

FUND FACTS as of September 20, 2011

This document contains key information you should know about Chou Europe Fund. You can find more detailed information in the fund's simplified prospectus. Ask your advisor or Chou Associates Management Inc. by calling, toll-free, 1-888-357-5070, by sending an email at admin@choufunds.com or by visiting our website www.choufunds.com.

QUICK FACTS

Date fund created: August 26, 2003

Portfolio manager: Chou Associates Management Inc.

Total value on August 31, 2011: \$6.6 million

Distribution: Annually, December 31st

Management expense ratio (MER): 1.93%

Minimum investment: \$5,000 initial, \$500 additional

WHAT DOES THE FUND INVEST IN?

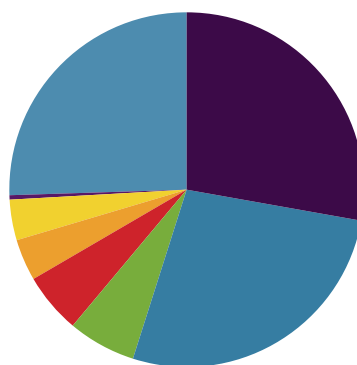
The Chou Europe Fund's investment objective is to provide long-term growth of capital by investing primarily in the securities markets of Europe considered by the Manager to be undervalued. Investments may be made in securities markets outside of Europe.

The charts below give you a snapshot of the fund's investments on August 31, 2011. The fund's investments may change.

Top 10 Investments (August 31, 2011)

1. Next PLC
2. Sanofi ADR
3. Ryanair Holdings PLC
4. AstraZeneca PLC
5. GlaxoSmithKline PLC
6. Abbey PLC
7. BP PLC ADR
8. Aer Lingus Group PLC
9. Vodafone Group PLC ADR
10. Nokia Corporation ADR

Investment Mix (August 31, 2011)



Portfolio Allocation

Consumer Discretionary	27.8%
Health Care	27.1%
Consumer Goods	6.2%
Oil & Gas	5.5%
Technology	3.8%
Telecommunications	3.7%
Industrial	0.4%
Cash & other assets	25.5%

Total investments: 14

The top 10 investments make up 69.6% of the Fund.

HOW HAS THE FUND PERFORMED?

This section tells you how this series of the fund has performed since inception. Returns are after expenses have been deducted. These expenses reduce the series' returns.

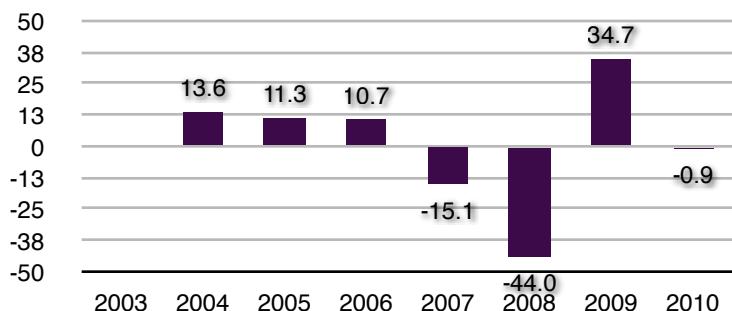
It's important to note that this doesn't tell you how the series will perform in the future. Also, your actual after-tax return will depend on your personal tax situation.

Average Return

A person who invested \$1,000 in the series of the fund since inception now has \$929. This works out to an annual compound return of -1.0%.

Year-by-Year Returns (%)

The following chart shows how the series has performed in each calendar year since inception. The series dropped in value in 3 of the past 7 years.



HOW RISKY IS IT?

When you invest in a fund, the value of your investment can go down as well as up. Chou Associates Management Inc. has rated this fund's risk as medium to high.

LOW LOW TO MEDIUM MEDIUM **MEDIUM TO HIGH** HIGH

For a description of the specific risks of this fund, see the fund's simplified prospectus.

ARE THERE ANY GUARANTEES?

Like most mutual funds, this fund doesn't have any guarantees. You may not get back the money you invest.

WHO IS THIS FUND FOR?

Investor who: is seeking capital gains over the long term. The fund is not appropriate for an investor with a short-term investment horizon. The fund is best suited to diversifying asset classes within a larger portfolio rather than as a core holding.

! Don't buy this fund if you need a steady source of income from your investment.

Before you invest in any fund, you should consider how it would work with your other investments and your tolerance for risk.

A WORD ABOUT TAX

In general, you'll have to pay income tax on any money you make on the fund. How much you pay depends on the tax laws where you live and whether or not you hold the fund in a registered plan, such as a Registered Retirement Savings Plan or a Tax-Free Savings Account.

Keep in mind that if you hold this fund in a non-registered account, fund distributions are included in your taxable income, whether you get them in cash or have them reinvested.

HOW MUCH DOES IT COST?

The following tables show the fees and expenses you could pay to buy, own and sell Series A units of the fund. The fund has other series of securities. The fees and expenses are different for each series. Ask about other series that may be suitable for you.

1. Sales charges

You have to choose a sales charge option when buy the fund. Ask about the pros and cons of each option.

Sales charge option	What to pay	in dollars (\$)	How it works
Initial sales charge	The range for sales commissions is generally from 0% to 2% of the purchase order.	\$0 to \$100 on every \$5,000 you purchase.	<ul style="list-style-type: none"> If you purchase units through your broker or dealer, you can negotiate the sales commission you pay them. Your broker or dealer will generally deduct the sales commission and forward the net amount of the order to be invested in the fund.

2. Fund expenses

You don't pay these expenses directly. They affect you because they reduce the fund's returns.

As of June 30, 2011, the fund's expenses were 1.94% of its value. This equals \$19.40 for every \$1,000 invested.

	Annual rate (as a % of the fund's value)
Management Expense Ratio This is the total of the fund's management fee and operating expenses.	1.93%
Trading Expense Ratio These are the fund's trading costs.	0.01%
Fund Expenses	1.94%

Trailing commission

Chou Europe Fund pays your investment firm a trailing commission for as long as you own the fund. It is for the services and advice your investment firm provides to you. Investment firms may pay part of the trailing commission to their advisers. The trailing commission is paid out of the management fee. The rate is 0.5% of the value of your investment each year. This equals \$5.00 for every \$1,000 invested.

3. Other fees

You may have to pay other fees when you sell or transfer units of the fund.

Fee	What you pay
Short-term trading fee	2% of the value of units you sell or transfer out within two years of buying them. This fee goes to the fund.
Switch fee	A dealer may charge from 0% to 2% for switches between funds.
Change fee	The fund does not charge any change fee.

WHAT IF I CHANGE MY MIND?

Under the securities law in some provinces and territories, you have the right to:

- withdraw from an agreement to buy mutual fund units within two business days after you receive a simplified prospectus, or
- cancel your purchase within 48 hours after you receive confirmation of the purchase.

In some provinces and territories, you also have the right to cancel a purchase, or in some jurisdictions, claim damages, if the simplified prospectus, annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities law in your province or territory.

For more information, see the securities law of your province or territory or ask a lawyer.

FOR MORE INFORMATION

You may obtain a free copy of the simplified prospectus and other disclosure documents by contacting your adviser or Chou Associates Management Inc. by calling toll-free 1-888-357-5070. These documents and the Fund Facts make up the fund's legal documents.

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