

# QCI Balanced Fund

*A series of the Starboard Investment Trust*



Institutional Class Shares (QCIBX)  
Retail Class Shares (QCILX)

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This prospectus contains information about the **QCI Balanced Fund** that you should know before investing. You should read this prospectus carefully before you invest or send money, and keep it for future reference. For questions or for Shareholder Services, please call 1-800-773-3863.

**Investment Advisor**

**QCI Asset Management, Inc.**

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Pittsford, NY 14534

*The securities offered by this prospectus have not been approved or disapproved by the Securities and Exchange Commission, nor has the Securities and Exchange Commission passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.*

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## SUMMARY

### INVESTMENT OBJECTIVE

The **QCI Balanced Fund** (the “Fund”) seeks to balance current income and principal conservation with the opportunity for long-term growth.

### FEES AND EXPENSES OF THE FUND

These tables describe 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)*

	Institutional	Retail
Maximum Sales Charge (Load) Imposed On Purchases (as a % of offering price)	None	None
Redemption Fee	None	None
Exchange Fee	None	None

#### Annual Fund Operating Expenses

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

	Institutional	Retail
Management Fees	0.75%	0.75%
Distribution and/or Service (12b-1) Fees	0.00%	0.25%
Other Expenses	0.44%	0.44%
Acquired Fund Fees and Expenses <sup>1</sup>	<u>0.02%</u>	<u>0.02%</u>
<b>Total Annual Fund Operating Expenses</b>	<b>1.21%</b>	<b>1.46%</b>
Fee Waiver and/or Expense Limitation <sup>2</sup>	<u>0.19%</u>	<u>0.19%</u>
<b>Net Annual Fund Operating Expenses</b>	<b>1.02%</b>	<b>1.27%</b>

<sup>1</sup> “Acquired Fund” means any investment company in which the Fund invests or has invested during the period. Since the Fund is newly organized, “Acquired Fund Fees and Expenses” are based on estimated expenses for the current fiscal year.

<sup>2</sup> The Fund’s investment advisor, QCI Asset Management, Inc. (the “Advisor”) has entered into an Expense Limitation Agreement with the Fund (the “Expense Limitation Agreement”) under which it has agreed to waive or reduce its fees and to assume other expenses of the Fund, if necessary, in an amount that limits the Fund’s annual operating expenses (exclusive of interest, taxes, brokerage fees and commissions, extraordinary expenses, payments under the Rule 12b-1 distribution plan, and acquired fund fees and expenses) to not more than 1.00% of the average daily net assets of the Fund. The Expense Limitation Agreement runs through January 31, 2019, and may be terminated by the Board of Trustees of the Fund (the “Board” or the “Trustees”) at any time. The Advisor cannot recoup from the Fund any amounts paid by the Advisor under the

*Expense Limitation Agreement. Further, net annual operating expenses for the Fund may exceed those contemplated by the waiver due to acquired fund fees and other expenses that are not waived under the Expense Limitation Agreement.*

**Example.** This example shows you the expenses you may pay over time by investing in the Fund. Since all mutual funds use the same hypothetical conditions, this example should help you compare the costs of investing in the Fund versus other mutual funds. The example assumes the following conditions:

- You invest \$10,000 in the Fund for the periods shown;
- You reinvest all dividends and distributions;
- You redeem all of your shares at the end of those periods;
- You earn a 5% return each year;
- The Fund’s operating expenses remain the same; and
- The Expense Limitation Agreement will remain in effect for only the contractual period of one year.

Although your actual costs may be higher or lower, the following table shows you what your costs may be under the conditions listed above.

<b>QCI Balanced Fund</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Institutional Class	\$104	\$365	\$647	\$1,449
Retail Class	\$129	\$443	\$779	\$1,730

**Portfolio Turnover.** The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). 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 or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 29.19% of the average value of its portfolio.

## **PRINCIPAL INVESTMENT STRATEGIES**

The Fund seeks to balance current income and principal conservation with the opportunity for long-term growth. The Advisor seeks to achieve the Fund’s investment objective by investing in a diverse portfolio of corporate, agency, and U.S. Government fixed income securities, preferred stock, common stock of primarily large and mid-capitalization issuers, and derivative securities. Allocation to equity and fixed income securities will range from 25% to 75% of assets. Depending on market conditions, the allocation of the Fund’s assets may range from approximately 25% in equity securities and 75% in fixed income securities to 75% in equity securities and 25% in fixed income securities. Derivative instruments, consisting of option contracts, are used to hedge the Fund’s portfolio in order to reduce the impact of general market fluctuations. The Advisor shall manage the Fund so that the Fund will not be deemed to be a “commodity pool operator” under the Commodity Exchange Act. The Fund may invest in these securities directly or indirectly through investments in other investment companies, consisting of exchange traded funds (“ETFs”) and index funds. The Fund will not be limited by

market capitalization or sector criteria. The Fund may hold up to 10% of its net assets in cash in the normal course of business when the Fund receives dividends or distributions and has not reinvested the proceeds in a security the Advisor believes is favorable for the portfolio which may also be used to pay fees and expenses of the Fund.

Equity selection is based on securities analysts' recommendations coupled with the Advisor's fundamental research. Equity investments will consist primarily of large and mid-capitalization companies.

Fixed income securities will primarily consist of investment grade issues. The Fund may invest up to 10% of the portfolio in fixed income securities that are rated below investment grade by one or more Nationally Recognized Securities Rating Organizations ("NRSROs") (commonly known as high-yield debt securities).

Securities are sold when, in the view of the Advisor, market valuation has approached the estimated full or fair market valuation of that security, and the remaining predicted small upside potential does not justify continuing to hold that security due to relative downside risk. A fundamental change in the prospects for a particular security or issuer may also be a primary factor for the Advisor in determining whether to sell a portfolio security.

The Fund's investment policy may be changed without shareholder approval upon sixty (60) days' prior written notice to shareholders.

## **PRINCIPAL RISKS OF INVESTING IN THE FUND**

The loss of your money is a principal risk of investing in the Fund. Investments in the Fund are subject to investment risks, including the possible loss of some or the entire principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. An investment in the Fund is not a deposit or obligation of any bank, is not endorsed or guaranteed by any bank, and is not insured by the Federal Deposit Insurance Corporation or any other government agency. Generally, the Fund will be subject to the following principal risks:

**Common Stocks.** The Fund's investments in common stocks, both directly and indirectly through the Fund's investment in shares of other investment companies, may fluctuate in value response to many factors, including, but not limited to, the activities of the individual companies whose securities the Fund owns, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject the Fund to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for the Fund.

**Cybersecurity Risk.** As part of its business, the Advisor processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund. The Advisor and the Fund are therefore susceptible to cybersecurity risk. Cybersecurity failures or breaches of the Fund or its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties and/or reputational damage. The Fund and its shareholders could be negatively impacted as a result.

**Derivative Risk.** The value of derivative instruments, such as options used by the Fund, is derived from the value of an underlying asset, interest rate, or index. Derivatives, including options used by the Fund, involve risks different from direct investments in the underlying securities (imperfect correlation between the value of the derivative instrument and the underlying assets; risks of default by the other party to the derivative instrument; risks that the transactions may result in losses of all or in excess of any gain in the portfolio positions; and risks that the transactions may not be liquid). An investment in options may be subject to greater fluctuation than an investment in the underlying instruments themselves. The use of options is subject to the risk of a complete loss of premiums. There can be no assurance that a liquid market will exist when the Fund seeks to close out an option position.

**Fixed Income Risk.** To the extent the Fund or an ETF in which the Fund invests holds fixed income securities, the Fund will be directly or indirectly subject to the risks associated with fixed income investments. The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to perceptions about the creditworthiness of individual issuers. Fixed income securities will decrease in value if interest rates rise and vice versa, and the volatility of lower-rated securities is even greater than that of higher-rated securities. Also, longer-term securities are more volatile, so the average maturity or duration of these securities affects risk. Credit risk is the possibility that an issuer will fail to make timely payments of interest or principal or go bankrupt. The lower the rating of a debt security, the greater its risks. In addition, these risks are often magnified for securities rated below investment grade, often referred to as “junk bonds,” and adverse changes in economic conditions or market perception are likely to cause issuers of these securities to be unable to meet their obligations to repay principal and interest to investors.

**General Market Risk.** The Fund’s net asset value (“NAV”) and investment return will fluctuate based upon changes in the value of its portfolio securities. Certain securities held by the Fund may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

**Interest Rate Risk.** A rise in interest rates may cause a decline in the value of the Fund’s fixed income securities and preferred stocks, especially bonds with longer maturities. A decline in interest rates may cause the Fund to experience a decline in its income.

**Investment Advisor Risk.** The Advisor’s ability to choose suitable investments has a significant impact on the ability of the Fund to achieve its investment objectives. The Advisor was formed in 1975 and became registered an investment advisor with the U.S. Securities and Exchange Commission (the “SEC”) in 1975. However, the Advisor does not have previous experience managing an investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). Accordingly, investors in the Fund bear the risk that the Advisor’s inexperience managing a registered investment company may limit its effectiveness. The experience of the portfolio manager is discussed in “Management of the Fund – Investment Advisor.”

**Large-Cap Securities Risk.** Stocks of large companies as a group can fall out of favor with the market, causing the Fund to underperform investments that have a greater focus on mid-cap or small-cap stocks. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

**Micro-Cap Securities Risk.** Some of the small companies in which the Fund invests may be micro-cap companies. Micro-cap stocks may offer greater opportunity for capital appreciation than the stocks of larger and more established companies; however, they also involve substantially greater risks of loss and price fluctuations. Micro-cap companies carry additional risks because of the tendency of their earnings and revenues to be less predictable (and some companies may be experiencing significant losses), their share prices to be more volatile and their markets to be less liquid than companies with larger market capitalizations. Micro-cap companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources, and may lack management depth. In addition, there may be less public information available about these companies. The shares of micro-cap companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the future ability to sell these securities. Also, it may take a long time before the Fund realizes a gain, if any, on an investment in a micro-cap company.

**Preferred Stock Risk.** Preferred stocks are subject to the risks associated with other types of equity securities, as well as additional risks, such as potentially greater volatility and risks related to deferral, non-cumulative dividends, subordination, liquidity, limited voting rights, and special redemption rights.

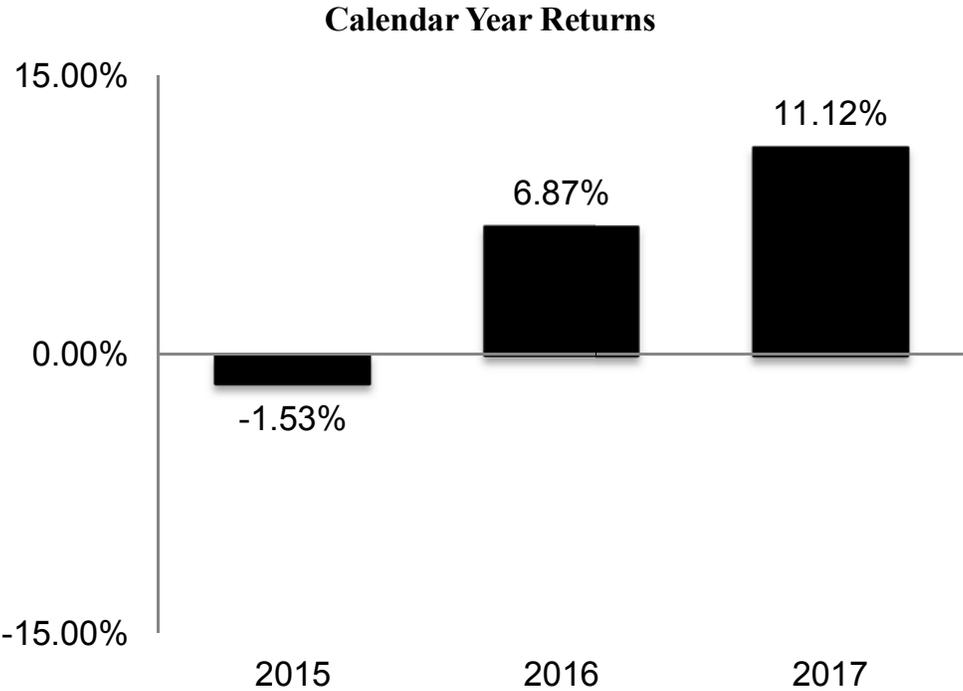
**Risks Related to Investing in Other Investment Companies.** The Fund's investments in other investment companies, including ETFs, closed-end mutual funds, and open-end mutual funds, will be subject to substantially the same risks as those associated with the direct ownership of the securities comprising the portfolio of such investment companies and the value of the Fund's investment will fluctuate in response to the performance of such portfolio. Shareholders in the Fund will indirectly bear fees and expenses charged by the ETFs and mutual funds in which the Fund invests in addition to the Fund's direct fees and expenses. These types of investments by the Fund could affect the timing, amount, and character of distributions and therefore may increase the amount of taxes payable by shareholders.

**Sector Risk.** Sector risk is the possibility that securities within the same group of industries will decline in price due to sector-specific market or economic developments. If the Fund invests more heavily in a particular sector, the value of its shares may be especially sensitive to factors and economic risks that specifically affect that sector. As a result, the Fund's share price may fluctuate more widely than the value of shares of a mutual fund that invests in a broader range of industries. Additionally, some sectors could be subject to greater government regulation than other sectors. Therefore, changes in regulatory policies for those sectors may have a material effect on the value of securities issued by companies in those sectors. The sectors in which the Fund may more heavily invest will vary; however, the Fund will invest less than 25% of its assets in any one industry or group of industries.

**Small-Cap and Mid-Cap Securities Risk.** The Fund may invest in securities of small-cap and mid-cap companies, which involve greater volatility than investing in larger and more established companies. Small-cap and mid-cap companies can be subject to more abrupt or erratic share price changes than larger, more established companies. Securities of these types of companies have limited market liquidity, and their prices may be more volatile. You should expect that the value of the Fund’s shares will be more volatile than a fund that invests exclusively in large-capitalization companies.

**PERFORMANCE INFORMATION**

The following bar chart and table shown provide an indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year and by showing how the Fund’s average annual total returns compare to those of a broad-based securities market index. The Fund’s past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. Updated information on the Fund’s results can be obtained by visiting [www.ncfunds.com](http://www.ncfunds.com).



<b>Quarterly Returns During This Time Period</b>		
Highest return for a quarter	4.16%	Quarter ended December 29, 2017
Lowest return for a quarter	-3.24%	Quarter ended September 30, 2015
Year-to-Date return as of most recent quarter	11.12%	Quarter ended December 31, 2017

<b>Average Annual Total Returns Period Ended December 31, 2017</b>	<b>Past 1 Year</b>	<b>Since Inception</b>
Institutional Class Shares		
Before taxes	11.12%	6.05%
After taxes on distributions	10.66%	5.61%
After taxes on distributions and sale of shares	6.28%	4.72%
Lipper Flexible Portfolio Funds (reflects no deductions for fees and expenses)	10.43%	1.07%

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. Actual after-tax returns depend on an investor's tax situation and may differ from those shown and are not applicable to investors who hold Fund shares through tax-deferred arrangements such as an individual retirement account (IRA) or 401(k) plan.

### **MANAGEMENT OF THE FUND'S PORTFOLIO**

The Fund's investment advisor is QCI Asset Management, Inc. The Fund's portfolio will be managed on a day-to-day basis by Portfolio Manager H. Edward Shill, CFA and Co-Portfolio Manager Gerald Furciniti, CFA. He has served as the portfolio manager since the Fund's inception in 2014.

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

You can purchase Fund shares directly from the Fund by mail or bank wire. The minimum initial investment is \$25,000 for the Institutional class of shares and \$1,000 for the Retail class of shares. The minimum subsequent investment is \$250, although the minimums may be waived or reduced in some cases.

Purchase orders by mail should be sent to QCI Balanced Fund, c/o Nottingham Shareholder Services, Post Office Box 4365, Rocky Mount, North Carolina 27803-0365. Please call the Fund at 1-800-773-3863 to receive wire instructions for bank wire orders. Investors who wish to purchase Fund shares through a broker-dealer should contact the broker-dealer directly.

You can redeem Fund shares directly from the Fund by mail, facsimile, telephone, and bank wire. Redemption orders by mail should be sent to QCI Balanced Fund, c/o Nottingham Shareholder Services, Post Office Box 4365, Rocky Mount, North Carolina 27804. Redemption orders by facsimile should be transmitted to 919-882-9281. Please call the Fund at 1-800-773-3863 to conduct telephone transactions or to receive wire instructions for bank wire orders. Investors who wish to redeem Fund shares through a broker-dealer should contact the broker-dealer directly.

### **TAX INFORMATION**

The Fund's distributions will generally be taxed to you as ordinary income or capital gains, unless you are investing through a tax deferred arrangement, such as a 401(k) plan

or an individual retirement account. Distributions on investments made through tax deferred vehicles, such as 401(k) plans or IRAs, may be taxed later upon withdrawal of assets from those accounts.

### **FINANCIAL INTERMEDIARY COMPENSATION**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund may pay the intermediary for the sale of Fund shares and related services. 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 THE FUND'S  
PRINCIPAL INVESTMENT OBJECTIVE, STRATEGIES, AND RISKS**

**INVESTMENT OBJECTIVE**

The Fund seeks to balance current income and principal conservation with the opportunity for long-term growth. The Fund's investment objective is not a fundamental policy and may be changed without shareholder approval by a vote of the Board. Shareholders will receive sixty days' prior written notice before a change to an investment objective takes place. There is no guarantee that the Fund will achieve its investment objective.

**PRINCIPAL INVESTMENT STRATEGIES FOR THE FUND**

The Fund's principal investment strategies are discussed in the "Summary" section. The Fund's principal investment strategies may be changed by the Fund's Board without shareholder approval unless otherwise noted in this prospectus or the Fund's Statement of Additional Information.

The Fund seeks to balance current income and principal conservation with the opportunity for long-term growth. The Advisor seeks to achieve the Fund's investment objective by investing in a diverse portfolio of corporate, agency, and U.S. Government fixed income securities, preferred stock, common stock of primarily large and mid-capitalization issuers, and derivative securities. Allocation to equity and fixed income securities will range from 25% to 75% of assets. Depending on market conditions, the allocation of the Fund's assets may range from approximately 25% in equity securities and 75% in fixed income securities to 75% in equity securities and 25% in fixed income securities. The Fund may invest in these securities directly or indirectly through investments in other investment companies, consisting of ETFs and index funds. The Fund will not be limited by market capitalization or sector criteria. The Fund may hold up to 10% of its net assets in cash in the normal course of business when the Fund receives dividends or distributions and has not reinvested the proceeds in a security the Advisor believes is favorable for the portfolio which may also be used to pay fees and expenses of the Fund. Derivative instruments, consisting of option contracts, are used to hedge the Fund's portfolio in order to reduce the impact of general market fluctuations. The Advisor shall manage the Fund so that the Fund will not be deemed to be a "commodity pool operator" under the Commodity Exchange Act.

Equity selection is based on securities analysts' recommendations coupled with the Advisor's fundamental research. The Advisor's research methodology focuses on "bottom-up" analysis of each company and issuer, reviewing specific factors such as relative valuation to other securities or sectors; financial fundamentals and relative strength; recent and historical earnings growth results; sustainable competitive advantage within markets or sectors; and strategic positioning of the company or issuer relative to its peers. The Advisor also examines "top-down" sector and industry cyclical trends. Equity investments will consist primarily of large and mid capitalization companies.

Fixed income securities will primarily consist of investment grade issues. The Fund may invest up to 10% of the portfolio in fixed income securities that are rated below investment grade by one or more NRSROs.

Securities are sold when, in the view of the Advisor, market valuation has approached the estimated full or fair market valuation of that security, and the remaining predicted small upside potential does not justify continuing to hold that security due to relative downside risk. One or more fundamental changes in the prospects for a particular security or issuer is also a primary decision point for the Advisor to sell a portfolio security.

**PRINCIPAL RISKS OF INVESTING IN THE FUND**

The loss of your money is a principal risk of investing in the Fund. Investments in the Fund are subject to investment risks, including the possible loss of some or the entire principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. Generally, the Fund will be subject to the following principal risks:

- Common Stocks
- Cybersecurity Risk
- Derivative Risk
- Fixed Income Risk
- General Market Risk
- Interest Rate Risk
- Investment Advisor Risk
- Large-Cap Securities Risk
- Micro-Cap Securities Risk
- Preferred Stock Risk
- Risks Related to Investing in Other Investment Companies
- Sector Risk
- Small-Cap and Mid-Cap Securities Risk

**Common Stocks.** The Fund’s investments in common stocks, both directly and indirectly through the Fund’s investment in shares of other investment companies, may fluctuate in value response to many factors, including, but not limited to, the activities of the individual companies whose securities the Fund owns, general market and economic conditions, interest rates, and specific industry changes. Such price fluctuations subject the Fund to potential losses. During temporary or extended bear markets, the value of common stocks will decline, which could also result in losses for the Fund.

**Cybersecurity Risk.** As part of its business, the Advisor processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Fund. The Advisor and the Fund are therefore susceptible to cybersecurity risk. Cyber-attacks include, among other behaviors, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorized release of confidential information and causing operational disruption. Successful cyber-attacks against, or security breakdowns of, the Fund or its advisor, custodians, fund accountant, fund administrator, transfer agent, pricing vendors and/or other third party service providers may adversely impact the Fund and its shareholders. For instance, cyber-attacks may interfere with the processing of shareholder transactions, impact the Fund’s ability to calculate its NAV, cause the release of private shareholder information or confidential Fund information, impede trading, cause reputational damage, and subject the Fund to

regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. The Fund also may incur substantial costs for cybersecurity risk management in order to guard against any cyber incidents in the future. The Fund and its shareholders could be negatively impacted as a result.

**Derivative Risk.** The value of derivative instruments, such as options used by the Fund, is derived from the value of an underlying asset, interest rate, or index. Derivatives, including options used by the Fund, involve risks different from direct investments in the underlying securities (imperfect correlation between the value of the derivative instrument and the underlying assets; risks of default by the other party to the derivative instrument; risks that the transactions may result in losses of all or in excess of any gain in the portfolio positions; and risks that the transactions may not be liquid). An investment in options may be subject to greater fluctuation than an investment in the underlying instruments themselves. The use of options is subject to the risk of a complete loss of premiums. There can be no assurance that a liquid market will exist when the Fund seeks to close out an option position.

The regulation of the derivatives markets has increased over the past several years, and additional future regulation of the derivatives markets may make derivatives more costly, may limit the availability or liquidity of derivatives, or may otherwise adversely affect the value or performance of derivatives. Any such adverse developments could impair the effectiveness of the Fund's derivatives transactions and cause the Fund to lose value. For instance, in December 2015, the SEC proposed a new rule that would change the regulation of the use of derivatives by registered investment companies. If adopted as proposed, these regulations could significantly limit or impact the Fund's ability to invest in derivatives and other instruments, limit the Fund's ability to employ certain strategies that use derivatives, and adversely affect the Fund's performance, efficiency in implementing its strategy, liquidity and ability to pursue its investment objective.

**Fixed Income Risk.** To the extent the Fund or an ETF in which the Fund invests holds fixed income securities, the Fund will be directly or indirectly subject to the risks associated with fixed income investments. The prices of fixed income securities respond to economic developments, particularly interest rate changes, as well as to perceptions about the creditworthiness of individual issuers. Fixed income securities will decrease in value if interest rates rise and vice versa, and the volatility of lower-rated securities is even greater than that of higher-rated securities. Also, longer-term securities are more volatile, so the average maturity or duration of these securities affects risk. Credit risk is the possibility that an issuer will fail to make timely payments of interest or principal or go bankrupt. The lower the rating of a debt security, the greater its risks. In addition, these risks are often magnified for securities rated below investment grade, often referred to as "junk bonds," and adverse changes in economic conditions or market perception are likely to cause issuers of these securities to be unable to meet their obligations to repay principal and interest to investors.

**General Market Risk.** The Fund's NAV and investment return will fluctuate based upon changes in the value of its portfolio securities. Certain securities held by the Fund may be worth less than the price originally paid for them, or less than they were worth at an earlier time.

**Interest Rate Risk.** A rise in interest rates may cause a decline in the value of the Fund's fixed income securities and preferred stocks, especially bonds with longer maturities. A decline in interest rates may cause the Fund to experience a decline in its income.

**Investment Advisor Risk.** The Advisor's ability to choose suitable investments has a significant impact on the ability of the Fund to achieve its investment objectives. The Advisor was formed in 2007 and became registered an investment advisor with the SEC in 2011. However, the Advisor does not have previous experience managing an investment company registered under the 1940 Act. Accordingly, investors in the Fund bear the risk that the Advisor's inexperience managing a registered investment company may limit its effectiveness. The experience of the portfolio manager is discussed in "Management of the Fund – Investment Advisor."

**Large-Cap Securities Risk.** Stocks of large companies as a group can fall out of favor with the market, causing the Fund to underperform investments that have a greater focus on mid-cap or small-cap stocks. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

**Micro-Cap Securities Risk.** Some of the small companies in which the Fund invests may be micro-cap companies. Micro-cap stocks may offer greater opportunity for capital appreciation than the stocks of larger and more established companies; however, they also involve substantially greater risks of loss and price fluctuations. Micro-cap companies carry additional risks because of the tendency of their earnings and revenues to be less predictable (and some companies may be experiencing significant losses), their share prices to be more volatile and their markets to be less liquid than companies with larger market capitalizations. Micro-cap companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources, and may lack management depth. In addition, there may be less public information available about these companies. The shares of micro-cap companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the future ability to sell these securities. Also, it may take a long time before the Fund realizes a gain, if any, on an investment in a micro-cap company.

**Preferred Stock Risk.** Preferred stocks are subject to the risks associated with other types of equity securities, as well as additional risks, such as potentially greater volatility and risks related to deferral, non-cumulative dividends, subordination, liquidity, limited voting rights, and special redemption rights.

**Risks Related to Investing in Other Investment Companies.** The Fund's investments in other investment companies, including ETFs, closed-end mutual funds, and open-end mutual funds, will be subject to substantially the same risks as those associated with the direct ownership of the securities comprising the portfolio of such investment companies and the value of the Fund's investment will fluctuate in response to the performance of such portfolio. Shareholders in the Fund will indirectly bear fees and expenses charged by the ETFs and mutual funds in which the Fund invests in addition to the Fund's direct fees and expenses. These types of investments by the Fund could affect the timing, amount, and character of distributions and therefore may increase the amount of taxes payable by shareholders.

**Sector Risk.** Sector risk is the possibility that securities within the same group of industries will decline in price due to sector-specific market or economic developments. If the Fund invests more heavily in a particular sector, the value of its shares may be especially sensitive to factors and economic risks that specifically affect that sector. As a result, the Fund's share price may fluctuate more widely than the value of shares of a mutual fund that invests in a broader range of industries. Additionally, some sectors could be subject to greater government regulation than other sectors. Therefore, changes in regulatory policies for those sectors may have a material effect on the value of securities issued by companies in those sectors. The sectors in which the Fund may more heavily invest will vary; however, the Fund will invest less than 25% of its assets in any one industry or group of industries.

**Small-Cap and Mid-Cap Securities Risk.** The Fund may invest in securities of small-cap and mid-cap companies, which involve greater volatility than investing in larger and more established companies. Small-cap and mid-cap companies can be subject to more abrupt or erratic share price changes than larger, more established companies. Securities of these types of companies have limited market liquidity, and their prices may be more volatile. You should expect that the value of the Fund's shares will be more volatile than a fund that invests exclusively in large-capitalization companies.

#### **NON-PRINCIPAL INVESTMENT POLICIES AND RISKS**

An investment in the Fund should not be considered a complete investment program. Whether the Fund is not an appropriate investment for an investor will depend largely on his or her financial resources and individual investment goals and objectives. Investors who engage in short-term trading or other speculative strategies and styles will not find the Fund to be an appropriate investment vehicle if they want to invest in the Fund for a short period of time.

**Temporary Defensive Positions.** The Fund may, from time to time, take temporary defensive positions that are inconsistent with the Fund's principal investment strategy in an attempt to respond to adverse market, economic, political, or other conditions. During such an unusual set of circumstances, the Fund may hold up to 100% of its portfolio in cash or cash equivalent positions. When the Fund takes temporary defensive positions, the Fund may not be able to achieve their investment objectives.

#### **DISCLOSURE OF PORTFOLIO HOLDINGS**

A 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 Statement of Additional Information.

## MANAGEMENT OF THE FUND

### INVESTMENT ADVISOR

The Fund's investment advisor is QCI Asset Management, Inc., 40A Grove Street, Pittsford, NY, 14534. The Advisor was established in 1975 and it became registered in 1975 as an investment advisor with the SEC under the Investment Advisors Act of 1940, as amended. Subject to the authority of the Trustees and pursuant to the Investment Advisory Agreement with the Starboard Investment Trust (the "Trust"), the Advisor provides the Fund with a program of continuous supervision of the Fund's assets, including developing the composition of its portfolio, and furnishes advice and recommendations with respect to investments, investment policies, and the purchase and sale of securities. The Advisor is also responsible for the selection of broker-dealers through which the Fund executes portfolio transactions, subject to the brokerage policies established by the Trustees, and it provides certain executive personnel to the Fund. As of December 31, 2017, QCI Asset Management, Inc. had approximately \$3.6 billion in assets under management.

**Portfolio Managers.** The Fund's portfolio will be led by H. Edward Shill, CFA and co-managed by Gerald Furciniti, CFA.

Mr. Shill is the Chief Investment Officer of the Advisor and Lead Portfolio Manager. He joined the Advisor in 1992 after having served as an analyst and portfolio manager for five years at Fleet/Norstar Investment Advisors. He became a Principal of the Advisor in 1994. Mr. Shill earned his Chartered Financial Analyst designation in 1989.

Mr. Furciniti is Co-Portfolio Manager and Senior Equity Analyst at the Advisor. He joined the Advisor in 2001 after having served as an analyst in the New Business Development Group of Kodak's Health Imaging Division. Mr. Furciniti earned his Chartered Financial Analyst designation in 2004.

The Fund's Statement of Additional Information provides additional information regarding Mr. Shill's and Mr. Furciniti's compensation, other accounts managed by both Shill and Furciniti, and their ownership of Fund shares.

**Advisor Compensation.** As full compensation for the investment advisory services provided to the Fund, the Advisor receives monthly compensation based on the Fund's average daily net assets at the annual rate of 0.75%.

**Disclosure Regarding Approval of Investment Advisory Contracts.** A discussion regarding the Trustees' basis for approving the investment advisory contracts for the Fund can be found, once available, in the Fund's annual report to shareholders for the period ended September 30th of each year. You may obtain a copy of the semi-annual and annual reports, free of charge, upon request to the Fund.

## DISTRIBUTOR

Capital Investment Group, Inc. (“Distributor”) is the principal underwriter and distributor of the Fund’s shares and serves as the Fund’s exclusive agent for the distribution of the Fund shares. The Distributor may sell the Fund’s shares to or through qualified securities dealers or others.

The Fund has adopted a plan of distribution pursuant to Rule 12b-1 under the 1940 Act (“Distribution Plan”). Pursuant to the Distribution Plan, the Fund compensates the Distributor with assets attributable to the Retail Class Shares for services rendered and expenses borne in connection with activities primarily intended to result in the sale or the servicing of those shares (this compensation is commonly referred to as “12b-1 fees”). Because these 12b-1 fees are paid out of the Fund’s assets on an on-going basis, over time these 12b-1 fees will increase the cost of your investment and may cost you more than paying other types of sales charges. These activities include, among others, reimbursement to entities for providing distribution and shareholder servicing with respect to the Fund’s shares.

## ADDITIONAL INFORMATION ON EXPENSES

**Expense Limitation Agreement.** In the interest of limiting expenses of the Fund, the Advisor has entered into an Expense Limitation Agreement with the Trust, pursuant to which the Advisor has agreed to waive or limit its fees and to assume other expenses so that the total annual operating expenses of the Fund (exclusive of acquired fund fees and expenses, interest, taxes, brokerage fees and commissions, and extraordinary expenses) is limited to 1.00%. The Expense Limitation Agreement runs through January 31, 2019, and may be terminated by the Board at any time. It is expected that the Expense Limitation Agreement will continue from year-to-year thereafter, provided such continuance is specifically approved by a majority of the Trustees who (i) are not “interested persons” of the Trust or any other part to the Expense Limitation agreement, as such term is defined in the 1940 Act, and (ii) have no direct or indirect financial interest in the operation of the Expense Limitation Agreement. The Advisor cannot recoup from the Fund any amounts paid by the Advisor under the Expense Limitation Agreement.

**Other Expenses.** The Fund is obligated to pay taxes, interest, brokerage commissions, expenses on short sales, and acquired fund fees and expenses. The Fund will be separately responsible for any extraordinary expenses, such as indemnification payments or damages awarded in litigation or settlements made. All general Trust expenses are allocated among and charged to the assets of each separate fund series of the Trust (if any), on a basis that the Trustees deem fair and equitable, which may be on the basis of relative net assets of each series or the nature of the services performed and relative applicability to each series.

**Acquired Fund Fees and Expenses.** In the summary section of the prospectus entitled “Fees and Expenses of the Fund,” the “Acquired Fund Fees and Expenses” are expenses incurred indirectly by the Fund through its ownership of shares in other investment companies. “Acquired Fund Fees and Expenses” do not affect the Fund’s actual operating costs and, therefore, are not included in the Fund’s financial statements, which

provide a clearer picture of the Fund's actual operating costs. The "Total Annual Fund Operating Expenses" and "Net Annual Fund Operating Expenses" under "Fees and Expenses of the Fund" will not match the Fund's gross and net expense ratios reported in the Financial Highlights from the Fund's financial statements. The ratios reported in the Financial Highlights reflect the operating expenses of the Fund without "Acquired Fund Fees and Expenses."

## **INVESTING IN THE FUND**

### **PURCHASE OPTIONS**

The Fund offers two different classes of shares through this prospectus. The share class available to an investor may vary depending on how the investor wishes to purchase shares of the Fund. Each share class is sold at NAV, represents interests in the same portfolio of investments, and has the same rights, but differs with respect to sales loads and ongoing expenses. Set forth below is a brief description of the share classes offered through this prospectus.

#### **Institutional Class Shares**

- No front-end sales charge.
- No distribution or service plan (Rule 12b-1) fees.
- No contingent deferred sales charges.
- No redemption fee.
- \$25,000 minimum initial investment.

#### **Retail Class Shares**

- No front-end sales charge.
- Distribution and service plan (Rule 12b-1) fees of 0.25%.
- No contingent deferred sales charge.
- No redemption fee.
- \$1,000 minimum initial investment.

You must choose a share class when you purchase shares of the Fund. If none is chosen, your investment will be made in Retail Class Shares.

Information regarding the terms and conditions for the purchase, pricing, and redemption of Fund shares is not available on the Fund's website since the Fund's website contains limited information. Further information is available free of charge by calling the Fund at 1-800-773-3863.

The Fund may, in the Advisor's sole discretion, accept certain accounts with less than the minimum investment.

### **PURCHASE AND REDEMPTION PRICE**

**Determining the Fund's Net Asset Value.** The price at which you purchase or redeem shares is based on the next calculation of NAV after an order is received, subject to the order being accepted by the Fund in good form. An order is considered to be in good form if it includes all necessary information and documentation related to a purchase or redemption request and, if applicable, payment in full of the purchase amount. The Fund's NAV per share for each class of shares is calculated by dividing the value of the Fund's total assets attributable to that class, less liabilities (including Fund expenses, which are accrued daily) attributable to that class, by the total number of outstanding

shares attributable to that class. To the extent that the Fund holds portfolio securities that are primarily listed on foreign exchanges that trade on weekends or other days when the Fund does not price shares, the NAV of the Fund's shares may change on days when shareholders will not be able to purchase or redeem shares. The NAV per share for each class of shares is normally determined at 4:00 p.m. Eastern time, the time regular trading closes on the New York Stock Exchange, provided that certain options and futures contracts are priced as of 4:15 p.m. Eastern Time. The Fund does not calculate NAV on business holidays when the New York Stock Exchange is closed.

The pricing and valuation of portfolio securities is determined in good faith in accordance with policies established by, and under the direction of, the Board. In determining the value of the Fund's total assets, portfolio securities are generally calculated at market value by quotations from the primary market in which they are traded. Instruments with maturities of 60 days or less are valued at amortized cost, which approximates market value. Instruments with maturities in excess of sixty days are valued at prices provided by a third party pricing source, the Interactive Data Corporation. The Fund normally uses third party pricing services to obtain market quotations. Securities and assets for which representative market quotations are not readily available or which cannot be accurately valued using the Fund's normal pricing procedures are valued at fair value in good faith by either an ad hoc valuation committee or the Advisor in accordance with procedures established by, and under the supervision of, the Board. Fair value pricing may be used, for example, in situations where (i) an exchange-traded portfolio security is so thinly traded that there have been no transactions for that security over an extended period of time or the validity of a market quotation received is questionable; (ii) the exchange on which the portfolio security is principally traded closes early; or (iii) trading of the portfolio security is halted during the day and does not resume prior to the Fund's NAV calculation.

Pursuant to the policies adopted by the Board, the Advisor consults with the Fund's administrator on a regular basis regarding the need for fair value pricing. The Advisor is responsible for notifying the Board (or the Fund's ad hoc valuation committee) when it believes that fair value pricing is required for a particular security. The Fund's policies regarding fair value pricing are intended to result in a calculation of the Fund's NAV that fairly reflects portfolio security values as of the time of pricing. A portfolio security's "fair value" price may differ from the price next available for that portfolio security using the Fund's normal pricing procedures and the fair value price may differ from the price at which the security may ultimately be traded or sold. If such fair value price differs from the price that would have been determined using the Fund's normal pricing procedures, a shareholder may receive more or less proceeds or shares from redemptions or purchases of Fund shares, respectively, than a shareholder would have otherwise received if the security were priced using the Fund's normal pricing procedures. The performance of the Fund may also be affected if a portfolio security's fair value price were to differ from the security's price using the Fund's normal pricing procedures. To the extent the Fund invests in other open-end investment companies that are registered under the 1940 Act, the Fund's NAV calculations are based upon the NAV reported by such registered open-end investment companies, and the prospectuses for these companies explain the

circumstances under which they will use fair value pricing and the effects of using fair value pricing.

**Other Matters.** Purchases and redemptions of shares of the same class by the same shareholder on the same day will be netted for the Fund.

## **BUYING OR SELLING SHARES THROUGH A FINANCIAL INTERMEDIARY**

Certain financial intermediaries have agreements with the Fund that allow them to enter purchase or redemption orders on behalf of clients and customers. These orders will be priced at the NAV next computed after the orders are received by the financial intermediary, subject to the order being in good form. Under this arrangement, the financial intermediary has a duty to transmit promptly to the Fund each purchase order or redemption request that the intermediary receives on the Fund's behalf and must send your payment to the Fund by the time they price their shares on the following business day. The Fund is not responsible for ensuring that a financial intermediary carries out its obligations. You should look to the financial intermediary through whom you wish to invest for specific instructions on how to purchase or redeem shares of the Fund.

## **PURCHASING SHARES**

Purchases can be made directly from the Fund by mail or bank wire. The Fund has also authorized one or more brokers to receive purchase and redemption orders on its behalf and such brokers are authorized to designate other financial intermediaries to receive orders on behalf of the Fund. Such orders will be deemed to have been received by the Fund when an authorized broker, or broker-authorized designee, receives the order, subject to the order being in good form. The orders will be priced at the NAV next computed after the orders are received by the authorized broker, or broker-authorized designee. Investors may also be charged a fee by a broker or agent if shares are purchased through a broker or agent.

The Fund reserves the right to (i) refuse to accept any request to purchase shares for any reason and (ii) suspend the offering of shares at any time.

**Regular Mail Orders.** Payment for shares by mail must be made by check from a U.S. financial institution and payable in U.S. dollars. Cash, money orders, and traveler's checks will not be accepted by the Fund. If checks are returned due to insufficient funds or other reasons, your purchase will be canceled. You will also be responsible for any losses or expenses incurred by the Fund and its administrator and transfer agent. The Fund will charge a \$35 fee and may redeem shares of the Fund owned by the purchaser or another identically registered account in another series of the Trust to recover any such losses. For regular mail orders, please complete the Fund Shares Application and mail it, along with a check made payable to the Fund, to:

## **QCI Balanced Fund**

c/o Nottingham Shareholder Services  
116 South Franklin Street  
Post Office Box 4365  
Rocky Mount, North Carolina 27803-0365

The application must contain your Social Security Number or Taxpayer Identification Number. If you have applied for a number prior to completing your account application but you have not received your number, please indicate this on the application and include a copy of the form applying for your number. Taxes are not withheld from distributions to U.S. investors if certain requirements of the Internal Revenue Service are met regarding the Social Security Number and Taxpayer Identification Number.

**Bank Wire Purchases.** Purchases may also be made through bank wire orders. To establish a new account or add to an existing account by wire, please call the Fund at 1-800-773-3863 for wire instructions and to advise the Fund of the investment, dollar amount, and the account identification number.

**Additional Investments.** You may also add to your account by mail or wire at any time by purchasing shares at the then current NAV. The minimum additional investment is \$250. Before adding funds by bank wire, please call the Fund at 1-800-773-3863 for wire instructions and to advise the Fund of the investment, dollar amount, and the account identification number. Mail orders should include, if possible, the “Invest by Mail” stub that is attached to your confirmation statement. Otherwise, please identify your account in a letter accompanying your purchase payment.

**Automatic Investment Plan.** The automatic investment plan enables shareholders to make regular monthly or quarterly investments in shares through automatic charges to their checking account. With shareholder authorization and bank approval, the Fund will automatically charge the shareholder’s checking account for the amount specified (\$250 minimum), which will be automatically invested in shares at the public offering price on or about the 21st day of the month. The shareholder may change the amount of the investment or discontinue the plan at any time by writing the Fund.

**Share Certificates.** The Fund normally does not issue share certificates. Evidence of ownership of shares is provided through entry in the Fund’s share registry. Investors will receive periodic account statements (and, where applicable, purchase confirmations) that will show the number of shares owned.

**Important Information about Procedures for Opening a New Account.** Under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act of 2001), the Fund is required to obtain, verify, and record information that enables the Fund to form a reasonable belief as to the identity of each customer who opens an account. Consequently, when an investor opens an account, the Fund will ask for the investor’s name, street address, date of birth (for an individual), social security or other tax identification number (or proof that the investor has filed for such a number), and other information that will allow the Fund to identify the investor. The Fund may also ask to see the driver’s license or other

identifying documents of the investor. An investor's account application will not be considered "complete" and, therefore, an account will not be opened and the investor's money will not be invested until the Fund receives this required information. In addition, if after opening the investor's account the Fund is unable to verify the investor's identity after reasonable efforts, as determined by the Fund in its sole discretion, the Fund may (i) restrict further investments until the investor's identity is verified; and (ii) close the investor's account without notice and return the investor's redemption proceeds to the investor. If the Fund closes an investor's account because the Fund could not verify the investor's identity, the Fund will value the account in accordance with the next NAV calculated after the investor's account is closed. In that case, the investor's redemption proceeds may be worth more or less than the investor's original investment. The Fund will not be responsible for any losses incurred due to the Fund's inability to verify the identity of any investor opening an account.

## **REDEEMING SHARES**

**Regular Mail Redemptions.** Regular mail redemption requests should be addressed to:

**QCI Balanced Fund**  
c/o Nottingham Shareholder Services  
116 South Franklin Street  
Post Office Box 4365  
Rocky Mount, North Carolina 27804

Regular mail redemption requests should include the following:

- (1) Your letter of instruction specifying the share class, account number, and number of shares (or the dollar amount) to be redeemed. This request must be signed by all registered shareholders in the exact names in which they are registered;
- (2) Any required signature guarantees (see "Signature Guarantees" below); and
- (3) Other supporting legal documents, if required in the case of estates, trusts, guardianships, custodianships, corporations, partnerships, pension or profit sharing plans, and other entities.

Your redemption proceeds normally will be sent to you within 7 days after receipt of your redemption request. The Fund may delay forwarding a redemption check for recently purchased shares while the Fund determines whether the purchase payment will be honored. Such delay (which may take up to 15 days from the date of purchase) may be reduced or avoided if the purchase is made by certified check or wire transfer. In all cases, the NAV next determined after receipt of the request for redemption will be used in processing the redemption request. The Fund expects to pay redemptions from cash, cash equivalents, proceeds from the sale of additional Fund shares, and then from the sale of portfolio securities. These redemption payment methods will be used in regular and stressed market conditions.

**Telephone and Bank Wire Redemptions.** Unless you decline the telephone transaction privileges on your account application, you may redeem shares of the Fund by telephone. You may also redeem shares by bank wire under certain limited conditions. The Fund

will redeem shares in this manner when so requested by the shareholder only if the shareholder confirms redemption instructions in writing.

The Fund may rely upon confirmation of redemption requests transmitted via facsimile (FAX# 919-882-9281). The confirmation instructions must include the following:

- (1) Name of Fund and share class;
- (2) Shareholder name and account number;
- (3) Number of shares or dollar amount to be redeemed;
- (4) Instructions for transmittal of redemption proceeds to the shareholder; and
- (5) Shareholder signature as it appears on the application on file with the Fund.

Redemption proceeds will not be distributed until written confirmation of the redemption request is received, per the instructions above. You can choose to have redemption proceeds mailed to you at your address of record, your financial institution, or to any other authorized person, or you can have the proceeds sent by wire transfer to your financial institution (\$5,000 minimum). Redemption proceeds cannot be wired on days in which your financial institution is not open for business. You can change your redemption instructions anytime you wish by filing a letter with your new redemption instructions with the Fund. See “Signature Guarantees” below.

The Fund, in its discretion, may choose to pass through to redeeming shareholders any charges imposed by the Fund’s custodian for wire redemptions. If this cost is passed through to redeeming shareholders by the Fund, the charge will be deducted automatically from your account by redemption of shares in your account. Your bank or brokerage firm may also impose a charge for processing the wire. If wire transfer of funds is impossible or impractical, the redemption proceeds will be sent by regular mail to the designated account.

You may redeem shares, subject to the procedures outlined above, by calling the Fund at 1-800-773-3863. Redemption proceeds will only be sent to the financial institution account or person named in your Fund Shares Application currently on file with the Fund. Telephone redemption privileges authorize the Fund to act on telephone instructions from any person representing him or herself to be the investor and reasonably believed by the Fund to be genuine. The Fund will employ reasonable procedures, such as requiring a form of personal identification, to confirm that instructions are genuine. The Fund will not be liable for any losses due to fraudulent or unauthorized instructions. The Fund will also not be liable for following telephone instructions reasonably believed to be genuine.

**Systematic Withdrawal Plan.** A shareholder who owns Fund shares of a particular class valued at \$25,000 or more at the current offering price may establish a systematic withdrawal plan (“Systematic Withdrawal Plan”) to receive a monthly or quarterly check in a stated amount (not less than \$250). Each month or quarter, as specified, the Fund will automatically redeem sufficient shares from your account to meet the specified withdrawal amount. The shareholder may establish this service whether dividends and distributions are reinvested in shares of the Fund or paid in cash. Call or write the Fund for an application form.

**Minimum Account Size.** The Trustees reserve the right to redeem involuntarily any account having a NAV of less than \$1,000 (\$10,000 for Institutional Class shareholders) (due to redemptions, exchanges, or transfers, and not due to market action) upon 30-days' prior written notice. If the shareholder brings his account NAV up to at least \$1,000 (\$10,000 for Institutional Class shareholders) during the notice period, the account will not be redeemed. Redemptions from retirement accounts may be subject to federal income tax and penalties. Shareholders may also be charged a fee by their broker or agent if shares are redeemed or transferred through their broker or agent.

**Redemptions in Kind.** The Fund does not intend, under normal circumstances, to redeem its shares by payment in kind. It is possible, however, that conditions may arise in the future which would, in the opinion of the Trustees, make it undesirable for the Fund to pay for all redemptions in cash. In such cases, the Trustees may authorize payment to be made in readily marketable portfolio securities of the Fund. Securities delivered in payment of redemptions would be valued at the same value assigned to them in computing the Fund's NAV per share. Shareholders receiving them bear the market risks associated with the securities until they have been converted into cash and may incur brokerage costs when these securities are sold. An irrevocable election has been filed under Rule 18f-1 of the 1940 Act, wherein the Fund must pay redemptions in cash, rather than in kind, to any shareholder of record of the Fund who redeems during any 90-day period, the lesser of (i) \$250,000 or (ii) 1% of the Fund's NAV at the beginning of such period. Redemption requests in excess of this limit may be satisfied in cash or in kind at the Fund's election.

**Signature Guarantees.** To protect your account and the Fund from fraud, signature guarantees may be required to be sure that you are the person who has authorized a change in registration or standing instructions for your account. Signature guarantees are generally required for (i) change of registration requests; (ii) requests to establish or to change exchange privileges or telephone and bank wire redemption service other than through your initial account application; (iii) transactions where proceeds from redemptions, dividends, or distributions are sent to a financial institution; and (iv) redemption requests in excess of \$50,000. Signature guarantees are acceptable from a member bank of the Federal Reserve System, a savings and loan institution, credit union (if authorized under state law), registered broker-dealer, securities exchange, or association clearing agency and must appear on the written request for change of registration, establishment or change in exchange privileges, or redemption request.

**Miscellaneous.** The Fund reserves the right to delay the distribution of redemption proceeds involving recently purchased shares until the check for the recently purchased shares has cleared. The Fund may also suspend redemptions, if permitted by the 1940 Act, for any period during which the New York Stock Exchange is closed, trading is restricted by the SEC, or the SEC declares that an emergency exists. Redemptions may be suspended during other periods permitted by the SEC for the protection of the Fund's shareholders. During drastic economic and market changes, telephone redemption privileges may be difficult to implement.

## **FREQUENT PURCHASES AND REDEMPTIONS**

Frequent purchases and redemptions (“Frequent Trading”) of shares of the Fund may present a number of risks to other shareholders of the Fund. These risks may include, among other things, dilution in the value of shares of the Fund held by long-term shareholders, interference with the efficient management by the Advisor of the Fund’s portfolio holdings, and increased brokerage and administration costs. Due to the potential of a thin market for the Fund; portfolio securities, as well as overall adverse market, economic, political, or other conditions that may affect the sale price of portfolio securities, the Fund could face untimely losses as a result of having to sell portfolio securities prematurely to meet redemptions. Frequent Trading may also increase portfolio turnover which may result in increased capital gains taxes for shareholders of the Fund.

The Trustees have adopted a policy with respect to Frequent Trading that is intended to discourage such activity by shareholders of the Fund. The Fund does not accommodate Frequent Trading. Under the adopted policy, the Fund’s transfer agent provides a daily record of shareholder trades to the Advisor. The Fund’s transfer agent also monitors and tests shareholder purchase and redemption orders for possible incidents of Frequent Trading. The Advisor has the discretion to limit investments from an investor that the Advisor believes has a pattern of Frequent Trading that the Advisor considers not to be in the best interests of the other shareholders in the respective Fund by the Fund’s refusal of further purchase and/or exchange orders from such investor. The Fund’s policy regarding Frequent Trading is to limit investments from investor accounts that purchase and redeem shares over a period of less than ten days having a redemption amount within ten percent of the purchase amount and greater than \$10,000 on two or more occasions during a 60 calendar day period. In the event such a purchase and redemption pattern occurs, an investor account and any other account with the same taxpayer identification number will be precluded from investing in the respective Fund (including investments that are part of an exchange transaction) for at least 30 calendar days after the redemption transaction.

The Advisor intends to apply this policy uniformly, except that the Fund may not be able to identify or determine that a specific purchase and/or redemption is part of a pattern of Frequent Trading or that a specific investor is engaged in Frequent Trading, particularly with respect to transactions made through accounts such as omnibus accounts or accounts opened through third-party financial intermediaries such as broker-dealers and banks (“Intermediary Accounts”). Therefore, this policy is not applied to omnibus accounts or Intermediary Accounts. Omnibus account arrangements permit multiple investors to aggregate their respective share ownership positions and to purchase, redeem, and exchange Fund shares without the identity of the particular shareholders being immediately known to the Fund. Like omnibus accounts, Intermediary Accounts normally permit investors to purchase, redeem, and exchange Fund shares without the identity of the underlying shareholder being immediately known to the Fund. Accordingly, the ability of the Fund to monitor and detect Frequent Trading through omnibus accounts and Intermediary Accounts is limited, and there is no guarantee that the Fund can identify shareholders who might be engaging in Frequent Trading through such accounts or curtail such trading. In addition, the policy will not apply if the Advisor

determines that a purchase and redemption pattern does not constitute Frequent Trading activity, such as inadvertent errors that result in frequent purchases and redemptions. Inadvertent errors shall include purchases and/or redemptions made unintentionally or by mistake (e.g., where an investor unintentionally or mistakenly invests in the Fund and redeems immediately after recognizing the error). The investor shall have the burden of proving to the sole satisfaction of the Advisor that a frequent purchase and redemption pattern was a result of an inadvertent error. In such a case, the Advisor may choose to allow further purchase and/or exchange orders from such investor account.

## **OTHER IMPORTANT INVESTMENT INFORMATION**

### **DIVIDENDS, DISTRIBUTIONS, AND TAXES**

The following information is meant as a general summary for U.S. taxpayers. Additional tax information appears in the Fund's Statement of Additional Information. Shareholders should rely on their own tax advisors for advice about the particular federal, state, and local tax consequences to them of investing in the Fund.

The Fund will distribute most of their income and realized gains to shareholders every year. Income dividends paid by the Fund derived from net investment income, if any, will generally be paid monthly or quarterly and capital gains distributions, if any, will be made at least annually. Shareholders may elect to take dividends from net investment income or capital gains distributions, if any, in cash or reinvest them in additional Fund shares. Although the Fund will not be taxed on amounts they distribute, shareholders will generally be taxed on distributions paid by the Fund, regardless of whether distributions are received in cash or are reinvested in additional Fund shares. Distributions may be subject to state and local taxes, as well as federal taxes.

In general, a shareholder who sells or redeems shares will realize a capital gain or loss, which will be long-term or short-term, depending upon the shareholder's holding period for the Fund shares. An exchange of shares may be treated as a sale and any gain may be subject to tax.

As with all mutual funds, the Fund will be required in certain cases to withhold and remit to the U.S. Treasury a percentage of taxable dividends or of gross proceeds realized upon sale paid to shareholders who (i) have failed to provide a correct taxpayer identification number in the manner required; (ii) are subject to back-up withholding by the Internal Revenue Service for failure to include properly on their return payments of taxable interest or dividends; or (iii) have failed to certify to the Fund that they are not subject to back-up withholding when required to do so. Back-up withholding is not an additional tax. Any amounts withheld from payments to you may be refunded or credited against your U.S. federal income tax liability, if any, provided that the required information is furnished to the Internal Revenue Service.

Shareholders should consult with their own tax advisors to ensure that distributions and sale of Fund shares are treated appropriately on their income tax returns.

### **FINANCIAL HIGHLIGHTS**

The financial highlights tables on the following pages are intended to help you understand the Fund's financial performance since its inception on January 30, 2014. 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). The financial data in the table below has been derived from audited financial statements of the Fund. The information for the fiscal year ended September 30, 2017 has been audited by BBD, LLP, an independent registered public accounting firm, whose reports covering such period are incorporated by reference into the Statement of Additional Information. This

information should be read in conjunction with the Fund's latest audited annual financial statements and notes thereto, which are also incorporated by reference into the Statement of Additional Information, copies of which may be obtained at no charge by calling the Fund. Further information about the performance of the Fund is contained in the Annual Report, copies of which may also be obtained at no charge by calling the Fund at 1-800-773-3863.

## QCI BALANCED FUND

<i>For a share outstanding during the fiscal period or years ended September 30,</i>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014 (d)</b>
<b>Net Asset Value, Beginning of Period</b>	<u>\$10.95</u>	<u>\$10.20</u>	<u>\$10.53</u>	<u>\$10.00</u>
Income from Investment Operations				
Net investment income	0.10 (e)	0.11 (e)	0.10	0.02
Net realized and unrealized gain (loss) on securities	0.73 (e)	0.75 (e)	(0.27)	0.51
<b>Total from investment operations</b>	<u>0.83</u>	<u>0.86</u>	<u>(0.17)</u>	<u>0.53</u>
Less Distributions to Shareholders:				
Net investment income	<u>(0.10)</u>	<u>(0.11)</u>	<u>(0.12)</u>	=
Net realized gains	=	=	<u>(0.04)</u>	=
<b>Total Distributions to Shareholders</b>	<u>(0.10)</u>	<u>(0.11)</u>	<u>(0.16)</u>	=
<b>Net Asset Value, End of Period</b>	\$11.68	\$10.95	\$10.20	<u>\$10.53</u>
<b>Total Return</b>	7.59%	8.45%	(1.63)%	<u>5.30% (b)</u>
Net Assets, End of Period (in thousands)	\$60,315	\$58,349	\$44,909	\$28,466
Ratios of:				
Gross expenses to average net assets (c)	1.19%	1.18%	1.20%	1.65% (a)
Net expenses to average net assets (c)	1.00%	1.00%	1.00%	1.00% (a)
Net investment income to average net assets	0.86%	1.05%	1.05%	0.80% (a)
Portfolio turnover rate	29.19%	38.35%	24.04%	28.77% (b)

(a) Annualized.

(b) Not annualized.

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

(d) For a share outstanding during the period from January 30, 2014 (Date of Initial Public Investment) through September 30, 2014.

(e) Calculated using the average shares method.

## QCI Balanced Fund

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More information about the Fund can be found in the Statement of Additional Information, which is incorporated by reference into this prospectus. More information about the Fund's investments will be available in the annual and semi-annual reports to shareholders. The annual reports will include discussions of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

The Fund's Statement of Additional Information and the annual and semi-annual reports will be available, free of charge, on the website listed below and upon request by contacting the Fund (you may also request other information about the Fund or make shareholder inquiries) as follows:

- By telephone:** 1-800-773-3863
- By mail:** **QCI Balanced Fund**  
c/o Nottingham Shareholder Services  
116 South Franklin Street  
Post Office Box 4365  
Rocky Mount, North Carolina 27804
- By e-mail:** [shareholders@ncfunds.com](mailto:shareholders@ncfunds.com)
- On the Internet:** [www.ncfunds.com](http://www.ncfunds.com)

Information about the Fund (including the Statement of Additional Information) can also be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Inquiries on the operations of the public reference room may be made by calling the SEC at 1-202-551-8090. Reports and other information about the Fund are available on the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>, and copies of this information may be obtained, 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 SEC's Public Reference Section, Washington, D.C. 20549-1520.