March 22, 2022

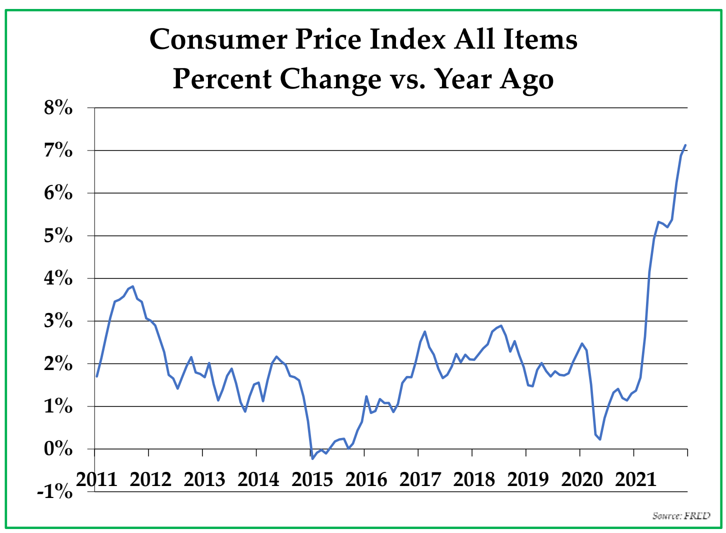
Dear Appleseed Shareholder:

"Never let the future disturb you.
You will meet it, if you have to, with the same weapons of reason
which today arm you against the present."

— *Meditations*, Marcus Aurelius

Making predictions is always tricky, and short-term forecasts are seemingly more difficult than long-term forecasts because timing plays such an important role. That said, predictions can be fascinating and informative, even if some if not many of them turn out not to occur. Below are eight predictions that, if they were to occur, might influence the economy and the capital markets in 2022.

1. **The Consumer Price Index decelerates during the first half of the year.** During the first six months of 2022, the inflation rate decelerates slightly, as the dollar strengthens and many commodity prices (temporarily) weaken. The basis of this prediction is two-fold. First, without any new stimulus bills, the level of Federal government spending is set to decline by $1.3 trillion vs. last year, with a large part of the year-over-year decline occurring during the second quarter. That projected drop in Federal spending represents approximately 6% of U.S. GDP. Second, even though Federal spending is forecasted to decline this year, the Federal Reserve has become increasingly concerned about inflation and is starting to tighten monetary policy. Just as fiscal stimulus and monetary stimulus combined are likely to create inflationary pressures, the combination of fiscal tightening and monetary tightening is likely to reduce inflationary pressures.



2. **The stock market corrects during the second quarter.** Along with commodity prices, stock prices become pressured in Q2 (more than it has in January) in response to the combination of fiscal and monetary tightening described above. Congress reacts to the correction by passing a new multi-trillion dollar bipartisan fiscal stimulus bill to protect their mid-term election prospects. The bill contains several of the Build Back Better bill's provisions and enough pork to persuade a few Republicans to support the bill. At the same time, the Federal Reserve announces that it will immediately begin buying U.S. Treasuries at an accelerated rate to help stimulate the economy and finance all of the new government spending. The stock market most likely recovers quickly in response to these new fiscal and monetary stimuli.

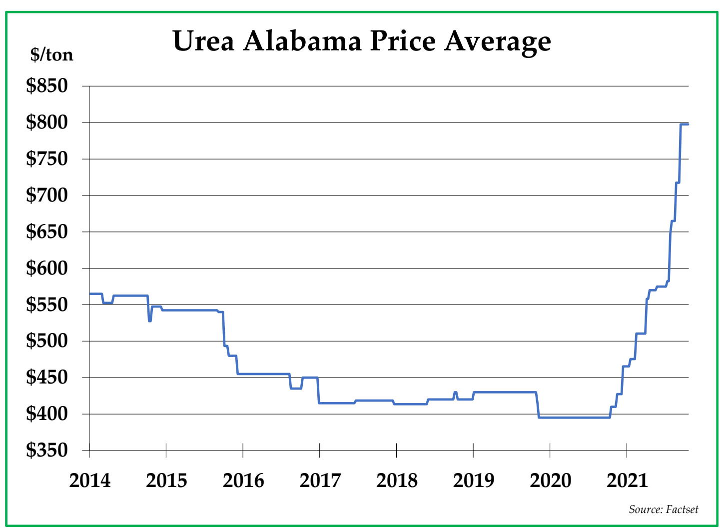
3. **Gold regains its shine.** The year 2022 turns out to be a good time to own gold. After a lackluster 2021, the price of gold increases to above $2,000/ounce in anticipation of and, subsequently, in response to a depreciating dollar and lower interest rates resulting from these new fiscal and monetary stimulus measures. Gold begins to outperform as an asset class as Mr. Market starts to smell the upcoming debasement of the dollar. Reversing decades of anti-gold rhetoric, Warren Buffett decides to buy gold for the first time, purchasing over $10 billion of physical gold with Berkshire Hathaway's cash.

4. **The U.S. stock market underperforms the rest of the world's stock markets.** Towards the end of the year, as Treasury bond yields decline while expected Federal deficits increase, the Euro, Yen, and most emerging market currencies will most likely rise in value vs. the U.S. dollar. The U.S. stock market, while generating a positive return in 2022, underperforms other developed and emerging markets for the first time in several years. Notably, the U.S. stock market also underperforms gold in 2022.

5. **Energy prices continue to rise.** Due to supply constraints, the price of oil exceeds $100/barrel. Traditional energy stocks and alternative energy stocks appreciate more than 20% in 2022 due to an increasing expectation of non-transitory, elevated energy prices. The Biden administration threatens to place price controls and export controls on oil and natural gas to limit price manipulation as mid-term elections loom. The sale of electric vehicles and hybrid vehicles boom as drivers seek to defray their rising gasoline bills.

6. **AMC and other meme stocks continue their fall from bubble levels, while value outperforms growth, as is often the case during inflationary environments.** AMC's share price declines by more than 90% from peak to trough. Other meme stocks, such as Gamestop, experience a similar share price deflation. Many Reddit investors find themselves financially ruined by failing to diversify appropriately and by believing that investment fundamentals matter in the long-term less than hype and greater fool investment theories. Several Congressmen call for hearings to determine which companies are responsible for so many people losing so much money in these meme stocks.

7. **Food prices surge during 2022**. Due to extremely high fertilizer prices (see graph below of the price of urea), farmers worldwide decide not to plant crops on their marginal acreage in 2022, resulting in a shortfall of new grain supply at a time where inventories are already low. Rising food prices engender increasing social and political instability. The political instability begins in already-unstable Kazakhstan but spreads across other developing countries where food and energy-related expenditures represent a large proportion of household budgets. Governments respond to rising food prices with proposals for increasing food subsidies, which is helpful for short-term political prospects but terrible for containing rising food prices over the long term.



8. **Cryptocurrency and blockchain investments and applications continue to grow.** The sector becomes more ingrained in the global economy and markets, against the wishes of policymakers at the U.S. Treasury, the Securities & Exchange Commission, the Federal Reserve, and the Internal Revenue Service. The SEC goes another year without approving an ETF that could buy and hold bitcoins while central banks accelerate their efforts to launch their own digital currencies. Institutional investors continue to test the waters with cryptocurrencies, slowly committing incremental capital to interesting projects. We predict the price of bitcoin will decline by more than 50% at some point in the year and also doubles at another point in the year. Bitcoin exits the year with a price most likely above $50,000.

Making predictions can be fun, but it doesn't necessarily make you money because it's impossible to predict the future. The best investors are those, like Warren Buffet, who do not try to time the market at all. They look to make long-term investments in mispriced, undervalued, and highly cash generative companies with excellent long-term fundamentals. And they try to keep enough cash (or gold) to take advantage of opportunities when they arrive.

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We wish you and your families a happy, healthy, and prosperous 2022. Thank you again for your trust in our firm's ability to navigate your Appleseed investment through this uncertain time. Should you have any follow up questions, please do not hesitate to contact Colin Rennich (colin@appleseedcapital.com).

Sincerely,

William Pekin, CFA

Josh Strauss, CFA

Adam Strauss, CFA

Shaun Roach, CFA

ANNUALIZED RETURNS- as of 12/31/2021					
	1 Year	3 Years	5 Years	10 Years	Since Inception
Investor Class (APPLX)	20.76	14.51	11.24	8.48	7.51
Institutional Class (APPIX)	20.89	14.71	11.43	8.70	7.67

Fund Inception Date: 12/8/2006.

Fund's past performance does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-470-1029.

As of 12/31/2021, the Fund's Top Ten Holdings can be found at: www.appleseedfund.com.

The gross expense ratio of the Fund's investor class is 1.52%, and the institutional class is 1.27%; the net expense ratio after contractual fee waivers through January 31, 2023 is 1.22% and 1.03%. The Fund's ninety day redemption fee is 2.00%.

The Morningstar Global Markets SMID Cap Index is an unmanaged group of stocks from the global market with small and medium-sized capitalizations and is not available for purchase. The index provides returns in U.S. dollars, assumes reinvestment of all distributions, and does not reflect the deduction of taxes and fees. Indices provide total returns in U.S. dollars with net dividends reinvested. These index returns do not reflect the deduction of expenses, which have been deducted from the Fund's returns. These index returns assume reinvestment of all distributions and do not reflect the deduction of taxes and fees. Individuals cannot invest directly in these indices, however, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.

Diversification does not ensure a profit or guarantee against loss.

The universe of acceptable investments for the Fund may be limited as compared to other funds due to the Fund's ESG investment screening. Because the Fund does not invest in companies that do not meet its ESG criteria, and the Fund may sell portfolio companies that subsequently violate its screens, the Fund may be riskier than other mutual funds that invest in a broader array of securities. Although the Pekin Hardy believes that the Fund can achieve its investment objective within the parameters of ESG investing, eliminating certain securities as investments may have an adverse effect on the Fund's performance.

Investments in commodities such as gold may be affected by overall market movements, changes in interest rates, and other factors such as embargoes and international economic and political developments. Commodities are assets that have tangible properties, such as oil, metals, and agricultural products. These instruments may subject the Fund to greater volatility than investments in traditional securities.

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You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 1-800-470-1029.

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