

# Polaris

Global Value Fund

April 5, 2011

Dear Fellow Shareholder,

The Polaris Global Value Fund (“the Fund”) outperformed the benchmark MSCI World Index for the quarter ended March 31, 2011. For the quarter, the Fund returned 5.86% versus the MSCI World Index, which posted 4.80%.

Volatility generated bouts of market strength and weakness in the first quarter, and in response, we sold five portfolio companies that reached target valuation levels. As negative news in the Middle East and Japan depressed worldwide markets, we were able to purchase fundamentally-strong companies at good valuations with available cash. We added one new holding and boosted weightings in several others, all of which contributed to positive performance that surpassed the Fund's benchmark by quarter end.

The following table summarizes total returns through March 31, 2011.

	2011		Annualized As of March 31, 2011						
	YTD	Q1	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs	ITD*
<b>Polaris Global Value Fund</b>	<b>5.86%</b>	<b>5.86%</b>	<b>20.32%</b>	<b>-0.88%</b>	<b>0.31%</b>	<b>8.86%</b>	<b>9.41%</b>	<b>10.72%</b>	<b>9.49%</b>
MSCI World Index, net dividends reinvested	4.80%	4.80%	13.45%	-0.25%	2.08%	4.21%	5.53%	6.76%	5.96%

\*Inception-to-date (Inception 07/31/1989)

*Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Returns greater than one year are annualized. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month end performance, please call (888) 263-5594 or visit the Fund's website at [www.polarisfunds.com](http://www.polarisfunds.com). As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.46%. Quarter end expense ratio is 1.35%; this ratio is based on amounts incurred during the most recent quarter, divided by the average assets for the period multiplied by 365 and divided by the number of days in the quarter. Shares redeemed or exchanged within 180 days of purchase will be charged a 1.00% fee. Fund performance returns shown do not reflect this fee; if reflected, the returns would have been lower. See pages 3& 4 for additional disclosure.*

*The recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.*

The table above shows that the Fund's long-term performance has exceeded benchmark returns with lower market risk, as measured by the beta statistic of 0.92 since the Fund's inception (volatility measurement relative to the MSCI World Index).

#### FIRST QUARTER 2011 PERFORMANCE ANALYSIS:

The Fund's outperformance can be attributed to absolute positive returns in seven of ten sectors. The industrials sector was one of the strongest contributors to performance, led by German engine maker Tognum AG, which was a potential takeover target subject to a joint bid from Rolls-Royce Group Plc and Daimler AG. YIT OYJ, a Finnish company, benefitted from growth in the Russian and Finnish housing markets, maintenance services and lower interest expense. The Fund's Japanese industrials showed divergent returns: Nippon Yusen Kabushiki dropped more than 10%, after the earthquake/tsunami on concerns of slowing Japanese car production. Only 3 of the company's 200 ships were damaged, and they were fully insured. We expect to see a recovery of Nippon Yusen in the short term, as it also transports liquefied natural gas. In contrast, Iino Kaiun produced positive double digit returns for the quarter, as its business model includes

shipments of gas and chemicals from the Middle East to Japan. Such products will be in greater demand as Japan supplements nuclear energy generation with natural gas.

Another top contributor to performance was the materials sector. Corrugated box manufacturer Smurfit Kappa was up 30%, backed by European and Latin American demand. Similarly, Metorex Ltd., a South African producer of metals and coal, improved its copper and cobalt production during the first quarter; the company is well positioned to capitalize on the supply-demand issues (stemming from emerging countries) that resulted in higher copper prices. At the end of March, Metorex stock rose to the highest price in more than two years after management stated that the company was in talks that could influence its share price. CRH continued its recovery, announcing positive earnings and growth projections for building materials in Eastern Europe. The stock was up more than 10%.

One of the best performing sub-industries in the quarter was British homebuilders, which bolstered consumer discretionary returns. Taylor Wimpey has a number of bidders for its U.S. division, potentially securing a premium price that will help alleviate the company's outstanding debt. Three of the four British homebuilder holdings in the Fund posted double-digit returns, capitalizing on stability in the British housing market and the move from production of apartment-style complexes to townhouses and single-family developments.

Higher oil prices drove up energy stocks; in fact, the strong advance drove valuations to our target sell limits, and we sold two of the Fund's energy holdings. Of the energy companies remaining in the portfolio, Marathon Oil was up more than 40% on news that the company decided to split its respective businesses, spinning off its downstream business (oil refineries) and operating a stand-alone oil/gas exploration and production firm.

In the information technology sector, Brooks Automation advanced more than 40% for the quarter, backed by strong earnings and Intel's announcement to augment capital spending. Brooks is a niche supplier of capital equipment to the semiconductor industry, and continuing strong demand from various semiconductor companies including Intel, Varian and others will likely boost the company's prospects.

The Fund's holdings in the financial sector were mixed with Investor AB, DNB NOR ASA, KBC Groep NV, as well as U.S.-based banks Southwest Bancorp Inc., Webster Financial Corp and Astoria, contributing strong returns. These were mainly offset by Peoples Bancorp Inc., Univest Corp of Pennsylvania and International Bancshares Corp. (IBOC). A holding company for a collection of Swedish companies, Investor AB was trading at a large discount to its true value. However, the discount closed a bit this quarter. KBC advanced strongly, after demonstrating steady progress in selling assets to shore up capital. Southwest Bancorp and Webster Financial announced reductions in the respective companies' charge-offs and loan loss provisions, effectively boosting the stock prices.

During the quarter, even the worst performing U.S. bank stocks announced positive absolute earnings. For example, IBOC reported \$30.4 million in net income for the fourth quarter of 2010, and management expressed confidence in the strength of its balance sheet, quality of its loan portfolio and stability in its target geographies. At year end 2010, Peoples announced a partial repayment of TARP funds, utilizing the company's existing strong capital and liquidity levels. Fourth quarter 2010 net income was positive, and the company recently declared a first quarter 2011 dividend. The appointment of a new CEO reduced expectations that the firm will be sold in the near term.

Japan's Kansai Electric Power detracted from otherwise solid performance in the utilities sector. Although Kansai's power plants were not directly affected by the earthquake, the stock suffered along with the overall Japanese economy. U.S. based utility holding Allete achieved positive returns, after announcing projections for a 25% increase in demand for their electricity generation over the next few years in response to strong demand from existing and new industrial customers in the taconite and paper industries. Allete has an enviable wind generation position in North Dakota, one of the world's best locations for wind generation. More importantly, the firm owns a much desired direct current transmission line that gives it the ability to transport electricity from the remote wind generation sites to the city of Duluth, Minnesota.

Within telecommunications, Frontier Communications, a U.S. company formed by a spinoff of Verizon and simultaneous merger with two other telecom companies, has been making progress in the merging of these entities. However, immediately after Frontier's earnings report, short-term focused investors sold the stock, disappointed by the pace of the merger integration. We believe that Frontier's efforts to merge and identify synergies is on-track, and within the normal timeframe for such transitions. Frontier's stock dividend yield is over 9%.\*

Consumer staples detracted from better performance, largely attributable to the Fund's Japanese domestic holdings, none of which were materially affected, but rather dropped in line with the overall market in response to the crisis. We believe that the majority of the Fund's Japanese holdings have good long-term stability and growth prospects that will weather the recent disaster. We bolstered our investments in several of these undervalued holdings at quarter end.

## FIRST QUARTER 2011 ASSET ALLOCATION:

As referenced above, the Fund sold five stocks (two in energy, two in industrials and one in consumer discretionary) as company valuations reached respective target sell prices. Each of the companies had strong fundamentals and was sold at a profit. The Fund utilized the cash proceeds to purchase one new consumer discretionary stock and to increase weightings in other current holdings. We continue to buy opportunistically, purchasing stocks in down markets and selling positions at a profit in market advances. This strategy was deployed actively in 2010, and continues to remain relevant in today's volatile markets.

The following table shows the Fund's asset allocation at March 31, 2011.

Polaris Global Value Fund Asset Allocation												
	Portfolio Weighting	Energy	Utilities	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Info. Tech.	Telecom Services	Cash
N. America	37.88%	1.88%	2.30%	3.33%	5.47%	1.47%	2.71%	5.22%	10.96%	2.04%	2.49%	0.00%
Japan	8.70%	0.00%	1.14%	1.43%	2.26%	0.00%	2.71%	0.00%	0.00%	0.00%	1.16%	0.00%
Other Asia	7.59%	1.80%	0.00%	1.61%	0.00%	0.00%	0.00%	0.00%	1.06%	2.14%	0.97%	0.00%
Europe	30.20%	0.00%	0.00%	9.03%	4.89%	7.49%	1.57%	1.78%	3.80%	1.63%	0.00%	0.00%
Scandinavia	10.83%	0.00%	0.00%	0.00%	4.48%	1.79%	0.00%	0.00%	4.56%	0.00%	0.00%	0.00%
Africa & S. America	2.51%	1.52%	0.00%	0.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	2.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.28%
<b>Industry Totals</b>	<b>100.00%</b>	<b>5.21%</b>	<b>3.44%</b>	<b>16.39%</b>	<b>17.10%</b>	<b>10.75%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>20.39%</b>	<b>5.81%</b>	<b>4.62%</b>	<b>2.28%</b>

Table may not cross foot due to rounding.

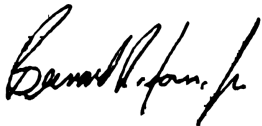
## INVESTMENT ENVIRONMENT AND STRATEGY:

While we continue to believe that economic recovery will be slow, steady and mixed, the latest discussions with companies suggest further economic expansion. There remains a large discrepancy between growth in emerging and developed markets and we expect this growth gap to persist in the near term. To minimize the tremendous instability that characterized emerging stock markets last year, we participated via holdings in developed markets that have strong exposure to emerging countries. Some of the Fund's best performing stocks in the quarter, and for the majority of last year, were companies with good corporate governance, strong accounting and control systems and high quality management that benefitted from strong growth in emerging countries. At year-end 2010, Fund management discussed efforts to de-risk the portfolio; this strategy was implemented in the first quarter and helped achieve positive results in March. Consistent with the Fund's philosophy/strategy, we will continue to strive for above market returns with lower than benchmark risk.

We are very pleased to report that the proprietary Polaris research screens currently show nearly 1700 attractive companies compared with normal levels of 400-500 companies. This presents us with an unusually large number of very good research candidates and possible buying opportunities in the months ahead. We are quite busy researching these opportunities and hope to report further progress at the end of the second quarter.

As always, we welcome your questions and comments.

Sincerely,



Bernard R. Horn, Jr.  
Portfolio Manager

\* Dividend yield does not represent the Fund's yield.

**The Fund invests in securities of foreign issuers, including issuers located in countries with emerging capital markets. Investments in such securities entail certain risks not associated with investments in domestic securities, such as volatility of currency exchange rates, and in some cases, political and economic instability and relatively illiquid markets.** Fund performance includes reinvestment of dividends and capital gains. During the period, some of the Fund's fees were waived or expenses reimbursed. In the absence of these waivers and reimbursements, performance figures would be lower.

On June 1, 1998, a limited partnership managed by the adviser reorganized into the Fund. The predecessor limited partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The Fund's performance for the periods before June 1, 1998 is that of the limited partnership and includes the expenses of the limited partnership. If the limited partnership's performance had been readjusted to reflect the second year expenses of the Fund, the Fund's performance for all the periods would have been lower. The limited partnership was not registered under the Investment Company Act of 1940 ("1940 Act") and was not subject to certain investment limitations, diversification requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance.

*As of March 31, 2011, the Fund's largest equity holdings and the percentages they represent in the Fund's total net assets are as follows:*

<u>Issuer</u>	<u>Percentage of Total Net</u>		<u>Issuer</u>	<u>Percentage of Total Net</u>	
	<u>Assets</u>			<u>Assets</u>	
Mac-Gray Corp.	2.10%		Taylor Wimpey PLC	1.73%	
Tognum AG	2.09%		Symrise AG	1.69%	
Brooks Automation, Inc.	2.04%		UnitedHealth Group, Inc.	1.68%	
BASF SE	1.97%		DnB Nor ASA	1.68%	
Smurfit Kappa Group PLC	1.97%		Praxair, Inc.	1.67%	
Kone Oyj, Class B	1.90%		Methanex Corp.	1.67%	
Marathon Oil Corp.	1.88%		Wincor Nixdorf AG	1.62%	
Thai Oil PCL	1.80%		BHP Billiton, Ltd., ADR	1.61%	
Duni AB, Class A	1.79%		Christian Dior SA	1.57%	
AMETEK, Inc.	1.76%		Greencore Group PLC	1.56%	

The MSCI World, EAFE, and USA Indexes, net dividends reinvested measures the performance of a diverse range of global stock markets in the United States, Canada, Europe, Australia, New Zealand and the Far East. The MSCI World Index is unmanaged and does include the reinvestment of dividends, net of withholding taxes. One cannot invest directly in an index or an average.

The views in this letter were those of the Fund manager as of March 31, 2011, and may not reflect the views of the manager on the date this letter is second published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investment and do not constitute investment advice.

*Before investing, you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling (888) 263-5594 or visiting the Fund's website at [www.polarisfunds.com](http://www.polarisfunds.com). Please read the prospectus carefully before you invest.*

Foreside Fund Services, LLC, is the Fund's Distributor.

Historical Calendar Year Annual Returns (years ended December 31)

	<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>		<u>Polaris Global Value Fund</u>	<u>MSCI World Index</u>
2010	20.64%	11.76%	1999	16.50%	24.93%
2009	35.46%	29.99%	1998	-8.85%	24.34%
2008	-46.19%	-40.71%	1997	34.55%	15.76%
2007	-3.97%	9.04%	1996	23.34%	13.48%
2006	24.57%	20.07%	1995	31.82%	20.72%
2005	10.52%	9.49%	1994	-2.78%	5.08%
2004	23.63%	14.72%	1993	25.70%	22.50%
2003	47.06%	33.11%	1992	9.78%	-5.23%
2002	3.82%	-19.89%	1991	17.18%	18.28%
2001	2.21%	-16.82%	1990	-11.74%	-17.02%
2000	-5.82%	-13.18%			