



## ZACKS FUNDS

- **Zacks Market Neutral Fund**  
Investor Class Shares – ZMNVX  
Institutional Class Shares - ZMNIX
- **Zacks All-Cap Core Fund**  
Investor Class Shares – CZOVX  
Class C Shares - CZOCX
- **Zacks Small-Cap Core Fund**  
Investor Class Shares – ZSCCX  
Institutional Class Shares - ZSCIX
- **Zacks Dividend Fund**  
Investor Class Shares – ZDIVX  
Institutional Class Shares - ZDIIX

## PROSPECTUS

April 1, 2018

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The Securities and Exchange Commission (the "SEC") has not approved or disapproved these securities or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

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**Zacks Funds**

*Each a series of Investment Managers Series Trust (the "Trust")  
Each of the funds described in this Prospectus will be referred to  
as a "Fund" and collectively as the "Funds"*

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This Prospectus sets forth basic information about the Funds that you should know before investing. It should be read and retained for future reference.

The date of this Prospectus is April 1, 2018.

## SUMMARY SECTION

### ZACKS MARKET NEUTRAL FUND

#### Investment Objective

The investment objective of the Zacks Market Neutral Fund is to generate positive returns in both rising and falling equity markets.

#### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

|   | Investor<br>Class<br>Shares | Institutional<br>Class<br>Shares |
|---|-----------------------------|----------------------------------|
| <b>SHAREHOLDER FEES</b>   |                             |                                  |
| <i>(fees paid directly from your investment)</i>  |                             |                                  |
| Maximum sales charge (load) imposed on purchases  | None                        | None                             |
| Maximum deferred sales charge (load)  | None                        | None                             |
| Redemption fee if redeemed within 30 days of purchase<br>(as a percentage of amount redeemed)       | 2.00%                       | 2.00%                            |
| Wire fee  | \$20                        | \$20                             |
| Overnight check delivery fee  | \$25                        | \$25                             |
| Retirement account fees (annual maintenance fee)  | \$15                        | \$15                             |
| <b>ANNUAL FUND OPERATING EXPENSES</b>   |                             |                                  |
| <i>(expenses that you pay each year as a percentage of the value of your investment)</i>            |                             |                                  |
| Management fees   | 1.10%                       | 1.10%                            |
| Distribution and/or service (Rule 12b-1) fees   | 0.25%                       | None                             |
| Other expenses (including dividend and interest expenses on short sales of<br>1.86%)                | 2.93%                       | 2.93%                            |
| Total annual fund operating expenses  | 4.28%                       | 4.03%                            |
| Fees waived and/or expenses reimbursed <sup>1</sup>   | (0.77%)                     | (0.77%)                          |
| Total annual fund operating expenses after waiving fees and/or reimbursing<br>expenses <sup>1</sup> | 3.51%                       | 3.26%                            |

- 1 The Fund's advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.65% and 1.40% of the average daily net assets for Investor Class Shares and Institutional Class Shares of the Fund, respectively. This agreement is in effect until March 31, 2021 and it may be terminated before that date only by the Trust's Board of Trustees. The Fund's advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period ending three full fiscal years after the date of the waiver or payment. This reimbursement may be requested from the Fund if the reimbursement will not cause the Fund's annual expense ratio to exceed the lesser of (a) the expense limitation in effect at the time such fees were waived or payments made, or (b) the expense limitation in effect at the time of the reimbursement.

### ***Example***

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that 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. The example also assumes that your investment has a 5% return each year and that 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:

|                     | <b>One Year</b> | <b>Three Years</b> | <b>Five Years</b> | <b>Ten Years</b> |
|---------------------|-----------------|--------------------|-------------------|------------------|
| Investor Class      | \$354           | \$1,077            | \$1,978           | \$4,289          |
| Institutional Class | \$329           | \$1,004            | \$1,861           | \$4,077          |

### **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 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 annual fund operating expenses or in the example, affect the Fund’s performance. The Fund’s portfolio turnover rate for the fiscal year ended November 30, 2017 was 156% of the average value of its portfolio.

### **Principal Investment Strategies**

The goal of market neutral investing is to generate returns that are independent of the direction of the stock market. The Fund seeks a total return greater than the return on three-month U.S. Treasury Bills. The Fund attempts to maintain minimal exposure to general market risk by always having both long and short positions in stocks, options and other instruments. The Fund has a long position in a security when it owns the security and has “sold short” a position when it sells a security it does not own. When the Fund has “sold short,” it must borrow the security in order to settle the sale and buy the security at a later date to pay back the lender. The Fund will not make a short sale if the market value of all short positions would exceed 100% of the value of the Fund’s net assets giving effect to such sale. The Fund will maintain long positions in stocks that Zacks Investment Management, Inc. (the “Advisor”) believes will outperform the market and short positions in stocks that the Advisor believes will underperform the market. The Fund may invest in equity securities of companies of any size capitalization, including mid-cap and small-cap companies. The Fund may also invest in real estate investment trusts. Under normal circumstances, the Fund seeks to maintain a balance between investments that are expected to benefit from a general rise in stock prices and investments that are expected to benefit from a general stock market decline.

The Fund pursues its investment objective by applying a hybrid research process, which uses both quantitative and qualitative criteria. For example, one proprietary model the Advisor uses to quantitatively assess the attractiveness of a large universe of stocks is based primarily on an analysis of changing patterns of earnings estimates for a company (the “Zacks Rank”). The primary aim of the Zacks Rank model is to identify the companies most likely to experience positive earnings estimate revisions. Under normal circumstances, the Advisor expects to invest primarily in equity securities with an emphasis on equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and American Depositary Receipts (“ADRs”). ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks.

### **Principal Risks of Investing**

Risk is inherent in all investing. A summary description of certain principal risks of investing in the Fund is set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors associated with investing in the Fund, which may cause investors to lose money. There can be no assurance that the Fund will achieve its investment objective.

***Equity Risk.*** The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

***Foreign Investment Risk.*** The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the

regulatory environments of foreign countries. In addition, changes in exchange rates and interest rates may adversely affect the values of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. Foreign securities include ADRs. Unsponsored ADRs are organized independently and without the cooperation of the foreign issuer of the underlying securities, and involve additional risks because U.S. reporting requirements do not apply. In addition, the issuing bank may deduct shareholder distribution, custody, foreign currency exchange, and other fees from the payment of dividends.

***Income and Distribution Risk.*** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term.

***Large-Cap Company Risk.*** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

***Options Risk.*** Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. The Fund may not fully benefit from or may lose money on an option if changes in its value do not correspond as anticipated to changes in the value of the underlying securities. If the Fund is not able to sell an option held in its portfolio, it would have to exercise the option to realize any profit and would incur transaction costs upon the purchase or sale of the underlying securities. Ownership of options involves the payment of premiums, which may adversely affect the Fund's performance. To the extent that the Fund invests in over-the-counter options, the Fund may be exposed to counterparty risk.

***Portfolio Turnover Risk.*** Active and frequent trading of the Fund's portfolio securities may lead to higher transaction costs and may result in a greater number of taxable transactions than would otherwise be the case, which could negatively affect the Fund's performance. A high rate of portfolio turnover is 100% or more.

***Quantitative Model Risk.*** There are limitations inherent in every quantitative model. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Investments selected using the Zacks Rank and other quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

***Real Estate Investment Trust (REIT) Risk.*** The Fund's investment in REITs will subject the Fund to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses.

***Sector Focus Risk.*** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. For example, as of November 30, 2017, 25.8% of the Fund's assets were invested in long positions in the Financial sector, and 27.8% of the Fund's assets were invested in short positions in the sector. Companies in the Financial sector

may be adversely affected by many factors, including among others, fluctuations in interest rates, government regulation, economic conditions, credit rating downgrades, and decreased liquidity in the credit markets. The impact of more stringent capital requirements or future regulation on any individual financial company or on the sector as a whole cannot be predicted.

**Short Sales Risk.** In connection with a short sale of a security or other instrument, the Fund is subject to the risk that instead of declining, the price of the security or other instrument sold short will rise. If the price of the security or other instrument sold short increases between the date of the short sale and the date on which the Fund replaces the security or other instrument borrowed to make the short sale, the Fund will experience a loss, which is theoretically unlimited since there is a theoretically unlimited potential for the market price of a security or other instrument sold short to increase. Shorting options or futures may have an imperfect correlation to the assets held by the Fund and may not adequately protect against losses in or may result in greater losses for the Fund’s portfolio.

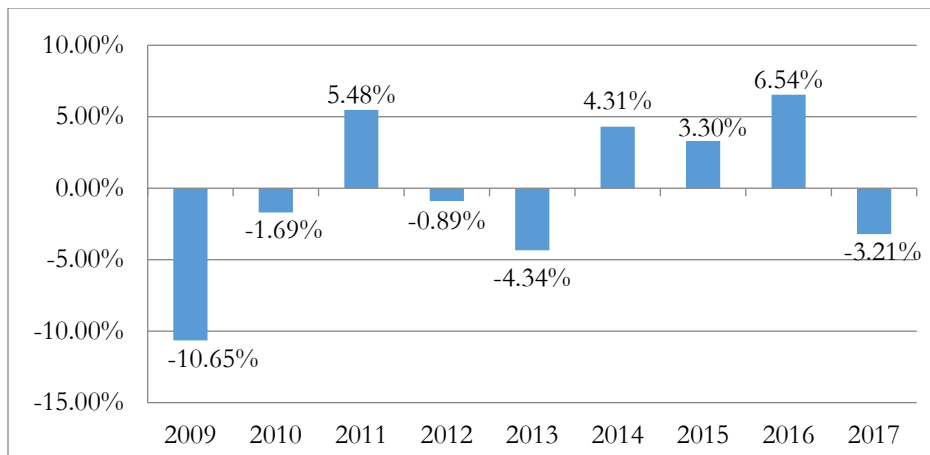
**Small-Cap and Mid-Cap Company Risk.** The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. In addition, such companies typically are more likely to be adversely affected than large capitalization companies by changes in earning results, business prospects, investor expectations or poor economic or market conditions.

**Performance**

The bar chart and table below provide some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year for Investor Class Shares and by showing how the average annual total returns of each class of the Fund compare with the average annual total returns of a broad-based market index. Performance for classes other than those shown may vary from the performance shown to the extent the expenses for those classes differ. Updated performance information is available at the Fund’s website, [www.zacksfunds.com](http://www.zacksfunds.com), or by calling the Fund at 888-453-4003. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. Prior to October 31, 2016, the Investor Class Shares of the Fund were designated as Class A Shares. Sales loads applicable to the Class A Shares are not reflected in the bar chart, and if those charges were included, returns would be less than those shown.

**Annual Total Return (before taxes) For Investor Class Shares**

For each calendar year at NAV



| <b>Investor Class Shares</b>                                |         |                          |
|---|---------|--------------------------|
| Highest Calendar Quarter Return at NAV<br>(non-annualized): | 5.40%   | Quarter Ended 06/30/2012 |
| Lowest Calendar Quarter Return at NAV<br>(non-annualized):  | (4.65%) | Quarter Ended 06/30/2009 |

| <b>Average Annual Total Returns<br/>for the Periods Ended December 31, 2017</b>           | <b>1 year</b> | <b>5 years</b> | <b>Since Inception<br/>(07/24/08)</b> |
|---|---------------|----------------|---------------------------------------|
| <b>Return Before Tax</b>  |               |                |                                       |
| Investor Class Shares   | (3.21)%       | 1.23%          | (0.53)%                               |
| Institutional Class Shares  | (2.90)%       | 0.73%          | (1.14)%                               |
| <b>Return After Taxes on Distributions</b>  |               |                |                                       |
| Investor Class Shares   | (3.21)%       | 1.23%          | (0.55)%                               |
| <b>Return After Taxes on Distributions and Sale of Fund Shares</b>                        |               |                |                                       |
| Investor Class Shares   | (1.81)%       | 0.94%          | (0.41)%                               |
| <b>FTSE 3-Month T-Bill Index (Reflects no deductions for<br/>fees, expenses or taxes)</b> | 0.84%         | 0.24%          | 0.23%                                 |

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. The after-tax returns are shown for Investor Class Shares only and after-tax returns for Institutional Class shares will vary. Prior to October 31, 2016, Investor Class Shares were designated as Class A Shares, which were subject to a 5.75% sales charge that is not reflected in the total return figures. Prior to October 31, 2016, Institutional Class Shares were designated as Class C Shares, which were subject to a distribution fee pursuant to a Rule 12b-1 Plan and a Contingent Deferred Sales Charge ("CDSC") of 1.00% on any shares sold within 12 months of the date of purchase. The CDSC is not reflected in the total return figures. The distribution fee is reflected in the Institutional Class Shares' returns for periods prior to October 31, 2016.

#### **Investment Advisor**

Zacks Investment Management, Inc.

#### **Portfolio Managers**

Benjamin L. Zacks, Senior Portfolio Manager, and Mitch E. Zacks, Portfolio Manager, have been jointly and primarily responsible for the day-to day management of the Fund's portfolio since its inception in July 2008.

#### **Purchase and Sale of Fund Shares**

To purchase shares of the Fund, you must invest at least the minimum amount.

#### **Investor Class Shares**

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| Direct Regular Accounts    | \$2,500                         | \$100                             |
| Direct Retirement Accounts | \$1,000                         | \$50                              |
| Automatic Investment Plan  | \$500                           | \$50                              |
| Gift Account For Minors    | \$1,000                         | \$50                              |

**Institutional Class Shares**

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| Direct Regular Accounts    | \$5,000                         | \$1,000                           |
| Direct Retirement Accounts | \$2,000                         | \$500                             |
| Automatic Investment Plan  | \$5,000                         | \$500                             |
| Gift Account For Minors    | \$2,000                         | \$500                             |

Fund shares are redeemable on any business day the New York Stock Exchange (the “NYSE”) is open for business by written request or by telephone.

**Tax Information**

The Fund’s distributions are generally taxable, and will ordinarily be taxed as ordinary income, qualified dividend income or capital gains, unless you are investing through a tax-advantaged arrangement, such as a 401(k) plan or an individual retirement account. Shareholders investing through such tax-advantaged arrangements may be taxed later upon withdrawal of monies from those arrangements.

**Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.



## SUMMARY SECTION

### ZACKS ALL-CAP CORE FUND

#### Investment Objectives

The investment objective of the Zacks All-Cap Core Fund primarily is capital appreciation and secondarily is to provide shareholders with income through dividends.

#### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

|  | Investor Class<br>Shares | Class C<br>Shares  |
|--|--------------------------|--------------------|
| <b>SHAREHOLDER FEES</b>  |                          |                    |
| <i>(fees paid directly from your investment)</i>   |                          |                    |
| Maximum sales charge (load) imposed on purchases   | None                     | None               |
| Maximum deferred sales charge (load)<br>(as a percentage of the lesser of the value redeemed or the amount invested) | None                     | 1.00% <sup>1</sup> |
| Redemption fee if redeemed within 30 days of purchase<br>(as a percentage of amount redeemed)                        | 2.00%                    | 2.00%              |
| Wire fee   | \$20                     | \$20               |
| Overnight check delivery fee   | \$25                     | \$25               |
| Retirement account fees (annual maintenance fee)   | \$15                     | \$15               |
| <b>ANNUAL FUND OPERATING EXPENSES</b>  |                          |                    |
| <i>(expenses that you pay each year as a percentage of the value of your investment)</i>                             |                          |                    |
| Management fees  | 0.80%                    | 0.80%              |
| Distribution and/or service (Rule 12b-1) fees  | 0.25%                    | 1.00%              |
| Other expenses   | 0.61%                    | 0.61%              |
| Total annual fund operating expenses   | <u>1.66%</u>             | <u>2.41%</u>       |
| Fees waived and/or expenses reimbursed <sup>2</sup>  | <u>(0.11%)</u>           | <u>(0.11%)</u>     |
| Total annual fund operating expenses after waiving fees and/or reimbursing expenses <sup>2</sup>                     | <u>1.55%</u>             | <u>2.30%</u>       |

- Class C Shares of the Fund are subject to a Contingent Deferred Sales Charge (“CDSC”) of 1.00% on any shares sold within 12 months of owning them and 0.50% during months 13-18.
- The Fund’s advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.55% and 2.30% of the average daily net assets for Investor Class Shares and Class C Shares of the Fund, respectively. This agreement is in effect until March 31, 2021 and it may be terminated before that date only by the Trust’s Board of Trustees. The Fund’s advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period ending three full fiscal years after the date of the waiver or payment. This reimbursement may be requested from the Fund if the reimbursement will not cause the Fund’s annual expense ratio to exceed the lesser of (a) the expense limitation in effect at the time such fees were waived or payments made, or (b) the expense limitation in effect at the time of the reimbursement.

## SUMMARY SECTION

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### ***Example***

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that 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. The example also assumes that your investment has a 5% return each year, and that 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:

|                | <b>One Year</b> | <b>Three Years</b> | <b>Five Years</b> | <b>Ten Years</b> |
|----------------|-----------------|--------------------|-------------------|------------------|
| Investor Class | \$158           | \$490              | \$869             | \$1,936          |
| Class C        | \$336           | \$718              | \$1,254           | \$2,720          |

You would pay the following expenses if you did not redeem your shares:

|         | <b>One Year</b> | <b>Three Years</b> | <b>Five Years</b> | <b>Ten Years</b> |
|---------|-----------------|--------------------|-------------------|------------------|
| Class C | \$233           | \$718              | \$1,254           | \$2,720          |

The example does not reflect sales loads on reinvested dividends and capital gains. If these sales loads were included, your costs would be higher.

### **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 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 annual fund operating expenses or in the example, affect the Fund’s performance. The Fund’s portfolio turnover rate for the fiscal year ended November 30, 2017 was 29% of the average value of its portfolio.

### **Principal Investment Strategies**

The Fund pursues its investment objectives by applying a hybrid research process, which uses both quantitative and qualitative criteria. Zacks Investment Management, Inc. (the “Advisor”) uses the Zacks Rank, a proprietary model, to quantitatively assess the attractiveness of a large universe of stocks based primarily on an analysis of changing patterns of earnings estimates for a company. The primary aim of the Zacks Rank model is to identify those companies most likely to experience positive earnings estimate revisions. From a smaller universe of stocks that are highly ranked by the quantitative model (approximately 300 securities), the portfolio managers select stocks with strong earnings potential using traditional “bottom-up” valuation metrics. Portfolio construction is driven by modern portfolio theory incorporating strict risk controls. Under normal circumstances, the Advisor expects to invest primarily in equity securities with an emphasis on equity securities of U.S. issuers. The Fund seeks to diversify its assets by investing in securities from a pool of more than one dozen industry sectors and over 200 industry groups. The Advisor allocates assets opportunistically based on market information and is not constrained by market capitalization or style parameters. Sector, capitalization and style allocations generally result from market trends regarding earnings information.

The Fund is designed to be a “core” fund that seeks to combine both value and growth characteristics. Under normal circumstances, the Fund invests primarily in equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and American Depositary Receipts (“ADRs”). ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks.

### **Principal Risks of Investing**

Risk is inherent in all investing. A summary description of certain principal risks of investing in the Fund is set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors associated with investing in the Fund, which may cause investors to lose money. There can be no assurance that the Fund will achieve its investment objectives.

**Equity Risk.** The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

**Foreign Investment Risk.** The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. In addition, changes in exchange rates and interest rates may adversely affect the values of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. Foreign securities include ADRs. Unsponsored ADRs are organized independently and without the cooperation of the foreign issuer of the underlying securities, and involve additional risks because U.S. reporting requirements do not apply. In addition, the issuing bank may deduct shareholder distribution, custody, foreign currency exchange, and other fees from the payment of dividends.

**Growth-Oriented Investment Strategies Risk.** Growth funds generally focus on stocks of companies believed to have above-average potential for growth in revenue and earnings. Growth securities typically are very sensitive to market movements because their market prices frequently reflect projections of future earnings or revenues, and when it appears that those expectations will not be met the prices of growth securities typically fall.

**Income and Distribution Risk.** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term.

**Large-Cap Company Risk.** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion.

**Management and Strategy Risk.** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect.

**Market Risk.** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

**Quantitative Model Risk.** There are limitations inherent in every quantitative model. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Investments selected using the Zacks Rank and other quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

**Sector Focus Risk.** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors.

**Small-Cap and Mid-Cap Company Risk.** The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. In addition, such companies typically are more likely to be adversely affected than large capitalization companies by changes in earning results, business prospects, investor expectations or poor economic or market conditions.

**Value-Oriented Investment Strategies Risk.** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets.

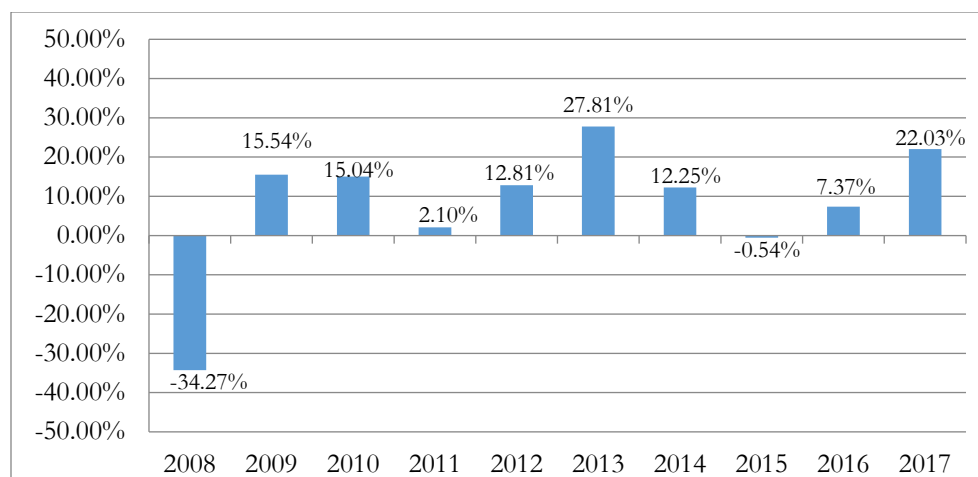
**Performance**

The bar chart and table below provide some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year for Investor Class Shares and by showing how the average annual total returns of each class of the Fund compare with the average annual total returns of a broad-based market index. Performance for classes other than those shown may vary from the performance shown to the extent the expenses for those classes differ. Updated performance information is available at the Fund's website, [www.zacksfunds.com](http://www.zacksfunds.com), or by calling the Fund at 888-453-4003. The Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future.

Prior to October 31, 2016, the Investor Class Shares of the Fund were designated as Class A Shares. Sales loads applicable to the Class A Shares are not reflected in the bar chart, and if those charges were included, returns would be less than those shown.

**Calendar-Year Total Return (before taxes) For Investor Class Shares**

For each calendar year at NAV



| <b>Investor Class Shares</b>                             |          |                          |
|--|----------|--------------------------|
| Highest Calendar Quarter Return at NAV (non-annualized): | 12.90%   | Quarter Ended 09/30/2009 |
| Lowest Calendar Quarter Return at NAV (non-annualized):  | (19.20%) | Quarter Ended 12/31/2008 |

| <b>Average Annual Total Returns<br/>for the Periods Ended December 31, 2017</b>    | <b>1 year</b> | <b>5 years</b> | <b>10 years</b> |
|--|---------------|----------------|-----------------|
| <b>Return Before Taxes</b>   |               |                |                 |
| Investor Class Shares  | 22.03%        | 13.33%         | 6.52%           |
| Class C Shares   | 20.08%        | 12.46%         | 5.72%           |
| <b>Return After Taxes on Distributions</b>   |               |                |                 |
| Investor Class Shares  | 19.84%        | 11.92%         | 5.85%           |
| <b>Return After Taxes on Distributions and Sale of Fund Shares</b>                 |               |                |                 |
| Investor Class Shares  | 14.27%        | 10.53%         | 5.19%           |
| <b>Russell 3000 Index (Reflects no deductions for fees,<br/>expenses or taxes)</b> | 21.13%        | 15.58%         | 8.60%           |

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. The after-tax returns are shown for Investor Class Shares only and after-tax returns for Class C Shares will vary. Prior to October 31, 2016, Investor Class Shares were designated as Class A Shares, which were subject to a 5.75% sales charge that is not reflected in the total return figures.

#### **Investment Advisor**

Zacks Investment Management, Inc.

#### **Portfolio Managers**

Benjamin L. Zacks, Senior Portfolio Manager, and Mitch E. Zacks, Portfolio Manager, have been jointly and primarily responsible for the day-to-day management of the Fund's portfolio since its inception in December 2005.

#### **Purchase and Sale of Fund Shares**

To purchase shares of the Fund, you must invest at least the minimum amount.

#### **Class C and Investor Class Shares**

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| Direct Regular Accounts    | \$2,500                         | \$100                             |
| Direct Retirement Accounts | \$1,000                         | \$50                              |
| Automatic Investment Plan  | \$500                           | \$50                              |
| Gift Account For Minors    | \$1,000                         | \$50                              |

Fund shares are redeemable on any business day the New York Stock Exchange (the "NYSE") is open for business by written request or by telephone.

#### **Tax Information**

The Fund's distributions are generally taxable, and will ordinarily be taxed as ordinary income, qualified dividend income or capital gains, unless you are investing through a tax-advantaged arrangement, such as a 401(k) plan or an individual retirement account. Shareholders investing through such tax-advantaged arrangements may be taxed later upon withdrawal of monies from those arrangements.

#### **Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

## SUMMARY SECTION

### ZACKS SMALL-CAP CORE FUND

#### Investment Objective

The investment objective of the Zacks Small-Cap Core Fund is capital appreciation.

#### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Zacks Small-Cap Core Fund.

|   | <b>Investor<br/>Class<br/>Shares</b> | <b>Institutional<br/>Class<br/>Shares</b> |
|---|--------------------------------------|---|
| <b>SHAREHOLDER FEES</b>   |                                      |   |
| <i>(fees paid directly from your investment)</i>  |                                      |   |
| Maximum sales charge (load) imposed on purchases  | None                                 | None                                      |
| Maximum deferred sales charge (load)  | None                                 | None                                      |
| Redemption fee if redeemed within 30 days of purchase<br>(as a percentage of amount redeemed)       | 2.00%                                | 2.00%                                     |
| Wire fee  | \$20                                 | \$20                                      |
| Overnight check delivery fee  | \$25                                 | \$25                                      |
| Retirement account fees (annual maintenance fee)  | \$15                                 | \$15                                      |
| <b>ANNUAL FUND OPERATING EXPENSES</b>   |                                      |   |
| <i>(expenses that you pay each year as a percentage of the value of your investment)</i>            |                                      |   |
| Management fees   | 0.90%                                | 0.90%                                     |
| Distribution and/or service (Rule 12b-1) fees   | 0.25%                                | None                                      |
| Other expenses  | 0.39%                                | 0.39%                                     |
| Total annual fund operating expenses  | 1.54%                                | 1.29%                                     |
| Expense waiver and reimbursements <sup>1</sup>  | (0.15)%                              | (0.15)%                                   |
| Total annual fund operating expenses after fee waiver and/or expense<br>reimbursements <sup>1</sup> | 1.39%                                | 1.14%                                     |

- 1 The Fund's advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.39%, and 1.14% of the average daily net assets of the Investor Class Shares, and Institutional Class Shares of the Fund, respectively. This agreement is in effect until March 31, 2021 and it may be terminated before that date only by the Trust's Board of Trustees. The Fund's advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period ending three full fiscal years from the date of the waiver or payment. This reimbursement may be requested from the Fund if the reimbursement will not cause the Fund's annual expense ratio to exceed the lesser of (a) the expense limitation in effect at the time such fees were waived or payments made, or (b) the expense limitation in effect at the time of the reimbursement.

### ***Example***

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that 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. The example also assumes that your investment has a 5% return each year, and that 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:

|                     | <b>One Year</b> | <b>Three Years</b> | <b>Five Years</b> | <b>Ten Years</b> |
|---------------------|-----------------|--------------------|-------------------|------------------|
| Investor Class      | \$142           | \$440              | \$795             | \$1,794          |
| Institutional Class | \$116           | \$362              | \$662             | \$1,515          |

### **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 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 annual fund operating expenses or in the example, affect the Fund’s performance. The Fund’s portfolio turnover rate for the fiscal year ended November 30, 2017 was 162% of the average value of its portfolio.

### **Principal Investment Strategies**

The Fund pursues its investment objective by applying a hybrid research process which uses both quantitative and qualitative criteria. Zacks Investment Management, Inc. (the “Advisor”) uses a proprietary model to quantitatively assess the attractiveness of a large universe of stocks based on potential capital appreciation. The primary aim of the quantitative model is to identify those companies most likely to generate positive alpha, or excess return over the market, when adjusted for stock beta, or movement with the market. From a smaller universe of stocks that are highly ranked by the quantitative model, the portfolio managers select small-cap stocks with attractive risk/return characteristics based on qualitative criteria. Portfolio construction incorporates risk controls.

Under normal circumstances, the Fund will invest at least 80% of its net assets (including amounts borrowed for investment purposes) in a diversified portfolio of equity securities of small capitalization companies, with an emphasis on equity securities of U.S. issuers. The Fund’s investments in equity securities may include common stock, preferred stock and convertible securities. The Fund considers small capitalization companies to be companies within the range of those companies included in the Russell 2000 Index at the time of purchase. Because small capitalization companies are defined by reference to an index, the range of market capitalization companies in which the Fund invests may vary with market conditions. As of May 31, 2017, the market capitalizations of companies included in the Russell 2000 Index were between \$192 million and \$7.5 billion. The Russell 2000 Index is reconstituted annually, typically on May 31 of each year, to seek to ensure that larger stocks do not distort the performance and characteristics of the Index and that the represented companies continue to reflect small capitalization characteristics.

The Fund is designed to be a “core” fund that seeks to combine both value and growth characteristics within the small-cap universe. The Fund seeks to diversify its assets by investing in securities from a pool of more than one dozen industry sectors. The Advisor allocates assets opportunistically based on market information and is not constrained by investment style parameters. Sector and style allocations generally result from a hybrid research process using quantitative and qualitative criteria. The Fund may engage in short-sale transactions up to 25% of its net assets. The Fund’s investment strategy involves active and frequent trading.

Under normal circumstances, the Fund invests primarily in equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and American Depositary Receipts (“ADRs”). ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks.

### **Principal Risks of Investing**

Risk is inherent in all investing. A summary description of certain principal risks of investing in the Fund is set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors associated with investing in the Fund, which may cause investors to lose money. There can be no assurance that the Fund will achieve its investment objective.

**Equity Risk.** The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

**Foreign Investment Risk.** The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. In addition, changes in exchange rates and interest rates may adversely affect the values of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. Foreign securities include ADRs. Unsponsored ADRs are organized independently and without the cooperation of the foreign issuer of the underlying securities, and involve additional risks because U.S. reporting requirements do not apply. In addition, the issuing bank may deduct shareholder distribution, custody, foreign currency exchange, and other fees from the payment of dividends.

**Growth-Oriented Investment Strategies Risk.** Growth funds generally focus on stocks of companies believed to have above-average potential for growth in revenue and earnings. Growth securities typically are very sensitive to market movements because their market prices frequently reflect projections of future earnings or revenues, and when it appears that those expectations will not be met the prices of growth securities typically fall.

**Income and Distribution Risk.** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term.

**Management and Strategy Risk.** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect.

**Market Risk.** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

**Portfolio Turnover Risk.** Active and frequent trading of the Fund's portfolio securities may lead to higher transaction costs and may result in a greater number of taxable transactions than would otherwise be the case, which could negatively affect the Fund's performance. A high rate of portfolio turnover is 100% or more.

**Quantitative Model Risk.** There are limitations inherent in every quantitative model. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Investments selected using other quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

**Sector Focus Risk.** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors.

**Short Sales Risk.** In connection with a short sale of a security or other instrument, the Fund is subject to the risk that instead of declining, the price of the security or other instrument sold short will rise. If the price of the security or other instrument sold short increases between the date of the short sale and the date on which the Fund replaces the security or other instrument borrowed to make the short sale, the Fund will experience a loss, which is theoretically unlimited since there is a theoretically unlimited potential for the market price of a security or other instrument sold short to increase.



**Small-Cap Companies Risk.** The securities of small-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. In addition, such companies typically are more likely to be adversely affected than large capitalization companies by changes in earning results, business prospects, investor expectations or poor economic or market conditions.

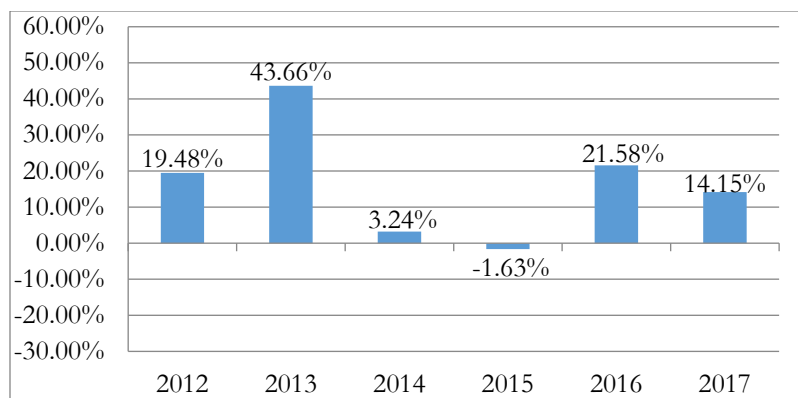
**Value-Oriented Investment Strategies Risk.** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security’s inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets.

**Performance**

The bar chart and table below provide some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year for Investor Class Shares and by showing how the average annual total return of the Fund compare with the average annual total returns of a broad-based market index. Performance for classes other than those shown may vary from the performance shown to the extent the expenses for those classes differ. Updated performance information is available at the Fund’s website, [www.zacksfunds.com](http://www.zacksfunds.com), or by calling the Fund at 888-453-4003. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. Sales loads are not reflected in the bar chart, and if those charges were included, returns would be less than those shown.

**Calendar-Year Total Return (before taxes) for Investor Class**

For each calendar year at NAV



| <b>Investor Class Shares</b>                             |         |                        |
|--|---------|------------------------|
| Highest Calendar Quarter Return at NAV (non-annualized): | 15.30%  | Quarter Ended 03/31/13 |
| Lowest Calendar Quarter Return at NAV (non-annualized):  | (8.84%) | Quarter Ended 09/30/15 |

| <b>Average Annual Total Returns<br/>for the Periods Ended December 31, 2017</b>    | <b>1 year</b> | <b>5 years</b> | <b>Since<br/>Inception<br/>(06/30/11)**</b> | <b>Inception Date</b> |
|--|---------------|----------------|---|-----------------------|
| <b>Return Before Taxes</b>   |               |                |   |                       |
| Investor Class Shares  | 14.15%        | 15.15%         | 13.73%                                      | June 30, 2011         |
| Institutional Class Shares   | 14.39%        | 15.46%         | 14.02%                                      | February 28, 2014     |
| <b>Return After Taxes on Distributions*</b>  |               |                |   |                       |
| Investor Class Shares  | 9.72%         | 13.78%         | 12.64%                                      | June 30, 2011         |
| <b>Return After Taxes on Distributions and<br/>Sale of Fund Shares*</b>            |               |                |   |                       |
| Investor Class Shares  | 9.49%         | 11.81%         | 10.89%                                      | June 30, 2011         |
| <b>Russell 2000 Index (Reflects no deductions<br/>for fees, expenses or taxes)</b> |               |                |   |                       |
|  | 14.65%        | 14.12%         | 11.52%                                      | June 30, 2011         |

\* After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

\*\* Investor Class Shares commenced operations on June 30, 2011. Institutional Class Shares commenced operations on February 28, 2014. The performance figures for Institutional Class Shares include the performance for the Investor Class Shares for the period prior to February 28, 2014. For such period Institutional Class Shares would have had substantially similar performance as Investor Class because the shares are invested in the same portfolio of securities and the average annual total returns would have differed only to the extent that the expenses of Institutional Class Shares were lower than the expenses of Investor Class Shares and therefore, returns for Institutional Class Shares would have been higher than those of Investor Class Shares.

#### **Investment Advisor**

Zacks Investment Management, Inc.

#### **Portfolio Managers**

Benjamin L. Zacks, Senior Portfolio Manager, and Mitch E. Zacks, Portfolio Manager, have been jointly and primarily responsible for the day-to-day management of the Fund's portfolio since its inception on June 30, 2011.

#### **Purchase and Sale of Fund Shares**

To purchase shares of the Fund, you must invest at least the minimum amount.

#### **Investor Class Shares**

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| Direct Regular Accounts    | \$2,500                         | \$100                             |
| Direct Retirement Accounts | \$1,000                         | \$50                              |
| Automatic Investment Plan  | \$500                           | \$50                              |
| Gift Account For Minors    | \$1,000                         | \$50                              |

#### **Institutional Class Shares**

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| Direct Regular Accounts    | \$5,000                         | \$1,000                           |
| Direct Retirement Accounts | \$2,000                         | \$500                             |
| Automatic Investment Plan  | \$5,000                         | \$500                             |
| Gift Account For Minors    | \$2,000                         | \$500                             |

Fund shares are redeemable on any business day the New York Stock Exchange (the “NYSE”) is open for business by written request or by telephone.

**Tax Information**

The Fund’s distributions are generally taxable, and will ordinarily be taxed as ordinary income, qualified dividend income or capital gains, unless you are investing through a tax-advantaged arrangement, such as a 401(k) plan or an individual retirement account. Shareholders investing through such tax-advantaged arrangements may be taxed later upon withdrawal of monies from those arrangements.

**Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

## SUMMARY SECTION

### ZACKS DIVIDEND FUND

#### Investment Objectives

The investment objective of the Zacks Dividend Fund (the “Fund”) is capital appreciation and dividend income.

#### Fees and Expenses of the Fund

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

|   | <b>Investor<br/>Class</b> | <b>Institutional<br/>Class</b> |
|---|---------------------------|--------------------------------|
| <b>Shareholder Fees</b>   |                           |                                |
| <i>(fees paid directly from your investment)</i>  |                           |                                |
| Maximum sales charge (load) imposed on purchases  | None                      | None                           |
| Maximum deferred sales charge (load)  | None                      | None                           |
| Redemption fee if redeemed within 30 days of purchase<br>(as a percentage of amount redeemed)       | 2.00%                     | 2.00%                          |
| Wire fee  | \$20                      | \$20                           |
| Overnight check delivery fee  | \$25                      | \$25                           |
| Retirement account fees (annual maintenance fee)  | \$15                      | \$15                           |
| <b>Annual Fund Operating Expenses</b>   |                           |                                |
| <i>(expenses that you pay each year as a percentage of the value of your investment)</i>            |                           |                                |
| Management fees   | 0.80%                     | 0.80%                          |
| Distribution and Service (12b-1) fees   | 0.25%                     | None                           |
| Other expenses  | 0.61%                     | 0.61%                          |
| Total annual fund operating expenses  | 1.66%                     | 1.41%                          |
| Fees waived and/or expenses reimbursed <sup>1</sup>   | (0.36)%                   | (0.36)%                        |
| Total annual fund operating expenses after waiving fees and/or<br>reimbursing expenses <sup>1</sup> | 1.30%                     | 1.05%                          |

- 1 The Fund’s advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed 1.30% and 1.05% of the average daily net assets for Investor Class Shares and Institutional Class Shares of the Fund, respectively. This agreement is in effect until March 31, 2021, and it may be terminated before that date only by the Trust’s Board of Trustees. The Fund’s advisor is permitted to seek reimbursement from the Fund, subject to certain limitations, of fees waived or payments made to the Fund for a period ending three full fiscal years from the date of the waiver or payment. This reimbursement may be requested from the Fund if the reimbursement will not cause the Fund’s annual expense ratio to exceed the lesser of (a) the expense limitation in effect at the time such fees were waived or payments made, or (b) the expense limitation in effect at the time of the reimbursement.

## Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that 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. The example also assumes that your investment has a 5% return each year and that 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:

|                     | One Year | Three Years | Five Years | Ten Years |
|---------------------|----------|-------------|------------|-----------|
| Investor Class      | \$132    | \$412       | \$795      | \$1,869   |
| Institutional Class | \$107    | \$334       | \$662      | \$1,592   |

## 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 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 annual fund operating expenses or in the example, affect the Fund's performance. For the fiscal year ended November 30, 2017, the Fund had a portfolio turnover rate of 18% of the average value of its portfolio.

## Principal Investment Strategies

Under normal market conditions, the Fund will invest at least 80% of its net assets plus borrowings for investment purposes in equity securities of dividend paying companies organized or headquartered in the United States. The Fund's equity investments include common stock, preferred stock, rights and warrants. Zacks Investment Management, Inc. (the “Advisor”) intends to invest the Fund's assets in the equity securities of companies that the Advisor believes are undervalued based on their earnings, dividends, assets, or other financial measures. While the Fund may invest in companies of any market capitalization, it will generally focus on companies with large capitalizations (\$10 billion or higher at the time of purchase). The Fund may also invest in exchange-traded funds (“ETFs”), which are investment companies that invest in portfolios of securities designed to track particular market segments or indices, the shares of which are bought and sold on securities exchanges. In addition, the Fund may also invest in American Depositary Receipts (“ADRs”), which are receipts that represent interests in foreign securities held on deposit by U.S. banks.

The Advisor employs a bottom-up investment approach to buying and selling investments for the Fund. The Advisor selects investments primarily based on quantitative analysis of an individual issuer and its potential for capital appreciation and dividend income. The Advisor uses a quantitative model that analyzes an issuer's dividend yield, earnings, cash flows, competitive position, and management ability. The primary aim of this quantitative model is to systematically evaluate an issuer's valuation, price and earnings momentum and earnings quality. In addition to considering a company's financial condition the Advisor also considers other factors such as general market, economic, political, and regulatory conditions.

## Principal Risks of Investing

Risk is inherent in all investing. A summary description of certain principal risks of investing in the Fund is set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors associated with investing in the Fund, which may cause investors to lose money. There can be no assurance that the Fund will achieve its investment objective.

**Equity Risk.** The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests.

**Exchange-Traded Funds Risk.** Investing in an ETF will provide the Fund with exposure to the securities comprising the index on which the ETF is based and will expose the Fund to risks similar to those of investing directly in those securities. Shares of ETFs typically trade on securities exchanges and may at times trade at a premium or discount to their net asset values. In addition, an ETF may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. Investing in

ETFs, which are investment companies, involves duplication of advisory fees and certain other expenses. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETFs.

***Foreign Investment Risk.*** The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. In addition, changes in exchange rates and interest rates may adversely affect the values of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. Foreign securities include ADRs. Unsponsored ADRs are organized independently and without the cooperation of the foreign issuer of the underlying securities, and involve additional risks because U.S. reporting requirements do not apply. In addition, the issuing bank may deduct shareholder distribution, custody, foreign currency exchange, and other fees from the payment of dividends.

***Large-Cap Company Risk.*** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

***Preferred Stock Risk.*** Preferred stock represents an equity interest in a company that generally entitles the holder to receive, in preference to the holders of other stocks such as common stock, dividends and a fixed share of the proceeds resulting from a liquidation of the company. The market value of preferred stock is subject to company-specific and market risks applicable generally to equity securities and is also sensitive to changes in the company's creditworthiness, the ability of the company to make payments on the preferred stock, and changes in interest rates, typically declining in value if interest rates rise.

***Quantitative Model Risk.*** There are limitations inherent in every quantitative model. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Investments selected using quantitative models may perform differently from the market as a whole or from their expected performance. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

***Sector Focus Risk.*** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. For example, as of November 30, 2017, 28.4% of the Fund's assets were invested in the Financial sector, and 24.0% of the Fund's assets were invested in the Consumer, Non-Cyclical sector. Companies in the Financial sector may be adversely affected by many factors, including among others, fluctuations in interest rates, government regulation, economic conditions, credit rating downgrades, and decreased liquidity in the credit markets. The impact of more stringent capital requirements or future regulation on any individual financial company or on the sector as a whole cannot be predicted. Companies in the Consumer sector may be adversely impacted by fluctuations in supply and demand, changes in the global economy, consumer spending, competition, demographics and consumer preferences, and production spending. Companies in the Consumer sector are also affected by changes in government regulation, global economic, environmental and political events, economic conditions and the depletion of resources.

**Small-Cap and Mid-Cap Company Risk.** The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. In addition, such companies typically are more likely to be adversely affected than large capitalization companies by changes in earning results, business prospects, investor expectations or poor economic or market conditions.

**Value-Oriented Investment Strategies Risk.** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security’s inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets.

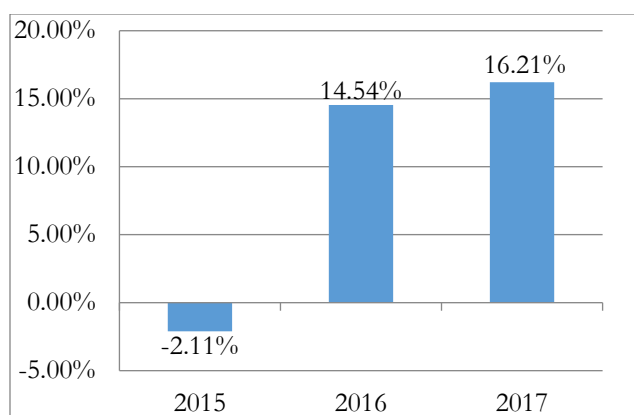
**Warrants and Rights Risk.** Warrants and rights may lack a liquid secondary market for resale. The prices of warrants and rights may fluctuate as a result of speculation or other factors. Warrants and rights can provide a greater potential for profit or loss than an equivalent investment in the underlying security. Prices of warrants and rights do not necessarily move in tandem with the prices of their underlying securities and therefore, are highly volatile and speculative investments. If a warrant or right expires without being exercised, the Fund will lose any amount paid for the warrant or right.

### **Performance**

The bar chart and table below provide some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year for Investor Class Shares and by showing how the average annual total returns of the Fund compare with the average annual total returns of a broad-based market index. The information shown in the bar chart and performance table are that of the Investor Class of the Fund because the Institutional Class is a new class and does not have a full calendar year performance record. Performance for classes other than those shown may vary from the performance shown to the extent the expenses for those classes differ. Updated performance information is available at the Fund’s website, [www.zacksfunds.com](http://www.zacksfunds.com), or by calling the Fund at 888-453-4003. The Fund’s past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future.

### **Calendar-Year Total Return (before taxes) for Investor Class**

For each calendar year at NAV



| <b>Investor Class Shares</b>                             |         |                        |
|--|---------|------------------------|
| Highest Calendar Quarter Return at NAV (non-annualized): | 7.37%   | Quarter Ended 12/31/15 |
| Lowest Calendar Quarter Return at NAV (non-annualized):  | (7.01%) | Quarter Ended 09/30/15 |

| <b>Average Annual Total Returns<br/>for the Periods Ended December 31, 2017</b>    | <b>1 year</b> | <b>Since<br/>Inception<br/>(1/31/14)</b> | <b>Inception Date</b>   |
|--|---------------|--|-------------------------|
| <b>Return Before Taxes</b>   |               |  |                         |
| Investor Class Shares  | 16.21%        | 10.90%                                   | January 31, 2014        |
| Institutional Class Shares   | 16.51%        | 11.18%                                   | January 31, 2017        |
| <b>Return After Taxes on Distributions*</b>  |               |  |                         |
| Investor Class Shares  | 15.30%        | 10.30%                                   | January 31, 2014        |
| <b>Return After Taxes on Distributions and Sale of Fund Shares*</b>                |               |  |                         |
| Investor Class Shares  | 9.89%         | 8.51%                                    | January 31, 2014        |
| <b>Russell 1000 Index (Reflects no deductions for fees, expenses<br/>or taxes)</b> | <b>13.66%</b> | <b>11.08%</b>                            | <b>January 31, 2014</b> |

\* After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

#### **Investment Advisor**

Zacks Investment Management, Inc.

#### **Portfolio Managers**

Benjamin L. Zacks, Senior Portfolio Manager, and Mitch E. Zacks, Portfolio Manager, have been jointly and primarily responsible for the day-to-day management of the Fund's portfolio since its inception in January, 2014.

#### **Purchase and Sale of Fund Shares**

To purchase shares of the Fund, you must invest at least the minimum amount.

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| <b>Investor Class</b>      |                                 |                                   |
| Direct Regular Accounts    | \$2,500                         | \$100                             |
| Direct Retirement Accounts | \$1,000                         | \$50                              |
| Automatic Investment Plan  | \$500                           | \$50                              |
| Gift Account For Minors    | \$1,000                         | \$50                              |

| <b>Minimum Investments</b> | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|----------------------------|---------------------------------|-----------------------------------|
| <b>Institutional Class</b> |                                 |                                   |
| Direct Regular Accounts    | \$5,000                         | \$1,000                           |
| Direct Retirement Accounts | \$2,000                         | \$500                             |
| Automatic Investment Plan  | \$5,000                         | \$500                             |
| Gift Account For Minors    | \$2,000                         | \$500                             |

Fund shares are redeemable on any business day the New York Stock Exchange (the "NYSE") is open for business, by written request or by telephone.

#### **Tax Information**

The Fund's distributions are generally taxable, and will ordinarily be taxed as ordinary income, qualified dividend income or capital gains, unless you are investing through a tax-advantaged arrangement, such as a 401(k) plan or an individual retirement accounts. Shareholders investing through such tax-advantaged arrangements may be taxed later upon withdrawal of monies from those arrangements.



**Payments to Broker-Dealers and Other Financial Intermediaries**

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

## **MORE ABOUT THE FUNDS' INVESTMENT OBJECTIVES, PRINCIPAL INVESTMENT STRATEGIES AND RISKS**

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### **ZACKS MARKET NEUTRAL FUND**

#### **Investment Objective**

The Fund's investment objective is to generate positive returns in both rising and falling equity markets. The Fund will simultaneously invest in long and short equity positions to minimize portfolio exposure to general equity market risk. The goal of market neutral investing is to generate returns that are independent of the direction of the stock market. The Fund seeks a total return greater than the return on three-month U.S. Treasury Bills. There is no guarantee that the Fund will achieve its objective. The Fund's investment objective is not fundamental, and may be changed by the Board of Trustees without shareholder approval upon at least 60 days' prior written notice to shareholders. The Fund's investment strategies and policies may be changed from time to time without shareholder approval or prior written notice, unless specifically stated otherwise in this Prospectus or the SAI.

#### **Principal Investment Strategies**

The Fund attempts to maintain minimal exposure to general market risk by always having both long and short positions in stocks, or other instruments. The Fund has a long position in a security when it owns the security and has "sold short" a position when it sells a security it does not own. When the Fund has "sold short," it must borrow the security in order to settle the sale and buy the security at a later date to pay back the lender. The Fund must maintain collateral at least equal to the current market value of the security sold short. The Fund will not make a short sale if the market value of all short positions would exceed 100% of the value of the Fund's net assets giving effect to such sale.

The Fund will maintain long positions in stocks, options and other instruments that the Advisor believes will outperform the market and short positions in stocks that the Advisor believes will underperform the market. The Fund may invest in equity securities of companies of any size capitalization, including mid-cap and small-cap companies. The Fund may also invest in real estate investment trusts (REITs). Under normal circumstances, the Fund seeks to maintain a balance between investments that are expected to benefit from a general rise in stock prices and investments that are expected to benefit from a general stock market decline.

The Fund pursues its investment objective by applying a hybrid research process, which uses both quantitative and qualitative criteria. One proprietary model the Advisor uses to quantitatively assess the attractiveness of a large universe of stocks is based primarily on an analysis of changing patterns of earnings estimates for a company (the "Zacks Rank"). The primary aim of the Zacks Rank model for the Fund is to identify companies most likely to experience positive earnings estimate revisions for long positions and companies most likely to experience lower earnings estimate revisions for short positions. From a smaller universe of stocks that are ranked by the quantitative model (approximately 300 securities), the portfolio managers using traditional "bottom-up" valuation metrics select stocks with strong earnings potential for long positions and select stocks with weak earnings potential for short positions.

Portfolio construction is driven by modern portfolio theory incorporating strict risk controls. Under normal circumstances, the Advisor expects to invest primarily in equity securities with an emphasis on equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and ADRs. ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks. The Fund seeks to diversify its assets by investing in securities from a pool of more than a dozen industry sectors and over 200 industry groups. The Advisor allocates assets opportunistically based on market information and is not constrained by market capitalization or style parameters.

***Investment Philosophy.*** The Advisor's investment strategy is based on the belief that just as the broader markets are driven by investors' expectations of interest rates, inflation and economic growth, each individual company's stock price is also driven by expectations. The most critical expectations are the projected earnings for the current quarter, the current fiscal year and the next fiscal year.

These earnings expectations, or estimates, and their continual revisions are generated by approximately 3,500 securities analysts employed by over 200 brokerage/research firms providing ongoing investment research to the Advisor. These analysts closely monitor selected groups of companies, analyzing their financial data, their competitors and their markets. They also evaluate new products and services provided by the companies and meet with company executives to learn

more about a company's operations. The analysts use this information to arrive at estimates of a company's future earnings.

Statistical studies indicate that when analysts' earnings estimates for a company are revised upward, the stock, on average, will outperform the market. Conversely, if earnings estimates for a company are revised downward, the stock, on average, will underperform the market.

The Advisor selects stocks to hold long that it believes will experience future upward estimate revisions or are attractively valued and consequently will experience upward price movements. Conversely, the Advisor will select stocks to short sell that it believes will experience future downward revisions or are overvalued and consequently will experience downward price movements. The Advisor relies on information provided by its affiliate, Zacks Investment Research, Inc., to make these investment decisions.

Zacks Investment Research, Inc. developed a system and database to monitor the earnings estimates of virtually all of the analysts that follow a given company. The Zacks database covers approximately 4,000 U.S. and Canadian companies and is updated daily. Zacks Investment Research, Inc. uses this database to produce the Zacks Rank, a ranking of companies based on patterns in earnings estimate revisions and deviations between reported quarterly earnings and analysts' estimates of earnings for the quarter. The Zacks Rank seeks to predict future relative investment performance over a three - to six- month horizon, for over 4,000 U.S. and Canadian companies.

Zacks Investment Research, Inc. has been producing the Zacks Rank on a weekly basis since 1981. The Zacks Rank classifies companies into five categories, numbered one through five. The stocks in category one are expected to have upward estimate revisions and the stocks in category five are expected to have downward estimate revisions. The Advisor has used the Zacks Rank since 1994 as one factor when making stock selection decisions for institutional accounts. The Advisor uses the Zacks Rank as well as other factors in managing investments in the Fund.

***Decision Process and Stock Selection.*** The Advisor's decision process is based on the portfolio managers' evaluation of a wide range of fundamental factors, including the Zacks Rank and other proprietary models, to determine if a company's stock should be purchased for or sold from the portfolio.

When the Advisor believes that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the Fund's investment objective, the Fund may invest up to 100% of its assets in cash or cash equivalents, including but not limited to, obligations of the U.S. Government, money market fund shares, commercial paper, certificates of deposit and/or bankers acceptances, as well as other interest bearing or discount obligations or debt instruments that carry an investment grade rating by a national rating agency. When the Fund takes a temporary defensive position, the Fund may not achieve its investment objective.

### **Secondary Investment Strategies**

Although not primary investment strategies, the Fund is authorized to use certain derivative instruments for hedging and risk management strategies; enter into forward commitment transactions for the purchase and sale of securities on a "when-issued" or "delayed delivery" basis; engage in repurchase agreement transactions; invest up to 15% of the Fund's net assets in illiquid or restricted securities; and lend portfolio securities. These investment strategies are described in the Statement of Additional Information (the "SAI").

### **Principal Risks of Investing**

The Fund's principal risks are set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors and special considerations associated with investing in the Fund, which may cause you to lose money.

***Equity Risk.*** The value of equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. The price of common stock of an issuer in the Fund's portfolio may decline if the issuer fails to make anticipated dividend payments because, among other reasons, the financial condition of the issuer declines. Common stock is subordinated to preferred stocks, bonds and other debt instruments in a company's capital structure in terms of priority with respect to corporate income, and therefore will be subject to greater dividend risk than preferred stocks or debt instruments of such

issuers. In addition, while broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

***Foreign Investment Risk.*** Investments in foreign securities are affected by risk factors generally not thought to be present in the United States. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Special risks associated with investments in foreign markets include less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, and difficulty in enforcing contractual obligations. In addition, changes in exchange rates and interest rates, and imposition of foreign taxes, may adversely affect the value of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. The Fund's investments in depository receipts (including ADRs) are subject to these risks, even if denominated in U.S. Dollars, because changes in currency and exchange rates affect the values of the issuers of depository receipts. In addition, the underlying issuers of certain depository receipts, particularly unsponsored or unregistered depository receipts, are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities.

***Income and Distribution Risk.*** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term. Dividends on an issuer's common stock are not fixed but are declared at the discretion of the issuer's board of directors. There is no guarantee that the issuers of common stocks in which the Fund invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

***Large-Cap Company Risk.*** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. In addition, large-capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may be more prone to global economic risks.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Investment strategies employed by the Advisor in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other investments.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. For example, the financial crisis that began in 2008 caused a significant decline in the value and liquidity of many securities; in particular, the values of some sovereign debt and of securities of issuers that invest in sovereign debt and related investments fell, credit became more scarce worldwide and there was significant uncertainty in the markets. Such environments could make identifying investment risks and opportunities especially difficult for the Advisor. In response to the crisis, the United States and other governments have taken steps to support financial markets. The withdrawal of this support or failure of efforts in response to the crisis could negatively affect financial markets generally as well as the value and liquidity of certain securities. In addition, policy and legislative changes in the United States and in other countries are changing many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time.

**Options Risk.** If a put or call option purchased by the Fund expires without being sold or exercised, the Fund would lose the premium it paid for the option. The risk involved in writing a covered call option is the lack of liquidity for the option. If the Fund is not able to close out the option transaction, the Fund would not be able to sell the underlying security until the option expires or is exercised. The risk involved in writing an uncovered call option is that there could be an increase in the market value of the underlying security caused by declining interest rates or other factors. If this occurs, the option could be exercised and the underlying security would then be sold by the Fund at a lower price than its current market value. The risk involved in writing a put option is that the market value of the underlying security could decrease as a result of rising interest rates or other factors. If this occurs, the option could be exercised and the underlying security would then be sold to the Fund at a higher price than its prevailing market value. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks. To the extent that the Fund invests in over-the-counter options, the Fund may be exposed to credit risk with regard to parties with which it trades and may also bear the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default.

**Portfolio Turnover Risk.** Active and frequent trading of the Fund's securities may lead to higher transaction costs and may result in a greater number of taxable transactions, which could negatively affect the Fund's performance. A high rate of portfolio turnover is 100% or more.

**Quantitative Model Risk.** There are limitations inherent in every quantitative model. The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Any model may contain flaws the existence and effect of which may be discovered only after the fact or not at all. Even in the absence of flaws, a model may not perform as anticipated. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

**REIT Risk.** The Fund's investments in REITs will subject the Fund to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. Investment in REITs is subject to additional risks, such as poor performance by the manager of the REIT, adverse changes to the tax laws or failure by the REIT to qualify for tax-free pass-through of income under the Code. In addition, some REITs have limited diversification because they invest in a limited number of properties, a narrow geographic area, or a single type of property.

**Sector Focus Risk.** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. At times the performance of the Fund's investments may lag the performance of other sectors or the broader market as a whole. Such underperformance may continue for extended periods of time. For example, as of November 30, 2017, 25.8% of the Fund's assets were invested in long positions in the Financial sector, and 27.8% of the Fund's assets were invested in short positions in the sector. Companies in the Financial sector may be adversely affected by many factors, including among others, fluctuations in interest rates, government regulation, economic conditions, credit rating downgrades, and decreased liquidity in the credit markets. The impact of more stringent capital requirements or future regulation on any individual financial company or on the sector as a whole cannot be predicted.

**Short Sales Risk.** In connection with a short sale of a security or other instrument, the Fund is subject to the risk that instead of declining, the price of the security or other instrument sold short will rise. If the price of the security or other instrument sold short increases between the date of the short sale and the date on which the

Fund replaces the security or other instrument borrowed to make the short sale, the Fund will experience a loss, which is theoretically unlimited since there is a theoretically unlimited potential for the market price of a security or other instrument sold short to increase. Shorting options or futures may have an imperfect correlation to the assets held by the Fund and may not adequately protect against losses in or may result in greater losses for the Fund's portfolio. By investing the proceeds received from selling securities short, the Fund is employing leverage, which creates special risks. Furthermore, until the Fund replaces a security borrowed, or sold short, it must pay to the lender amounts equal to any dividends that accrue during the period of the short sale. In addition, the Fund will incur certain transaction fees associated with short selling.

***Small-Cap and Mid-Cap Company Risk.*** Investing in small-capitalization and mid-capitalization companies generally involves greater risks than investing in large-capitalization companies. Small- or mid-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or market averages in general. Many small capitalization companies may be in the early stages of development. Since equity securities of smaller companies may lack sufficient market liquidity and may not be regularly traded, it may be difficult or impossible to sell securities at an advantageous time or a desirable price.

## **ZACKS ALL-CAP CORE FUND**

### **Investment Objectives**

The Fund's investment objective is capital appreciation and secondarily is to provide shareholders with income through dividends. There is no guarantee that the Fund will achieve its objectives. The Fund's investment objectives are not fundamental, and may be changed by the Board of Trustees without shareholder approval upon 60 days' prior written notice to shareholders. The Fund's investment strategies and policies may be changed from time to time without shareholder approval or prior written notice, unless specifically stated otherwise in this Prospectus or the SAI.

### **Principal Investment Strategies**

The Fund pursues its investment objectives by applying a hybrid research process which uses both quantitative and qualitative criteria. The Advisor uses the Zacks Rank to quantitatively assess the attractiveness of a large universe of stocks based primarily on an analysis of changing patterns of earnings estimates for a company. The primary aim of the Zacks Rank model is to identify those companies most likely to experience positive earnings estimate revisions. From a smaller universe of stocks that are highly ranked by the quantitative model (approximately 300 securities), the portfolio managers select stocks with strong earnings potential using traditional "bottom-up" valuation metrics.

Portfolio construction is driven by modern portfolio theory incorporating strict risk controls. Under normal circumstances, the Advisor expects to invest primarily in equity securities with an emphasis on equity securities of U.S. issuers. The Fund seeks to diversify its assets by investing in securities from a pool of more than one dozen industry sectors and over 200 industry groups. The Advisor allocates assets opportunistically based on market information and is not constrained by market capitalization or style parameters. Sector, capitalization and style allocations generally result from market trends regarding earnings information.

Under normal circumstances, the Fund invests primarily in equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and ADRs. ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks. These policies are non-fundamental and may be changed by the Board of Trustees without shareholder approval.

***Investment Philosophy.*** The Advisor's investment strategy is based on the belief that just as the broader markets are driven by investors' expectations of interest rates, inflation and economic growth, each individual company's stock price is also driven by expectations. The most critical expectations are the projected earnings for the current quarter, the current fiscal year and the next fiscal year.

These earnings expectations, or estimates, and their continual revisions are generated by approximately 3,500 securities analysts employed by over 200 brokerage/research firms providing ongoing investment research to the Advisor. These analysts closely monitor selected groups of companies, analyzing their financial data, their competitors and their markets. They also evaluate new products and services provided by the companies and meet with company executives to learn

more about a company's operations. The analysts use this information to arrive at estimates of a company's future earnings.

Statistical studies indicate that when analysts' earnings estimates for a company are revised upward, the stock, on average, will outperform the market. Conversely, if earnings estimates for a company are revised downward, the stock, on average, will underperform the market.

The Advisor selects stocks that it believes will experience future upward estimate revisions and consequently upward price movements. The Advisor relies on information provided by its affiliate, Zacks Investment Research, Inc., to make these investment decisions.

Zacks Investment Research, Inc. developed a system and database to monitor the earnings estimates of virtually all of the analysts that follow a given company. The Zacks database covers approximately 4,000 U.S. and Canadian companies and is updated daily. Zacks Investment Research, Inc. uses this database to produce the Zacks Rank, a ranking of companies based on patterns in earnings estimate revisions and deviations between reported quarterly earnings and analysts' estimates of earnings for the quarter. The Zacks Rank seeks to predict future relative investment performance over a three – to six - month horizon, for over 4,000 U.S. and Canadian companies.

Zacks Investment Research, Inc. has been producing the Zacks Rank on a weekly basis since 1981. The Zacks Rank classifies companies into five categories, numbered one through five. The stocks in category one are expected to have upward estimate revisions and the stocks in category five are expected to have downward estimate revisions. The Advisor has used the Zacks Rank since 1994 as one factor when making stock selection decisions for institutional accounts. The Advisor plan uses the Zacks Rank, as well as other factors, in managing investments in the Fund.

***Decision Process and Stock Selection.*** The Advisor's decision process is based on the portfolio managers' evaluation of a wide range of fundamental factors, including the Zacks Rank, to determine if a company's stock should be purchased for or sold from the portfolio.

When the Advisor believes that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the Fund's investment objective, the Fund may invest up to 100% of its assets in cash or cash equivalents, including but not limited to, obligations of the U.S. Government, money market fund shares, commercial paper, certificates of deposit and/or bankers acceptances, as well as other interest bearing or discount obligations or debt instruments that carry an investment grade rating by a national rating agency. When the Fund takes a temporary defensive position, the Fund may not achieve its investment objective.

### **Secondary Investment Strategies**

Although not primary investment strategies, the Fund is authorized to use certain derivative instruments for hedging and risk management strategies; enter into forward commitment transactions for the purchase and sale of securities on a "when-issued" or "delayed delivery" basis; make short sales of securities; engage in repurchase agreement transactions; invest up to 15% of the Fund's net assets in illiquid or restricted securities; and lend portfolio securities. These investment strategies are described in the SAI.

### **Principal Risks of Investing**

The Fund's principal risks are set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors and special considerations associated with investing in the Fund, which may cause you to lose money.

***Equity Risk.*** The value of equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. The price of common stock of an issuer in the Fund's portfolio may decline if the issuer fails to make anticipated dividend payments because, among other reasons, the financial condition of the issuer declines. Common stock is subordinated to preferred stocks, bonds and other debt instruments in a company's capital structure in terms of priority with respect to corporate income, and therefore will be subject to greater dividend risk than preferred stocks or debt instruments of such issuers. In addition, while broad market measures of common stocks have historically generated higher average

returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

***Foreign Investment Risk.*** Investments in foreign securities are affected by risk factors generally not thought to be present in the United States. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Special risks associated with investments in foreign markets include less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, and difficulty in enforcing contractual obligations. In addition, changes in exchange rates and interest rates, and imposition of foreign taxes, may adversely affect the value of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. The Fund's investments in depository receipts (including ADRs) are subject to these risks, even if denominated in U.S. Dollars, because changes in currency and exchange rates affect the values of the issuers of depository receipts. In addition, the underlying issuers of certain depository receipts, particularly unsponsored or unregistered depository receipts, are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities.

***Growth-Oriented Investment Strategies Risk.*** Growth funds generally focus on stocks of companies believed to have above-average potential for growth in revenue and earnings. Growth securities typically are very sensitive to market movements because their market prices frequently reflect projections of future earnings or revenues, and when it appears that those expectations will not be met the prices of growth securities typically fall. Prices of these companies' securities may be more volatile than those of other securities, particularly over the short term.

***Income and Distribution Risk.*** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term. Dividends on an issuer's common stock are not fixed but are declared at the discretion of the issuer's board of directors. There is no guarantee that the issuers of common stocks in which the Fund invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

***Large-Cap Company Risk.*** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. In addition, large-capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may be more prone to global economic risks.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Investment strategies employed by the Advisor in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other investments.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. For example, the financial crisis that began in 2008 caused a significant decline in the value and liquidity of many securities; in particular, the values of some sovereign debt and of securities of issuers that invest in sovereign debt and related investments fell, credit became more scarce worldwide and there was significant uncertainty in the markets. Such environments could make identifying investment risks and opportunities



especially difficult for the Advisor. In response to the crisis, the United States and other governments have taken steps to support financial markets. The withdrawal of this support or failure of efforts in response to the crisis could negatively affect financial markets generally as well as the value and liquidity of certain securities. In addition, policy and legislative changes in the United States and in other countries are changing many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time.

***Quantitative Model Risk.*** There are limitations inherent in every quantitative model. The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Any model may contain flaws the existence and effect of which may be discovered only after the fact or not at all. Even in the absence of flaws, a model may not perform as anticipated. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

***Sector Focus Risk.*** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. At times the performance of the Fund's investments may lag the performance of other sectors or the broader market as a whole. Such underperformance may continue for extended periods of time.

***Small-Cap and Mid-Cap Company Risk.*** Investing in small-capitalization and mid-capitalization companies generally involves greater risks than investing in large-capitalization companies. Small- or mid-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or market averages in general. Many small capitalization companies may be in the early stages of development. Since equity securities of smaller companies may lack sufficient market liquidity and may not be regularly traded, it may be difficult or impossible to sell securities at an advantageous time or a desirable price.

***Value-Oriented Investment Strategies Risk.*** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets.

## **ZACKS SMALL-CAP CORE FUND**

### **Investment Objective**

The Zacks Small-Cap Core Fund seeks capital appreciation. The Fund's investment objective is not fundamental, and may be changed by the Board of Trustees without shareholder approval upon 60 days' prior written notice to shareholders. The Fund's investment strategies and policies may be changed from time to time without shareholder approval or prior written notice, unless specifically stated otherwise in this Prospectus or the SAI.

### **Principal Investment Strategies**

The Fund pursues its investment objective by applying a hybrid research process which uses both quantitative and qualitative criteria. The Advisor uses a proprietary model to quantitatively assess the attractiveness of a large universe of stocks based on potential capital appreciation. The primary aim of the quantitative model is to identify those companies most likely to generate positive alpha, or excess return over the market, when adjusted for stock beta, or movement with the market. From a smaller universe of stocks that are highly ranked by the quantitative model, the portfolio managers select small-cap stocks with attractive risk/return characteristics based on qualitative criteria. Portfolio construction incorporates risk controls.

Under normal circumstances, the Fund will invest at least 80% of its net assets (including amounts borrowed for investment purposes) in a diversified portfolio of equity securities of small capitalization companies, with an emphasis

on equity securities of U.S. issuers. The Fund's investments in equity securities may include common stock, preferred stock and convertible securities. The Fund considers small capitalization companies to be companies within the range of those companies included in the Russell 2000 Index at the time of purchase. Because small capitalization companies are defined by reference to an index, the range of market capitalization companies in which the Fund invests may vary with market conditions. As of May 31, 2017, the market capitalizations of companies included in the Russell 2000 Index were between \$192 million and \$7.5 billion. The Russell 2000 Index is reconstituted annually, typically on May 31 of each year, to seek to ensure that larger stocks do not distort the performance and characteristics of the Index and that the represented companies continue to reflect small capitalization characteristics.

The Fund is designed to be a "core" fund that seeks to combine both value and growth characteristics within the small-cap universe. The Fund seeks to diversify its assets by investing in securities from a pool of more than one dozen industry sectors. The Advisor allocates assets opportunistically based on market information and is not constrained by investment style parameters. The Fund may engage in short-sale transactions up to 25% of its net assets. The Fund's investment strategy involves active and frequent trading.

Under normal circumstances, the Fund invests primarily in equity securities of U.S. issuers. The Fund also may invest in equity securities of Canadian issuers and ADRs. ADRs are receipts that represent interests in foreign securities held on deposit by U.S. banks. These policies are non-fundamental and may be changed by the Board of Trustees without shareholder approval.

#### ***Investment Philosophy.***

The Advisor's overall investment philosophy is to use quantitative methodologies combined with qualitative analysis to generate attractive risk-adjusted returns. The Advisor's investment strategies emphasize insights from a disciplined research process that focuses on identifying investment anomalies. The Advisor's security selection models are based on proprietary research and must incorporate solid economic principles as well as produce empirical results. The Advisor combines alpha generation models with risk-management systems as well as extensive qualitative oversight to seek to generate consistent risk-adjusted returns. The Advisor believes a systematic disciplined process, implemented through a full market cycle, is paramount in generating alpha over time.

***Decision Process and Stock Selection.*** The Advisor's decision process is based on the portfolio managers' evaluation of a wide range of fundamental factors and proprietary quantitative models, to determine whether a company's stock should be purchased for or sold from the Fund's portfolio.

When the Advisor believes that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the Fund's investment objective, the Fund may invest up to 100% of its assets in cash or cash equivalents, including but not limited to, obligations of the U.S. Government, money market fund shares, commercial paper, certificates of deposit and/or bankers acceptances, as well as other interest bearing or discount obligations or debt instruments that carry an investment grade rating by a national rating agency. When the Fund takes a temporary defensive position, the Fund may not achieve its investment objective.

#### **Principal Risks of Investing**

The Fund's principal risks are set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors and special considerations associated with investing in the Fund, which may cause you to lose money.

***Equity Risk.*** The value of equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. The price of common stock of an issuer in the Fund's portfolio may decline if the issuer fails to make anticipated dividend payments because, among other reasons, the financial condition of the issuer declines. Common stock is subordinated to preferred stocks, bonds and other debt instruments in a company's capital structure in terms of priority with respect to corporate income, and therefore will be subject to greater dividend risk than preferred stocks or debt instruments of such issuers. In addition, while broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

***Foreign Investment Risk.*** Investments in foreign securities are affected by risk factors generally not thought to be present in the United States. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Special risks associated with investments in foreign markets include less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, and difficulty in enforcing contractual obligations. In addition, changes in exchange rates and interest rates, and imposition of foreign taxes, may adversely affect the value of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. The Fund's investments in depository receipts (including ADRs) are subject to these risks, even if denominated in U.S. Dollars, because changes in currency and exchange rates affect the values of the issuers of depository receipts. In addition, the underlying issuers of certain depository receipts, particularly unsponsored or unregistered depository receipts, are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities.

***Growth-Oriented Investment Strategies Risk.*** Growth funds generally focus on stocks of companies believed to have above-average potential for growth in revenue and earnings. Growth securities typically are very sensitive to market movements because their market prices frequently reflect projections of future earnings or revenues, and when it appears that those expectations will not be met the prices of growth securities typically fall. Prices of these companies' securities may be more volatile than those of other securities, particularly over the short term.

***Income and Distribution Risk.*** The income that shareholders receive from the Fund through annual distributions is based primarily on the dividends and interest the Fund earns from its investments. Dividend payments the Fund receives in respect of its portfolio securities can vary widely over the short and long term. Dividends on an issuer's common stock are not fixed but are declared at the discretion of the issuer's board of directors. There is no guarantee that the issuers of common stocks in which the Fund invests will declare dividends in the future or that if declared they will remain at current levels or increase over time.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Investment strategies employed by the Advisor in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other investments.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. For example, the financial crisis that began in 2008 caused a significant decline in the value and liquidity of many securities; in particular, the values of some sovereign debt and of securities of issuers that invest in sovereign debt and related investments fell, credit became more scarce worldwide and there was significant uncertainty in the markets. Such environments could make identifying investment risks and opportunities especially difficult for the Advisor. In response to the crisis, the United States and other governments have taken steps to support financial markets. The withdrawal of this support or failure of efforts in response to the crisis could negatively affect financial markets generally as well as the value and liquidity of certain securities. In addition, policy and legislative changes in the United States and in other countries are changing many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time.

**Portfolio Turnover Risk.** Active and frequent trading of the Fund's securities may lead to higher transaction costs and may result in a greater number of taxable transactions, which could negatively affect the Fund's performance. A high rate of portfolio turnover is 100% or more.

**Quantitative Model Risk.** There are limitations inherent in every quantitative model. The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Any model may contain flaws the existence and effect of which may be discovered only after the fact or not at all. Even in the absence of flaws, a model may not perform as anticipated. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

**Sector Focus Risk.** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. At times the performance of the Fund's investments may lag the performance of other sectors or the broader market as a whole. Such underperformance may continue for extended periods of time.

**Short Sales Risk.** In connection with a short sale of a security or other instrument, the Fund is subject to the risk that instead of declining, the price of the security or other instrument sold short will rise. If the price of the security or other instrument sold short increases between the date of the short sale and the date on which the Fund replaces the security or other instrument borrowed to make the short sale, the Fund will experience a loss, which is theoretically unlimited since there is a theoretically unlimited potential for the market price of a security or other instrument sold short to increase. By investing the proceeds received from selling securities short, the Fund is employing leverage, which creates special risks. Furthermore, until the Fund replaces a security borrowed, or sold short, it must pay to the lender amounts equal to any dividends that accrue during the period of the short sale. In addition, the Fund will incur certain transaction fees associated with short selling.

**Small-Cap Companies Risk.** Investing in small-capitalization companies generally involves greater risks than investing in large-capitalization companies. Small-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or market averages in general. Many small capitalization companies may be in the early stages of development. Since equity securities of smaller companies may lack sufficient market liquidity and may not be regularly traded, it may be difficult or impossible to sell securities at an advantageous time or a desirable price.

**Value-Oriented Investment Strategies Risk.** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the markets.

## ZACKS DIVIDEND FUND

### Investment Objectives

The Fund's investment objective is capital appreciation and dividend income. There is no assurance that the Fund will achieve its investment objectives. The Fund's investment objective is not fundamental and may be changed by the Board of Trustees without shareholder approval, upon at least 60 days' prior written notice to shareholders. The Fund's investment strategies and policies may be changed from time to time without shareholder approval or prior written notice, unless specifically stated otherwise in this Prospectus or the SAI.

### Principal Investment Strategies

Under normal market conditions, the Fund will invest at least 80% of its net assets plus borrowings for investment purposes in equity securities of dividend paying companies organized or headquartered in the United States. The Fund's

equity investments include common stock, preferred stock, rights and warrants. The Advisor intends to invest the Fund's assets in the stocks of companies that it believes are undervalued based on their earnings, dividends, assets, or other financial measures. While the Fund may invest its assets in companies of any size, the Advisor will generally focus on companies with large market capitalizations (\$10 billion or higher at the time of purchase). The Fund may also invest in ETFs and ADRs.

The Advisor employs a bottom-up investment approach to buying and selling investments for the Fund. The Advisor selects investments primarily based on quantitative analysis of an individual issuer and its potential for capital appreciation and dividend income. The Advisor uses a quantitative model that analyzes an issuer's dividend yield, earnings, cash flows, competitive position, and management ability. The primary aim of this quantitative model is to systematically evaluate an issuer's valuation, price and earnings momentum and earnings quality. In addition to considering a company's financial condition the Advisor also considers other factors such as general market, economic, political, and regulatory conditions.

The Fund will sell a security when one or more of the following occurs: 1) the security's dividend is reduced to what the Advisor believes is an unacceptable amount per share, 2) the security's yield falls below acceptable parameters, 3) there is a fundamental development that weakens the company's balance sheet, 4) the Advisor believes a more attractive investment opportunity is identified for the Fund; or 5) the Fund needs cash to meet redemption requests.

When the Advisor believes that current market, economic, political or other conditions are unsuitable and would impair the pursuit of the Fund's investment objective, the Fund may invest up to 100% of its assets in cash or cash equivalents, including but not limited to, obligations of the U.S. Government, money market fund shares, commercial paper, certificates of deposit and/or bankers acceptances, as well as other interest bearing or discount obligations or debt instruments that carry an investment grade rating by a national rating agency. When the Fund takes a temporary defensive position, the Fund may not achieve its investment objective.

### **Principal Risks of Investing**

The Fund's principal risks are set forth below. Before you decide whether to invest in the Fund, carefully consider these risk factors and special considerations associated with investing in the Fund, which may cause you to lose money.

***Equity Risk.*** The value of equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. The price of common stock of an issuer in the Fund's portfolio may decline if the issuer fails to make anticipated dividend payments because, among other reasons, the financial condition of the issuer declines. Common stock is subordinated to preferred stocks, bonds and other debt instruments in a company's capital structure in terms of priority with respect to corporate income, and therefore will be subject to greater dividend risk than preferred stocks or debt instruments of such issuers. In addition, while broad market measures of common stocks have historically generated higher average returns than fixed income securities, common stocks have also experienced significantly more volatility in those returns.

***ETF Risk.*** Investing in an ETF will provide the Fund with exposure to the securities comprising the index on which the ETF is based and will expose the Fund to risks similar to those of investing directly in those securities. Shares of ETFs typically trade on securities exchanges and may at times trade at a premium or discount to their net asset values. In addition, an ETF may not replicate exactly the performance of the benchmark index it seeks to track for a number of reasons, including transaction costs incurred by the ETF, the temporary unavailability of certain index securities in the secondary market or discrepancies between the ETF and the index with respect to the weighting of securities or the number of securities held. Investing in ETFs, which are investment companies, involves duplication of advisory fees and certain other expenses. The Fund will pay brokerage commissions in connection with the purchase and sale of shares of ETFs.

***Foreign Investment Risk.*** Investments in foreign securities are affected by risk factors generally not thought to be present in the United States. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. Special risks associated with investments in foreign markets

include less liquidity, less developed or less efficient trading markets, lack of comprehensive company information, less government supervision of exchanges, brokers and issuers, greater risks associated with counterparties and settlement, and difficulty in enforcing contractual obligations. In addition, changes in exchange rates and interest rates, and imposition of foreign taxes, may adversely affect the value of the Fund's foreign investments. Foreign companies are generally subject to different legal and accounting standards than U.S. companies, and foreign financial intermediaries may be subject to less supervision and regulation than U.S. financial firms. The Fund's investments in depository receipts (including ADRs) are subject to these risks, even if denominated in U.S. Dollars, because changes in currency and exchange rates affect the values of the issuers of depository receipts. In addition, the underlying issuers of certain depository receipts, particularly unsponsored or unregistered depository receipts, are under no obligation to distribute shareholder communications to the holders of such receipts, or to pass through to them any voting rights with respect to the deposited securities.

***Large-Cap Company Risk.*** Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. In addition, large-capitalization companies may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes, and may be more prone to global economic risks.

***Management and Strategy Risk.*** The value of your investment is dependent upon the judgment of the Advisor about the quality, relative yield, value or market trends affecting a particular security, industry, sector or region, which may prove to be incorrect. Investment strategies employed by the Advisor in selecting investments for the Fund may not result in an increase in the value of your investment or in overall performance equal to other investments.

***Market Risk.*** The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions throughout the world, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. The market value of a security or instrument also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. For example, the financial crisis that began in 2008 caused a significant decline in the value and liquidity of many securities; in particular, the values of some sovereign debt and of securities of issuers that invest in sovereign debt and related investments fell, credit became more scarce worldwide and there was significant uncertainty in the markets. Such environments could make identifying investment risks and opportunities especially difficult for the Advisor. In response to the crisis, the United States and other governments have taken steps to support financial markets. The withdrawal of this support or failure of efforts in response to the crisis could negatively affect financial markets generally as well as the value and liquidity of certain securities. In addition, policy and legislative changes in the United States and in other countries are changing many aspects of financial regulation. The impact of these changes on the markets, and the practical implications for market participants, may not be fully known for some time.

***Preferred Stock Risk.*** Preferred stock represents an equity interest in a company that generally entitles the holder to receive, in preference to the holders of other stocks such as common stocks, dividends and a fixed share of the proceeds resulting from a liquidation of the company. Preferred stocks may pay fixed or adjustable rates of return. The market value of preferred stock is subject to issuer-specific and market risks applicable generally to equity securities and is sensitive to changes in the issuer's creditworthiness, the ability of the issuer to make payments on the preferred stock and changes in interest rates, typically declining in value if interest rates rise. In addition, a company's preferred stock generally pays dividends only after the company makes required payments to holders of its bonds and other debt. Therefore the value of preferred stock will usually react more strongly than bonds and other debt to actual or perceived changes in the company's financial condition or prospects.

***Quantitative Model Risk.*** There are limitations inherent in every quantitative model. The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors used in

quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. Any model may contain flaws the existence and effect of which may be discovered only after the fact or not at all. Even in the absence of flaws, a model may not perform as anticipated. There can be no assurance that use of a quantitative model will enable the Fund to achieve positive returns or outperform the market.

***Sector Focus Risk.*** The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds and thus will be more susceptible to negative events affecting those sectors. At times the performance of the Fund's investments may lag the performance of other sectors or the broader market as a whole. Such underperformance may continue for extended periods of time. For example, as of November 30, 2017, 28.4% of the Fund's assets were invested in the Financial sector, and 24.0% of the Fund's assets were invested in the Consumer, Non-Cyclical sector. Companies in the Financial sector may be adversely affected by many factors, including among others, fluctuations in interest rates, government regulation, economic conditions, credit rating downgrades, and decreased liquidity in the credit markets. The impact of more stringent capital requirements or future regulation on any individual financial company or on the sector as a whole cannot be predicted. Companies in the Consumer sector may be adversely impacted by fluctuations in supply and demand, changes in the global economy, consumer spending, competition, demographics and consumer preferences, and production spending. Companies in the Consumer sector are also affected by changes in government regulation, global economic, environmental and political events, economic conditions and the depletion of resources.

***Small-Cap and Mid-Cap Company Risk.*** Investing in small-capitalization and mid-capitalization companies generally involves greater risks than investing in large-capitalization companies. Small- or mid-cap companies may have limited product lines, markets or financial resources or may depend on the expertise of a few people and may be subject to more abrupt or erratic market movements than securities of larger, more established companies or market averages in general. Many small capitalization companies may be in the early stages of development. Since equity securities of smaller companies may lack sufficient market liquidity and may not be regularly traded, it may be difficult or impossible to sell securities at an advantageous time or a desirable price.

***Value-Oriented Investment Strategies Risk.*** Value stocks are those that are believed to be undervalued in comparison to their peers due to adverse business developments or other factors. Value investing is subject to the risk that the market will not recognize a security's inherent value for a long time or at all, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. In addition, during some periods (which may be extensive) value stocks generally may be out of favor in the market.

***Warrants and Rights Risk.*** A warrant gives the holder a right to purchase, at any time during a specified period, a predetermined number of shares of common stock at a fixed price. Rights are similar to warrants but typically have a shorter duration and are issued by a company to existing stockholders to provide those holders the right to purchase additional shares of stock at a later date. Unlike a convertible debt security or preferred stock a warrant or right does not pay fixed dividends. A warrant or right may lack a liquid secondary market for resale. The price of a warrant or right may fluctuate as a result of speculation or other factors. In addition, the price of the underlying security may not reach, or have reasonable prospects of reaching, a level at which the warrant or right can be exercised prudently (in which case the warrant or right may expire without being exercised, resulting in a loss of the Fund's entire investment in the warrant or right). If the Fund owns common stock of a company, failing to exercise rights to purchase common stock would dilute the Fund's interest in the issuing company. The market for such rights is not well developed, and the Fund may not always realize full value on the sale of rights.

### **Portfolio Holdings Information**

A description of the Funds' policies and procedures with respect to the disclosure of the Funds' portfolio securities is available in the SAI. Currently, disclosure of each Fund's holdings is required to be made quarterly within 60 days of the end of each fiscal quarter, in the Fund's Annual Report and Semi-Annual Report to Fund shareholders, and in the quarterly holdings report on Form N-Q.

## MANAGEMENT OF THE FUNDS

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### **Investment Advisor**

Zacks Investment Management, Inc. is an Illinois corporation formed in 1991 which maintains its principal offices at 227 W. Monroe, Suite 4350, Chicago, IL 60606 and acts as the investment advisor to the Funds pursuant to an investment advisory agreement (the “Advisory Agreement”) with the Trust. The Advisor is a wholly-owned subsidiary of Zacks Investment Research, Inc., an entity controlled by Leonard H. Zacks and Benjamin L. Zacks. Leonard H. Zacks and Benjamin L. Zacks are the directors of the Advisor. The Advisor is an investment advisor registered with the SEC and serves as investment advisor or portfolio supervisor to investment portfolios with approximately \$7 billion in assets as of January 31, 2018.

Pursuant to the Advisory Agreement, the Funds pay the Advisor annual advisory fees as set forth below for the services and facilities it provides, payable on a monthly basis. For the fiscal year ended November 31, 2017, the Advisor received the following advisory fees from each Fund, after waiving fees and/or reimbursing Fund expenses pursuant to its expense limitation agreement with each Fund:

| <b>Fund</b>         | <b>Contractual advisory fees</b> | <b>Advisory fees received as a percentage of average daily net assets after fee waivers and/or expense reimbursements</b> |
|---------------------|----------------------------------|---|
| Market Neutral Fund | 1.10%                            | 0.33%   |
| All-Cap Core Fund   | 0.80%                            | 0.78%   |
| Small-Cap Core Fund | 0.90%                            | 0.75%   |
| Dividend Fund       | 0.80%                            | 0.44%   |

A discussion regarding the basis for the Board’s approval of the Advisory Agreement with respect to each Fund is available in the Funds’ Annual Report to shareholders for the fiscal year ending November 30, 2017.

### **Portfolio Managers**

Benjamin L. Zacks, Senior Portfolio Manager at the Advisor, serves as portfolio co-manager of each Fund and provides a qualitative, fundamental overview of securities selected through the quantitative process. Mr. Zacks co-founded the Advisor in 1991 and has served in his current position since that time. He has served as a portfolio co-manager of the Zacks Market Neutral Fund since July of 2008 and the Zacks All-Cap Core Fund since December of 2005. Mr. Zacks co-founded Zacks Investment Research, Inc. in 1978 and served as Executive Vice President from 1978-1991. Mr. Zacks received a B.A. in Economics from Boston University.

Mitch E. Zacks, Portfolio Manager at the Advisor, serves as portfolio co-manager of each Fund and oversees the modeling and quantitative process. Mr. Zacks joined the Advisor in 1996 and has been a portfolio manager with the firm since 1999. He has served as a portfolio co-manager of the Zacks Market Neutral Fund since July of 2008 and the Zacks All-Cap Core Fund since December of 2005. Mr. Zacks received a B.A. in Economics from Yale University and an MBA in Analytic Finance from the University of Chicago.

The SAI provides additional information about the portfolio managers’ method of compensation, other accounts managed by each portfolio manager and each portfolio manager's ownership of securities of the Funds.

### **Other Service Providers**

IMST Distributors, LLC (the “Distributor”), is the Trust’s principal underwriter and acts as the Trust’s distributor in connection with the offering of Fund shares. The Distributor may enter into agreements with banks, broker-dealers, or other financial intermediaries through which investors may purchase or redeem shares. The Distributor is not affiliated with the Trust, the Advisor or any other service provider for the Funds.

### **Fund Expenses**

Each Fund is responsible for its own operating expenses (all of which will be borne directly or indirectly by the Fund’s shareholders), including among others, legal fees and expenses of counsel to the Fund and the Fund’s independent



trustees; insurance (including trustees' and officers' errors and omissions insurance); auditing and accounting expenses; taxes and governmental fees; listing fees; fees and expenses of the Fund's custodians, administrators, transfer agents, registrars and other service providers; expenses for portfolio pricing services by a pricing agent, if any; expenses in connection with the issuance and offering of shares; brokerage commissions and other costs of acquiring or disposing of any portfolio holding of the Fund and any litigation expenses.

The Advisor has contractually agreed to waive its fees and/or pay for operating expenses of each Fund to ensure that the total annual fund operating expenses (excluding any taxes, leverage interest, brokerage commissions, dividend and interest expenses on short sales, acquired fund fees and expenses (as determined in accordance with Form N-1A), expenses incurred in connection with any merger or reorganization, and extraordinary expenses such as litigation expenses) do not exceed the following. This agreement is in effect until March 31, 2021, and may be terminated before that date only by the Trust's Board of Trustees.

| <b>Fund</b>                                     | <b>As a Percentage of<br/>Average Daily Net Assets</b> |
|---|--|
| Zacks Market Neutral Fund – Investor Class      | 1.65%  |
| Zacks Market Neutral Fund – Institutional Class | 1.40%  |
| Zacks All-Cap Core Fund – Investor Class        | 1.55%  |
| Zacks All-Cap Core Fund – Class C               | 2.30%  |
| Zacks Small-Cap Core Fund – Investor Class      | 1.39%  |
| Zacks Small-Cap Core Fund – Institutional Class | 1.14%  |
| Zacks Dividend Fund – Investor Class            | 1.30%  |
| Zacks Dividend Fund – Institutional Class       | 1.05%  |

Any reduction in advisory fees or payment of a Fund's expenses made by the Advisor in a fiscal year may be reimbursed by the Fund for a period ending three full fiscal years after the date of reduction or payment if the Advisor so requests. This reimbursement may be requested from a Fund if the reimbursement will not cause the Fund's annual expense ratio to exceed the lesser of (a) the expense limitation in effect at the time such fees were waived or payments made, or (b) the expense limitation in effect at the time of the reimbursement. However, the reimbursement amount may not exceed the total amount of fees waived and/or Fund expenses paid by the Advisor and will not include any amounts previously reimbursed to the Advisor by a Fund. Any such reimbursement is contingent upon the Board's subsequent review of the reimbursed amounts. A Fund must pay current ordinary operating expenses before the Advisor is entitled to any reimbursement of fees and/or Fund expenses.

## **PURCHASE OF SHARES**

### **General**

Each of the Zacks Market Neutral Fund, Zacks Small-Cap Core Fund and Zacks Dividend Fund offers two classes of shares, designated as Investor Class Shares and Institutional Class Shares. Zacks All-Cap Core Fund offers two classes of shares, designated as Investor Class Shares and Class C Shares.

Class C Shares may incur sales loads at the time of redemption and are subject to higher ongoing distribution fees and service fees. Class C Shares are available for purchase only through an approved broker-dealer or financial intermediary.

Investor Class Shares generally incur annual distribution and shareholder service fees.

Institutional Class Shares do not incur distribution fees or shareholder service fees.

By offering multiple classes of shares, each Fund permits each investor to choose the class of shares that is most beneficial given the type of investor, the amount to be invested and the length of time the investor expects to hold the shares. As described more fully below, each class of shares offers a distinct structure of sales loads, distribution fees and service fees and other features that are designed to address the needs of a variety of investors.

Each class of shares generally has the same rights, except for the differing sales loads, distribution fees, service fees, any related expenses associated with each class of shares, and the exclusive voting rights by each class with respect to any distribution plan or service plan for such class of shares.

To purchase shares of each Fund, you must invest at least the minimum amount indicated in the following table.

| <b>Minimum Investments</b>        | <b>To Open<br/>Your Account</b> | <b>To Add to<br/>Your Account</b> |
|-----------------------------------|---------------------------------|-----------------------------------|
| <b>Class C and Investor Class</b> |                                 |                                   |
| Direct Regular Accounts           | \$2,500                         | \$100                             |
| Direct Retirement Accounts        | \$1,000                         | \$50                              |
| Automatic Investment Plan         | \$500                           | \$50                              |
| Gift Account For Minors           | \$1,000                         | \$50                              |
| <b>Institutional Class</b>        |                                 |                                   |
| Direct Regular Accounts           | \$5,000                         | \$1,000                           |
| Direct Retirement Accounts        | \$2,000                         | \$500                             |
| Automatic Investment Plan         | \$5,000                         | \$500                             |
| Gift Account For Minors           | \$2,000                         | \$500                             |

Shares of the Funds may be purchased by check, by wire transfer of funds via a bank or through an approved financial intermediary (*i.e.*, a supermarket, investment advisor, financial planner or consultant, broker, dealer or other investment professional and their agents) authorized by the Fund to receive purchase orders. Financial intermediaries may provide varying arrangements for their clients to purchase and redeem shares, which may include different sales charges as described in this Prospectus, additional fees and different investment minimums. In addition, from time to time, a financial intermediary may modify or waive the initial and subsequent investment minimums. Please see **“Class C Shares Purchase Programs (Zacks All-Cap Core Fund only)”** on page 42 and **“Appendix A – Waivers and Discounts Available from Intermediaries”**. You may make an initial investment in an amount greater than the minimum amounts shown in the preceding table and the Fund may, from time to time, reduce or waive the minimum initial investment amounts. The minimum initial investment amount is automatically waived for Fund shares purchased by Trustees of the Trust and current or retired directors and employees of the Advisor and its affiliates.

To the extent allowed by applicable law, the Funds reserve the right to discontinue offering shares at any time or to cease operating entirely.

The offering price of each class of a Fund’s shares is the net asset value per share (“NAV”) of that class (plus any sales charges, as applicable). The difference among the classes’ NAVs reflects the daily expense accruals of the distribution fees applicable to Investor Class Shares and Class C Shares. Each Fund’s NAVs are calculated as of 4:00 p.m. Eastern time, the normal close of regular trading on the New York Stock Exchange (“NYSE”), on each day the NYSE is open for trading. If for example, the NYSE closes at 1:00 p.m. New York time, each Fund’s NAVs would still be determined as of 4:00 p.m. New York time. In this example, portfolio securities traded on the NYSE would be valued at their closing prices unless the Trust’s Valuation Committee determines that a “fair value” adjustment is appropriate due to subsequent events. The NAV for each class is determined by dividing the value of a Fund’s portfolio securities, cash and other assets (including accrued interest) allocable to such class, less all liabilities (including accrued expenses) allocable to such class, by the total number of outstanding shares of such class. A Fund’s NAVs may be calculated earlier if permitted by the SEC. The NYSE is closed on weekends and most U.S. national holidays. However, foreign securities listed primarily on non-U.S. markets may trade on weekends or other days on which a Fund does not value its shares, which may significantly affect the Fund’s NAVs on days when you are not able to buy or sell Fund shares.

Each Fund’s securities generally are valued at market price. Securities are valued at fair value when market quotations are not readily available. The Board has adopted procedures to be followed when the Funds must utilize fair value pricing, including when reliable market quotations are not readily available, when the Funds’ pricing service does not provide a valuation (or provides a valuation that, in the judgment of the Advisor, does not represent the security’s fair value), or when, in the judgment of the Advisor, events have rendered the market value unreliable (see, for example, the discussion of fair value pricing of foreign securities in the paragraph below). Valuing securities at fair value involves

reliance on the judgment of the Advisor and the Board (or a committee thereof), and may result in a different price being used in the calculation of a Fund's NAVs from quoted or published prices for the same securities. Fair value determinations are made in good faith in accordance with procedures adopted by the Board. There can be no assurance that a Fund will obtain the fair value assigned to a security if it sells the security.

In certain circumstances, the Funds employ fair value pricing to ensure greater accuracy in determining daily NAVs and to prevent dilution by frequent traders or market timers who seek to exploit temporary market anomalies. Fair value pricing may be applied to foreign securities held by a Fund upon the occurrence of an event after the close of trading on non-U.S. markets but before the close of trading on the NYSE when a Fund's NAVs are determined. If the event may result in a material adjustment to the price of a Fund's foreign securities once non-U.S. markets open on the following business day (such as, for example, a significant surge or decline in the U.S. market), the Fund may value such foreign securities at fair value, taking into account the effect of such event, in order to calculate the Fund's NAVs.

Other types of portfolio securities that a Fund may fair value include, but are not limited to: (1) investments that are illiquid or traded infrequently, including "restricted" securities and private placements for which there is no public market; (2) investments for which, in the judgment of the Advisor, the market price is stale; (3) securities of an issuer that has entered into a restructuring; (4) securities for which trading has been halted or suspended; and (5) fixed income securities for which there is no current market value quotation.

#### **Distribution and/or Services (12b-1) Fees**

The Trust has adopted a plan on behalf of the Funds pursuant to Rule 12b-1 of the 1940 Act (the "12b-1 Plan") which allows the Funds to pay distribution fees for the sale and distribution of their Investor Class Shares and/or shareholder liaison service fees in connection with the provision of ongoing services to shareholders of Investor Class Shares and the maintenance of shareholder accounts. The 12b-1 Plan provides for the payment of such fees at the annual rate of up to 0.25% of average daily net assets attributable to Investor Class Shares.

Additionally, the Trust, on behalf of the Zacks All-Cap Core Fund, has adopted a 12b-1 Plan with respect to the Fund's Class C Shares. Under the 12b-1 Plan for the Class C Shares, Zacks All-Cap Core Fund pays to the Distributor distribution fees in connection with the sale and distribution of its Class C Shares and shareholder liaison service fees in connection with the provision of ongoing services to shareholders of Class C Shares and the maintenance of shareholder accounts.

For Class C Shares, the maximum annual fees payable to the Distributor for distribution services and shareholder liaison services are 0.75% and 0.25%, respectively, of the average daily net assets attributable to such shares. The Distributor may pay any or all amounts received under the 12b-1 Plan for the Class C Shares to other persons for any distribution or shareholder liaison services provided by such persons to the Fund. Payments under the 12b-1 Plan for the Class C Shares are not tied exclusively to distribution expenses actually incurred by the Distributor or others and the payments may exceed or be less than the amount of expenses actually incurred.

To promote the sale of the Zacks All-Cap Core Fund's Class C Shares and to pay for certain shareholder services, the Distributor may pay broker-dealers up to 1.00% of the amount invested by their clients in the Class C Shares of the Fund at the time the shares are purchased (which includes prepayment of the first year's 0.25% shareholder liaison service fee). These up-front payments to broker-dealers are financed solely by the Advisor. However, the Distributor receives and can pay as reimbursement to the Advisor all of the 12b-1 fees with respect to such shares. During the first 12 months, the Advisor may retain the full 1.00% 12b-1 fee to recoup the up-front payment advanced at the time of purchase. After the Distributor has reimbursed the Advisor for the amounts that the Advisor has financed, the broker-dealers will receive the ongoing 12b-1 fees associated with their clients' investments.

Because the Funds pay distribution fees on an ongoing basis, your investment cost over time will increase and may be higher than paying other types of sales charges. The net income attributable to Investor Class or Class C Shares will be reduced by the amount of distribution and service fees and other expenses of a Fund associated with that class of shares.

To assist investors in comparing classes of shares, the table under the Prospectus headings "Fees and Expenses of the Fund" provides a summary of expenses and an example of the sales charges and expenses of the Funds applicable to each class of shares offered in this Prospectus.

### **Additional Payments to Broker-Dealers and Other Financial Intermediaries**

The Advisor may pay service fees to intermediaries such as banks, broker-dealers, financial advisors or other financial institutions, some of which may be affiliates, for sub-administration, sub-transfer agency and other shareholder services associated with shareholders whose shares are held of record in omnibus accounts, other group accounts or accounts traded through registered securities clearing agents.

The Advisor, out of its own resources, and without additional cost to a Fund or its shareholders, may provide additional cash payments or non-cash compensation to broker-dealers or intermediaries that sell shares of the Funds. These additional cash payments are generally made to intermediaries that provide shareholder servicing, marketing support and/or access to sales meetings, sales representatives and management representatives of the intermediary. The Advisor may pay cash compensation for inclusion of a Fund on a sales list, including a preferred or select sales list, or in other sales programs, or may pay an expense reimbursement in cases where the intermediary provides shareholder services to the Funds' shareholders. The Advisor may also pay cash compensation in the form of finder's fees that vary depending on the dollar amount of the shares sold.

### **Class C Shares (Zacks All-Cap Core Fund only)**

Under the 12b-1 Plan, a distribution fee at an annual rate of 0.75% of average daily net assets and a service fee at an annual rate of up to 0.25% of average daily net assets is deducted from the assets of the Fund's Class C Shares.

Class C Shares of the Fund are sold at NAV and are subject to a CDSC of 1.00% on any shares you sell within 12 months of purchasing them and 0.50% during months 13-18.

The CDSC is assessed on an amount equal to the lesser of the then current market value of the shares or the historical cost of the shares (which is the amount actually paid for the shares at the time of purchase) being redeemed. Accordingly, no CDSC is imposed on increases in the NAV above the initial purchase price. You should retain any records necessary to substantiate the historical cost of your shares, as the Funds and authorized dealers may not retain this information. In addition, no CDSC is assessed on shares received from reinvestment of dividends or capital gain distributions. The Fund will not accept a purchase order for Class C Shares in the amount of \$1,000,000 or more.

In determining whether a CDSC applies to a redemption, the Fund assumes that the shares being redeemed first are any shares in your account that are not subject to a CDSC, followed by shares held the longest in your account.

Eligible purchasers of Class C Shares may also be entitled to a reduction in or elimination of CDSC through certain purchase programs offered by the Fund. You must notify the Fund or an authorized dealer whenever a reduced CDSC is applicable and may be required to provide the Fund, or its authorized dealer, with certain information or records to verify eligibility for a reduced CDSC. This includes the redemption of shares purchased through a dealer-sponsored asset allocation program maintained on an omnibus record-keeping system, provided the dealer of record has waived the advance of the first year distribution and service fees applicable to such shares and has agreed to receive such fees quarterly. **For waivers and discounts not available through a particular intermediary, shareholders will have to purchase Fund shares directly from the Fund or through another intermediary to receive these waivers or discounts.**

In addition, there are certain cases in which you may be exempt from a CDSC. These include:

- the death or disability of an account owner (including a joint owner). This waiver applies only under certain conditions. Your financial representative or the Funds' transfer agent must be contacted to determine if the conditions exist;
- withdrawals made through an automatic withdrawal plan. Such withdrawals may be made up to a maximum of 12% of the net asset value of the account on the date of the withdrawal;
- withdrawals related to certain retirement or benefit plans; or

- redemptions for certain loan advances, hardship provisions or returns of excess contributions from retirement plans.

Your financial advisor or the Funds' transfer agent can answer questions and help determine if you are eligible.

Information on sales charges can also be found on the Fund's website at [www.zacksfunds.com](http://www.zacksfunds.com), or obtained by calling the Fund at 1-(888) 453-4003, or consulting with your financial advisor.

### **In-Kind Purchases and Redemptions**

Each Fund reserves the right to accept payment for shares in the form of securities that are permissible investments for the Fund. Each Fund also reserves the right to pay redemptions by an "in-kind" distribution of portfolio securities (instead of cash) from the Fund. In-kind purchases and redemptions are taxable events and may result in the recognition of gain or loss for federal income tax purposes. See the SAI for further information about the terms of these purchases and redemptions.

**Additional Investments.** Additional subscriptions in a Fund generally may be made by investing at least the minimum amount shown in the table above. Exceptions may be made at a Fund's discretion. You may purchase additional shares of a Fund by sending a check together with the investment stub from your most recent account statement to the Fund at the applicable address listed in the table below. Please ensure that you include your account number on the check. If you do not have the investment stub from your account statement, list your name, address and account number on a separate sheet of paper and include it with your check. You may also make additional investments in a Fund by wire transfer of funds or through an approved financial intermediary. The minimum additional investment amount is automatically waived for shares purchased by Trustees of the Trust and current or retired directors and employees of the Advisor and its affiliates. Please follow the procedures described in this Prospectus.

**Dividend Reinvestment.** You may reinvest dividends and capital gains distributions in shares of a Fund. Such shares are acquired at NAV (without a sales charge) on the applicable payable date of the dividend or capital gain distribution. Unless you instruct otherwise, dividends and distributions on Fund shares are automatically reinvested in shares of the same class of the Fund paying the dividend or distributions. This instruction may be made by writing to the Transfer Agent or by telephone by calling 1-888-453-4003. You may, on the account application form or prior to any declaration, instruct that dividends and/or capital gain distributions be paid in cash or be reinvested in the Funds at the next determined NAV. If you elect to receive dividends and/or capital gain distributions in cash and the U.S. Postal Service cannot deliver the check, or if a check remains outstanding for six months or more, each Fund reserves the right to reinvest the distribution check in your account at the Fund's current NAV and to reinvest all subsequent distributions.

### **Customer Identification Information**

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. When you open an account, you will be asked for your name, date of birth (for a natural person), your residential address or principal place of business, and mailing address, if different, as well as your Social Security Number or Taxpayer Identification Number. Additional information is required for corporations, partnerships and other entities. Beginning May 11, 2018, this includes the name, residential address, date of birth and Social Security Number of the underlying beneficial owners and control persons. Applications without such information will not be considered in good order. Each Fund reserves the right to deny any application if the application is not in good order.

This Prospectus should not be considered a solicitation to purchase or as an offer to sell shares of the Funds in any jurisdiction where it would be unlawful to do so under the laws of that jurisdiction. Please note that the value of your account may be transferred to the appropriate state if no activity occurs in the account within the time period specified by state law.

### **Automatic Investment Plan**

If you intend to use the Automatic Investment Plan ("AIP"), you may open your account with the initial minimum investment amount. Once an account has been opened, you may make additional investments in a Fund at regular intervals through the AIP. If elected on your account application, funds can be automatically transferred from your checking or savings account on the 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup> or 25<sup>th</sup> of each month. In order to participate in the AIP, each

additional subscription must be at least \$100, and your financial institution must be a member of the Automated Clearing House (“ACH”) network. The first AIP purchase will be made 15 days after the Transfer Agent receives your request in good order. The Transfer Agent will charge a \$25 fee for any ACH payment that is rejected by your bank. Your AIP will be terminated if two successive mailings we send to you are returned by the U.S. Postal Service as undeliverable. You may terminate your participation in the AIP at any time by notifying the Transfer Agent at 1-(888) 453-4003 at least five days prior to the date of the next AIP transfer. The Fund may modify or terminate the AIP at any time without notice.

### **Timing and Nature of Requests**

The purchase price you will pay for a Fund’s shares will be at the next NAV (plus any sales charge, if applicable) calculated after the Transfer Agent or your authorized financial intermediary receives your request in good order. “Good order” means that your purchase request includes: (1) the name of the Fund and share class to be purchased, (2) the dollar amount of shares to be purchased, (3) your purchase application or investment stub, and (4) a check payable to **Zacks Funds**. All requests to purchase Fund shares received in good order before 4:00 p.m. (Eastern Time) on any business day will be processed on that same day. Requests received at or after 4:00 p.m. (Eastern Time) will be transacted at the next business day’s NAV. All purchases must be made in U.S. Dollars and drawn on U.S. financial institutions.

### **Methods of Buying**

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***Through a broker-dealer or other financial intermediary***

The Funds are offered through certain approved financial intermediaries (and their agents). The Funds are also offered directly. A purchase order placed with a financial intermediary or its authorized agent is treated as if such order were placed directly with a Fund, and will be deemed to have been received by the Fund when the financial intermediary or its authorized agent receives the order and executed at the next NAV (plus any sales charge, as applicable) calculated by the Fund. Your financial intermediary will hold your shares in a pooled account in its (or its agent’s) name. The Funds may pay your financial intermediary (or its agent) to maintain your individual ownership information, maintain required records, and provide other shareholder services. A financial intermediary which offers shares may charge its individual clients transaction fees which may be in addition to those described in this Prospectus. If you invest through your financial intermediary, its policies and fees may be different than those described in this Prospectus. For example, the financial intermediary may charge transaction fees or set different minimum investments. Your financial intermediary is responsible for processing your order correctly and promptly, keeping you advised of the status of your account, confirming your transactions and ensuring that you receive copies of the Funds’ Prospectus. Please contact your financial intermediary to determine whether it is an approved financial intermediary of the Funds or for additional information.

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***By mail***

The Funds will not accept payment in cash, including cashier’s checks. Also, to prevent check fraud, the Funds will not accept third-party checks, Treasury checks, credit card checks, traveler’s checks, money orders or starter checks for the purchase of shares. All checks must be made in U.S. Dollars and drawn on U.S. financial institutions.

To buy shares directly from the Funds by mail, complete an account application and send it together with your check for the amount you wish to invest to the Fund at the address indicated below. To make additional investments once you have opened your account, write your account number on the check and send it to the applicable Fund together with the most recent confirmation statement received from the Transfer Agent. If your check is returned for insufficient funds, your purchase will be canceled and a \$25 fee will be assessed against your account by the Transfer Agent.

**Regular Mail**  
***Zacks Funds***  
P.O. Box 2175  
Milwaukee, Wisconsin 53201

**Overnight Delivery**  
***Zacks Funds***  
235 West Galena Street  
Milwaukee, Wisconsin 53212

*The Funds do not consider the U.S. Postal Service or other independent delivery services to be its agents.*

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***By telephone***

To make additional investments by telephone, you must authorize telephone purchases on your account application. If you have given authorization for telephone transactions, and your account has been open for at least 15 days, call the Transfer Agent toll-free at 1-888-453-4003 and you will be allowed to move money in amounts of at least \$100 from your bank account to the applicable Fund account upon request. Only bank accounts held at U.S. institutions that are ACH members may be used for telephone transactions. If your order is placed before 4:00 p.m. (Eastern Time) on a business day shares will be purchased in your account at the NAV (plus any sales charge, as applicable) calculated on that day. Orders received at or after 4:00 p.m. (Eastern Time) will be transacted at the next business day's NAV. For security reasons, requests by telephone will be recorded.

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***By wire***

To open an account by wire, a completed account application form must be received by a Fund before your wire can be accepted. You may mail or send by overnight delivery your account application form to the Transfer Agent. Upon receipt of your completed account application form, an account will be established for you. The account number assigned to you will be required as part of the wiring instruction that should be provided to your bank to send the wire. Your bank must include the name of the applicable Fund, the account number, and your name so that monies can be correctly applied. Your bank should transmit monies by wire to:

**UMB Bank, n.a.**

ABA Number 101 000 695

**For credit to Zacks Funds**

A/C # 987 169 1543

**For further credit to:**

“Fund Name and Share Class”

Your account number

Name(s) of investor(s)

Social Security Number or Taxpayer Identification Number

Before sending your wire, please contact the Transfer Agent at 1-888-453-4003 to notify it of your intention to wire funds. This will ensure prompt and accurate credit upon receipt of your wire. Your bank may charge a fee for its wiring service.

Wired funds must be received prior to 4:00 p.m. (Eastern Time) on a business day to be eligible for same-day pricing. **The Funds 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.**

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**Selling (Redeeming) Fund Shares**

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***Through a broker-dealer or other financial intermediary***

If you purchased your shares through an approved financial intermediary, your redemption order must be placed through the same financial intermediary. A Fund will be deemed to have received a redemption order when a financial intermediary (or its authorized agent) receives the order. The financial intermediary must receive your redemption order prior to 4:00 p.m. (Eastern Time) on a business day for the redemption to be processed at the current day's NAV. Orders received at or after 4:00 p.m. (Eastern Time) on a business day or on a day when a Fund does not value its shares will be transacted at the next business day's NAV. Please keep in mind that your financial intermediary may charge additional fees for its services. In the event your approved financial intermediary is no longer available or in operation, you may place your redemption order directly with the Fund as described below.

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***By mail***

You may redeem shares purchased directly from the Funds by mail. Send your written redemption request to **Zacks Funds** at the address indicated below. Your request must be in good order and contain the applicable Fund name and share class, the name(s) on the account, your account number and the dollar amount or the number of shares to be redeemed. The redemption request must be signed by all shareholders listed on the account. Additional documents are required for certain types of shareholders, such as corporations, partnerships, executors, trustees, administrators, or guardians (*i.e.*, corporate resolutions dated within 60 days, or trust documents indicating proper authorization).

**Regular Mail*****Zacks Funds***

P.O. Box 2175  
Milwaukee, Wisconsin 53201

**Overnight Delivery*****Zacks Funds***

235 West Galena Street  
Milwaukee, Wisconsin 53212

A Medallion signature guarantee must be included if any of the following situations apply:

- You wish to redeem more than \$50,000 worth of shares;
- When redemption proceeds are sent to any person, address or bank account not on record;
- If a change of address was received by the Transfer Agent within the last 15 days;
- If ownership is changed on your account; or
- When establishing or modifying certain services on your account.

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***By telephone***

To redeem shares by telephone, call the Funds at 1-888-453-4003 and specify the amount of money you wish to redeem. You may have a check sent to the address of record, or, if previously established on your account, you may have proceeds sent by wire or electronic funds transfer through the ACH network directly to your bank account. Wire transfers are subject to a \$20 fee paid by the shareholder and your bank may charge a fee to receive wired funds. Checks sent via overnight delivery are subject to a \$ 25 charge. You do not incur any charge when proceeds are sent via the ACH network; however, credit may not be available for two to three business days.

If you are authorized to perform telephone transactions (either through your account application form or by subsequent arrangement in writing with the Funds), you may redeem shares worth up to \$50,000 by instructing the Funds by phone at 1-888-453-4003. Unless noted on the initial account application, a Medallion signature guarantee is required of all shareholders in order to qualify for or to change telephone redemption privileges.

**Note:** The Funds and all of its service providers will not be liable for any loss or expense in acting upon instructions that are reasonably believed to be genuine. To confirm that all telephone instructions are genuine, the caller must verify the following:

- The applicable Fund account number;
- The name in which his or her account is registered;
- The Social Security Number or Taxpayer Identification Number under which the account is registered; and
- The address of the account holder, as stated in the account application form.

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**Medallion Signature Guarantee**

In addition to the situations described above, each Fund reserves the right to require a Medallion signature guarantee in other instances based on the circumstances relative to the particular situation.

Shareholders redeeming more than \$50,000 worth of shares by mail should submit written instructions with a Medallion signature guarantee from an eligible institution acceptable to the Transfer Agent, such as a domestic bank or trust company, broker, dealer, clearing agency or savings association, or from any participant in a Medallion program



recognized by the Securities Transfer Association. The three currently recognized Medallion programs are Securities Transfer Agents Medallion Program, Stock Exchanges Medallion Program and New York Stock Exchange, Inc. Medallion Signature Program. Signature guarantees that are not part of these programs will not be accepted. Participants in Medallion programs are subject to dollar limitations which must be considered when requesting their guarantee. The Transfer Agent may reject any signature guarantee if it believes the transaction would otherwise be improper. A notary public cannot provide a signature guarantee.

### **Systematic Withdrawal Plan**

You may request that a predetermined dollar amount be sent to you on a monthly or quarterly basis. Your account must maintain a value of at least \$10,000 for you to be eligible to participate in the Systematic Withdrawal Plan (“SWP”). The minimum withdrawal amount is \$100. If you elect to receive redemptions through the SWP, a Fund will send a check to your address of record, or will send the payment via electronic funds transfer through the ACH network, directly to your bank account on record. You may request an application for the SWP by calling the Transfer Agent toll-free at 1-888-453-4003. The Funds may modify or terminate the SWP at any time. You may terminate your participation in the SWP by calling the Transfer Agent at least five business days before the next withdrawal.

### **Payment of Redemption Proceeds**

You may redeem shares of a Fund at a price equal to the NAV next determined after the Transfer Agent and/or authorized agent receives your redemption request in good order. Generally your redemption request cannot be processed on days the NYSE is closed. Redemption proceeds for requests received in good order by the Transfer Agent and/or authorized agent before the close of the regular trading session of the NYSE (generally, 4:00 p.m. Eastern Time) will usually be sent to the address of record or the bank you indicate, or wired using the wire instructions on record, on the following business day. Payment of redemption proceeds may take longer than typically expected, but will be sent within seven calendar days after the Fund receives your redemption request, except as specified below.

If you purchase shares using a check and request a redemption before the check has cleared, the Funds may postpone payment of your redemption proceeds up to 15 calendar days while a Fund waits for the check to clear. Furthermore, a Fund may suspend the right to redeem shares or postpone the date of payment upon redemption for more than seven calendar days: (1) for any period during which the NYSE is closed (other than customary weekend or holiday closings) or trading on the NYSE is restricted; (2) for any period during which an emergency exists affecting the sale of a Fund’s securities or making such sale or the fair determination of the value of a Fund’s net assets not reasonably practicable; or (3) for such other periods as the SEC may permit for the protection of the Funds’ shareholders.

### **Other Redemption Information**

Shareholders who hold shares of a Fund through an IRA or other retirement plan must indicate on their redemption request whether to withhold federal income tax. IRA and retirement plan redemptions where UMB Ban, n.a. is the custodian must be completed on an IRA Distribution Form or other acceptable form approved by UMB Bank, n.a. Such redemption requests will generally be subject to a 10% federal income tax withholding unless a shareholder elects not to have taxes withheld. In addition, if you are a resident of certain states, state income tax also applies to non-Roth IRA distributions when federal withholding applies. Please consult with your tax professional. An IRA owner with a foreign residential address may not elect to forgo the 10% withholding.

The Funds generally pay sale (redemption) proceeds in cash. A Fund typically expects to satisfy redemption requests by selling portfolio assets or by using holdings of cash or cash equivalents. The Fund uses these methods during both normal and stressed market conditions. During conditions that make the payment of cash unwise and/or in order to protect the interests of the Fund’s remaining shareholders, the Fund may pay all or part of a shareholder’s redemption proceeds in portfolio securities with a market value equal to the redemption price (redemption-in-kind) in lieu of cash. The Fund may redeem shares in kind during both normal and stressed market conditions. Generally, in kind redemptions will be effected through a pro rata distribution of the Fund’s portfolio securities. If a Fund redeems your shares in kind, you will bear any market risks associated with investment in these securities, and you will be responsible for the costs (including brokerage charges) of converting the securities to cash.

A Fund may redeem all of the shares held in your account if your balance falls below the Fund’s minimum initial investment amount due to your redemption activity. In these circumstances, the Fund will notify you in writing and request that you increase your balance above the minimum initial investment amount within 30 days of the date of the

notice. If, within 30 days of the Fund's written request, you have not increased your account balance, your shares will be automatically redeemed at the current NAV. The Fund will not require that your shares be redeemed if the value of your account drops below the investment minimum due to fluctuations of the Fund's NAV.

### **Cost Basis Information**

Federal tax law requires that regulated investment companies, such as the Fund, report their shareholders' cost basis, gain/loss, and holding period to the IRS on the shareholders' Consolidated Form 1099s when "covered" shares of the regulated investment companies are sold. Covered shares are any shares acquired (including pursuant to a dividend reinvestment plan) on or after January 1, 2012.

Each Fund has chosen "first-in, first-out" ("FIFO") as its standing (default) tax lot identification method for all shareholders, which means this is the method the Fund will use to determine which specific shares are deemed to be sold when there are multiple purchases on different dates at differing net asset values and the entire position is not sold at one time. A Fund's standing tax lot identification method is the method it will use to report the sale of covered shares on your Consolidated Form 1099 if you do not select a specific tax lot identification method. Redemptions are taxable and you may realize a gain or a loss upon the sale of your shares. Certain shareholders may be subject to backup withholding.

Subject to certain limitations, you may choose a method other than a Fund's standing method at the time of your purchase or upon the sale of covered shares. **For all shareholders using a method other than the specific tax lot identification method, a Fund first redeems shares you acquired on or before December 30, 2011, and then applies your elected method to shares acquired after that date.** Please refer to the appropriate Treasury regulations or consult your tax advisor with regard to your personal circumstances.

### **Tools to Combat Frequent Transactions**

The Trust's Board of Trustees has adopted policies and procedures with respect to frequent purchases and redemptions of Fund shares by Fund shareholders. The Trust discourages excessive, short-term trading and other abusive trading practices that may disrupt portfolio management strategies and harm the Funds' performance. The Trust takes steps to reduce the frequency and effect of these activities on the Funds. These steps may include monitoring trading activity and using fair value pricing. In addition, the Trust may take action, which may include using its best efforts to restrict a shareholder's trading privileges in the Funds, if that shareholder has engaged in four or more "round trips" in the Funds during a 12-month period. Although these efforts (which are described in more detail below) are designed to discourage abusive trading practices, these tools cannot eliminate the possibility that such activity may occur. Further, while the Trust makes efforts to identify and restrict frequent trading, the Trust receives purchase and sale orders through financial intermediaries and cannot always know or detect frequent trading that may be facilitated by the use of intermediaries or the use of group or omnibus accounts by those intermediaries. The Trust seeks to exercise its judgment in implementing these tools to the best of its ability in a manner that the Trust believes is consistent with the interests of Fund shareholders.

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***Redemption Fee***

You will be charged a redemption fee of 2.00% of the value of a Fund's shares being redeemed if you redeem your shares of the Fund within 30 days of purchase. The FIFO method is used to determine the holding period; this means that if you bought shares on different days, the shares purchased first will be redeemed first for the purpose of determining whether the redemption fee applies. The redemption fee is deducted from the sale proceeds and is retained by a Fund for the benefit of its remaining shareholders. The fee will not apply to redemptions (i) due to a shareholder's death or disability, (ii) from certain omnibus accounts with systematic or contractual limitations, (iii) of shares acquired through reinvestments of dividends or capital gains distributions, (iv) through certain employer-sponsored retirement plans or employee benefit plans or, with respect to any such plan, to comply with minimum distribution requirements, (v) effected pursuant to asset allocation programs, wrap fee programs, and other investment programs offered by financial institutions where investment decisions are made on a discretionary basis by investment professionals, (vi) effected pursuant to an automatic non-discretionary rebalancing program, (vii) effected pursuant to the SWP, (or (viii) by a Fund with respect to accounts falling below the minimum initial investment amount. The Trust reserves the right to waive this fee in other circumstances if the Advisor determines that doing so is in the best interests of the Fund.

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***Monitoring Trading Practices***

The Trust may monitor trades in Fund shares in an effort to detect short-term trading activities. If, as a result of this monitoring, the Trust believes that a shareholder has engaged in excessive short-term trading, it may, in its discretion, ask the shareholder to stop such activities or refuse to process purchases in the shareholder's accounts. In making such judgments, the Trust seeks to act in a manner that it believes is consistent with the best interest of Fund shareholders. Due to the complexity and subjectivity involved in identifying abusive trading activity, there can be no assurance that the Trust's efforts will identify all trades or trading practices that may be considered abusive.

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**General Transaction Policies**

Some of the following policies are mentioned above. In general, each Fund reserves the right to:

- vary or waive any minimum investment requirement;
- refuse, change, discontinue, or temporarily suspend account services, including purchase or telephone redemption privileges (if redemption by telephone is not available, you may send your redemption order to the Fund via regular or overnight delivery), for any reason;
- reject any purchase request for any reason (generally, the Fund does this if the purchase is disruptive to the efficient management of the Fund due to the timing of the investment or an investor's history of excessive trading);
- delay paying redemption proceeds for up to seven calendar days after receiving a request, if an earlier payment could adversely affect the Fund;
- reject any purchase or redemption request that does not contain all required documentation; and
- subject to applicable law and with prior notice, adopt other policies from time to time requiring mandatory redemption of shares in certain circumstances.

If you elect telephone privileges on the account application or in a letter to the Funds, you may be responsible for any fraudulent telephone orders as long as the Funds and/or its service providers have taken reasonable precautions to verify your identity. In addition, once you place a telephone transaction request, it cannot be canceled or modified.

During periods of significant economic or market change, telephone transactions may be difficult to complete. If you are unable to contact a Fund by telephone, you may also mail your request to the Fund at the address listed under “Methods of Buying.”

Your broker or other financial intermediary may establish policies that differ from those of the Funds. For example, the organization may charge transaction fees, set higher minimum investments, or impose certain limitations on buying or selling shares in addition to those identified in this Prospectus. Contact your broker or other financial intermediary for details.

Please note that the value of your account may be transferred to the appropriate state if no activity occurs in the account within the time period specified by state law.

***Exchange Privilege.*** You may exchange shares of a Fund into the same class of shares of another Zacks Fund. The amount of the exchange must be equal to or greater than the required minimum initial investment of the other fund, as stated in that fund’s prospectus. You may realize either a gain or loss on those shares and will be responsible for paying the appropriate taxes. If you exchange shares through a broker, the broker may charge you a transaction fee. You may exchange shares by sending a written request to the Funds or by telephone. Be sure that your written request includes the dollar amount or number of shares to be exchanged, the name(s) on the account and the account number(s), and is signed by all shareholders on the account. In order to limit expenses, each Fund reserves the right to limit the total number of exchanges you can make in any year.

#### **Conversion of Shares**

A share conversion is a transaction in which shares of one class of a Fund are exchanged for shares of another class of the Fund. Share conversions can occur between each share class of a Fund. Generally, share conversions occur when a shareholder becomes eligible for another share class of a Fund or no longer meets the eligibility criteria of the share class owned by the shareholder (and another class exists for which the shareholder would be eligible). Please note that a share conversion is generally a non-taxable event, but you should consult with your personal tax advisor on your particular circumstances. Please note, all share conversion requests must be approved by the Advisor.

A request for a share conversion will not be processed until it is received in “good order” (as defined above) by a Fund or your financial intermediary. To receive the NAV of the new class calculated that day, conversion requests must be received in good order by a Fund or your financial intermediary before 4:00 p.m., Eastern Time or the financial intermediary’s earlier applicable deadline. Please note that, because the NAV of each class of a Fund will generally vary from the NAV of the other class due to differences in expenses, you will receive a number of shares of the new class that is different from the number of shares that you held of the old class, but the total value of your holdings will remain the same.

The Funds’ frequent trading policies will not be applicable to share conversions. If you hold your shares through a financial intermediary, please contact the financial intermediary for more information on share conversions. Please note that certain financial intermediaries may not permit all types of share conversions. The Funds reserve the right to terminate, suspend or modify the share conversion privilege for any shareholder or group of shareholders.

The Funds reserve the right to automatically convert shareholders from one class to another if they either no longer qualify as eligible for their existing class or if they become eligible for another class. Such mandatory conversions may be as a result of a change in value of an account due to market movements, exchanges or redemptions. A Fund will notify affected shareholders in writing prior to any mandatory conversion.

#### **Prospectus and Shareholder Report Mailing**

In order to reduce the amount of mail you receive and to help reduce expenses, we generally send a single copy of any shareholder report and Prospectus to each household. If you do not want the mailing of these documents to be combined with those of other members of your household, please contact your authorized dealer or the Transfer Agent.

### **Additional Information**

The Fund enters into contractual arrangements with various parties, including among others the Advisor, who provide services to the Fund. Shareholders are not parties to, or intended (or “third party”) beneficiaries of, those contractual arrangements.

The Prospectus and the SAI provide information concerning the Fund that you should consider in determining whether to purchase shares of the Fund. The Fund may make changes to this information from time to time. Neither this prospectus nor the SAI is intended to give rise to any contract rights or other rights in any shareholder, other than any rights conferred by federal or state securities laws that may not be waived.

### **DIVIDENDS AND DISTRIBUTIONS**

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The Zacks Market Neutral Fund, Zacks All-Cap Core Fund, and Zacks Small-Cap Core Fund will make distributions of net investment income and net capital gains, if any, at least annually, typically in December. The Zacks Dividend Fund will make distributions of net investment income quarterly and net capital gains, if any, at least annually, typically in December. A Fund may make additional payments of dividends or distributions if it deems it desirable at any other time during the year.

All dividends and distributions will be reinvested in Fund shares unless you choose one of the following options: (1) to receive net investment income dividends in cash, while reinvesting capital gain distributions in additional Fund shares; or (2) to receive all dividends and distributions in cash. If you wish to change your distribution option, please write to the Transfer Agent before the payment date of the distribution.

If you elect to receive distributions in cash and the U.S. Postal Service cannot deliver your check, or if your distribution check has not been cashed for six months, each Fund reserves the right to reinvest the distribution check in your account at the Fund’s then current NAV and to reinvest all subsequent distributions.

### **FEDERAL INCOME TAX CONSEQUENCES**

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The following discussion is very general and does not address investors subject to special rules, such as investors who hold Fund shares through an IRA, 401(k) plan or other tax-advantaged account. The SAI contains further information about taxes. Because each shareholder’s circumstances are different and special tax rules may apply, you should consult your tax advisor about your investment in the Fund.

You will generally have to pay federal income taxes, as well as any state or local taxes, on distributions received from the Fund, whether paid in cash or reinvested in additional shares. If you sell Fund shares, it is generally considered a taxable event. If you exchange shares of the Fund for shares of another fund, the exchange will be treated as a sale of the Fund’s shares and any gain on the transaction may be subject to federal income tax.

Distributions of net investment income, other than “qualified dividend income,” and distributions of net short-term capital gains, are taxable for federal income tax purposes at ordinary income tax rates. Distributions from a Fund’s net capital gain (i.e., the excess of its net long-term capital gain over its net short-term capital loss) are taxable for federal income tax purposes as long-term capital gain, regardless of how long the shareholder has held Fund shares.

Dividends paid by a Fund (but none of a Fund’s capital gain distributions) may qualify in part for the dividends-received deduction available to corporate shareholders, provided certain holding period and other requirements are satisfied. Distributions of investment income that a Fund reports as “qualified dividend income” may be eligible to be taxed to non-corporate shareholders at the reduced rates applicable to long-term capital gain if derived from the Fund’s qualified dividend income and if certain other requirements are satisfied. “Qualified dividend income” generally is income derived from dividends paid by U.S. corporations or certain foreign corporations that are either incorporated in a U.S. possession or eligible for tax benefits under certain U.S. income tax treaties. In addition, dividends that a Fund receives in respect of stock of certain foreign corporations may be qualified dividend income if that stock is readily tradable on an established U.S. securities market.

You may want to avoid buying shares of a Fund just before it declares a distribution (on or before the record date), because such a distribution will be taxable to you even though it may effectively be a return of a portion of your investment.

Although distributions are generally taxable when received, dividends declared in October, November or December to shareholders of record as of a date in such month and paid during the following January are treated as if received on December 31 of the calendar year when the dividends were declared. Information on the federal income tax status of dividends and distributions is provided annually.

Dividends and distributions from a Fund and net gain from redemptions of Fund shares will generally be taken into account in determining a shareholder's "net investment income" for purposes of the Medicare contribution tax applicable to certain individuals, estates and trusts.

If you do not provide the Funds with your correct taxpayer identification number and any required certifications, you will be subject to backup withholding on your redemption proceeds, dividends and other distributions. The backup withholding rate is currently 24%.

Dividends and certain other payments made by a Fund to a non-U.S. shareholder are subject to such withholding of federal income tax at the rate of 30% (or such lower rate as may be determined in accordance with any applicable treaty). Dividends that are reported by a Fund as "interest-related dividends" or "short-term capital gain dividends" are generally exempt from such withholding. In general, a Fund may report interest-related dividends to the extent of its net income derived from U.S.-source interest and a Fund may report short-term capital gain dividends to the extent its net short-term capital gain for the taxable year exceeds its net long-term capital loss. Backup withholding will not be applied to payments that have been subject to the 30% withholding tax described in this paragraph.

Under legislation commonly referred to as "FATCA", unless certain non-U.S. entities that hold shares comply with IRS requirements that will generally require them to report information regarding U.S. persons investing in, or holding accounts with, such entities, a 30% withholding tax may apply to distributions and, after December 31, 2018, to redemption proceeds and certain capital gain dividends payable to such entities. A non-U.S. shareholder may be exempt from the withholding described in this paragraph under an applicable intergovernmental agreement between the United States and a foreign government, provided that the shareholder and the applicable foreign government comply with the terms of the agreement.

Some of a Fund's investment income may be subject to foreign income taxes that are withheld at the country of origin. Tax treaties between certain countries and the United States may reduce or eliminate such taxes, but there can be no assurance that a Fund will qualify for treaty benefits.

## FINANCIAL HIGHLIGHTS

The following table is intended to help you understand each Fund's financial performance for the past five fiscal years or the period from its commencement of operations through November 30, 2017 (the Funds' fiscal year end). Certain information reflects financial results for a single Fund share. The total return figures represent the percentage that an investor in the Funds would have earned (or lost) on an investment in the Funds (assuming reinvestment of all dividends and distributions). This information has been audited by Tait, Weller & Baker LLP, an independent registered public accounting firm. Tait, Weller & Baker LLP's report and the Funds' financial statements are included in the Funds' annual report which is available upon request.

### Zacks Market Neutral Fund

#### Investor Class

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|   | For the Year Ended November 30, |           |          |                |                |
|---|---------------------------------|-----------|----------|----------------|----------------|
|   | 2017                            | 2016      | 2015     | 2014           | 2013           |
| <b>Net asset value, beginning of period</b>   | \$ 14.54                        | \$ 13.78  | \$ 13.02 | \$ 12.66       | \$ 13.69       |
| <b>Income from Investment Operations:</b>   |                                 |           |          |                |                |
| Net investment loss <sup>1</sup>  | (0.26)                          | (0.36)    | (0.40)   | (0.32)         | (0.33)         |
| Net realized and unrealized gain (loss) on investments  | (0.09)                          | 1.12      | 1.16     | 0.68           | (0.70)         |
| Total from investment operations  | (0.35)                          | 0.76      | 0.76     | 0.36           | (1.03)         |
| <b>Redemption fee proceeds<sup>1</sup></b>  | - <sup>2</sup>                  | -         | -        | - <sup>2</sup> | - <sup>2</sup> |
| <b>Net asset value, end of period</b>   | \$ 14.19                        | \$ 14.54  | \$ 13.78 | \$ 13.02       | \$ 12.66       |
| <b>Total return<sup>3</sup></b>   | (2.41%)                         | 5.52%     | 5.84%    | 2.84%          | (7.52%)        |
| <b>Ratios and Supplemental Data:</b>  |                                 |           |          |                |                |
| Net assets, end of period (in thousands)  | \$ 6,307                        | \$ 30,046 | \$ 8,435 | \$ 8,540       | \$ 13,567      |
| Ratio of expenses to average net assets (including dividends on securities sold short and interest expense):            |                                 |           |          |                |                |
| Before fees waived and expenses absorbed <sup>4</sup>   | 4.28%                           | 4.95%     | 6.79%    | 5.77%          | 4.93%          |
| After fees waived and expenses absorbed <sup>4</sup>  | 3.51%                           | 4.31%     | 4.65%    | 4.26%          | 4.37%          |
| Ratio of net investment loss to average net assets (including dividends on securities sold short and interest expense): |                                 |           |          |                |                |
| Before fees waived and expenses absorbed  | (2.58%)                         | (3.13%)   | (5.17%)  | (4.00%)        | (3.06%)        |
| After fees waived and expenses absorbed   | (1.81%)                         | (2.49%)   | (3.03%)  | (2.49%)        | (2.50%)        |
| Portfolio turnover rate   | 156%                            | 179%      | 180%     | 144%           | 60%            |

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include 12b-1 fees of up to 0.25% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of sales load of 5.75% of offering price which is reduced on sales of \$50,000 or more. If the sales charge was included total returns would be lower. Effective October 31, 2016 the Fund no longer imposes a sales load for the Investor Class shares.

<sup>4</sup> If interest expense and dividends on securities sold short had been excluded, the expense ratios would have been lowered by 1.86% for the year ended November 30, 2017. For the prior periods, the ratios would have been lowered by 2.67%, 3.00%, 2.61%, and 2.72%, respectively.

**Zacks Market Neutral Fund**  
**Institutional Class**

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|   | <b>For the Year Ended November 30,</b> |                 |                 |                 |                 |
|---|--|-----------------|-----------------|-----------------|-----------------|
|   | <u>2017</u>                            | <u>2016</u>     | <u>2015</u>     | <u>2014</u>     | <u>2013</u>     |
| <b>Net asset value, beginning of period</b>   | \$ 13.67                               | \$ 13.04        | \$ 12.42        | \$ 12.17        | \$ 13.26        |
| <b>Income from Investment Operations:</b>   |  |                 |                 |                 |                 |
| Net investment loss <sup>1</sup>  | (0.21)                                 | (0.42)          | (0.48)          | (0.40)          | (0.41)          |
| Net realized and unrealized gain (loss) on investments  | (0.08)                                 | 1.05            | 1.10            | 0.65            | (0.68)          |
| Total from investment operations  | (0.29)                                 | 0.63            | 0.62            | 0.25            | (1.09)          |
| <b>Redemption fee proceeds<sup>1</sup></b>  | - <sup>2</sup>                         | -               | -               | -               | -               |
| <b>Net asset value, end of period</b>   | <u>\$ 13.38</u>                        | <u>\$ 13.67</u> | <u>\$ 13.04</u> | <u>\$ 12.42</u> | <u>\$ 12.17</u> |
| <b>Total return<sup>2</sup></b>   | (2.12%)                                | 4.83%           | 4.99%           | 2.05%           | (8.22%)         |
| <b>Ratios and Supplemental Data:</b>  |  |                 |                 |                 |                 |
| Net assets, end of period (in thousands)  | \$ 13,795                              | \$ 1,444        | \$ 788          | \$ 1,029        | \$ 1,893        |
| Ratio of expenses to average net assets (including dividends on securities sold short and interest expense):            |  |                 |                 |                 |                 |
| Before fees waived and expenses absorbed <sup>4</sup>   | 4.03%                                  | 5.60%           | 7.54%           | 6.52%           | 5.68%           |
| After fees waived and expenses absorbed <sup>4</sup>  | 3.26%                                  | 4.96%           | 5.40%           | 5.01%           | 5.12%           |
| Ratio of net investment loss to average net assets (including dividends on securities sold short and interest expense): |  |                 |                 |                 |                 |
| Before fees waived and expenses absorbed  | (2.33%)                                | (3.78%)         | (5.92%)         | (4.75%)         | (3.81%)         |
| After fees waived and expenses absorbed   | (1.56%)                                | (3.14%)         | (3.78%)         | (3.24%)         | (3.25%)         |
| Portfolio turnover rate   | 156%                                   | 179%            | 180%            | 144%            | 60%             |

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include 12b-1 fees of up to 0.25% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of sales load of 5.75% of offering price which is reduced on sales of \$50,000 or more. If the sales charge was included total returns would be lower. Effective October 31, 2016 the Fund no longer imposes a sales load for the Institutional Class shares.

<sup>4</sup> If interest expense and dividends on securities sold short had been excluded, the expense ratios would have been lowered by 1.86% for the year ended November 30, 2017. For the prior periods, the ratios would have been lowered by 2.67%, 3.00%, 2.61%, and 2.72%, respectively.



## Zacks All-Cap Core Fund

### Investor Class

Per share operating performance.

For a capital share outstanding throughout each period.

|  | For the Year Ended November 30, |                |           |                |                |
|--|---------------------------------|----------------|-----------|----------------|----------------|
|  | 2017                            | 2016           | 2015      | 2014           | 2013           |
| <b>Net asset value, beginning of period</b>                  | \$ 23.50                        | \$ 23.95       | \$ 24.93  | \$ 21.90       | \$ 17.45       |
| <b>Income from Investment Operations:</b>                    |                                 |                |           |                |                |
| Net investment income <sup>1</sup>                           | 0.07                            | 0.12           | 0.03      | 0.04           | 0.04           |
| Net realized and unrealized gain on investments              | 4.98                            | 0.74           | 0.45      | 2.99           | 4.43           |
| Total from investment operations                             | 5.05                            | 0.86           | 0.48      | 3.03           | 4.47           |
| <b>Less Distributions:</b>                                   |                                 |                |           |                |                |
| From net investment income                                   | (0.04)                          | -              | -         | -              | (0.02)         |
| From net realized gain                                       | (1.70)                          | (1.31)         | (1.47)    | -              | -              |
| Total distributions  | (1.74)                          | (1.31)         | (1.47)    | -              | (0.02)         |
| <b>Redemption fee proceeds<sup>1</sup></b>                   | - <sup>2</sup>                  | - <sup>2</sup> | 0.01      | - <sup>2</sup> | - <sup>2</sup> |
| <b>Net asset value, end of period</b>                        | \$ 26.81                        | \$ 23.50       | \$ 23.95  | \$ 24.93       | \$ 21.90       |
| <b>Total return<sup>3</sup></b>                              | 22.93%                          | 3.92%          | 2.04%     | 13.84%         | 25.65%         |
| <b>Ratios and Supplemental Data:</b>                         |                                 |                |           |                |                |
| Net assets, end of period (in thousands)                     | \$ 28,085                       | \$ 26,832      | \$ 39,453 | \$ 29,752      | \$ 25,551      |
| Ratio of expenses to average net assets:                     |                                 |                |           |                |                |
| Before fees waived and expenses absorbed                     | 1.74%                           | 1.70%          | 1.68%     | 1.73%          | 1.86%          |
| After fees waived and expenses absorbed                      | 1.63% <sup>4</sup>              | 1.65%          | 1.65%     | 1.65%          | 1.65%          |
| Ratio of net investment income (loss) to average net assets: |                                 |                |           |                |                |
| Before fees waived and expenses absorbed                     | 0.17%                           | 0.51%          | 0.10%     | 0.07%          | (0.01%)        |
| After fees waived and expenses absorbed                      | 0.28%                           | 0.56%          | 0.13%     | 0.15%          | 0.20%          |
| Portfolio turnover rate                                      | 29%                             | 51%            | 37%       | 46%            | 69%            |

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include 12b-1 fees of up to 0.25% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of sales load of 5.75% of offering price which is reduced on sales of \$50,000 or more. If the sales charge was included total returns would be lower. Effective October 31, 2016 the Fund no longer imposes a sales load for the Investor Class shares.

<sup>4</sup> Effective October 1, 2017 the Fund's advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that the total annual fund operating expenses (excluding taxes, leverage interest, brokerage commissions, acquired fund fees and expenses as determined in accordance with SEC Form N-1A, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation) do not exceed 1.55% of average daily net assets of the Fund. Prior to October 1, 2017, the Fund's advisor had contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that the total annual fund operating expenses (excluding taxes, leverage interest, brokerage commissions, acquired fund fees and expenses as determined in accordance with SEC Form N-1A, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation) do not exceed 1.65% of average daily net assets of the Fund.

**Zacks All-Cap Core Fund  
Class C**

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|   | <b>For the Year Ended November 30,</b> |                      |                      |                      |                      |
|---|--|----------------------|----------------------|----------------------|----------------------|
|   | <u>2017</u>                            | <u>2016</u>          | <u>2015</u>          | <u>2014</u>          | <u>2013</u>          |
| <b>Net asset value, beginning of period</b>         | \$ 21.50                               | \$ 22.19             | \$ 23.37             | \$ 20.69             | \$ 16.59             |
| <b>Income from Investment Operations:</b>           |  |                      |                      |                      |                      |
| Net investment loss <sup>1</sup>                    | (0.10)                                 | (0.04)               | (0.14)               | (0.13)               | (0.10)               |
| Net realized and unrealized gain on investments     | 4.52                                   | 0.66                 | 0.43                 | 2.81                 | 4.20                 |
| Total from investment operations                    | <u>4.42</u>                            | <u>0.62</u>          | <u>0.29</u>          | <u>2.68</u>          | <u>4.10</u>          |
| <b>Less Distributions:</b>                          |  |                      |                      |                      |                      |
| From net realized gain                              | (1.70)                                 | (1.31)               | (1.47)               | -                    | -                    |
| Total distributions                                 | <u>(1.70)</u>                          | <u>(1.31)</u>        | <u>(1.47)</u>        | <u>-</u>             | <u>-</u>             |
| <b>Redemption fee proceeds<sup>1</sup></b>          | <u>-<sup>2</sup></u>                   | <u>-<sup>2</sup></u> | <u>-<sup>2</sup></u> | <u>-<sup>2</sup></u> | <u>-<sup>2</sup></u> |
| <b>Net asset value, end of period</b>               | <u>\$ 24.22</u>                        | <u>\$ 21.50</u>      | <u>\$ 22.19</u>      | <u>\$ 23.37</u>      | <u>\$ 20.69</u>      |
| <b>Total return<sup>3</sup></b>                     | 22.03%                                 | 3.10%                | 1.28%                | 12.95%               | 24.71%               |
| <b>Ratios and Supplemental Data:</b>                |  |                      |                      |                      |                      |
| Net assets, end of period (in thousands)            | \$ 12,748                              | \$ 14,999            | \$ 15,926            | \$ 13,694            | \$ 12,032            |
| Ratio of expenses to average net assets:            |  |                      |                      |                      |                      |
| Before fees waived and expenses absorbed            | 2.49%                                  | 2.45%                | 2.43%                | 2.48%                | 2.61%                |
| After fees waived and expenses absorbed             | 2.38% <sup>4</sup>                     | 2.40%                | 2.40%                | 2.40%                | 2.40%                |
| Ratio of net investment loss to average net assets: |  |                      |                      |                      |                      |
| Before fees waived and expenses absorbed            | (0.58%)                                | (0.24%)              | (0.65%)              | (0.68%)              | (0.76%)              |
| After fees waived and expenses absorbed             | (0.47%)                                | (0.19%)              | (0.62%)              | (0.60%)              | (0.55%)              |
| Portfolio turnover rate                             | 29%                                    | 51%                  | 37%                  | 46%                  | 69%                  |

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include 12b-1 fees of up to 1.00% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown do not include payment of Contingent Deferred Sales Charge ("CDSC") of 1.00% on any shares sold within 12 months of the date of purchase and 0.50% during months 13-18. If the sales charge was included total returns would be lower.

<sup>4</sup> Effective October 1, 2017 the Fund's advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that the total annual fund operating expenses (excluding taxes, leverage interest, brokerage commissions, acquired fund fees and expenses as determined in accordance with SEC Form N-1A, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation) do not exceed 2.30% of average daily net assets of the Fund. Prior to October 1, 2017, the Fund's advisor had contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that the total annual fund operating expenses (excluding taxes, leverage interest, brokerage commissions, acquired fund fees and expenses as determined in accordance with SEC Form N-1A, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation) do not exceed 2.40% of average daily net assets of the Fund.

## Zacks Small-Cap Core Fund

### Investor Class

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|  | <b>For the Year Ended November 30,</b> |                      |                      |                      |                 |
|--|--|----------------------|----------------------|----------------------|-----------------|
|  | <u>2017</u>                            | <u>2016</u>          | <u>2015</u>          | <u>2014</u>          | <u>2013</u>     |
| <b>Net asset value, beginning of period</b>                  | \$ 26.77                               | \$ 24.21             | \$ 23.47             | \$ 23.73             | \$ 16.28        |
| <b>Income from Investment Operations:</b>                    |  |                      |                      |                      |                 |
| Net investment income (loss) <sup>1</sup>                    | (0.07)                                 | (0.04)               | (0.06)               | (0.02)               | <sup>-3</sup>   |
| Net realized and unrealized gain on investments              | 6.03                                   | 2.60                 | 1.88                 | 0.27                 | 7.73            |
| Total from investment operations                             | <u>5.96</u>                            | <u>2.56</u>          | <u>1.82</u>          | <u>0.25</u>          | <u>7.73</u>     |
| <b>Less Distributions:</b>                                   |  |                      |                      |                      |                 |
| From net investment income                                   | -                                      | -                    | -                    | -                    | (0.24)          |
| From net realized gain                                       | (0.16)                                 | -                    | (1.08)               | (0.51)               | (0.05)          |
| Total distributions  | <u>(0.16)</u>                          | <u>-</u>             | <u>(1.08)</u>        | <u>(0.51)</u>        | <u>(0.29)</u>   |
| <b>Redemption fee proceeds<sup>1</sup></b>                   | <u>0.01</u>                            | <u><sup>-3</sup></u> | <u><sup>-3</sup></u> | <u><sup>-3</sup></u> | <u>0.01</u>     |
| <b>Net asset value, end of period</b>                        | <u>\$ 32.58</u>                        | <u>\$ 26.77</u>      | <u>\$ 24.21</u>      | <u>\$ 23.47</u>      | <u>\$ 23.73</u> |
| <b>Total return<sup>2</sup></b>                              | 22.41%                                 | 10.57%               | 8.00%                | 1.11%                | 48.24%          |
| <b>Ratios and Supplemental Data:</b>                         |  |                      |                      |                      |                 |
| Net assets, end of period (in thousands)                     | \$ 152,663                             | \$ 99,615            | \$ 95,622            | \$ 48,242            | \$ 39,560       |
| Ratio of expenses to average net assets:                     |  |                      |                      |                      |                 |
| Before fees waived and expenses absorbed                     | 1.54%                                  | 1.68%                | 1.66%                | 1.88%                | 2.27%           |
| After fees waived and expenses absorbed                      | 1.39%                                  | 1.43%                | 1.39%                | 1.39%                | 1.39%           |
| Ratio of net investment income (loss) to average net assets: |  |                      |                      |                      |                 |
| Before fees waived and expenses absorbed                     | (0.39%)                                | (0.43%)              | (0.53%)              | (0.56%)              | (0.88%)         |
| After fees waived and expenses absorbed                      | (0.24%)                                | (0.18%)              | (0.26%)              | (0.07%)              | 0.00%           |
| Portfolio turnover rate                                      | 162%                                   | 147%                 | 162%                 | 154%                 | 140%            |

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include Rule 12b-1 fees of up to 0.25% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>3</sup> Amount represents less than \$0.01 per share.

**Zacks Small-Cap Core Fund  
Institutional Class**

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|  | For the Year Ended November 30, |          |          | For the Period   |
|--|---------------------------------|----------|----------|--|
|  | 2017                            | 2016     | 2015     | February 28,<br>2014*<br>through<br>November 30,<br>2014 |
| <b>Net asset value, beginning of period</b>                  | \$ 26.99                        | \$ 24.32 | \$ 23.50 | \$ 23.09   |
| <b>Income from Investment Operations:</b>                    |                                 |          |          |  |
| Net investment income <sup>1</sup>                           | -                               | 0.02     | -        | 0.04   |
| Net realized and unrealized gain on investments              | 6.09                            | 2.63     | 1.89     | 0.37   |
| Total from investment operations                             | 6.09                            | 2.65     | 1.89     | 0.41   |
| <b>Less Distributions:</b>                                   |                                 |          |          |  |
| From net realized gain                                       | (0.16)                          | -        | (1.08)   | -  |
| Total distributions  | (0.16)                          | -        | (1.08)   | -  |
| <b>Redemption fee proceeds<sup>1</sup></b>                   | - <sup>3</sup>                  | 0.02     | 0.01     | -  |
| <b>Net asset value, end of period</b>                        | \$ 32.92                        | \$ 26.99 | \$ 24.32 | \$ 23.50   |
| <b>Total return<sup>2</sup></b>                              | 22.67%                          | 10.98%   | 8.34%    | 1.78% <sup>4</sup>                                       |
| <b>Ratios and Supplemental Data:</b>                         |                                 |          |          |  |
| Net assets, end of period (in thousands)                     | \$ 26,953                       | \$ 7,013 | \$ 3,142 | \$ 1,131   |
| Ratio of expenses to average net assets:                     |                                 |          |          |  |
| Before fees waived and expenses absorbed                     | 1.29%                           | 1.39%    | 1.41%    | 1.70% <sup>5</sup>                                       |
| After fees waived and expenses absorbed                      | 1.14%                           | 1.14%    | 1.14%    | 1.14% <sup>5</sup>                                       |
| Ratio of net investment income (loss) to average net assets: |                                 |          |          |  |
| Before fees waived and expenses absorbed                     | (0.14%)                         | (0.14%)  | (0.28%)  | (0.32%) <sup>5</sup>                                     |
| After fees waived and expenses absorbed                      | 0.01%                           | 0.11%    | (0.01%)  | 0.24% <sup>5</sup>                                       |
| Portfolio turnover rate                                      | 162%                            | 147%     | 162%     | 154% <sup>4</sup>  |

\* Commencement of operations.

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor.

<sup>3</sup> Amount represents less than \$0.01 per share.

<sup>4</sup> Not annualized.

<sup>5</sup> Annualized.

## Zacks Dividend Fund

### Investor Class

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|  | For the Year Ended November 30, |           |          | For the Period  |
|--|---------------------------------|-----------|----------|---|
|  | 2017                            | 2016      | 2015     | January 31,<br>2014*<br>through<br>November 30,<br>2014 |
| <b>Net asset value, beginning of period</b>                  | \$ 17.92                        | \$ 16.69  | \$ 17.17 | \$ 15.00  |
| <b>Income from Investment Operations:</b>                    |                                 |           |          |   |
| Net investment income <sup>1</sup>                           | 0.32                            | 0.35      | 0.30     | 0.21  |
| Net realized and unrealized gain (loss) on investments       | 2.81                            | 1.35      | (0.47)   | 2.05  |
| Total from investment operations                             | 3.13                            | 1.70      | (0.17)   | 2.26  |
| <b>Less Distributions:</b>                                   |                                 |           |          |   |
| From net investment income                                   | (0.27)                          | (0.31)    | (0.28)   | (0.09)  |
| From net realized gain                                       | -                               | (0.16)    | (0.03)   | -   |
| Total distributions  | (0.27)                          | (0.47)    | (0.31)   | (0.09)  |
| <b>Redemption fee proceeds<sup>1</sup></b>                   | -.2                             | -.2       | -.2      | -.2   |
| <b>Net asset value, end of period</b>                        | \$ 20.78                        | \$ 17.92  | \$ 16.69 | \$ 17.17  |
| <b>Total return<sup>3</sup></b>                              | 17.58%                          | 10.50%    | (0.92)%  | 15.06% <sup>4</sup>                                     |
| <b>Ratios and Supplemental Data:</b>                         |                                 |           |          |   |
| Net assets, end of period (in thousands)                     | \$ 47,007                       | \$ 26,671 | \$ 9,796 | \$ 11,363   |
| Ratio of expenses to average net assets:                     |                                 |           |          |   |
| Before fees waived and expenses absorbed                     | 1.66%                           | 1.95%     | 2.78%    | 5.34% <sup>5</sup>                                      |
| After fees waived and expenses absorbed                      | 1.30%                           | 1.30%     | 1.30%    | 1.30% <sup>5</sup>                                      |
| Ratio of net investment income (loss) to average net assets: |                                 |           |          |   |
| Before fees waived and expenses absorbed                     | 1.30%                           | 1.40%     | 0.30%    | (2.55)% <sup>5</sup>                                    |
| After fees waived and expenses absorbed                      | 1.66%                           | 2.05%     | 1.78%    | 1.49% <sup>5</sup>                                      |
| Portfolio turnover rate                                      | 18%                             | 15%       | 29%      | 18% <sup>4</sup>  |

\* Commencement of operations.

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Amount represents less than \$0.01 per share.

<sup>3</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor. These returns include Rule 12b-1 fees of up to 0.25% and do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

<sup>4</sup> Not annualized.

<sup>5</sup> Annualized.

**Zacks Dividend Fund  
Institutional Class**

*Per share operating performance.*

*For a capital share outstanding throughout each period.*

|   | <b>For the Period<br/>January 31,<br/>2017*<br/>through<br/>November 30,<br/>2017</b> |
|---|---|
| <b>Net asset value, beginning of period</b>           | <u>\$ 18.36</u>   |
| <b>Income from Investment Operations:</b>             |   |
| Net investment income <sup>1</sup>                    | 0.32  |
| Net realized and unrealized gain on investments       | <u>2.34</u>   |
| Total from investment operations                      | <u>2.66</u>   |
| <b>Less Distributions:</b>                            |   |
| From net investment income                            | <u>(0.24)</u>   |
| Total distributions                                   | <u>(0.24)</u>   |
| <b>Net asset value, end of period</b>                 | <u>\$ 20.78</u>   |
| <b>Total return<sup>2</sup></b>                       | 14.57% <sup>3</sup>   |
| <b>Ratios and Supplemental Data:</b>                  |   |
| Net assets, end of period (in thousands)              | \$ 229  |
| Ratio of expenses to average net assets:              |   |
| Before fees waived and expenses absorbed              | 1.41% <sup>4</sup>  |
| After fees waived and expenses absorbed               | 1.05% <sup>4</sup>  |
| Ratio of net investment income to average net assets: |   |
| Before fees waived and expenses absorbed              | 1.60% <sup>4</sup>  |
| After fees waived and expenses absorbed               | 1.96% <sup>4</sup>  |
| Portfolio turnover rate                               | 18% <sup>3</sup>  |

\* Commencement of operations.

<sup>1</sup> Based on average shares outstanding during the period.

<sup>2</sup> Total returns would have been lower had certain expenses not been waived or absorbed by the Advisor.

<sup>3</sup> Not annualized.

<sup>4</sup> Annualized.

## **APPENDIX A – Waivers and Discounts Available from Intermediaries**

The availability of certain sales charge waivers and discounts will depend on whether you purchase your shares directly from the Funds or through a financial intermediary. Intermediaries may have different policies and procedures regarding the availability of contingent deferred sales load (“CDSC”) waivers, which are discussed below. In all instances, it is the purchaser’s responsibility to notify the Funds or the purchaser’s financial intermediary at the time of purchase of any relationship or other facts qualifying the purchaser for sales charge waivers or discounts. **For waivers and discounts not available through a particular intermediary, shareholders will have to purchase Fund shares directly from the Funds or through another intermediary to receive these waivers or discounts.**

### **Merrill Lynch:**

Shareholders purchasing Fund shares through a Merrill Lynch platform or account will be eligible only for the following sales charge waivers (front-end sales charge waivers and CDSC waivers) and discounts, which may differ from those disclosed elsewhere in the Prospectus or SAI.

### **CDSC Waivers on Class C Shares Available at Merrill Lynch**

- Death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the Funds’ Prospectus
- Return of excess contributions from an IRA Account
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching age 70½
- Shares sold to pay Merrill Lynch fees but only if the transaction is initiated by Merrill Lynch
- Shares acquired through a right of reinstatement
- Shares held in retirement brokerage accounts, that are exchanged for a lower cost share class due to transfer to certain fee based accounts or platforms (applicable to Class C shares only)

***Investment Advisor***

Zacks Investment Management, Inc.  
One South Wacker Drive, Suite 2700  
Chicago, Illinois 60606

***Fund Co-Administrator***

Mutual Fund Administration LLC  
2220 E. Route 66, Suite 226  
Glendora, California 91740

***Fund Co-Administrator, Transfer Agent and Fund Accountant***

UMB Fund Services, Inc.  
235 West Galena Street  
Milwaukee, Wisconsin 53212

***Custodian***

UMB Bank, n.a.  
928 Grand Boulevard, 5<sup>th</sup> Floor  
Kansas City, Missouri 64106

***Distributor***

IMST Distributors, LLC  
Three Canal Plaza, Suite 100  
Portland, Maine 04101  
[www.foreside.com](http://www.foreside.com)

***Counsel to the Trust***

Morgan, Lewis & Bockius LLP  
600 Anton Boulevard, Suite 1800  
Costa Mesa, California 92626

***Independent Registered Public Accounting Firm***

Tait, Weller & Baker LLP  
1818 Market Street, Suite 2400  
Philadelphia, Pennsylvania 19103



**Zacks Market Neutral Fund**  
**Zacks All-Cap Core Fund**  
**Zacks Small-Cap Core Fund**  
**Zacks Dividend Fund**  
Each a series of the Investment Managers Series Trust

**FOR MORE INFORMATION**

**Statement of Additional Information (SAI)**

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

**Shareholder Reports**

Additional information about the Funds' investments is available in the Funds' annual and semi-annual reports to shareholders. In the Funds' annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds' performance during their most recent fiscal year.

The Funds' SAI and annual and semi-annual reports are available, free of charge, on the Funds' website at [www.zacksfunds.com](http://www.zacksfunds.com). You can also obtain a free copy of the Fund's SAI or annual and semi-annual reports, request other information, or inquire about the Funds by contacting a broker that sells shares of the Funds or by calling the Funds (toll-free) at (888) 453-4003 or by writing to:

**Zacks Funds**  
P.O. Box 2175  
Milwaukee, Wisconsin 53201

Information about the Funds (including the SAI) can be reviewed and copied at the Public Reference Room of the SEC in Washington, DC. You can obtain information on the operation of the Public Reference Room by calling the SEC at 1-202-551-8090. Reports and other information about the Funds are also available:

- Free of charge, on the SEC's EDGAR Database on the SEC's Internet site at <http://www.sec.gov>;
- For a duplication fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov); or
- For a duplication fee, by writing to the SEC's Public Reference Section, Washington, DC 20549-1520.

(The Trust's SEC Investment Company Act file no. 811- 21719.)