

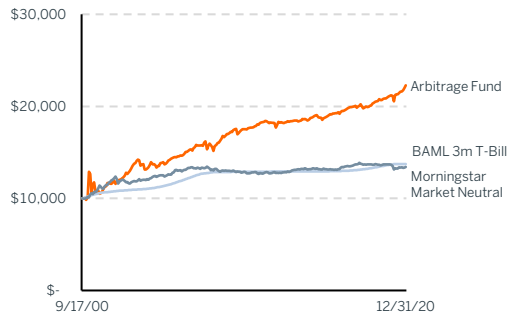


### Fund Objective

The fund seeks to provide capital growth and absolute returns by investing in equity securities involved in mergers and acquisitions transactions, targeting a return profile with low volatility and low correlation to the capital markets.

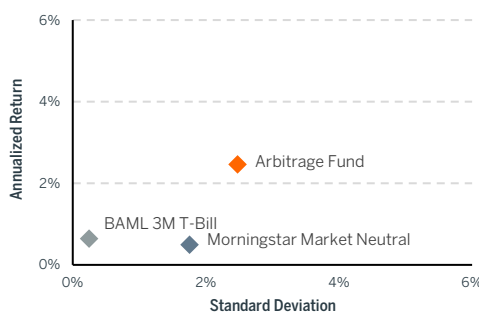
### Performance Comparison (ARBFX)

Growth of \$10,000 since inception (9/17/00), as of 12/31/20.



### Risk-Return Comparison (ARBFX)

Ten-year risk vs. return, as of 12/31/20



| Total returns as of 12/31/20    | 3-Month | YTD   | 12-Month | 5-Year | 10-Year | Since Inception |
|---------------------------------|---------|-------|----------|--------|---------|-----------------|
| Arbitrage R (ARBFX)             | 3.12%   | 5.43% | 5.43%    | 3.41%  | 2.46%   | 4.03%           |
| Arbitrage I (ARBNX)             | 3.17%   | 5.72% | 5.72%    | 3.66%  | 2.71%   | 3.20%           |
| Arbitrage C (ARBCX)             | 2.90%   | 4.66% | 4.66%    | 2.63%  | –       | 1.65%           |
| Arbitrage C (ARBCX) – Load Adj. | 1.95%   | 3.69% | 3.69%    | 2.63%  | –       | 1.65%           |
| Arbitrage A (ARGAX)             | 3.13%   | 5.45% | 5.45%    | 3.39%  | –       | 2.67%           |
| Arbitrage A (ARGAX) – Load Adj. | 0.29%   | 2.55% | 2.55%    | 2.81%  | –       | 2.30%           |

Inception: ARBFX, 9/17/00; ARBNX, 10/17/03; ARBCX, 6/1/12; ARGAX, 6/1/13. Returns greater than one year are annualized.

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling (800) 295-4485. Returns shown above include the reinvestment of all dividends and capital gains. Class A shares have a maximum front-end sales charge of 2.75%. A deferred sales charge of up to 1.00% may be imposed on purchases of \$250,000 or more of Class A shares purchased without a front-end sales charge that are redeemed within 18 months of purchase.

| MARKET CAP EXPOSURE |       |
|---------------------|-------|
| Under \$500MM       | 2.0%  |
| \$500MM - \$2B      | 15.6% |
| \$2B - \$10B        | 52.3% |
| Over \$10B          | 27.3% |

| SECTOR EXPOSURE        |       |
|------------------------|-------|
| Communication Services | 6.5%  |
| Consumer Discretionary | 8.3%  |
| Consumer Staples       | 0.6%  |
| Energy                 | 4.2%  |
| Financials             | 21.2% |
| Health Care            | 9.9%  |
| Industrials            | 8.9%  |
| Information Technology | 30.8% |
| Materials              | 1.5%  |
| Real Estate            | 2.1%  |
| Utilities              | 3.7%  |
| Broad Index            | 5.3%  |
| Government             | 0.0%  |

| REGION EXPOSURE             |       |
|-----------------------------|-------|
| Americas                    | 85.7% |
| Asia Pacific                | 3.9%  |
| Europe, Middle East, Africa | 13.3% |

### Risk Metrics

|                    |       |                              |      |
|--------------------|-------|------------------------------|------|
| Standard Deviation | 3.15% | Correlation (vs S&P 500)     | 0.62 |
| Sharpe Ratio       | 0.68  | Correlation (vs BbgBarc Agg) | 0.20 |
| Sortino Ratio      | 1.08  | Beta (vs. S&P 500)           | 0.11 |
|                    |       | Beta (vs BbgBarc Agg)        | 0.19 |

### Portfolio Characteristics

|                |        |                          |          |
|----------------|--------|--------------------------|----------|
| Long Exposure  | 102.9% | Weighted Avg. Market Cap | \$9.7 B  |
| Short Exposure | -33.3% | Median Market Cap        | \$2.9 B  |
| Gross Exposure | 136.3% | Max. Target Market Cap   | \$35.6 B |
| Net Exposure   | 69.6%  | Min. Target Market Cap   | \$180 MM |

### Top Ten Holdings

|  |      |
|--|------|
| Eaton Vance Corp / Morgan Stanley                    | 6.4% |
| Water Island Event-Driven Fund                       | 5.3% |
| LogMeIn Inc / Francisco Partners                     | 4.9% |
| National General Holdings Corp / Allstate Corp       | 4.6% |
| Willis Towers Watson PLC / Aon PLC                   | 4.5% |
| Maxim Integrated Products Inc / Analog Devices Inc   | 4.3% |
| Varian Medical Systems Inc / Siemens Healthineers AG | 4.0% |
| PNM Resources Inc / Avangrid Inc                     | 3.7% |
| RealPage Inc / Thoma Bravo LLC                       | 3.4% |
| Slack Technologies Inc / salesforce.com Inc          | 3.4% |

Holdings are subject to change. Percent holding represents position in target.

### OVERALL MORNINGSTAR RATING™



Morningstar® rated ARBNX 4 Stars Overall as of 12/31/20 out of 92 Market Neutral funds based on risk-adjusted returns.

### FUND FACTS

|                     |                  |
|---------------------|------------------|
| Investment Strategy | Merger Arbitrage |
| Fund AUM            | \$1,375 MM       |

### RETAIL SHARES

|                     |           |
|---------------------|-----------|
| Ticker              | ARBFX     |
| CUSIP               | 03875R106 |
| Gross Expense Ratio | 1.71%     |
| Sales Charge        | No Load   |
| Inception Date      | 9/17/00   |

### INSTITUTIONAL SHARES

|                     |           |
|---------------------|-----------|
| Ticker              | ARBNX     |
| CUSIP               | 03875R205 |
| Gross Expense Ratio | 1.46%     |
| Sales Charge        | No Load   |
| Inception Date      | 10/17/03  |

### C SHARES

|                     |           |
|---------------------|-----------|
| Ticker              | ARBCX     |
| CUSIP               | 03875R502 |
| Gross Expense Ratio | 2.46%     |
| Sales Charge        | 1.00%     |
| Inception Date      | 6/1/12    |

### A SHARES

|                     |           |
|---------------------|-----------|
| Ticker              | ARGAX     |
| CUSIP               | 03875R866 |
| Gross Expense Ratio | 1.71%     |
| Sales Charge        | 2.75%     |
| Inception Date      | 6/1/13    |

### EXPENSE EX DIVIDENDS & INTEREST ON SHORT POSITIONS & ACQUIRED FUND FEES

|       |       |       |       |
|-------|-------|-------|-------|
| ARBFX | 1.50% | ARBCX | 2.25% |
| ARBNX | 1.25% | ARGAX | 1.50% |

### PORTFOLIO MANAGERS

|                        |                   |
|------------------------|-------------------|
| John Orrico, CFA       | 39 Yrs Experience |
| Roger Foltynowicz, CFA | 18 Yrs Experience |
| Todd Munn              | 27 Yrs Experience |
| Matthew Osowiecki      | 14 Yrs Experience |

WWW.ARBITRAGEFUNDS.COM

RETAIL: (800) 295-4485

INSTITUTIONAL: (800) 560-8210



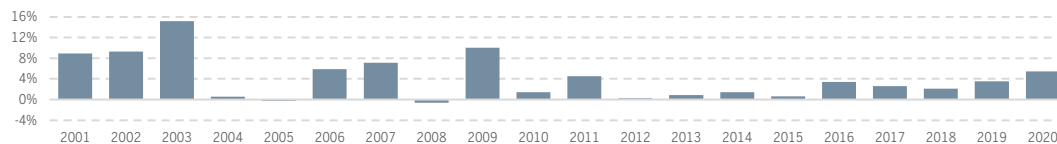
### Historical Monthly Returns\*†‡

|      | January | February | March   | April  | May    | June   | July   | August | September | October | November | December | YTD    |
|------|---------|----------|---------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|--------|
| 2000 |         |          |         |        |        |        |        |        | 0.10%     | 0.40%   | -2.29%   | 2.84%    | 0.98%  |
| 2001 | 27.61%  | -1.79%   | -16.48% | 8.44%  | 2.36%  | -7.69% | -1.11% | 1.12%  | -3.06%    | 0.67%   | 1.61%    | 2.44%    | 8.95%  |
| 2002 | 2.45%   | 0.55%    | 3.02%   | -0.35% | -0.36% | -0.09% | 1.07%  | 2.12%  | -3.21%    | 2.51%   | 0.52%    | 0.83%    | 9.27%  |
| 2003 | 0.00%   | 1.31%    | 0.69%   | 1.71%  | 2.61%  | -1.15% | 1.33%  | 1.47%  | 1.77%     | 2.14%   | 1.71%    | 0.69%    | 15.18% |
| 2004 | 1.73%   | 0.85%    | -0.46%  | -4.16% | 0.72%  | 0.56%  | -4.21% | -0.08% | 0.66%     | 1.07%   | 1.79%    | 2.34%    | 0.57%  |
| 2005 | -1.63%  | 0.17%    | -0.66%  | -2.09% | 1.19%  | 0.17%  | 2.27%  | 0.33%  | 0.49%     | -1.71%  | 0.41%    | 0.91%    | -0.24% |
| 2006 | 1.47%   | 0.48%    | 0.96%   | 0.56%  | 0.63%  | 0.16%  | -0.24% | 0.63%  | 0.00%     | 0.70%   | -0.23%   | 0.60%    | 5.87%  |
| 2007 | 0.81%   | 1.44%    | 0.16%   | 0.71%  | 0.78%  | 0.15%  | -0.85% | 1.95%  | 0.54%     | 1.60%   | -0.30%   | -0.03%   | 7.14%  |
| 2008 | -0.16%  | 0.40%    | -0.56%  | 2.26%  | 0.87%  | -5.32% | 2.48%  | 1.53%  | -1.19%    | -1.37%  | -2.52%   | 3.27%    | -0.63% |
| 2009 | 0.93%   | 1.34%    | 0.17%   | 1.49%  | 1.22%  | 1.93%  | -0.79% | 0.95%  | 1.02%     | 0.08%   | 0.47%    | 0.84%    | 10.05% |
| 2010 | -0.08%  | 1.18%    | 0.62%   | 0.15%  | -3.33% | 0.80%  | 1.03%  | 0.79%  | 0.55%     | -0.08%  | 0.00%    | -0.13%   | 1.44%  |
| 2011 | 0.71%   | 0.24%    | 0.16%   | 0.16%  | 0.08%  | 0.70%  | 0.16%  | 1.01%  | -0.31%    | 1.08%   | 0.31%    | 0.12%    | 4.50%  |
| 2012 | 0.31%   | 0.54%    | -0.15%  | -0.54% | -0.70% | 0.47%  | -0.16% | -0.08% | -0.23%    | -2.58%  | 1.52%    | 1.94%    | 0.27%  |
| 2013 | -0.48%  | 0.32%    | -0.32%  | -0.24% | 0.32%  | 0.16%  | 0.64%  | -0.40% | 0.32%     | 0.08%   | 0.16%    | 0.30%    | 0.85%  |
| 2014 | -0.08%  | 0.00%    | -0.56%  | 0.32%  | 0.16%  | 0.95%  | -0.08% | 0.16%  | -0.39%    | -0.63%  | 0.64%    | 0.95%    | 1.43%  |
| 2015 | 0.24%   | 0.23%    | 0.55%   | 0.47%  | 0.23%  | -1.39% | -0.08% | -0.16% | -1.18%    | 0.95%   | 0.24%    | 0.53%    | 0.61%  |
| 2016 | 0.56%   | 0.48%    | 0.55%   | -0.16% | 0.55%  | 0.00%  | 0.08%  | 0.08%  | 0.55%     | -0.85%  | 0.94%    | 0.57%    | 3.38%  |
| 2017 | 0.08%   | 0.39%    | 0.47%   | 0.46%  | 0.38%  | 0.46%  | -0.08% | 0.23%  | 0.08%     | 0.46%   | -1.06%   | 0.71%    | 2.60%  |
| 2018 | 0.31%   | 0.78%    | -1.17%  | -1.02% | 0.64%  | 0.40%  | -0.31% | 0.16%  | 0.55%     | 0.16%   | 1.02%    | 0.61%    | 2.12%  |
| 2019 | 0.39%   | 0.16%    | 0.31%   | 0.93%  | -0.54% | 0.00%  | 0.70%  | 0.23%  | 0.00%     | 0.46%   | 0.46%    | 0.42%    | 3.56%  |
| 2020 | 0.31%   | -0.39%   | -2.78%  | 3.42%  | 0.31%  | -0.08% | 0.77%  | 0.53%  | 0.23%     | 0.60%   | 1.13%    | 1.36%    | 5.43%  |

\*Returns for ARBFX are used. The performance quoted represents past performance and does not guarantee future results.

†2000 YTD returns 9/17/00-12/31/00. ‡September 2000 returns 9/17/00-9/30/00.

### Historical Annual Returns\*



Risk measurements are trailing 3-year through month-end. Figures reflect ARBFX (R Class). Calculations use the three-month T-Bill rate, as measured by the Bank of America Merrill Lynch U.S. 3-Month Treasury Bill Index, for risk-free rate and minimum acceptable return. Standard Deviation measures the degree of variation of returns around the average return. Sharpe ratio is a measure of risk-adjusted performance, calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns. Sortino ratio is a similar measure of risk-adjusted returns, although it uses downside deviation rather than standard deviation as the denominator. Beta, a measure of the volatility of a portfolio in relation to the market as a whole, indicates the tendency of a portfolio to respond to swings in the market. Correlation is a measure of how two securities move in relation to each other, ranging from -1 to +1. A correlation of 0 means the relationship between the two securities is completely random, while +1 indicates a perfect positive relationship and -1 a perfect negative relationship. Gross exposure equals long exposure plus the absolute value of short exposure. Market cap figures reflect alpha securities.

**An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing. The Fund's prospectus contains this and other important information. You may obtain a copy of the Fund's prospectus at <http://arbitragefunds.com> or by calling (800) 295-4485. Please read the prospectus carefully before you invest or send money.**

**RISKS:** The fund uses investment techniques and strategies with risks that are different from the risks ordinarily associated with equity investments. Such risks include merger arbitrage risk (in that the proposed reorganizations in which the fund invests may be renegotiated or terminated, in which case the fund may realize losses); short sale risk (in that the fund will suffer a loss if it sells a security short and the value of the security rises rather than falls); concentration risk; high portfolio turnover risk (which may increase the fund's brokerage costs, which would reduce performance); foreign securities risk (in that the securities of foreign issuers may be less liquid and more volatile than securities of comparable US issuers, and may be subject to political uncertainty and currency fluctuations); market risk; sector risk; derivatives risk; LIBOR rate risk; hedging transaction risk; counterparty risk; swap risk; options risk; liquidity risk; active management risk; investment company and ETF risk; leverage risk; small and medium capitalization securities risk; currency risk; and temporary investment/cash management risk. Risks may increase volatility and may increase costs and lower performance.

The Morningstar Market Neutral Category encompasses funds that attempt to reduce systematic risk created by factors such as exposures to sectors, market-cap ranges, investment styles, currencies, and/or countries by matching long positions within each area against corresponding short positions. The S&P 500 Index is an index of U.S. equities meant to reflect the risk/return characteristics of the large cap universe, and is one of the most commonly used benchmarks for the overall U.S. stock market. The Bank of America Merrill Lynch U.S. 3-Month Treasury Bill Index is commonly used as a proxy for short-term interest rates. The Bloomberg Barclays U.S. Aggregate Bond Index covers the U.S. investment grade fixed rate bond market. Indexes are unmanaged and one cannot invest directly in an index.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed end funds, and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. The weights are 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. Arbitrage I was rated against the following numbers of US-domiciled Market Neutral funds over the following time periods as of 12/31/20: 92 funds in the last three years and for the Overall rating, 72 funds in the last five years, and 23 funds in the last ten years. With respect to these Market Neutral funds, Arbitrage I received Morningstar Ratings of 4 stars for the three-year period, 4 stars for the five-year period, and 3 stars for the ten-year period. Morningstar Rating is for the Institutional class only; other classes may have different performance characteristics. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. ©2021 Morningstar, Inc. All rights reserved.

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