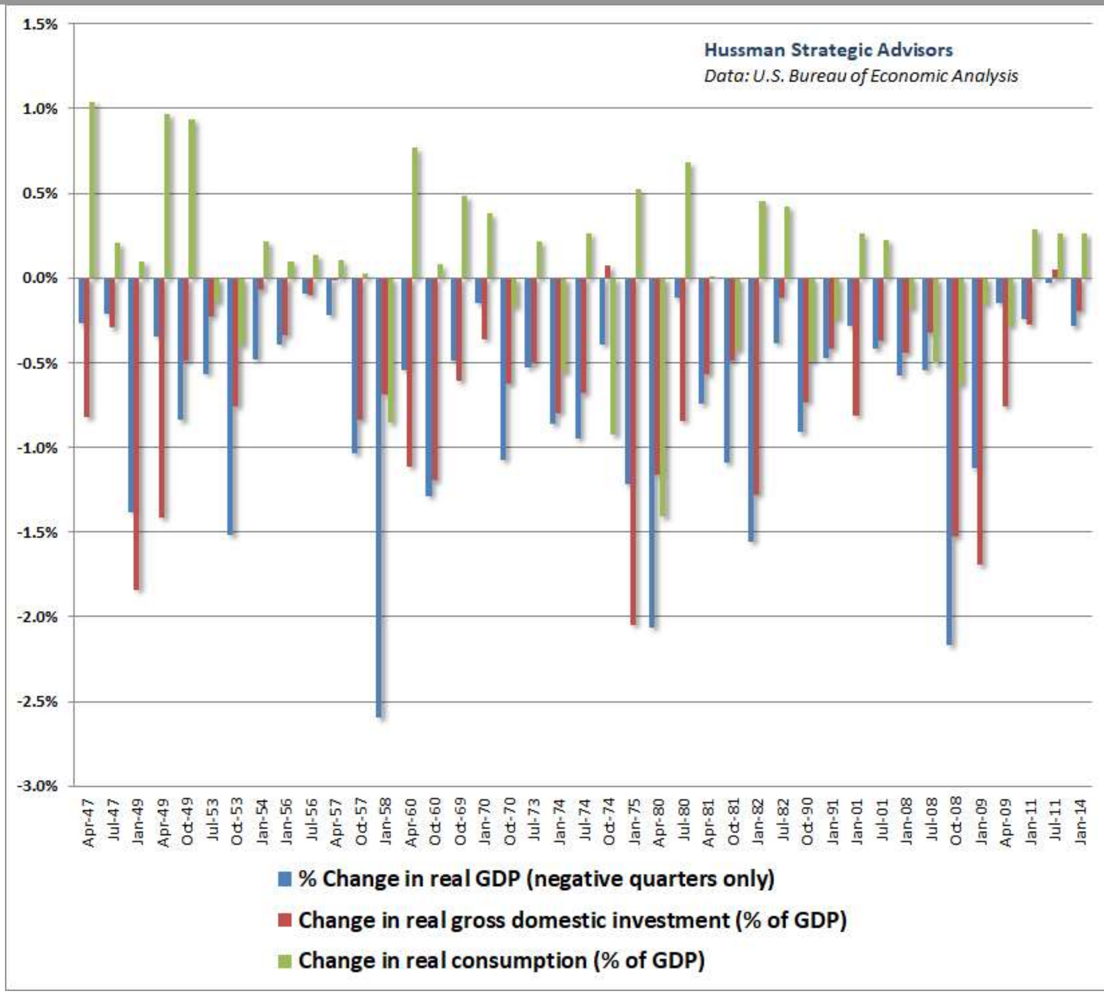
CEOs and CFOs offer better insights into oncoming recessions than economists and Wall Street pundits. The below chart shows CEO Business Confidence is at the same lows right before most recessions. "C-level" executives control the spending of their corporations, and if their confidence is low, cuts in capital expenditures as well as layoffs result.

CEO Business Confidence – Expectations For Economy 6 Months Ahead



Source: Datastream, The Conference Board, Pictet Asset Management

When confronted with this data most die-hard bulls retort with something about low unemployment and a strong consumer. One fund company looked at the actual data and found a surprising result: business investment is much more influential on recessions than consumer spending. In fact, the below chart shows every recessionary month going back to 1947. You can see with the green bars, consumption spending unexpectedly increased roughly half the time the US was in recession! Instead, the real driver are the red bars, with business investment decreasing in almost every single period. The CEOs and CFOs will cause the recession, not a weak consumer.



Most importantly, the 3month / 10-year US treasury spread returned to positive in early October with the Fed embarking on balance sheet expansion once again. The below data from Charles Schwab Chief Investment Strategist Liz Ann Sonders shows on average, from the final data point on inversion to a positive spread, the US has already been in recession for one month.

Final point of inversion to positive		
Uninversion	Recession Start	# of months
Feb-70	Dec-69	-2
Nov-74	Nov-73	-12
Apr-80	Jan-80	-4
Sep-81	Jul-81	-2
Dec-89	Jul-90	7
Feb-01	Mar-01	1
Aug-07	Dec-07	4
	Average	-1
	Median	-2

Our conclusion remains the same as prior quarters – valuations are dangerously high, and the Frank Value Fund is conservatively positioned. However, the data have certainly taken a turn for the worse, and recession, along with widening spreads for corporate debt and rising unemployment will eliminate the last support holding up US valuations. We believe US stocks are about to collapse 50% or more. In response, the US Federal Reserve will quickly cut to zero or slightly negative exhausting its recession-fighting power, while stimulative fiscal policies like corporate tax cuts have already been implemented. We have positioned the Frank Value Fund to benefit from this unpleasant reality. Unlike other pure equity value funds, we currently hold positions that seek to protect your money from this large downside event and gain our shareholders profits even as a recession may loom or extend. When valuations return to more reasonable levels we will carefully rotate your money in the highest quality companies.

Thank you for your investments.
Sincerely,
Brian Frank
Frank Value Fund Lead Portfolio Manager

Performance as of 9/30/19	Average Annualized Total Returns			Total Return
	5 Yr. %	10 Yr. %	Since 7/21/04 %	Since 7/21/04 %
Investor Class (FRNKX)	-0.26	6.45	5.62	129.63
Class C (FNKCX)	-0.99	5.70*		
Institutional Class (FNKIX)	-0.02	6.70*		
S&P 500 Total Return	10.81	13.22	8.97	268.96

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

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 1-888-217-5426 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 1-888-217-5426. Please read it carefully before you invest or send money.

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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 **October 15, 2019** and are subject to change without notice.