

MARKET SUMMARY

Amid rising expectations for a rapid economic recovery and the implementation of massive monetary and fiscal measures, investors rode a wave of optimism through much of the second quarter. Numerous asset classes retraced a sizeable portion of the losses sustained during the market's dramatic March retreat as the coronavirus pandemic first swept across the globe. While impressive, gains occurred alongside sustained market volatility, as measured by the VIX Index, which retreated from March's all-time high, but remained elevated above pre-pandemic levels.

Relief program funds rolled into the economy during the second quarter as lawmakers in April passed a nearly \$500 million package on top of the \$2 trillion Coronavirus Aid, Relief, and Economic Security (CARES) Act it enacted in late March. The Federal Reserve also implemented many of its \$2.3 trillion worth of loan programs targeting businesses, lenders, and municipalities. Furthermore, Fed policymakers held the central bank's key lending rate near 0%, a level economists project will hold through at least the end of 2021.

Meanwhile, emboldened by encouraging signs around COVID-19 infection rates, states accelerated reopening plans, and businesses responded by hiring back a portion of the workers laid off when the economy essentially shut down in March. The Labor Department said that the country added 2.5 million jobs in May, although with 40 million filing for unemployment benefits between April and mid-June, the unemployment rate remains elevated at 13.3%.

A similar disconnect surfaced in the oil patch, where reduced demand and a squabble over production between OPEC and Russia led to dramatic losses in early April. Yet, a resolution among producers in mid-April and a seemingly stabilizing economic picture sparked the largest quarterly rally in prices since 1990. Despite the impressive recovery, repercussions of the pandemic, which flared across the South and West through the quarter's final days, threatened to dampen demand further through the balance of 2020.

FUND PERFORMANCE

The Meridian Enhanced Equity Fund (the "Fund") gained 21.75% (net) during the quarter, outperforming its benchmark, the S&P 500 Index, which advanced 20.54%.

Although the relief rally led to the S&P 500 Index's largest quarterly gain since 1998 and recovered all but 3% of the first quarter sell-off, we believed that the lack of breadth among rising stocks warranted caution. Prioritizing the management

TOP 10 HOLDINGS (% OF PORTFOLIO)

Holding ¹ (subject to change)	Weighting
Snap, Inc.	8.84%
Chewy, Inc.	5.10%
LogMeIn, Inc.	4.02%
Huntsman Corp.	3.72%
Apple, Inc.	3.43%
Amazon.com, Inc.	3.43%
Pinterest, Inc.	3.34%
GCI Liberty, Inc.	3.25%
Hanesbrands, Inc.	3.19%
Microsoft Corp.	3.14%

of risk over the opportunity for excess market return, we look to build an enduring portfolio that can mitigate capital losses during turbulent bear market environments. Secondly, we seek upside participation during strong bull market environments. To achieve that, we invest in quality businesses that are maintaining considerable competitive advantages and healthy balance sheets that offer robust cash flow characteristics and muted volatility traits.

At any given time, roughly half of the Fund is invested in higher quality, larger capitalization companies with promising growth prospects. The balance of the portfolio is invested in equities hedged in a risk-managed approach where more opportunistic investments are married with options in an effort to increase margin of safety and reduce downside risks. Underlying this approach is our commitment to deep fundamental research.

During the quarter, the portfolio benefited from the outperformance of high-quality growth holdings, as well as hedges that gained in value as volatility subsided from excessively high levels. While the likelihood of outperforming the market decreases as the market climbs exponentially alongside muted volatility, we were pleased that market conditions suited our approach after it effectively provided downside mitigation during the dismal first quarter.

The Fund's performance data represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data shown. The investment return and principal value of an investment will fluctuate so that you may have a gain or loss upon sale. You can obtain performance data current to the most recent month-end at www.meridianfund.com.

Not FDIC-Insured, Not Bank Guaranteed, May Lose Value
www.meridianfund.com | contactmeridian@arrowmarkpartners.com

Top individual contributors within the second quarter included PayPal Holdings, Inc., Apple, Inc., and Amazon.com, Inc.

PayPal Holdings, Inc. enables simple and efficient digital payments for ecommerce and mobile transactions through platforms such as PayPal, Braintree, Venmo, and Xoom. The company's business suffered a setback in March, when shelter-in-place orders cut into volumes within its key travel and transportation sectors. Management, however, cited a considerable recovery in activity and revenues through the second quarter as digital payment levels surged. We believe PayPal is a natural beneficiary of the broader move to virtual transactions, in both online commerce as well as person-to-person payments.

Apple Inc. is a premium provider of consumer-facing hardware, software, and services. The company possesses significant brand equity with a broad portfolio of consumer hardware that is deeply embedded in customers' daily professional and leisure experiences, from watches to smartphones and laptop computers. During the quarter, the company reported that amid the pandemic slowdown, its services revenue, from platforms such as iCloud and Apple Music, saw double-digit growth, and its online sales surged in lieu of face-to-face transactions at its shuttered brick-and-mortar Apple stores. Additionally, anticipation of a 5G-based iPhone refresh later this year fueled interest in the stock.

Ecommerce giant Amazon.com, Inc. rose as it reported earnings that confirmed its online offerings are essential in a marketplace featuring millions of shut-ins and home-based workers. The company reported quarterly revenues that topped expectations, including the first \$10 billion quarter for its Amazon Web Services division. Meanwhile, the company's Whole Foods business reported 8% year-over-year growth in its physical stores. Generally, we believe that the online retail's upward trend will continue, and that the success of same day delivery service Prime Now and Whole Foods grocery delivery strengthens Amazon's appeal.

Leading detractors during the quarter included Amazon competitor Shopify, Inc., Wells Fargo & Company, and Boston Omaha Corp.

Having established a new position in Shopify, Inc., during the market's March downturn, we were pleased that the online commerce firm's stock participated in the second-quarter rally. Although the cloud-based ecommerce platform developer originally designed its offerings for small- and mid-sized businesses, the technology has proven invaluable to larger brands pushing online as well. We view Shopify as a category leader participating in the secular shift toward omnichannel retail sales. As a hedged position, its near-term performance may lag due to timing issues relating to the option and underlying equity, but our conviction in the long-term profitability prospects of the company remains high.

Similarly, we're standing by Wells Fargo & Company, a diversified financial services company that slumped amid historically low interest rates, the unknown fallout of the abrupt economic contraction, and management's decision to reduce its dividend. Despite the headwinds, we continue to like the mission critical nature of banks, Wells Fargo's relatively strong capital levels, and its discount to tangible book value — all of which we believe will lead to rewards for patient investors.

Conglomerate Boston Omaha Corp. retreated during the quarter as it contended with the prospects of broader macro headwinds potentially impacting revenues at its outdoor advertising business and the fallout from a discounted secondary share offering. Regardless, we remain confident in the longer-term outlook for the ad business, given the high barriers to entry, its attractive cash flow characteristics, and Boston Omaha's scale advantages. We also believe the incremental capital now on the balance sheet will afford company management the ability to opportunistically deploy cash into new business opportunities with promising growth prospects. Finally, with a stock price trading below net asset value, we believe upside potential exceeds what we view as muted downside risk.

The Fund continues to be managed in a sector-agnostic way, so changes in weights during the quarter largely reflected the performance of underlying holdings. New holdings during the period included a hedged position in technology infrastructure firm Zuora, Inc., and a long position in online auto dealer Vroom, Inc. Zuora's highly attractive business model is built around developing cloud-based software that enables companies to launch and manage subscription-based businesses. The stock has historically been richly valued, but the combination of March's pullback and elevated options volatility paved the way for an attractive entry point. Vroom represents an additional facet to our ecommerce portfolio, and we believe that its efficient platform offering increased transparency for buyers and sellers, provides a competitive edge in the fragmented new and used auto sales market.

OUTLOOK

The market seemed precariously positioned at quarter-end. Stretched valuations, elevated volatility, questionable breadth outside of select names and pockets of the market, and a thin margin of safety in the S&P 500 Index's high price-to-earnings ratio all sowed doubts about the sustainability of the second-quarter rally. Plus, while much of the buying interest seemed predicated on a v-shaped recovery supported by short-lived impacts of the pandemic, the path back to normalcy will more likely be a long and measured one. Although virtually every company was allowed to pull future guidance during first-quarter earnings reporting due to minimal visibility, earnings and cash flow do matter. At some point, stock values must be anchored to company fundamentals and we'll see earnings come back into focus.

MERIDIAN ENHANCED EQUITY FUND

SECOND QUARTER 2020



Given the current landscape, we believe it could be an ideal environment for the disciplined nature of our strategy. Guided by fundamental company-level research rather than macroeconomic developments, our bottom-up approach has resulted in a portfolio of high-quality investments in businesses with predictable revenue streams, improving margins, strong competitive advantages, and large addressable markets. Taken in tandem with our measured approach to risk mitigation, we believe this combination should continue to help deliver long-term value creation.

Thank you for your continued trust and confidence.

MERIDIAN ENHANCED EQUITY FUND

SECOND QUARTER 2020



FUND TOTAL PERFORMANCE (As of 6/30/2020)

Share Class	Ticker	Gross Expense Ratio	Net Expense Ratio	Inception Date	1 Month	3 Month	1 Year	3 Year ³	5 Year ³	10 Year ³	Since Inception ^{3,4}
Class A Shares – No Load	MRAEX	2.00%	2.00%	11/15/13	3.03%	21.61%	15.33%	20.93%	14.91%	14.18%	9.04%
Class A Shares – With Load	MRAEX	2.00%	2.00%	11/15/13	-2.92%	14.63%	8.69%	18.58%	13.56%	13.50%	8.62%
Class C Shares	MRCEX	2.32%	2.35%	7/1/15	3.00%	21.58%	15.08%	20.43%	14.44%	13.92%	8.95%
Investor Class Shares	MRIEX	1.70%	1.70%	11/15/13	3.00%	21.54%	15.65%	21.18%	15.16%	14.44%	9.30%
Legacy Class Shares	MEIFX	1.58%	1.58%	1/31/05	3.13%	21.75%	15.80%	21.38%	15.33%	14.79%	9.78%
S&P 500 Index ²	–	–	–	–	1.99%	20.54%	7.51%	10.72%	10.72%	13.98%	8.70%

The Fund's performance data represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data shown. The investment return and principal value of an investment will fluctuate so that you may have a gain or loss upon sale.

Investors should consider the investment objective and policies, risk considerations, charges and ongoing expenses of an investment carefully before investing. The prospectus contains this and other information relevant to an investment in the fund. Please read the prospectus carefully before you invest or send money. To obtain a prospectus, please contact your investment representative or access the website at meridianfund.com.

¹Listed holdings are presented to illustrate examples of the securities the Fund has bought and do not represent all of the Fund's holdings or future investments. Information about the Fund's holdings should not be considered investment advice. There is no guarantee that the Fund will continue to hold any one particular security or stay invested in any one sector. Holdings are subject to change at any time and are as of the date shown above.

²The Fund's Index, The S&P 500® Index, is a commonly recognized market-capitalization-weighted index of 500 widely held equity securities, designed to measure broad U.S. equity performance. One cannot directly invest in an index.

³Performance is annualized.

⁴Since inception returns are calculated using the month end data prior to the Fund's Legacy class inception date of 1/31/05.

A Class: Prior to 7/1/15, the A Class was named Advisor Class. The historical performance shown for periods prior to inception on 11/15/13 was calculated using historical Legacy class performance as adjusted for estimated class specific expenses for distribution, shareholder servicing and sub-transfer agency fees without consideration to any expense limitation or waivers. The annual gross expense ratio is 2.00% as of 10/31/19. The annual net expense ratio is 2.00% as of 10/31/19. If the class had been offered prior to 11/15/13, the actual performance and expenses may have differed from the amounts shown. Performance shown for class A shares with load includes the Fund's maximum sales charge of 5.75%. C Class: The historical performance shown for periods prior to inception on 7/1/15 was calculated using historical Legacy class performance as adjusted for estimated class specific expenses, for distribution, shareholder servicing and sub-transfer agency fees, without consideration to any expense limitation or waivers. The annual gross expense ratio is 2.32% as of 10/31/19. The annual net expense ratio is 2.35% after a recoupment of 0.03% is added as of 10/31/19. Investor Class: The historical performance shown for periods prior to inception on 11/15/13. The annual gross expense ratio is 1.70%. The annual net expense ratio is 1.70% as of 10/31/19. If the class had been offered prior to 11/15/13, the actual performance and expenses may have differed from the amounts shown. Legacy Shares: The annual gross expense ratio is 1.58% as of 10/31/19. The annual net expense ratio is 1.58% as of 10/31/19. Legacy class shares of the Fund are no longer available for purchase by new investors, except under certain limited circumstances which are described in the Statement of Additional Information.

Investors should consider the investment objective and policies, risk considerations, charges and ongoing expenses of an investment carefully before investing. The prospectus contains this and other information relevant to an investment in the fund. Please read the prospectus carefully before you invest or send money. To obtain a prospectus, please contact your investment representative or access the website at meridianfund.com.

Principal Investment Risks

There are risks involved with any investment. The principal risks associated with an investment in the Fund, which could adversely affect its net asset value, yield and return, are set forth below. Please see the section “Further Information About Principal Risks” in the Prospectus for a more detailed discussion of these risks and other factors you should carefully consider before deciding to invest in the Fund. *An investment in the Fund may lose money and is not a deposit of a bank or insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.* **Investment Strategy Risk:** The Investment Adviser uses the Fund’s principal investment strategies and other investment strategies to seek to achieve the Fund’s investment objective of long-term growth of capital. There is no assurance that the Investment Adviser’s investment strategies or securities selection method will achieve that investment objective. **Equity Securities Risk:** Equity securities fluctuate in price and value in response to many factors including historical and prospective earnings of the issuer and its financial condition, the value of its assets, general economic conditions, interest rates, investors’ perceptions and market liquidity. **Market Risk:** The value of the Fund’s investments will fluctuate in response to the activities of individual companies and general stock market and economic conditions. As a result, the value of your investment in the Fund may be more or less than your purchase price. **Growth Securities Risk:** Because growth securities typically trade at a higher multiple of earnings than other types of securities, the market values of growth securities may be more sensitive to changes in current or expected earnings than the market values of other types of securities. In addition, growth securities, at times, may not perform as well as value securities or the stock market in general, and may be out of favor with investors for varying periods of time. **Small Company Risk:** Generally, the smaller the capitalization of a company, the greater the risk associated with an investment in the company. The stock prices of small capitalization and newer companies tend to fluctuate more than those of larger capitalized and/or more established companies and generally have a smaller market for their shares than do large capitalization companies. **Foreign Securities Risk:** Investments in foreign securities may be subject to more risks than those associated with U.S. investments, including currency fluctuations, political and economic instability and differences in accounting, auditing and financial reporting standards. Foreign securities may be less liquid than domestic securities so that the Fund may, at times, be unable to sell foreign securities at desirable times or prices. In addition, emerging market securities involve greater risk and more volatility than those of companies in more developed markets. Significant levels of foreign taxes are also a risk related to foreign investments. **Options Risk:** Options on securities may be subject to greater fluctuation in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail great than ordinary investments. **Glossary: Alpha:** A measure of performance on a risk-adjusted basis. Alpha compares the volatility (price risk) of the Fund to risk-adjusted performance of the benchmark Index. **Free cash flow** is a measure of a company’s financial performance, calculated as operating cash flow minus capital expenditures. **Options** are a financial derivative sold by an option writer to an option buyer. The contract offers the buyer the right, but not the obligation, to buy (call option) or sell (put option) the underlying asset at an agreed-upon price during a certain period of time or on a specific date. **CBOE Volatility Index (VIX):** The VIX Index is a financial benchmark designed to be an up-to-the-minute market estimate of expected volatility of the S&P 500 Index, and is calculated by using the midpoint of real-time S&P 500® Index (SPX) option bid/ask quotes. **Price-to-earnings:** A valuation ratio of current share price compared to its per-share operating earnings over the previous four quarters.

ALPS Distributors, Inc., a member FINRA, is the distributor of the Meridian Mutual Funds, advised by ArrowMark Colorado Holdings, LLC. ALPS, Meridian and ArrowMark are unaffiliated.

The statements and opinions expressed in this commentary are as of the date of the commentary. All information is historical and not indicative of future results and is subject to change.