Polaris Global Value Fund

Dear Fellow Shareholder, January 9, 2012

We entered 2011 prepared for a mixed and volatile economic environment and with these expectations in mind, we positioned the Polaris Global Value Fund (the "Fund") to be more defensive. We were rewarded by positive fourth quarter gains in energy, healthcare, consumer staples and utilities, as well as benchmark-beating returns in seven of 10 sectors. The Fund experienced satisfactory fourth quarter results of 7.05%, slightly behind the MSCI World Index that returned 7.59%.

Volatility affected full-year results, as first and fourth quarter gains were offset by the middle two underperforming quarters. The Fund was down -8.16% for the year versus the benchmark at -5.54%. Fund annual results were mainly impacted by an underweight holding in the U.S. and weakness in financial, industrial and information technology sectors. U.S. financials experienced a strong rebound in the fourth quarter, with projections for growth in 2012. Among other fourth quarter themes:

- The Fund held some short-term strong performers and some companies that were among the best values, but appeared to be underachievers. This was illustrated by the Fund's banking stocks, which have lagged until recently. They were strong in the fourth quarter with U.S. banks up nearly 10%. By holding onto substantially undervalued and fundamentally-sound companies during negative periods, we were the beneficiaries of an early and fast rebound.
- Merger and acquisition (M&A) activity was a strong catalyst for our portfolio holdings during the year, with Demag Cranes, Tognum AG and Metorex as examples. Our investment philosophy tends to identify takeover targets (undervalued companies with strong free cash flow and low debt levels). Sector M&A activity (i.e. takeover of a competitor in the industry) in the fourth quarter also boosted CRH's valuation.
- Company-specific deterioration led to some sell decisions. However, most stocks retained their fundamental strengths, but were punished by third quarter deterioration in macro-economic conditions and country- or sector-specific events. While we remain focused on the fundamentals and resist the emotional content of volatile markets, we are mindful of broader trends that might have a detrimental effect on future company cash flows.

The following table summarized total returns through December 31, 2011.

						Annualized As of December 31, 2011						
	YTD	**QIV**	**QIII**	**QII**	**QI**	**1 Yr**	**3 Yrs**	**5 Yrs**	**10 Yrs**	**15 Yrs**	**20 Yrs**	**ITD***
Polaris Global Value Fund	**-8.16%**	**7.05%**	**-18.91%**	**-0.07%**	**5.86%**	**-8.16%**	**14.49%**	**-4.96%**	**7.26%**	**7.03%**	**9.41%**	**8.46%**
MSCI World Index, net dividends reinvested	-5.54%	7.59%	-16.61%	0.47%	4.80%	-5.54%	11.13%	-2.37%	3.62%	4.20%	5.81%	5.27%

*Inception-to-date (Inception 7/31/1989)

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 for more 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. As stated in the current prospectus, the Fund's annual operating expense ratio (gross) is 1.39%. Quarter end expense ratio is 1.37%; 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 4&5 for additional disclosure. Short-term performance, in particular, is not a good indication of the Fund's future performance, and an investment should not be made based solely on returns. 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 0.93 since the Fund's inception (volatility measurement relative to the MSCI World Index).

FOURTH QUARTER 2011 PERFORMANCE ANALYSIS:

Financials were the top contributor to performance this quarter, with eight of nine U.S. bank holdings in the Fund posting double-digit returns. Webster Financial's success can be attributed to its third quarter 2011 earnings, which included a substantial increase in consolidated net income, nearly doubling the income from the prior comparable quarter, while reducing loan and lease loss provisions. Similarly, Independent Bank Corp. saw returns greater than 25%, after producing strong third quarter results. In mid-October, Ameris Bancorp reported $15.6 million in net income for the September 30, 2011 quarter end, with profitability and credit quality improvement for the fourth consecutive quarter, decreasing problem assets and the completion of its seventh and eighth FDIC-assisted acquisitions.

In general, U.S. banking problems started in 2008-2009. For the last three-plus years, U.S. banks have been recapitalizing and problem solving to the extent that the sector seems to have reached an inflection point, with new problems abating and earnings trending upward. U.S. banks entered problems earlier and are two to three years ahead of their European counterparts, as many foreign countries are now beginning to recognize problems related to sovereign debt and refinancing constraints. Cognizant of this timeline, the Fund reduced its weighting in European financials over the past few years, and as a result, European financials had a lesser impact on the Fund performance. As we have done with U.S. financials, we will monitor the situation in Europe, and as the crisis resolves, we will attempt to time our entry back into European financials on a judicious basis.

In healthcare, Questcor Pharmaceuticals achieved double-digit returns as Acthar prescriptions rose for treatment of multiple sclerosis and nephrotic syndrome. Questcor's management decision to increase its sales force from 20+ people to 85 currently after FDA approval in late 2010 is now beginning to produce results; new sales generation and physician prescriptions have begun offsetting overhead and salaries. The full potential of these sales professionals has yet to be realized, which indicates a promising company story for 2012. Quest Diagnostics' stock price increased after announcing that (1) the CEO will be stepping down in six months time, with a planned transition process in place; and (2) in an effort to demonstrate the company's shareholder-friendly status, the company raised the quarterly dividend** to $0.17 per share, a 70% increase from the prior quarter's dividend.

Insurers UnitedHealth and Wellpoint posted positive returns, as the new trend toward higher deductible plans caused healthcare patients to be more economical in use of medical services. Medical cost ratios are lower, which helped to control premium and medical costs for their customers and the insurance companies.

The Fund's consumer discretionary holdings were buoyed by children's apparel marketer Carter's Inc., which reported strong revenue growth and market share gains in the third quarter. The abnormal spike in cotton prices in 2010 fell back in 2011. Carter's solid brand name in baby clothing helped its pricing power and profitability even when raw material prices experienced volatility.

British homebuilders continued a modest upward trend after reporting better-than-expected third quarter results. In particular, Barratt stock rose on news of a 25% increase in confirmed order books for 2012. This followed on the sub-industry's strong performance in the first half of 2011, as Taylor Wimpey, Bellway, Barratt and Persimmon capitalized on U.K. new home price stability due to increased production of single-family residences coupled with low interest rates. We believe these stocks remain undervalued, at 60-70% below their 2007 peaks. As cash flow generation picks up and earnings improve, investors will regain confidence in this sector and we expect to see a recovery in stock prices.

A confluence of events boosted the fourth quarter returns of Irish building materials group CRH. First, the company reported strong third quarter sales; second, strong index fund buying increased the stock price when the company was included in the London FTSE Index; and third, the stock gained on news of Martin Marietta's hostile takeover bid for the larger gravel, sand and stone supplier Vulcan Materials. The bid of $4.74 billion in stock was an unexpectedly high valuation on cash flow, making CRH's valuation look attractive.

Among other materials sector holdings, Praxair Inc., the largest industrial gas supplier in North America, announced third quarter revenues increased by 14%, with solid growth in all geographies except Europe. The company declared a $0.50 per share dividend, and announced a spree of synergistic acquisitions throughout the quarter, all of which pointed to growth in the industrial gases market worldwide. Reversing a trend from last quarter, German perfume oils and food flavorings producer Symrise AG achieved positive double-digit returns as consumer spending rose, and raw material inflation stabilized, albeit at a high level. Symrise's decision to raise prices early in 2011 was well timed.

In industrials, shipping companies were negatively impacted by news of subdued economic growth and the possibility of recession in some countries. Shipping and trading volumes usually grow at a factor above GDP growth; when GDP growth dropped (or looked to turn negative) due to the European debt crisis, expectations were lowered for shipping rates.

Additionally, China announced new ship builds, adding a glut of supply to an already weak sector. As a result, we sold Japanese shipping stock Nippon Yusen during the quarter.

Italy's foundation and drilling services company Trevi Finanziaria produced good results but its stock price suffered as reports circulated that a competitor might win the Mosul Dam project in Iraq. Trevi was quick to point out that the contract had yet to be officially awarded, but the stock reacted nonetheless. Exacerbating the situation, two of Trevi's competitors announced profit warnings for the fourth quarter. Investors may not have taken into consideration Trevi's differentiating business model that includes an oil service division operating at full capacity and delivering as many rigs and services as it can manufacture. Additionally, Trevi had been awarded more than $28 million in new Middle East contracts and another $38.5 million in works in Africa, Asia-Pacific, Argentina, Puerto Rico and Iraq during the fourth quarter.

Telecommunications holdings were another detractor from performance. Although executing a seamless integration with Verizon, Frontier Communications announced a third quarter revenue decline, with investors worried about the dividend payout. We bought this company with the understanding that rural telephone lines are not a high growth, but rather necessity-based, business but the amount of cash flow would be able to sustain the restructuring. We believe that the synergies realized from the merger will ultimately provide cost reductions to offset declines in rural line use. Among other telecommunications holdings, Verizon Wireless announced a deal in December whereby three cable companies will sell wireless spectrum to Verizon for $3.6 billion. The deal included an agreement by the parties to cross-sell bundles of wireless, phone, cable-TV and Internet products. Verizon Wireless, which has 91 million wireless customers, intends to use the additional spectrum to boost capacity of its network for phones and tablets. The stock responded positively (up 10% for the quarter) on the news.

FOURTH QUARTER 2011 ASSET ALLOCATION:

We sold Kansai Electric Power (KEPCO), Japan's second largest electric utility, after completing a study balancing greater use of fossil fuel as opposed to cheaper nuclear fuel. KEPCO had the highest ratio amongst its peers of electric power sourced from inexpensive nuclear energy. The political and public outcry since the tsunami changed the operating environment, with the Japanese government preventing the restart of nuclear plants after shutdown for scheduled maintenance, pending further safety studies. KEPCO's profitability will be disproportionately impacted if it must shift from a high proportion of low-cost nuclear power to more expensive fossil fuels.

We sold SK Telecom, Korea's largest wireless phone operator, after their decision to buy a 21% stake in Hynix Semiconductor. We believed the acquisition was a poor use of cash flow, as questions remained about Hynix's commodity semiconductor products, worsening conditions in its prime DRAM applications and potential stumbling blocks in the post-acquisition integration.

While we did not institute any new purchases this quarter, we did increase our positions in some promising holdings, most notably Infosys, an Indian global technology services company. As big business ramps up capital expenditures in 2012, modernization of IT infrastructure is expected to be a big ticket spend. Infosys is a prime player in this market, and may capitalize on this trend. The weak Rupee should boost its cost position.

Our research pipeline has identified a significant number of global companies trading at attractive valuations. We are very optimistic about the companies currently appearing in our investment analysis, and continue to conduct extensive on-the-ground research of stock candidates. We expect to increase our purchasing in 2012, attempting to carefully time our entry into markets to capture upside potential. The following table shows the Fund's asset allocation at December 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	43.91%	1.53%	3.21%	3.19%	4.66%	2.26%	3.69%	8.44%	11.79%	2.52%	2.61%	0.00%
Japan	9.19%	0.00%	0.00%	1.61%	0.90%	0.00%	5.40%	0.00%	0.00%	0.00%	1.27%	0.00%
Other Asia	7.31%	1.14%	0.65%	1.46%	0.00%	0.00%	0.00%	0.00%	0.70%	3.34%	0.00%	0.00%
Europe	28.11%	1.09%	0.00%	6.59%	1.31%	8.03%	1.87%	3.38%	3.48%	1.07%	1.30%	0.00%
Scandinavia	8.79%	0.00%	0.00%	0.00%	3.14%	1.61%	0.00%	0.00%	4.04%	0.00%	0.00%	0.00%
Africa/S. America	2.73%	1.61%	0.00%	1.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Industry Totals	**100.00%**	**5.36%**	**3.87%**	**13.98%**	**10.01%**	**11.90%**	**10.95%**	**11.82%**	**20.00%**	**6.94%**	**5.18%**	**0.00%**

Table may not cross foot due to rounding.

INVESTMENT ENVIRONMENT AND STRATEGY:

Although we tire of reiterating the same message quarter after quarter, we remain convinced of our "mixed" global economic outlook. This is not an economy where all sectors and all countries are growing simultaneously. Juxtapose the strength of the U.S. energy sector (boosted by shale gas) with U.S. homebuilders, which stagnate under foreclosures. We see no reason to change our outlook in the face of concerns about sovereign debt and financing problems experienced worldwide. These problems took years to accumulate, and won't be resolved over a short period.

However, there is an underlying base of solid demand and economic growth in emerging countries and the U.S. Nearly 40% of the world's equity capital comes from the U.S., with strong GDP growth from BRIC countries (Brazil, Russia, India and China). We are expectant that strength in the U.S. will provide the impetus to recovery in developed foreign markets.

In meetings with hundreds of companies' management teams during the past year, we witnessed pessimistic attitudes evolved into slightly positive projections, based on resumption of modest demand and growth in emerging countries and the U.S. When people receive their paychecks, most of that money will be spent on mortgage/rent, food, utilities and some discretionary items like cell phone bills and clothing. That base of demand won't go away, and in fact, we believe that retail demand is marginally growing in the U.S., with stronger growth in emerging countries.

Demand is also evident on the commercial side, with big business renewing capital expenditures on everything from product raw materials to research/development and sales/marketing. In fact, capital expenditure spending may go higher, as corporations are reinvesting their cash flows to further develop their businesses.

However, negative news at the macro level will continue to permeate many markets, particularly in the first half of 2012, producing mispriced stocks and buying opportunities. We have recently increased our cash position in order to buy into this longer-term economic story at lower prices.

Our investment outlook is that equity and bond markets will continue to fluctuate, with the potential for negative days, weeks, months and quarters. Rather than be surprised and react emotionally to bad news, we encourage investors to capitalize on markets declines, using these periods to dollar cost average and rebalance existing portfolios or add new funds.

As always, we welcome your questions and comments.

Sincerely,

Bernard R. Horn, Jr.
Portfolio Manager

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

Please note: Shareholder statements are now mailed separately from this quarterly commentary. The quarterly commentary and fact sheets are both available prior to the mailing at www.polarisfunds.com. The site also provides updates on the Fund's investment outlook and strategy during the current market cycle.

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. Options trading involves risk and is not suitable for all investors. 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 December 31, 2011, the Fund's largest equity holdings and the percentages they represent in the Fund's portfolio market value were as follows:

Issuer	Percentage of Total Net Assets	Issuer	Percentage of Total Net Assets
Carter's, Inc.	2.22%	Asahi Group Holdings, Ltd.	1.76%
Questcor Pharmaceuticals, Inc.	2.13%	Mac-Gray Corp.	1.75%
Samsung Electronics Co., Ltd.	2.07%	Allete, Inc.	1.70%
Nichirei Corp.	1.92%	UnitedHealth Group, Inc.	1.69%
The J.M. Smucker Co.	1.85%	Persimmon PLC	1.66%
Greencore Group PLC	1.83%	The Chubb Corp.	1.65%
Praxair, Inc.	1.80%	Quest Diagnostics, Inc.	1.64%
Ameris Bancorp	1.78%	Independent Bank Corp.	1.63%
Bellway PLC	1.78%	MEIJI Holdings Co., Ltd.	1.63%
H.J. Heinz Co.	1.77%	AMETEK, Inc.	1.62%

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 December 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 visit the Fund's website at www.polarisfunds.com. Please read the prospectus carefully before you invest.

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

The Fund's annual performance as compared to the benchmark is as follows:

Historical Calendar Year Annual Returns (years ended December 31)

	Polaris Global Value Fund	MSCI World Index		Polaris Global Value Fund	MSCI World Index
2011	-8.16%	-5.54%	2000	-5.82%	-13.18%
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%