

Nakoma Mutual Funds
Nakoma Absolute Return Fund
(Ticker Symbol: NARFX)

Prospectus dated September 25, 2009

This Prospectus contains information you should know before investing, including information about risks. Please read it before you invest and keep it for future reference.

As with all mutual funds, the Securities and Exchange Commission (the "SEC") has not approved or disapproved these securities nor has it determined that this Prospectus is accurate or complete. It is a criminal offense to represent otherwise.

Investment Products Offered

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Are Not FDIC Insured

May Lose Value

Are Not Bank Guaranteed

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NAKOMA MUTUAL FUNDS

NAKOMA ABSOLUTE RETURN FUND

Supplement to Prospectus and Statement of Additional Information Dated September 25, 2009

Effective June 1, 2010, Joel C. Kurth will no longer be designated as a co-portfolio manager of the Nakoma Absolute Return Fund (the "Fund"), a series of Nakoma Mutual Funds. Mr. Kurth will retain his position as a generalist analyst with the Fund's investment adviser, Nakoma Capital Management, LLC. All information and references concerning Mr. Kurth in the Fund's Prospectus and Statement of Additional Information ("SAI") are hereby deleted. As described in the Fund's Prospectus and SAI, Daniel S. Pickett will remain primarily responsible for the portfolio management of the Fund and Mark A. Fedenia will continue to serve as a co-portfolio manager of the Fund.

Please retain this Supplement with your Prospectus and SAI for future reference.

The date of this Supplement is May 12, 2010.

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FUND SUMMARY

The Fund Summary describes the investment objective, principal investment strategies, principal risks and fees of the Nakoma Absolute Return Fund (the “Fund”), a series of Nakoma Mutual Funds. The Fund Summary includes a short discussion of some of the principal risks of investing in the Fund. For a further discussion of these and other risks, see the sections entitled “More Information on Principal Risks” and “More Information on Non-Principal Risks.”

A more detailed description of the Fund can be found elsewhere in this Prospectus. Please be sure to read this additional information BEFORE you invest.

Investment Objective

The Fund seeks absolute returns with low volatility independent of equity market conditions.

Principal Investment Strategies

The Fund seeks to achieve its investment objective by selecting investments intended to provide protection of capital in declining stock and bond markets and to participate in appreciating stock and bond markets. The Fund invests primarily in equity securities traded in U.S. markets taking long positions in companies where the Fund’s investment adviser, Nakoma Capital Management, LLC (the “Adviser”), believes operating results will exceed investors’ expectations and establishing short positions in companies the Adviser believes will disappoint or as hedged offsets to long positions.

When the Fund takes a long position, it purchases a stock outright. When the Fund takes a short position, it sells at the current market price a stock it does not own but has borrowed in anticipation that the market price of the stock will decline. To complete, or close out, the short sale transaction, the Fund buys the same stock in the market and returns it to the lender. The Fund makes money when the market price of the borrowed stock goes down and the Fund is able to replace it for less than it earned by selling it short. Conversely, if the price of the stock goes up after the sale, the Fund will lose money because it will have to pay more to replace the borrowed stock than it received when it sold the stock short.

The Fund’s investment approach is composed of three integrated processes: *dynamic asset allocation*, *fundamental stock selection* and *risk management*.

With respect to *dynamic asset allocation*, the Adviser assesses trends in stock and bond markets. When the underlying economic drivers in the stock or bond market are positive, the Adviser will increase the Fund’s allocation to the market that benefits from the favorable environment and decrease the amount invested in markets expected to decline. This allocation process is designed to determine the Fund’s net equity exposure. The Fund principally invests in equity securities and intermittently in debt securities.

The *fundamental stock selection* process is designed to identify companies with the potential for positively or negatively surprising business results over a six- to eighteen-month time horizon. For each stock, the Adviser monitors key business drivers (e.g., macroeconomic, secular trends, industry dynamics and company specific events) that the Adviser believes will affect the underlying company’s business over the investment time horizon. The Adviser believes that when a company’s key drivers exceed expectations, the company’s share price can be expected to increase until investor expectations and actual company performance converge. Conversely, if a company’s results fall short of investors’ expectations, its share price may decrease until investor expectations converge with actual performance. The Adviser’s analysis of each opportunity (long or short) considers the level of investor expectations in assessing the potential reward for a correct call versus the potential loss for an error. Therefore, the strategy is not short-term trading oriented; rather, the Adviser relies on fundamental analysis of a company’s future business prospects. The Fund principally invests in mid- to large-capitalization U.S. traded companies, but may consider issuers of all sizes in all markets.

The Fund’s *risk management* process analyzes the sources of volatility in the portfolio (e.g., sector, capitalization, style, interest rate sensitivity, etc.) in an effort to match Fund risk exposures with the Adviser’s overall market view and avoid unintended risk exposures. Additional risk management techniques are employed in a further effort to achieve the Adviser’s low volatility return objective.

Up to 25% of the Fund may be invested in securities of foreign issuers that are either listed on a U.S. stock exchange or represented by American Depositary Receipts (“ADRs”). ADRs are depositary receipts typically issued

by a U.S. bank or trust company that evidence ownership of underlying securities issued by a foreign corporation. Up to 10% of the Fund may be invested in exchange-traded funds (“ETFs”).

The Fund’s investment objective and strategies are not designated “fundamental policies” within the meaning of the Investment Company Act of 1940, as amended (the “1940 Act”), and may be changed by the Fund’s Board of Trustees (the “Board”) without shareholder approval.

Summary of Principal Risks

The biggest risk is that the Fund’s returns may vary, and you could lose money. The Fund invests primarily in common stocks, which tend to be more volatile than many other investment choices.

Market Risk. The value of the Fund’s long portfolio may decrease if the values of an individual company or multiple companies in the portfolio differ from the Fund’s portfolio managers’ assessment of the company’s intrinsic worth. The value of the Fund’s long portfolio could also decrease if the stock market declines regardless of how well individual companies perform. Conversely, the value of the Fund’s short positions may decrease if the stock market rises, regardless of how well individual companies perform. If the value of the Fund’s portfolio decreases, the Fund’s net asset value (“NAV”) will also decrease, which means if you sell your shares in the Fund you may lose money.

Manager Risk. The Fund is subject to management risk because it is an actively managed investment portfolio. The Adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there is no guarantee that its decisions will produce the intended result.

Common Stock Risk. Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. These investor perceptions are based on various and unpredictable factors including: expectations regarding government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction; and global or regional political, economic and banking crises. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer because common stockholders, or holders of equivalent interests, generally have inferior rights to receive payments from issuers in comparison with the rights of preferred stockholders, bondholders and other creditors of such issuers.

Mid-Cap Stock Risk. Stocks of mid-cap companies involve substantial risk. Mid-cap companies may have limited product lines, markets or financial resources, and they may be dependent on a limited management group. Stocks of mid-cap companies may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general.

Short Sales Risk. Short sales are speculative transactions and involve special risks, including a reliance on the ability of the Fund’s portfolio managers to accurately anticipate the future value of a security. The Fund’s losses are potentially unlimited in a short sale transaction. The Fund’s use of short sales leverages the Fund’s portfolio.

Leverage Risk. The Fund may borrow money from banks or other financial institutions to purchase securities, commonly referred to as “leveraging,” to the extent permitted by the 1940 Act, including for investment purposes. The Fund’s use of leverage may result in risks and can magnify the effect of any losses. There is no assurance that a leveraging strategy will be successful.

Foreign Securities Risk. The Fund may invest in the securities of foreign issuers that are traded on U.S. exchanges or in ADRs. ADRs are depositary receipts typically issued by a U.S. bank or trust company that evidence ownership of underlying securities issued by a foreign corporation. Securities of foreign issuers, even when dollar-denominated and publicly traded in the U.S., may involve risks not associated with the securities of domestic issuers that can increase the potential for losses. These include: exposure to potentially adverse local, political and economic developments such as war, political instability, hyperinflation, currency devaluations, and overdependence on particular industries; government interference in markets such as nationalization and exchange controls, expropriation of assets, or imposition of punitive taxes; potentially lower liquidity and higher volatility; possible problems arising from accounting, disclosure, settlement, and regulatory practices and legal rights that differ from U.S. standards.

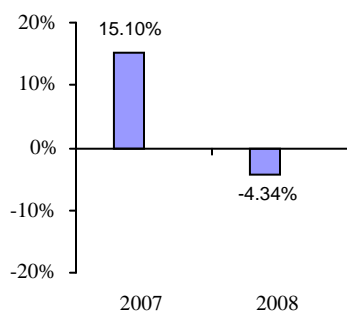
ETF Risk. The Fund may invest in ETFs, which are a type of index fund bought and sold on a securities exchange. The main risk of investing in index-based investments like ETFs is the same as investing in a portfolio of securities comprising the index. As a shareholder of an ETF, the Fund would bear its pro rata portion of the ETF’s

expenses, including advisory fees, in addition to the expenses the Fund bears directly in connection with its own operation. The market prices of index-based investments will fluctuate in accordance with both changes in the market value of their underlying portfolio securities and due to supply and demand for the instruments on the exchanges on which they are traded (which may result in their trading at a discount or premium to their NAVs). ETFs may not replicate exactly the performance of their specific index because of transaction costs and because of the temporary unavailability of certain component securities of the index.

PERFORMANCE INFORMATION

The return information provided in the bar chart and tables below provides some indication of the risks of investing in the Fund by showing how the Fund’s average annual returns compare with returns of a broad measure of market performance. The information shown assumes reinvestment of distributions. The Fund is intended to be a long-term investment and performance results are historical. The Fund’s past performance (before and after taxes, and particularly over a short-term period) is not predictive of future results.

Calendar Year Returns as of December 31



The Fund’s return from January 1, 2009 through June 30, 2009 was -1.99%.

Best and Worst Quarterly Performance (For the period ended December 31, 2008)

Best Quarter Return	Worst Quarter Return
4.83%	-5.16%
(2nd quarter, 2007)	(1st quarter, 2008)

The after-tax returns of the Fund shown in the following table are intended to show the impact of assumed federal income taxes on an investment in the Fund. The “Return After Taxes on Distributions” shows the effect of taxable distributions (dividends and capital gains distributions), but assumes that you still hold Fund shares at the end of the period. The “Return After Taxes on Distributions and Sale of Fund Shares” shows the effect of both taxable distributions and any taxable gain or loss that would be realized if Fund shares were sold at the end of the specified period. The after tax returns are calculated using the highest individual federal marginal income tax rates in effect and do not reflect the impact of state and local taxes. For 2008, the highest ordinary income and short-term gain rate was 35% and the highest long-term gain rate was 15%. In certain cases, the “Return After Taxes on Distributions and Sale of Fund Shares” may be higher than the other return figures for the same period. This will occur when a capital loss is realized upon the sale of Fund shares and provides an assumed tax benefit that increases the return. Your actual after-tax returns depend on your tax situation and may differ from those shown. The after-tax returns are not relevant if you hold your Fund shares through a tax-deferred account, such as a 401(k) plan or an individual retirement account (“IRA”) because such accounts are only subject to taxes upon redemption.

**Average Annual Total Returns
(For the period ended December 31, 2008)**

	<i>One Year</i>	<i>Since Inception⁽¹⁾</i>
<i>Nakoma Absolute Return Fund</i>		
Return Before Taxes	-4.34%	5.05%
Return After Taxes on Distributions	-4.34%	5.03%
Return After Taxes on Distributions and Sale of Fund Shares	-2.82%	4.31%
<i>S&P 500 Index⁽²⁾⁽³⁾</i>	-37.00%	-18.40%
<i>10-Year Treasury Note⁽³⁾</i>	19.46%	13.58%

- (1) The Fund commenced operations on August 23, 2006. The Fund began investing in line with its investment objectives on December 18, 2006.
- (2) The S&P 500 Index is the Standard & Poor's Composite Index of 500 stocks, a widely recognized unmanaged index of common stock prices of large-capitalization U.S. companies. The index is unmanaged and does not reflect any deduction for fees, expenses or taxes. A direct investment in an index is not possible.
- (3) The objective of the Fund is to produce absolute returns with low correlation to traditional equity and fixed income benchmarks. As a low correlation alternative, the Fund is not designed to resemble the performance of either the S&P 500 Index or the 10-year Treasury Note. The composition of the Fund may vary significantly from these two benchmarks in many aspects, including the Fund's use of short selling, its ability to use leverage, and its ability to invest in a broader universe of securities. The use of the S&P 500 Index and 10-year Treasury Note is merely intended to reflect traditional stock and bond strategies, so they should not be considered performance benchmarks for the Fund.

FEES AND EXPENSES

The following table is provided to help you understand the fees and expenses you may pay if you buy and hold shares of the Fund. The Fund pays a variety of expenses directly for management of its assets, administration, distribution of its shares and other services. Those expenses are subtracted from the Fund's assets to calculate the Fund's NAV per share. Therefore, all shareholders pay those expenses indirectly.

Shareholder Fees⁽¹⁾

(fees paid directly from your investment) None

Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investment)

Advisory fees	1.50%
Other expenses ⁽²⁾	
Acquired fund fees and expenses	0.03%
Dividend and interest expense on securities sold short	0.69%
Remainder of other expenses	<u>0.29%</u>
Total annual fund operating expenses ⁽³⁾	2.51%
Expense recoupment ⁽⁴⁾	<u>0.07%</u>
Total annual fund operating expenses after expense recoupment ⁽⁵⁾	<u>2.58%</u>

- (1) The Fund charges a \$15 fee for redemption proceeds paid by wire or sent by overnight delivery (\$20 if Saturday delivery). The Fund also charges a \$15 annual maintenance fee for retirement accounts and a \$7.50 distribution fee for each redemption from a retirement account.
- (2) "Other expenses" are based on amounts incurred during the last fiscal year and include custodian, administration, transfer agency and other customary Fund expenses. Expenses incurred by the Fund in connection with its investments in other investment companies are reported as "Acquired fund fees and expenses" under "Other expenses". The Fund's principal investment strategies include selling securities short. When a cash dividend is declared on a security for which the Fund has a short position, the Fund incurs the

obligation to pay an amount equal to that dividend to the lender of the shorted security, and this obligation must be disclosed as a Fund expense. The Fund will also bear other costs, such as charges for the prime brokerage account in connection with its short positions. Based on amounts incurred during the last fiscal year, the Fund estimates that expenses related to dividends and interest on securities sold short will be 0.69%, which are listed as “Dividend and interest expense on securities sold short” under “Other expenses.”

- (3) Please note that the Fund’s total annual fund operating expenses do not correlate to the ratio of expenses to average net assets, before waived or recaptured fees, found within the “Financial Highlights” section of the prospectus due to the inclusion of acquired fund fees and expenses.
- (4) The Adviser has contractually agreed to waive all or a portion of its advisory fee and/or reimburse Fund expenses to ensure that the Fund’s total annual fund operating expenses do not exceed 1.99% of the Fund’s average net assets (exclusive of acquired fund fees and expenses and dividend and interest expense on securities sold short). This agreement is in effect at least through August 31, 2010. The Adviser may request a reimbursement from the Fund to recapture any waived advisory fees or reimbursed Fund expenses within three years following the waiver or reimbursement, but only to the extent the Fund’s total annual fund operating expenses (excluding the items identified above) plus any requested reimbursement amount are less than the above limit at the time of the request. Any such reimbursement is subject to Board review. For the year ended May 31, 2009, the Adviser recaptured \$107,141 in advisory fees and expenses from the Fund. As of May 31, 2009, all allowable waived fees related to operating expenses subject to recovery have been recouped by the Adviser.
- (5) Excluding acquired fund fees and expenses, dividend and interest expense on securities sold short, and expense recoupment, the Fund’s total annual fund operating expenses would have been 1.79%.

Example

This example is intended help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It assumes:

- You invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods;
- Your investment has a 5% return each year and that all Fund distributions are reinvested; and
- The Fund’s operating expenses remain the same.

Although your actual costs may be higher or lower, based on these assumptions your costs would be:

After 1 year	\$261
After 3 years	\$802
After 5 years	\$1,370
After 10 years	\$2,915

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or turns over its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in the Fund’s total annual fund operating expenses or in the Example above, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate for long positions, excluding short positions, was 115% of the average value of its portfolio.

MORE INFORMATION ON PRINCIPAL INVESTMENT STRATEGIES AND RISKS

This section of the Prospectus provides a more complete description of the Fund’s investment objective, principal strategies and risks. Of course, there can be no assurance that the Fund will achieve its investment objective and an investor may lose money investing in this Fund.

General Portfolio Policies

In investing its portfolio assets, the Fund will follow the general policies listed below. Except for the Fund's policies with respect to investments in illiquid securities and borrowing, the percentage limitations included in these policies and elsewhere in this Prospectus apply at the time of purchase of a security. So, for example, if the Fund exceeds a limit as a result of market fluctuations or the sale of other securities, it will not be required to dispose of any securities.

Leverage

The Fund may borrow money from banks, up to one-third of its total assets (including the amount borrowed) for investment purposes, as permitted by the 1940 Act. This practice is known as leverage. Currently, under the 1940 Act and its fundamental investment limitations, the Fund may borrow from banks up to one-third of its total assets (including the amount borrowed) provided that it maintains continuous asset coverage of 300% with respect to such borrowings and sells (within three days not including Sundays and holidays) sufficient portfolio holdings to restore such coverage if it should decline to less than 300% due to market fluctuations or otherwise, even if disadvantageous from an investment standpoint. An increase in the Fund's percentage of borrowings due to a change in the value or liquidity of portfolio securities which exceeds the Fund's borrowing limits after three days (not including Sundays and holidays) will be considered a violation of the Fund's fundamental borrowing policy. In addition to borrowing for leverage purposes, the Fund may also borrow money to meet redemptions in order to avoid forced, unplanned sales of portfolio securities or for other temporary or emergency purposes. This allows the Fund greater flexibility to buy and sell portfolio securities for investment or tax considerations, rather than for cash flow considerations. However, the Fund's short sale investments and related margin requirements will reduce the ability of the Fund to borrow money. Because short sales involve borrowing securities and then selling them, the Fund's short sales effectively leverage the Fund's assets and reduce the number of assets available for asset coverage as required under the 1940 Act. Consequently, it is expected that, under normal market conditions, the Fund's borrowings will comprise no more than 5% of the Fund's net assets. The use of leverage may make any change in the Fund's NAV even greater and thus result in increased volatility of returns. The Fund's assets that are used as collateral to secure the short sales may decrease in value while the short positions are outstanding, which may force the Fund to use its other assets to increase the collateral. Leverage also creates interest expense that may lower the Fund's overall returns.

Short Sales

A short position is one where the Fund has sold at the current market price a security that it does not own in anticipation of a decline in the market value of the security. To complete a short sale, the Fund must borrow the security to make delivery to the buyer. The Fund is then obligated to replace the borrowed security by purchasing the security at the market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the borrowed security is replaced, the Fund is required to pay to the lender amounts equal to any dividends or interest that accrue during the period of the loan. To borrow the security, the Fund may also be required to pay a premium to the lender, which would increase the cost of the security sold. The proceeds of the short sale will be retained by the lender to the extent necessary to meet margin requirements, until the short position is closed out. Depending on the arrangements made with the lender or custodian, the Fund may or may not receive any payments (including interest) on collateral it has deposited with the lender.

Until the Fund closes its short position or replaces the borrowed security, the Fund will designate liquid assets it owns (other than the short sale proceeds) as segregated assets in an amount equal to its obligation to purchase the securities sold short, as required by the 1940 Act. The amount segregated in this manner will be increased or decreased each business day equal to the change in market value of the Fund's obligation to purchase the security sold short. If the lender requires the Fund to deposit additional collateral (in addition to the short sales proceeds that the lender holds during the period of the short sale), which may be as much as 50% of the value of the securities sold short, the amount of the additional collateral may be deducted in determining the amount of cash or liquid assets the Fund is required to segregate to cover the short sale obligation pursuant to the 1940 Act. The amount segregated must be unencumbered by any other obligation or claim other than the obligation that is being covered. This requirement to segregate assets limits the Fund's leveraging of its investments and the related risk of losses from leveraging. The Adviser believes that short sale obligations that are covered, either by an offsetting asset or right (acquiring the security sold short or having an option to purchase the security sold short at an exercise price that

covers the obligation), or by the Fund's segregated asset procedures (or a combination thereof), are not senior securities under the 1940 Act and are not subject to the Fund's borrowing restrictions.

Exchange-Traded Funds

The Fund may invest in ETFs, which are a type of index fund bought and sold on a securities exchange. An ETF trades like common stock and represents a fixed portfolio of securities designed to track a particular market index. ETFs offer investment in a wide variety of asset classes and may also offer inverse (or short) exposure to a particular asset class. The Fund purchases an ETF to gain exposure to a portion of the U.S. market without purchasing all of the underlying securities. The Fund's investment in ETFs will be limited by the requirements of Section 12(d) of the 1940 Act, to the extent applicable, which sets forth certain limitations regarding investment companies investing in other investment companies. Section 12(d)(1) prohibits the Fund from acquiring: (i) more than 3% of another investment company's voting stock; (ii) securities of another investment company with a value in excess of 5% of the Fund's total assets; or (iii) securities of such other investment company and all other investment companies owned by the Fund having a value in excess of 10% of the Fund's total assets. In addition, Section 12(d)(1) prohibits another investment company from selling its shares to the Fund if, after the sale: (i) the Fund owns more than 3% of the other investment company's voting stock or (ii) the Fund and other investment companies, and companies controlled by them, own more than 10% of the voting stock of such other investment company.

Investing in ETFs that use investment techniques and financial instruments that may be considered aggressive, including the use of futures contracts, options on futures contracts, securities and indices, forward contracts, swap agreements and similar instruments expose the Fund to potentially dramatic changes (losses) in the value of its portfolio holdings. Such techniques may include short sales or other techniques that are intended to provide inverse exposure to a particular market or other asset class.

MORE INFORMATION ON NON-PRINCIPAL INVESTMENT STRATEGIES

Illiquid Investments

The Fund may invest up to 15% of its net assets in illiquid investments. An illiquid investment is a security or other position that cannot be disposed of quickly in the normal course of business.

Temporary Defensive Position

The Fund may not always stay fully invested in equity securities. When the portfolio managers believe that market conditions are unfavorable, the Fund's cash or similar investments may increase. In other words, cash or similar investments generally are a residual – they represent the assets that remain after the Fund has committed available assets to desirable investment opportunities. When the Fund's investments in cash or similar investments increase, it may not participate in market advances or declines to the same extent that it would if the Fund remained more fully invested in stocks and bonds.

In addition, the Fund may temporarily increase its cash position under certain unusual circumstances, such as to protect its assets or maintain liquidity in certain circumstances, for example, to meet unusually large redemptions. The Fund's cash position may also increase temporarily due to unusually large cash inflows. Under unusual circumstances such as these, the Fund may invest up to 100% of its assets in cash or similar investments. In this case, the Fund may not achieve its investment objective.

Derivatives

The Fund may invest in options, futures, participatory notes, and other types of derivatives, individually or in combination, for hedging purposes or for non-hedging purposes, such as seeking to enhance returns. Such techniques may also be used to gain exposure to the market pending investment of cash balances or to meet liquidity needs. The Fund does not intend to invest more than 5% of its net assets in derivatives.

Future Developments

The Fund may take advantage of other investment practices and invest in new types of securities and financial instruments that are not currently contemplated for use by the Fund, or are not available but may be developed, to the extent such investment practices, securities and financial instruments are consistent with the Fund's investment

objective and legally permissible for the Fund. Such investment practices, if they arise, may involve risks that exceed those involved in the activities described above.

MORE INFORMATION ON PRINCIPAL RISKS

Long Positions in Equity Securities

The Fund will take long positions in equity securities consistent with the Fund's investment objective and strategies. Long positions are subject to the risk that a particular stock, an underlying fund, an industry, or stocks in general may fall in value. The prices of stocks change in response to many factors, including the historical and prospective earnings of the issuer, the value of its assets, management decisions, decreased demand for an issuer's products or services, increased production costs, general economic conditions, interest rates, currency exchange rates, investor perceptions and market liquidity.

Short Sales

A short sale is subject to the risk that if the price of the security sold short increases in value, the Fund will incur a loss because it will have to replace the borrowed security by purchasing it at a higher price. In addition, the Fund may not always be able to close out a short position at a particular time or at an acceptable price. A lender may request that the borrowed securities be returned to it on short notice, and the Fund may have to buy the borrowed securities at an unfavorable price. If this occurs at a time that other short sellers of the same security also want to close out their positions, a "short squeeze" can occur. A short squeeze occurs when demand is greater than supply for the stock sold short. A short squeeze makes it more likely that the Fund will have to cover its short sale at an unfavorable price. If that happens, the Fund will lose some or all of the potential profit from, or even incur a loss as a result of, the short sale.

Leverage

The use of borrowing for investment purposes, commonly referred to as "leveraging," by the Fund involves special risk considerations that may not be associated with other funds having similar policies. Because substantially all of the Fund's assets fluctuate in value, whereas the interest obligation resulting from a borrowing will be fixed by the terms of the Fund's agreement with its lender, the NAV per share of the Fund will tend to increase more when its portfolio securities increase in value and decrease more when its portfolio securities decrease in value than would otherwise be the case if the Fund did not borrow funds. In addition, interest costs on borrowings may fluctuate with changing market rates of interest and may partially offset or exceed the return earned on borrowed funds. Under adverse market conditions, the Fund might have to sell portfolio securities to meet interest or principal payments at a time when fundamental investment considerations would not favor such sales. The interest that the Fund must pay on borrowed money, together with any additional fees to maintain a line of credit or any minimum average balances required to be maintained, are additional costs that will reduce or eliminate any net investment income and may also offset any potential capital gains. Unless the appreciation and income, if any, on assets acquired with borrowed funds exceed the costs of borrowing, the use of leverage will diminish the investment performance of the Fund compared with what it would have been without leverage.

MORE INFORMATION ON NON-PRINCIPAL RISKS

Illiquid Securities

The Fund may invest in securities which are not readily marketable, including privately placed securities. The Fund may find it difficult to readily dispose of illiquid investments in the ordinary course of business. The Fund may be unable to sell illiquid securities at market value or may be forced to sell at a discount. In addition, illiquid investments may not have an established trading market. In the absence of an established trading market, the Adviser will value such investments consistent with valuation procedures approved by the Board.

Derivative Instrument Risk

The use of derivative instruments, such as options, futures contracts, and options on futures contracts, exposes the Fund to additional risks and transaction costs. Risks inherent in the use of derivative instruments include: the risk that securities prices will not move in the direction that the Adviser anticipates; an imperfect correlation between the price of derivative instruments and movements in the prices of the securities being hedged; the possible absence of a liquid secondary market for any particular instrument and possible exchange imposed price fluctuation

limits, either of which may make it difficult or impossible to close out a position when desired; leverage risk, which is the risk that adverse price movements in an instrument can result in a loss substantially greater than the Fund's initial investment in that instrument; and, particularly in the case of privately negotiated instruments, the risk that the counterparty will fail to perform its obligations, which could leave the Fund worse off than if it had not entered into the position. If the Fund uses derivative instruments and the Adviser's judgment proves incorrect, the Fund's performance could be worse than if it had not used these instruments.

Industry Risk

Industry risk is the possibility that a group of related stocks will decline in price due to industry-specific developments. Companies in the same or similar industries may share common characteristics and are more likely to react similarly to industry-specific market or economic developments. The Fund's investments, if any, in multiple companies in a particular industry increase the Fund's exposure to industry risk.

MORE DETAILED INFORMATION ABOUT THE FUND, ITS POLICIES AND RISKS CAN BE FOUND IN THE FUND'S STATEMENT OF ADDITIONAL INFORMATION ("SAI").

DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund's portfolio holdings are included in semi-annual and annual reports that are distributed to shareholders of the Fund within 60 days after the close of the period for which such report is being made and such reports are filed on Form N-CSR for the second and fourth fiscal quarters. The Fund also discloses its portfolio holdings on Form N-Q, which is filed with SEC no later than 60 days after the close of the Fund's first and third fiscal quarters. These required filings are publicly available on the SEC's website at www.sec.gov. Therefore, portfolio holdings of the Fund are generally made publicly available no later than 60 days after the close of each of the Fund's fiscal quarters. A description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the Fund's SAI.

MANAGEMENT OF THE FUND

Investment Adviser

The Fund is managed by Nakoma Capital Management, LLC. The Adviser was organized in 1999 and its principal place of business is located at 8040 Excelsior Drive, Suite 401, Madison, Wisconsin 53717. The Adviser is registered as an investment adviser with the SEC.

Subject to policies adopted by the Board, the Adviser directs the purchase or sale of investment securities in the day-to-day management of the Fund's investment portfolios. The Adviser, at its own expense and without reimbursement from the Fund, furnishes office space and all necessary office facilities, equipment and executive personnel for making the investment decisions necessary for managing the Fund and maintaining its organization. The Fund pays the Adviser an annual advisory fee, in monthly installments, of 1.50% of the Fund's average daily net assets.

A description of the basis for the Board approving the investment advisory contract with the Adviser is available in the Fund's annual report for the fiscal year ended May 31, 2009.

The Adviser may act as an investment adviser to other persons, firms, corporations and private investment funds. The Adviser may receive management fees that may be higher or lower than the advisory fees it receives from the Fund. Certain other clients of the Adviser may have investment objectives and policies similar to those of the Fund. The Adviser may, from time to time, make recommendations which result in the purchase or sale of a particular security by its other clients simultaneously with the Fund. If transactions on behalf of more than one client during the same period increase the demand for securities being purchased or the supply of securities being sold, there may be an adverse effect on price or quantity. It is the Adviser's policy to allocate advisory recommendations and the placing of orders in a manner which is deemed equitable by the Adviser to the accounts involved, including the Fund. Aggregated trades (i.e., purchases or sales of the same security, on the same day, at the same proximate time, and using the same broker-dealer) are generally averaged as to price, and transaction costs are shared pro rata in proportion to their assets at the time the order is executed. In this way, all clients are provided the same percentage of participation in the opportunity. Adjustments may be made to reflect differing client characteristics and investment objectives, such as allocating a smaller percentage of a more volatile opportunity to clients with a lower risk tolerance.

Portfolio Managers

Daniel S. Pickett is primarily responsible for the management of the Fund's portfolio and he has had responsibility for the day-to-day management of the Fund since its inception. Mark A. Fedenia and Joel C. Kurth are also portfolio managers of the Fund.

Mr. Pickett has been the Adviser's Chief Investment Officer since joining the Adviser in 2003 as Managing Director. Prior to joining the Adviser, he served as Managing Director and Director of Research for Southridge Capital Management, a Connecticut hedge fund firm, from 1997 to 2002. From 1988 to 1997, Mr. Pickett was Portfolio Manager and Director of Research at Columbus Circle Investors, and from 1986 to 1988, he served in the Equity Research Department of American Family Insurance Group.

Mr. Fedenia became a Managing Director when he joined the Adviser in 2003. Mr. Fedenia is also a tenured member of the Finance Department at the University of Wisconsin-Madison. From 1986 to 2007, Mr. Fedenia was the Director of the Applied Security Analysis Program at the University. From 1998 to 2000, Mr. Fedenia was a portfolio manager for PFP Management Company LLC, the general partner of an investment partnership. From 2000 to 2002, Mr. Fedenia developed portfolio accounting systems for Southridge Capital Management.

Mr. Kurth joined the Adviser as a Portfolio Manager in January 2008. From 1995 to 1998, he was a Securities Analyst at Columbus Circle Investors, an institutional equity manager in Stamford, Connecticut. From 1998 through 2007, Mr. Kurth was a Portfolio Manager at Ark Asset Management, an institutional equity manager in New York City.

The Fund's SAI provides additional information about the portfolio managers' compensation, other accounts that they each manage and their ownership of Fund shares.

SHAREHOLDER INFORMATION

This section discusses how to buy, sell or redeem shares of the Fund. References in this section to "in good order" mean that all information or other steps required in connection with a particular transaction have been provided or completed.

Buying Shares

Minimum Individual Purchase Amount:

	Minimum Purchase Amount	
	<u>Initial</u>	<u>Additional</u>
Regular accounts	\$1,000	\$100
Automatic investment plans	\$1,000	\$100
IRAs	\$1,000	\$100

The Fund, in its discretion, may waive the minimum purchase amount.

PLEASE NOTE THAT YOU MAY ONLY BUY SHARES OF THE FUND IF THEY ARE ELIGIBLE FOR SALE IN YOUR STATE OR JURISDICTION.

Payments to Investment Professionals and Financial Institutions

The Adviser may compensate investment professionals and financial institutions (together, "institutions") out of its own resources in connection with the sale or retention of Fund shares and/or in exchange for sales and/or administrative services performed on behalf of the institution's customers. These payments may create an incentive for the institution or its employees or associated persons to recommend or sell shares of the Fund to you. These payments are not reflected in the fees and expenses listed in the "Fees and Expenses" section, above, because they are not paid by the Fund.

These payments are negotiated and may be based on such factors as the number or value of shares that the institution sells or may sell, the value of the assets invested in the Fund by the institution's customers, reimbursement of ticket or operational charges (fees that an institution charges its representatives for effecting transactions in Fund shares), lump sum payment for services provided, the type and nature of services or support furnished by the institution, and/or other measures as determined from time to time by the Adviser. Certain

institutions may also receive payments in recognition of sub-accounting, recordkeeping or other services they provide to shareholders who invest in the Fund.

You can ask your institution for information about any payments it receives from the Adviser and any services your institution provides, as well as about fees and/or commissions your institution charges. You can also find more details about payments made by the Adviser in the SAI.

Although the Fund may use brokers and dealers who sell shares of the Fund to effect portfolio transactions, the Fund does not consider the sale of Fund shares as a factor when selecting brokers or dealers to effect portfolio transactions.

Information About Your Account

This Fund is a no-load fund, which means that you may purchase or redeem shares directly at their NAV without paying a sales charge. However, you may be charged a fee or have higher investment minimums if you buy or sell shares through a securities dealer, bank or financial institution.

Anti-Money Laundering Program

Customer identification and verification are part of the Fund's overall obligation to deter money laundering under federal law. The Fund has adopted an anti-money laundering compliance program designed to prevent the Fund from being used for money laundering or the financing of terrorist activities. In this regard, the Fund reserves the right, to the extent permitted by law, to (i) refuse, cancel or rescind any purchase or exchange order, (ii) freeze any account and/or suspend account services or (iii) involuntarily close an account in cases of threatening conduct or suspected fraudulent or illegal activity. These actions will be taken when, in the sole discretion of Fund management, they are deemed to be in the best interest of the Fund or in cases when the Fund is requested or compelled to do so by governmental or law enforcement authority. If an account is closed at the request of governmental or law enforcement authority, the shareholder may not receive proceeds of the redemption if the Fund is required to withhold such proceeds.

To help the government fight the funding of terrorism and money laundering activities, federal law requires financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open an account, the Fund will ask for your name, address, date of birth, social security number, and other information or documents that will allow us to identify you.

If you do not supply the required information, the Fund will attempt to contact you or, if applicable, your broker or financial adviser. If the Fund cannot obtain the required information within a timeframe established in the Fund's sole discretion, your application will be rejected.

When your application is in good order and includes all required information, your application will normally be accepted and your order will be processed at the NAV next calculated after receipt of your application in good order. The Fund may reject your application under its anti-money laundering compliance program. If your application is accepted, the Fund will then attempt to verify your identity using the information you have supplied and other information about you that is available from third parties, including information available in public and private databases, such as consumer reports from credit reporting agencies.

The Fund will try to verify your identity within a timeframe established in the Fund's sole discretion. If the Fund cannot do so, the Fund reserves the right to close your account at the NAV next calculated after the Fund decides to close your account and to remit proceeds to you via check, but only if your check clears the bank. If your account is closed, you may realize a gain or loss on Fund shares and will be subject to any related taxes.

Limitations on Purchases and Market Timing

Market Timing Generally

The Board has adopted policies and procedures with respect to frequent purchases and redemptions of Fund shares by Fund shareholders. It is the Fund's policy to discourage short-term or frequent trading, often referred to as "market timing." Frequent trading in the Fund, such as by traders seeking short-term profits from market momentum and other timing strategies, may interfere with the management of the Fund's portfolio and result in increased administrative and brokerage costs and potential dilution in the value of shares. As money is moved in and out, the Fund may incur expenses related to buying and selling portfolio securities and these expenses are borne by Fund shareholders.

Specifically, focus is placed on identifying redemption transactions that may be harmful to the Fund or its shareholders if they are frequent. These transactions are analyzed for offsetting purchases within a predetermined period of time. If frequent trading trends are detected, an appropriate course of action is taken, which course of action will be determined by consideration of, among other things, shareholder account transaction history. The Fund reserves the right to restrict or reject, without any prior notice, any purchase or exchange order, including transactions that, in the judgment of the Adviser, represent excessive trading, may be disruptive to the management of the Fund's portfolio, may increase the Fund's transaction costs, administrative costs or taxes, and those that may otherwise be detrimental to the interests of the Fund and its shareholders. The Fund also reserves the right to refuse, restrict or cancel purchase orders not accompanied by payment and to take such other actions in response to potential market timing activity as are described below.

Market Timing Consequences

If information regarding your trading activity in the Fund is brought to the attention of the Adviser, and based on that information, the Fund or the Adviser in their sole discretion conclude that your trading may be detrimental to the Fund, the Fund may temporarily or permanently bar your future purchases in the Fund or, alternatively, may limit the amount, number or frequency of any future purchases and/or the method by which you may request future purchases and redemptions (including purchases and/or redemptions by an exchange or transfer between the Fund and any other mutual fund). The Fund may refuse to sell shares to persons determined by the Fund to be potential market timers, even if any pre-determined limitations established on behalf of the Fund have not been reached.

Market Timing and Redemptions Through Financial Intermediaries

You are an investor subject to the Fund's policies and procedures regarding frequent trading, whether you are a direct shareholder of the Fund or you are investing indirectly in the Fund through a financial intermediary such as a broker-dealer, a bank, an investment adviser, an administrator or trustee of a retirement plan that maintains a master account (an "Omnibus Account") with the Fund for trading on behalf of its customers.

Risks From Market Timers

Depending on various factors, including the size of the Fund, the amount of assets the Adviser typically maintains in cash or cash equivalents, the dollar amount and number and frequency of trades and the types of securities in which the Fund typically invests, short-term or frequent trading may interfere with the efficient management of the Fund's portfolio, increase the Fund's transaction costs, administrative costs and taxes and/or impact Fund performance.

The Fund is currently using several methods to reduce the risks associated with market timing. These methods include:

- committing staff to periodically review trading activity in order to identify trading activity that may be contrary to the Fund's policies regarding frequent trading; and
- seeking the cooperation of financial intermediaries to assist the Fund in identifying market timing activity.

Though these methods involve judgments that are inherently subjective and involve some selectivity in their application, the Fund seeks to make judgments and applications that are consistent with the interests of the Fund's shareholders. There is no assurance that the Fund or its agents will gain access to any or all information necessary to detect market timing in Omnibus Accounts. The Fund will work with financial intermediaries as necessary to discourage shareholders from engaging in abusive trading practices. In this regard, the Fund will enter into information-sharing agreements with financial intermediaries pursuant to which these intermediaries are required to provide to the Fund, at the Fund's request, certain information relating to their customers investing in the Fund through Omnibus Accounts. The Fund will use this information to attempt to identify abusive trading practices. Financial intermediaries are contractually required to follow any instructions from the Fund to restrict or prohibit future purchases from shareholders that are found to have engaged in abusive trading in violation of the Fund's policies. However, the Fund cannot guarantee the accuracy of the information provided to it from financial intermediaries and cannot ensure that it will always be able to detect abusive trading practices that occur through Omnibus Accounts. As a result, while the Fund will seek to take actions (directly and with the assistance of financial intermediaries) that will detect market timing, the Fund cannot represent that such trading activity can be minimized or completely eliminated.

Involuntary Redemptions

The Fund reserves the right to close your account and redeem your shares involuntarily (i) if the account value falls below the Fund's minimum account level (\$500), (ii) to reimburse the Fund for any loss sustained by reason of a failure to make full payment for shares purchased, (iii) to collect any charge relating to transactions effected for the benefit of your account which charge is applicable to the Fund's shares as provided herein, (iv) if you are deemed to engage in activities that are illegal (such as late trading) or otherwise believed by the Adviser to be detrimental to the Fund (such as market timing), to the fullest extent permitted by law or (v) for other good reasons as determined by the Adviser.

How to Invest in the Fund

Purchasing Shares

How to Purchase Shares from the Fund:

1. Read this Prospectus carefully.
2. Determine how much you want to invest keeping in mind the following minimums:
 - a. Initial Investments
 - All Accounts \$ 1,000
 - b. Additional Investments
 - Reinvestment of distributions No Minimum
 - Automatic investment plan \$ 100
 - All other accounts \$ 100
3. Complete the Purchase Application accompanying this Prospectus, carefully following the instructions. For additional investments, complete the reorder form attached to your confirmation statements (the Fund has additional reorder forms if you need them). If you have any questions, please call 1-866-6NAKOMA (1-866-662-5662).
4. Make your check payable to "Nakoma Absolute Return Fund." All checks must be drawn on U.S. banks. The Fund will not accept cash or third party checks, money orders, traveler's checks, credit cards, credit card checks or other checks deemed to be high risk. The Fund's transfer agent, UMB Fund Services, Inc. ("UMBFS"), will charge a \$20 fee against a shareholder's account for any payment check or automated clearing house network transfer returned for any reason. The Fund reserves the right to reject any purchase order for shares of the Fund.
5. Send the application and check to:

By First Class Mail

Nakoma Absolute Return Fund
c/o UMB Fund Services, Inc.
P.O. Box 2175
Milwaukee, WI 53201-2175

By Overnight Delivery Service Or Registered Mail

Nakoma Absolute Return Fund
c/o UMB Fund Services, Inc.
803 West Michigan Street
Milwaukee, WI 53233-2301

Please do not send letters by overnight delivery service or registered mail to the P.O. Box address.

6. Purchase orders received in good order as of the close of regular trading of the New York Stock Exchange (the "NYSE") (typically 4:00 p.m., Eastern Time) will receive that day's NAV, and purchase orders received in good order after market close, will receive the next day's NAV. Shareholders buying or

selling through non-authorized agents will receive the NAV next calculated after the Fund receives the order.

7. To purchase shares by wire, UMBFS must have received a completed application and issued an account number. If you wish to open an account by wire, please call 1-866-6NAKOMA (1-866-662-5662) prior to wiring funds. You should wire funds to:

UMB Bank, n.a.
ABA #101000695
For credit to Nakoma Absolute Return Fund
Account # 9871418286
For further credit to:
{Investor Account # _____}
{Name or Account Registration}
{Social Security or Taxpayer Identification Number}

Please remember that UMB Bank, n.a. must receive your wired funds prior to the close of regular trading on the NYSE for you to receive same day pricing. The Fund and UMB Bank, n.a. are not responsible for the consequences of delays resulting from the banking or federal reserve wire system, or from incomplete wiring instructions.

Purchasing Shares From Broker-Dealers, Financial Institutions and Others

Some broker-dealers may sell shares of the Fund. These broker-dealers may charge investors a fee either at the time of purchase or redemption. The fee, if charged, is retained by the broker-dealer and not remitted to the Fund or the Adviser.

The Fund may enter into agreements with broker-dealers, financial institutions or other service providers (collectively, “Servicing Agents” and each, a “Servicing Agent”) that may include the Fund as an investment alternative in the programs they offer or administer. Servicing Agents may:

- Become shareholders of record of the Fund. This means all requests to purchase additional shares and all redemption requests must be sent through the Servicing Agents. This also means that purchases made through Servicing Agents may not be subject to the minimum purchase requirements of the Fund.
- Use procedures and impose restrictions that may be in addition to, or different from, those applicable to investors purchasing shares directly from the Fund.
- Charge fees for the services they provide to their customers. Also, the Fund and/or the Adviser may pay fees to Servicing Agents to compensate them for the services they provide their customers.
- Be authorized to accept purchase orders on behalf of the Fund (and designate other Servicing Agents to accept purchase orders on the Fund’s behalf). If the Fund has entered into an agreement with a Servicing Agent pursuant to which the Servicing Agent (or its designee) has been authorized to accept purchase orders on the Fund’s behalf, then all purchase orders received in good order by the Servicing Agent (or its designee) before market close will receive that day’s NAV, and all purchase orders received in good order by the Servicing Agent (or its designee) after market close will receive the next day’s NAV.

If you decide to purchase shares through Servicing Agents, please carefully review the program materials provided to you by the Servicing Agent. When you purchase shares of the Fund through a Servicing Agent, it is the responsibility of the Servicing Agent to place your order with the Fund on a timely basis. If the Servicing Agent does not, or if it does not pay the purchase price to the Fund within the period specified in its agreement with the Fund, it may be held liable for any resulting fees or losses.

If you purchase shares through a third party that is not authorized to accept purchases on behalf of the Fund, you will receive the NAV next calculated after the Fund receives the order from such third party.

Automatic Investment Plan

You can open an automatic investment plan with an initial investment of \$1,000 and a minimum of \$100 per transaction after you start your plan. On the day you select (you may choose the 5th, 10th, 15th, 20th or 25th of the month), the amount you select is automatically transferred from your checking or savings account. There is no fee

for this service, but if your purchase is rejected for any reason, you will be charged \$20, your purchase will be cancelled and you will be responsible for any resulting losses to the Fund. You can terminate the automatic investment plan at any time by calling UMBFS at least five business days before your next scheduled withdrawal date. Your automatic investment plan will be terminated in the event two successive mailings we send to you are returned by the U.S. Post Office as undeliverable. If this occurs, you must contact shareholder services to reinstate your automatic investment plan. Certain changes to the plan upon reinstatement will require a Medallion signature guarantee.

Retirement Accounts

For information on establishing IRA accounts, please call 1-866-6NAKOMA (1-866-662-5662). A \$15 fee is charged annually for the maintenance of each such account. Additionally, UMBFS charges a distribution fee of \$7.50 for each redemption from an IRA account and an additional \$15 fee for each payment by wire of redemption proceeds from an IRA account. If you request that your redemption proceeds be sent via overnight delivery, UMBFS will deduct an additional \$15 from your account or redemption proceeds to cover the associated costs.

Traditional IRAs: an individual retirement account. Your contribution may or may not be deductible depending upon your circumstances. Assets can grow tax-free and distributions are taxable as income.

Roth IRAs: an IRA with non-deductible contributions, and tax-free growth of assets and tax-free distributions for qualified distributions.

Other Information about Purchasing Shares of the Fund

The Fund may reject any purchase application for any reason. The Fund may accept purchase orders by telephone. The Fund will not issue certificates evidencing shares. Investors will receive a written confirmation for all purchases of shares.

Redeeming Shares

How to Redeem (Sell) Shares:

1. Prepare a letter of instruction containing:
 - the name of the Fund(s);
 - account number(s);
 - the dollar amount or number of shares being redeemed;
 - the name(s) on the account;
 - daytime phone number; and
 - additional information that the Fund may require for redemptions by corporations, executors, administrators, trustees, guardians, or others who hold shares in a fiduciary or representative capacity. Please contact shareholder services in advance at 1-866-6NAKOMA (1-866-662-5662) if you have any questions.
2. Sign the letter of instruction exactly as the shares are registered. Joint ownership accounts must be signed by all owners.
3. Obtain a Medallion signature guarantee in the following situations:
 - The redemption request exceeds \$50,000;
 - The redemption proceeds are to be sent to a person other than the person in whose name the shares are registered;
 - The redemption proceeds are to be sent to an address other than the address of record; or
 - The Fund receives the redemption request within 30 business days of an address change.

Medallion signature guarantees must be obtained from a participant in a Medallion program endorsed by the Securities Transfer Association. Participants are typically U.S. commercial banks or trust companies, brokerage firms that are members of the Financial Industry Regulatory

Authority or members of the NYSE. A notarized signature is not an acceptable substitute for a Medallion signature guarantee.

4. Send the letter of instruction to:

By First Class Mail

Nakoma Absolute Return Fund
c/o UMB Fund Services, Inc.
P.O. Box 2175
Milwaukee, WI 53201-2175

By Overnight Delivery Service Or Registered Mail

Nakoma Absolute Return Fund
c/o UMB Fund Services, Inc.
803 West Michigan Street
Milwaukee, WI 53233-2301

Please do not send letters of instruction by overnight delivery service or registered mail to the P.O. Box address.

How to Redeem (Sell) Shares by Telephone

You automatically have the privilege to redeem shares by telephone unless you have declined this option on your purchase application. Call 1-866-6NAKOMA (1-866-662-5662), between 7:00 a.m. and 7:00 p.m., Central Time. You may redeem no more than \$50,000.

How to Redeem (Sell) Shares through Servicing Agents

If your shares are held by a Servicing Agent, you must redeem your shares through the Servicing Agent. Contact the Servicing Agent for instructions on how to do so.

Redemption Price

- The redemption price per share you receive for redemption requests is the next determined NAV after shareholder services receives your written request in good order with all required information.
- If the Fund has entered into an agreement with a Servicing Agent pursuant to which the Servicing Agent (or its designee) has been authorized to accept redemption requests on behalf of the Fund, then all redemption requests received in good order by the Servicing Agent (or its designee) before 4:00 p.m., Eastern Time, will receive that day's NAV, and all redemption requests received in good order by the Servicing Agent (or its designee) after 4:00 p.m., Eastern Time, will receive the next day's NAV.
- If you redeem shares through a third party that is not authorized to accept redemptions on behalf of the Fund, you will receive the NAV next calculated after the Fund receives the order from such third party.

Payment of Redemption Proceeds

- When shareholders redeem shares other than through Servicing Agents, shareholder services will either mail a check in the amount of the redemption proceeds no later than the seventh day after it receives the redemption request in good order with all required information, or transfer the redemption proceeds to your designated bank account if you have elected to receive redemption proceeds by either electronic funds transfer or wire. An electronic funds transfer generally takes up to three business days to reach the shareholder's account whereas shareholder services generally wires redemption proceeds on the business day following the calculation of the redemption price. However, shareholder services may pay the proceeds of a redemption on a date no later than the seventh day after the redemption request.
- For those shareholders who redeem shares through Servicing Agents, the Servicing Agent will transmit the redemption proceeds in accordance with its redemption procedures.

Other Redemption Considerations

When redeeming shares of the Fund, shareholders should consider the following:

- The redemption may result in a taxable gain.
- As permitted by the 1940 Act, the Fund may delay the payment of redemption proceeds for up to seven days in all cases. It is the Fund's normal procedure to either mail a check in the amount of the redemption proceeds no later than the seventh day after it receives the redemption request in good order with all required information or, if elected by the investor, transfer the redemption proceeds to a designated bank account by electronic funds transfer or wire.
- If you purchased shares by check, the Fund may delay the payment of redemption proceeds until it is reasonably satisfied the check has cleared (which may take up to 15 days from the date of purchase).
- The Fund currently charges \$15 for each wire redemption but does not charge a fee for electronic funds transfers.
- The Fund may pay redemption requests "in kind." This means that the Fund may pay redemption requests entirely or partially with liquid securities rather than cash. Shareholders who receive a redemption "in kind" may incur costs to dispose of such securities.

OTHER FUND AND ACCOUNTING POLICIES

Calculating Share Price

The price at which you buy or sell Fund shares is the net asset per share price or NAV. The NAV is calculated by adding the value of the Fund's investments, cash and other assets, deducting liabilities, and then dividing that amount by the total number of shares outstanding. The NAV is calculated at the close of regular trading of the NYSE (normally 4:00 p.m., Eastern Time) each business day the NYSE is open. It is not calculated on days the NYSE is closed for trading. The NYSE is open for trading Monday through Friday except New Year's Day, Dr. Martin Luther King, Jr. Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Additionally, if any of the aforementioned holidays falls on a Saturday, the NYSE will not be open for trading on the preceding Friday and when any such holiday falls on a Sunday, the NYSE will not be open for trading on the succeeding Monday, unless unusual business conditions exist, such as the ending of a monthly or yearly accounting period. The price for a purchase or redemption of fund shares is the NAV next calculated after receipt of your request.

Valuation of Portfolio Securities and Use of Fair Value Pricing

The Fund's assets are generally valued at their market value. If market prices are unavailable, or if an event occurs after the closing of the trading market that materially affects the values, assets may be valued at their fair value. Investments in other registered mutual funds, if any, are valued based on the NAV of those mutual funds, which may use fair value pricing as discussed in their prospectuses. Requests to buy and sell shares are processed at the NAV next calculated after we receive your request in good order.

Generally, trading in U.S. government securities and money market instruments is substantially completed each day at various times before the close of the NYSE. The value of these securities used in computing the NAV is determined as of such times. Occasionally, events affecting the values of these securities may occur between the times at which they are determined and the close of the NYSE that will not be reflected in the computation of the NAV. The Fund may rely on third-party pricing vendors to monitor for events materially affecting the value of these securities during this period. If an event occurs, the third-party pricing vendors will provide revised values to the Fund.

Since the Fund may invest in securities that are relatively illiquid, there is the possibility of a differential between the last available market prices for one or more of those securities and the latest indications of market values for those securities. The Fund has procedures to determine the fair value of individual securities and other assets for which market prices are not readily available (such as certain restricted or unlisted securities and private placements) or which may not be reliably priced (such as in the case of trade suspensions or halts, and thinly traded or illiquid securities). The Board has established a valuation committee and has delegated responsibility for fair valuation of securities to the valuation committee. The valuation committee, whose members are comprised of two representatives from the Adviser and two representatives from UMBFS, makes fair value determinations on behalf of the Board pursuant to the Fund's valuation and liquidity procedures. Some methods for valuing these securities may include: fundamental analysis (earnings multiple, etc.), matrix pricing, discounts from market prices of similar securities, or discounts applied due to the nature and duration of restrictions on the disposition of the securities.

The application of fair value pricing procedures represents a good faith determination based upon specifically applied procedures. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were able to sell the security at approximately the time at which the Fund determines its NAV per share.

Statements, Reports and Prospectuses

You will receive quarterly account statements that show all your account transactions during the quarter. You also will receive written notification after each transaction affecting your account. You also will receive the Fund's financial reports every six months as well as an annual updated prospectus.

Investment Representative Account Access

If there is a dealer or other investment representative of record on your account, he or she will be able to obtain your account information, conduct transactions for your account, and also will receive copies of all notifications and statements and other information about your account directly from the Fund.

Joint Accounts

Unless you specify a different registration, shares issued to two or more owners are registered as "joint tenants with rights of survivorship" (shown as "Jt Ten" on your account statement). To make any ownership changes to jointly owned shares, or to sever a joint tenancy in jointly owned shares, all owners must agree in writing.

Additional Policies

Please note that the Fund maintains additional policies and reserves certain rights, including:

- The Fund may restrict, reject or cancel any purchase orders.
- The Fund may modify, suspend, or terminate telephone/online privileges at any time.
- The Fund may stop offering shares completely or may offer shares only on a limited basis, for a period of time or permanently.
- Normally, redemption proceeds are paid out by the next business day, but payment may take up to seven days if making immediate payment would adversely affect the Fund.
- In unusual circumstances, we may temporarily suspend redemptions or postpone the payment of proceeds, as allowed by federal securities laws.
- For redemptions over a certain amount, the Fund may pay redemption proceeds in securities or other assets rather than cash if the Adviser determines it is in the best interest of the Fund, consistent with applicable law.
- You may only buy shares of the Fund if they are eligible for sale in your state or jurisdiction.
- To permit investors to obtain the current price, dealers are responsible for transmitting all orders to the Fund promptly.

DISTRIBUTIONS AND TAXES

Distributions

To avoid federal taxation of the Fund, the Internal Revenue Code of 1986, as amended (the "Code"), requires the Fund to distribute all or substantially all of its net investment company taxable income (generally including, but not limited to, dividends, interest payments with respect to securities loans, short-term capital gains from the sale of stock or securities, and other income derived with respect to the Fund's investment business) and any net capital gains (generally, the excess of the Fund's net long-term capital gains over net short-term capital losses) realized on its investments at least annually. Distributions of the Fund's net investment company taxable income will generally be taxed as ordinary income. The Fund will not designate any distribution as a "short-term capital gain" distribution, and any non-U.S. shareholder that would otherwise be able to exclude short-term capital gain from its U.S. taxable income will not be entitled to such an exclusion for any of the Fund's income from net realized short-term capital gains. The Fund may designate certain distributions of net investment company taxable income as attributable to "qualified dividend income," which is currently subject to the reduced rates of taxation applicable to

long-term capital gains, provided the shareholder and the Fund meet certain holding period requirements. However, because the principal investment goal of the Fund is to invest in both long and short positions in equity securities, it is anticipated that a smaller portion of the Fund's distributions of net investment company taxable income will be qualified dividend income eligible for taxation at long-term capital gain rates (for individuals) than if the Fund invested in only long positions in equity securities. Distributions of net capital gains are taxed at long-term capital gain rates, regardless of how long you have held shares of the Fund. Currently, for non-corporate U.S. shareholders, the maximum federal tax rate on ordinary income is 35%, while the maximum federal tax rate on long-term capital gains is 15%.

You have two distribution options:

- **Automatic Reinvestment Option** – Both distributions of net investment company taxable income and capital gain distributions will be reinvested in additional shares of the Fund.
- **All Cash Option** – Both distributions of net investment company taxable income and capital gain distributions will be paid in cash.

The distribution option you select will not affect the federal income tax treatment of distributions to you; in either event, you will be treated for federal income tax purposes as if you had received distributions in cash.

You may make your distribution election on the Purchase Application. If you do not specify a distribution election, all distributions of net investment company taxable income and capital gains will be reinvested in additional shares of the Fund. You may change your election by writing to UMBFS or by calling 1-866-6NAKOMA (1-866-662-5662).

Distribution Schedule

Distributions of net investment company taxable income and capital gains are normally declared and distributed in December but, if necessary, may be distributed at other times as well. For investors investing through intermediaries, the date you receive your distribution may vary depending on how your intermediary processes trades. Please consult your intermediary for details.

How Distributions Affect the Fund's NAV

Distributions are paid to shareholders as of the record date of a distribution of the Fund, regardless of how long the shares have been held. Undistributed net investment company taxable income and net capital gains are included in the Fund's daily NAV. The share price of the Fund drops by the amount of the distribution, net of any subsequent market fluctuations. For example, assume that on December 31, the Fund declared a distribution in the amount of \$0.25 per share. If the Fund's share price was \$10.00 on December 30, the Fund's share price on December 31 would be \$9.75, barring market fluctuations. You should be aware that distributions from a taxable mutual fund do not increase the value of your investment and may create income tax obligations.

"Buying a Distribution"

If you purchase shares of the Fund just before the distribution, you will pay the full price for the shares and receive a portion of the purchase price back as a taxable distribution. This is referred to as "buying a distribution." In the above example, if you bought shares on December 30, you would have paid \$10.00 per share. On December 31, the Fund would pay you \$0.25 per share as a distribution and your shares would now be worth \$9.75 per share. Unless your account is set up as a tax-deferred account, distributions paid to you would be included in your gross income for tax purposes, even though you may not have participated in the increase in the Fund's NAV, whether or not you reinvested the distributions. Before buying shares of the Fund close to year-end, you should consult with your financial intermediary as to potential tax consequences of any distributions that may be paid shortly after purchase. For your convenience, Fund distributions of net investment company taxable income and net capital gains are automatically reinvested in the Fund. To receive distributions in cash, contact your financial intermediary. Either way, the distributions may be subject to taxes, unless your shares are held in a qualified tax-deferred plan or account.

Taxes

The following discussion does not apply to qualified tax-deferred accounts or other non-taxable entities, nor is it a complete analysis of the federal income tax implications of investing in the Fund. You should consult your own

tax adviser if you have any questions. Additionally, state or local taxes may apply to your investment, depending upon the laws of your state of residence.

As with any investment, you should consider the tax consequences of investing in the Fund. Any time you sell or exchange shares of the Fund in a taxable account, it is considered a taxable event. For federal income tax purposes, an exchange is treated the same as a sale. Depending on your adjusted basis in the shares you sell or exchange and the proceeds of the sale or exchange, you may have a taxable capital gain or loss, for federal income tax purposes, on the transaction; whether the capital gain or loss is long-term or short-term generally depends on how long you owned the shares. Any capital loss arising from the sale or redemption of shares held for six months or less, however, is treated as a long-term capital loss to the extent of any amounts treated as distributions of net long-term capital gain received on such shares. In determining the holding period of such shares for this purpose, any period during which your risk of loss is offset by means of options, short sales or similar transactions is not counted. Any tax liabilities generated by your transactions are your responsibility.

Taxes on Distributions

Fund distributions are subject to federal income tax, regardless of whether the distribution is made in cash or reinvested in additional shares of the Fund. When gains from the sale of a security held by the Fund are paid to shareholders, the rate at which the gain will be taxed to shareholders depends on the length of time the Fund held the security. In certain states, a portion of the distributions (depending on the sources of the Fund's income) may be exempt from state and local taxes. The Fund's net investment company taxable income and capital gains are distributed to (and may be taxable to) those persons who are shareholders of the Fund at the record date of such payments. As a result, although the Fund's total net income and net realized gain are the results of its operations, the per share amount distributed or taxable to shareholders is affected by the number of Fund shares outstanding at the record date. Account tax information will be made available to shareholders on or before January 31st of each year. Information regarding distributions may also be reported to the Internal Revenue Service (the "IRS").

Distributions of net investment company taxable income and net capital gains made by the Fund with respect to shares purchased through a qualified retirement plan will generally be exempt from current taxation if left to accumulate within the qualified plan, but may be taxable upon withdrawal.

The Fund may be required to withhold U.S. federal income tax on all taxable distributions and redemptions payable to shareholders who fail to provide their correct taxpayer identification number or fail to make certain required certifications, or whom the IRS identifies to the Fund as being subject to backup withholding. The backup withholding rate, currently 28%, is applied.

Taxation of the Fund

Certain of the Fund's transactions involving short sales, futures, options, swap agreements, hedged investments and other similar transactions, if any, may be subject to special provisions of the Code that, among other things, may affect the character, amount and timing of distributions to shareholders. The Fund will monitor its transactions and may make certain tax elections where applicable in order to mitigate the effect of these provisions, if possible.

The Fund does not expect to pay any federal income or excise taxes because it intends to meet certain requirements of the Code to qualify as a regulated investment company. If the Fund fails to meet these requirements, it may be subject to tax on its taxable income at corporate rates, and the Fund's distribution to shareholders would generally also be subject to tax, so that in such case it would be more beneficial for a shareholder to directly own the Fund's underlying investments rather than indirectly owning the underlying investments through the Fund.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Fund's financial performance for the period from December 18, 2006 (the Fund commenced operations on August 23, 2006, but did not begin investing in line with its investment objectives until December 18, 2006) to May 31, 2007 and the fiscal years ended May 31, 2008 and May 31, 2009. Certain information reflects financial results for a single Fund share outstanding for the entire period. The total return presented in the table represents the rate that an investor would have earned on an investment in the Fund for the stated period (assuming reinvestment of all Fund distributions). These financial highlights have been audited by Cohen Fund Audit Services, Ltd., the independent registered public accounting firm of the Fund, whose report, together with the Fund's financial statements, are included in the Fund's annual report, which is available upon request.

For the Period Ended May 31:

	2009	2008	2007*
Net Asset Value, Beginning of Period	\$21.18	\$21.19	\$20.00
Income From Investment Operations			
Net investment income (loss)	(0.26)	(0.16)	0.11
Net realized and unrealized gain (loss) on investments and securities sold short	0.40 ⁽¹⁾	0.20 ⁽¹⁾	1.11
Total income from investment operations	<u>0.14</u>	<u>0.04</u>	<u>1.22</u>
Less Distributions			
Net investment income	—	(0.02)	(0.03)
Return of capital	—	(0.03)	—
Total distributions	<u>—</u>	<u>(0.05)</u>	<u>(0.03)</u>
Net Asset Value, End of Period	<u>\$21.32</u>	<u>\$21.18</u>	<u>\$21.19</u>
Total Return⁽²⁾	0.66%	0.18%	5.95% ⁽³⁾⁽⁴⁾
Supplemental Data and Ratios			
Net assets, end of period (in thousands)	\$231,895	\$109,402	\$16,687
Ratio of expenses to average net assets, excluding dividend and interest expense on securities sold short, after waived or recaptured fees	1.86% ⁽⁵⁾	1.99% ⁽⁵⁾	1.99% ⁽⁵⁾⁽⁶⁾
Ratio of dividend and interest expense on securities sold short to average net assets	0.69%	0.62%	0.46% ⁽⁶⁾
Ratio of expenses to average net assets, including dividend and interest expense on securities sold short, after waived or recaptured fees	2.55% ⁽⁵⁾	2.61% ⁽⁵⁾	2.45% ⁽⁵⁾⁽⁶⁾
Ratio of expenses to average net assets, before waived or recaptured fees	2.48%	2.57%	5.73% ⁽⁶⁾
Ratio of net investment income (loss) to average net assets, after waived or recaptured fees	(1.79)% ⁽⁵⁾	(0.59)% ⁽⁵⁾	1.41% ⁽⁵⁾⁽⁶⁾
Ratio of net investment income (loss) to average net assets, before waived or recaptured fees	(1.72)%	(0.55)%	(1.87)% ⁽⁶⁾
Portfolio turnover rate—long positions, excluding short positions	115%	124%	18% ⁽³⁾

⁽¹⁾ Realized and unrealized gains and losses per share in this caption are balancing amounts necessary to reconcile the change in net asset value per share in the period.

⁽²⁾ Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of Fund distributions.

⁽³⁾ Not annualized.

⁽⁴⁾ Represents performance beginning on the first day of security trading (December 18, 2006).

⁽⁵⁾ Reflects the Adviser's waiver or recapture of a portion of its management fees and/or other operating expenses.

⁽⁶⁾ Annualized.

* The Fund commenced operations on August 23, 2006. The Fund began investing in line with its investment objectives on December 18, 2006.

ADDITIONAL INFORMATION

If you want more information about the Fund, the following documents are available without charge, upon request:

Shareholder Reports

Additional information about the Fund's investments is available in the Fund's annual and semi-annual reports to shareholders. The Fund's annual report to shareholders includes a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Statement of Additional Information

The SAI of the Fund provides additional details about the investments and techniques of the Fund and certain other additional information. A current SAI is on file with the SEC and is incorporated by reference into this Prospectus. This means that the SAI is legally considered a part of this Prospectus even though it is not physically within this Prospectus.

How to Obtain Documents

You may obtain free copies of the Fund's annual and semi-annual reports and the SAI, request other information or make general inquiries about the Fund by calling the Fund toll-free at 1-866-6Nakoma (1-866-662-5662), by accessing the Fund's internet website at www.nakomafunds.com, or by writing to:

Nakoma Absolute Return Fund
c/o UMB Fund Services, Inc.
P.O. Box 2175
Milwaukee, WI 53201-2175

You may also review and copy information about the Fund, including shareholder reports and the SAI, at the SEC's Public Reference Room in Washington, D.C. You may obtain information on the operation of the SEC's Public Reference Room by calling the SEC at 1-202-551-8090. You may obtain copies of reports and other information about the Fund for a fee, by telephonic request at publicinfo@sec.gov or by writing the SEC's Public Reference Section, Washington, D.C. 20549-1520; or for free by accessing the EDGAR Database on the SEC's website at www.sec.gov.

Nakoma Mutual Fund's 1940 Act File Number is 811-21865