



## Spectrum Low Volatility Fund Spectrum Advisors Preferred Fund

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### Semi-Annual Report

March 31, 2020

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Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Funds' shareholder reports like this one will no longer be sent by mail, unless you specifically request paper copies of the reports. Instead, the reports will be made available on the Funds' website [www.thespectrumfunds.com](http://www.thespectrumfunds.com) and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Funds electronically or to continue receiving paper copies of shareholder reports, which are available free of charge, by contacting your financial intermediary (such as a broker-dealer or bank) or, if you are a direct investor, by following the instructions included with paper Fund documents that have been mailed to you.

Investor Information: 1-866-862-9686

This report and the financial statements contained herein are submitted for the general information of shareholders and are not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus. Nothing herein contained is to be considered an offer of sale or solicitation of an offer to buy shares of the Spectrum Funds. Such offering is made only by prospectus, which includes details as to offering price and other material information.

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May 15, 2020

Dear Shareholders:

This semi-annual report for the **Spectrum Funds** discusses the period from October 1, 2019 – March 31, 2020. The **Spectrum Low Volatility Fund**, a non-traditional bond fund, seeks total return and low volatility in all market conditions. The Fund returned +3.57 % for the six months, while the Fund’s primary benchmark, the S&P/LSTA U.S. Leveraged Loan 100 Total Return Index, declined -7.85% for the same period. The Fund’s secondary benchmark, a customized index composed of a 50% weighting of the Barclays U.S. High Yield Very Liquid Total Return Index and a 50% weighting of the S&P Leveraged Loan 100 Total Return Index fell -8.89% for the six months. The Sub-advisor used total return swaps on mutual funds to execute a portion of its strategy during the period.

Both interest sensitive and economically sensitive bonds were choppy during October, staying mainly within trading ranges prevailing in August and September. Investors digested headlines related to the impeachment probe, China and European trade, as well as economic indicators pointing to slowing economic growth. Risk-on, or economically sensitive bond classes, firmed modestly as the month progressed. Interest sensitive risk-off classes eased with reports of some progress in U.S.-China trade relations. As concerns over economic weakness grew, conviction for a rate cut by the Federal Reserve became stronger toward the end of the month. The Fund lowered exposure to municipal bonds and added positions within the high yield and floating rate space. The positive momentum of economic sensitive bond classes and the modestly negative momentum of interest sensitive bond classes continued into November. High yield bonds consolidated throughout the month, yet maintained positive technical underpinnings. Bank loans garnered traction with a return to a low volatility uptrend. In response, the Fund increased investments significantly, primarily in high yield and floating rate/bank loan classes. Strong domestic reports early in December helped kick off a “Santa Claus rally”, buoyed further by rumors of a phase one trade deal between the U.S. and China. Exposure to high yield and senior loans was added to the Fund early on, with small positions in other assets, including Treasury bonds and convertibles.

The new decade started with a bullish bias. Equities and credit sensitive bonds continued their upward march. The Fund added opportunistically to liquid high yield positions. As municipal bonds broke out of their stalled pattern and gained momentum, the Fund added positions in that asset class to further diversify as credit began to peak and show signs of faltering. As coronavirus fears took hold of headlines and high yield spreads began to widen, brought on partially by falling energy prices, the Sub-advisor rapidly trimmed exposure. Tactical trades within Treasury bond instruments proved advantageous throughout mid-month to dampen volatility, as did increases in preferred stocks as that asset class maintained its consistent, slow growth profile. High yield bonds found footing early in February, after stumbling sideways at the end of January. The Sub-advisor quickly ramped up investments within that asset class, as well as added to existing positions in preferred stock and municipal bonds, which continued to perform in low volatility trends. Concerns began to rise in mid-February, and the Fund began to slowly pull back on risk-on assets and added hedge exposure, as well as investment grade and Treasury bond allocations before cracks in the markets materialized. This reaction proved timely, as global markets

shortly thereafter went from new all-time highs to correction territory in under a week, while the Fund maintained its year to date gains. In March, the Sub-advisor broadly and swiftly lowered exposure in the Fund amid developing signs of the global market entering a capitulation phase. From a safe position in cash, the Sub-advisor watched the liquidity crisis unfold, taking illiquid markets down with it as traditional bond portfolio managers were forced to sell to meet redemptions. The alarm consumed nearly every asset class, raising volatility even in risk-off assets such as investment grade bonds. As the market approached a technical oversold position, and there was positive support coming in both monetarily and fiscally, small positions were taken within high yield and senior loans to capture short-term opportunities.

The **Spectrum Advisors Preferred Fund** returned -5.27% for the six months ending March 31, 2020. The Fund's benchmark is the S&P 500 Total Return Index which also posted a negative return of -12.31% for the same period. A customized benchmark comprised of a 60% weighting of the NYSE Composite Index and a 40% weighting of the Bloomberg Barclays U.S. Aggregate Bond Index declined -10.02% for the period. The Fund is designed to provide lower volatility equity exposure while limiting potential losses. The Sub-advisor used futures and total return swaps on ETF's to execute a portion of its strategy during the period.

Equity markets began the period in October under modest pressure but still within parameters of a major uptrend and within trading ranges established in the previous months. Equity exposure was higher in the Fund during the first half of the month as equities regained positive momentum after finding support near the summer lows and important moving average levels. As the year to date highs were tested, exposure was reduced, but only modestly. Leadership rotation was visible during October as small-caps performed better than large-caps after months of underperformance. The tech heavy NASDAQ also transitioned from poor relative strength in September to outperformance in October. This upward momentum stalled briefly at the beginning of November before a resurgence led by technology, healthcare and financials. The rapid advance in October caused overbought indicator readings that led the Sub-advisor to shift the Fund to a more defensive positioning. Some sectors stalled, but large-cap indices such as the S&P 500 and the NASDAQ 100 indices continued steadily higher. Stocks dipped early in the month of December, but quickly found footing; major indices saw unusually low volatility while building on uptrends. Large-cap stocks performed better than small-cap stocks. With the thawing of the trade war, foreign equity markets also performed well with emerging markets leading developed foreign markets. Late in the month, signs of excessive optimism prompted the Sub-advisor to reduce exposure in the Fund modestly in an effort to reduce risk.

January began with investors backing away from a trade war and impeachment concerns, pushing large-caps and technology to new highs. Bullish sentiment had been running at extreme levels before news surrounding the growing threat of the coronavirus finally caught the attention of investors. Selling pressure accelerated and caused most of the broad-based equity indices to close down for the month. The Sub-advisor took quick action, entering January positioned to take advantage of the market's uptrend, but then shifted to reducing exposure moderately as warning signs became apparent. Equities pushed to new highs in early February along with investor sentiment. The Sub-advisor reduced positions in the Fund early in the month in response to warning flags. The adjustment was modest while the equity market's trend remained favorable. The stock market gapped sharply lower on February 24, 2020 resulting in further reduction in exposure. This action led to a minimal loss for the month relative to what had been the fastest 10% loss from a new high by the S&P 500 Index. Equities began the month of March rebounding from a sharp pullback in what initially appeared to be potential support within the major

uptrend. After a brief pause, those levels did not hold. The Sub-advisor quickly adjusted investments of the Fund's portfolio throughout the month in response to market conditions.

Thank you for your investment in the Funds. Please visit the website [www.thespectrumfunds.com](http://www.thespectrumfunds.com) at any time for information regarding the Funds.

Spectrum Financial Services, Inc.

Sub-advisor to the Funds

Advisors Preferred, LLC

Advisor to the Funds

# Spectrum Low Volatility Fund

## Portfolio Review (Unaudited)

March 31, 2020

The Fund's performance figures\* for the periods ended March 31, 2020, as compared to its benchmarks:

	Six Months	One Year	Annualized	
			Five Year	Since Inception **
Spectrum Low Volatility Fund - Investor Class	3.57%	5.39%	6.57%	5.97%
S&P/LSTA Leveraged Loan 100 Index ***	(7.85)%	(5.15)%	1.63%	1.79%

\* The performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemptions of Fund shares. Returns greater than 1 year are annualized. The total gross operating expenses as stated in the fee table of the Fund's prospectus dated February 1, 2020 is 2.95% for the Investor Class. For performance information current to the most recent month-end, please call 1-866-862-9686.

\*\* Inception date is December 16, 2013.

\*\*\* The S&P/LSTA Leveraged Loan 100 Index is designed to reflect the performance of the largest facilities in the leverage loan market. Investors cannot directly invest in an index.

### Portfolio Composition as of March 31, 2020 (Unaudited)

<u>Holdings by Type of Investment:</u>	<u>% of Net Assets *</u>
U.S. Treasury Bills	50.8%
Debt Funds	30.3%
Money Market Fund	13.8%
Other Assets Less Liabilities	5.1%
	<u>100.0%</u>

\*The portfolio composition detailed above does not include derivative exposure.

Please refer to the Portfolio of Investments and the Shareholder Letter in this report for a detailed listing of the Fund's holdings.

# Spectrum Advisors Preferred Fund

## Portfolio Review (Unaudited)

March 31, 2020

The Fund's performance figures\* for the periods ended March 31, 2020, as compared to its benchmark:

	Six Months	One Year	Annualized	
			Three Years	Since Inception **
Spectrum Advisors Preferred Fund - Investor Class	(5.27)%	(0.83)%	5.44%	4.28%
S&P 500 Total Return Index ***	(12.31)%	(6.98)%	5.10%	6.43%

\* The performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or on the redemptions of Fund shares. Spectrum Advisors Preferred Fund's Investor Class shares are subject to a gross annual operating expense ratio of 2.45%, as per the February 1, 2020 Investor Class prospectus. For performance information current to the most recent month-end, please call 1-866-862-9686.

\*\* Inception date is June 1, 2015.

\*\*\* The S&P 500 Total Return Index is an unmanaged composite of 500 large capitalization companies and includes the reinvestment of all dividends. This index is widely used by professional investors as a performance benchmark for large-cap stocks. Investors cannot invest directly in an index.

### Portfolio Composition as of March 31, 2020 (Unaudited)

<u>Holdings by Type of Investment:</u>	<u>% of Net Assets *</u>
Money Market Funds	75.2%
Debt Funds	15.6%
Other Assets Less Liabilities	9.2%
	<u>100.0%</u>

\*The portfolio composition detailed above does not include derivative exposure.

Please refer to the Portfolio of Investments and the Shareholder Letter in this report for a detailed listing of the Fund's holdings.

**Spectrum Low Volatility Fund**  
**Portfolio of Investments (Unaudited)**  
**March 31, 2020**

Shares		Value
	<b>MUTUAL FUNDS - 30.34 %</b>	
	<b>DEBT FUNDS - 30.34 %</b>	
2,366,288	JPMorgan High Yield Fund -Class I	\$ 14,694,652
2,067,989	Virtus Seix Floating Rate High Income Fund -Class I	14,868,838
	<b>TOTAL MUTUAL FUNDS (Cost - \$29,200,000)</b>	<b>29,563,490</b>
	<b>SHORT-TERM INVESTMENTS - 13.80 %</b>	
	<b>MONEY MARKET FUND - 13.80 %</b>	
13,439,872	Fidelity Investments Money Market Funds - Government Portfolio - Class I - 0.30% <sup>(a)</sup>	13,439,872
	<b>TOTAL SHORT-TERM INVESTMENTS (Cost - \$13,439,872)</b>	<b>13,439,872</b>
<b>Principal (\$)</b>	<b>U.S. GOVERNMENT OBLIGATIONS - 50.75 %</b>	
	<b>U.S. TREASURY BILLS - 50.75 %</b>	
	<b>Coupon</b>	<b>Maturity</b>
16,360,000	U.S. Treasury Bill	4/30/2020
33,086,000	U.S. Treasury Bill	5/28/2020
	<b>TOTAL U.S. GOVERNMENT OBLIGATIONS (Cost - \$49,369,655)</b>	<b>49,441,999</b>
	<b>TOTAL INVESTMENTS - 94.89 % (Cost - \$92,009,527)</b>	<b>\$ 92,445,361</b>
	<b>OTHER ASSETS LESS LIABILITIES - 5.11 %</b>	<b>4,979,907</b>
	<b>NET ASSETS - 100.0%</b>	<b>\$ 97,425,268</b>

<sup>(a)</sup> Money market fund; interest rate reflects seven-day effective yield on March 31, 2020.

**TOTAL RETURN SWAPS**

Number of Shares	Reference Entity	Notional Amount at March 31, 2020	Interest Rate Payable <sup>(1)</sup>	Termination Date	Counterparty	Unrealized Appreciation (Depreciation)
<b>Long Position:</b>						
1,521,846	PIMCO High Yield Fund	\$ 12,083,457	3-Mth USD_LIBOR plus 185 bp	6/30/2022	BRC	\$ -
<b>Short Position:</b>						
(188,000)	iShares iBoxx High Yield Corporate Bond ETF	(14,489,160)	1-Mth USD_LIBOR plus 0 bp	4/20/2020	CS	290,704

BRC - Barclays Capital Inc.

CS - Credit Suisse Securities (Europe) Limited

ETF - Exchange Traded Fund

LIBOR - London Interbank Offered Rate

<sup>(1)</sup> Interest rate is based upon predetermined notional amounts, which may be a multiple of the number of shares plus a specified spread.

**Spectrum Advisors Preferred Fund**  
**Portfolio of Investments (Unaudited)**  
**March 31, 2020**

Shares		Value
	<b>EXCHANGE TRADED FUNDS - 15.56 %</b>	
	<b>DEBT FUNDS - 15.56 %</b>	
6,800	iShares iBoxx \$ Investment Grade Corporate Bond ETF	\$ 839,868
11,000	iShares iBoxx High Yield Corporate Bond ETF	847,770
	<b>TOTAL EXCHANGE TRADED FUNDS (Cost - \$1,687,146)</b>	<b>1,687,638</b>
	<b>SHORT-TERM INVESTMENTS - 75.22 %</b>	
	<b>MONEY MARKET FUNDS - 75.22 %</b>	
4,081,515	Fidelity Investments Money Market Funds - Government Portfolio - Class I - 0.30% <sup>(a)</sup>	4,081,515
4,081,515	First American Government Obligations Fund - Class Z - 0.39% <sup>(a)</sup>	4,081,515
	<b>TOTAL SHORT-TERM INVESTMENTS (Cost - \$8,163,030)</b>	<b>8,163,030</b>
	<b>TOTAL INVESTMENTS - 90.78 % (Cost - \$9,850,176)</b>	<b>\$ 9,850,668</b>
	<b>OTHER ASSETS LESS LIABILITIES - 9.22 %</b>	<b>1,000,016</b>
	<b>NET ASSETS - 100.0%</b>	<b>\$ 10,850,684</b>

(a) Money market fund; interest rate reflects seven-day effective yield on March 31, 2020.

**OPEN FUTURES CONTRACTS**

Number of Contracts	Open Long Futures Contracts	Expiration	Notional Amount at March 31, 2020	Unrealized Appreciation / (Depreciation)
45	E-Mini Russell 2000 Index	Jun-20	\$ 2,582,100	\$ (61,650)
16	NADSAQ 100 E-mini Index	Jun-20	2,491,600	44,795
22	S&P 500 E-Mini Index	Jun-20	2,826,670	186,695
	<b>TOTAL FUTURES CONTRACTS</b>			<b>\$ 169,840</b>

**TOTAL RETURN SWAPS**

Number of Shares	Reference Entity	Notional Amount at March 31, 2020	Interest Rate Payable <sup>(i)</sup>	Termination Date	Counterparty	Unrealized Appreciation / (Depreciation)
989	Adobe, Inc.	\$ 314,739	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	\$ 7,429
1,412	ANSYS, Inc.	328,248	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	32,023
1,231	Apple, Inc.	313,031	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	5,609
6,676	Applied Materials, Inc.	305,894	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	(311)
2,493	Automatic Data Processing, Inc.	340,743	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	20,576
5,829	Intel Corp.	315,465	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	9,222
2,202	KLA Corp.	316,515	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	9,584
1,289	Lam Research Corp.	309,360	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	3,310
4,017	Microchip Technology, Inc.	272,353	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	(34,260)
2,060	Microsoft Corp.	324,883	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	17,922
1,220	NVIDIA Corp.	321,592	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	15,551
4,685	Qualcomm, Inc.	316,940	1-Mth USD_LIBOR plus 35 bp	1/19/2021	CS	12,347
						<b>\$ 99,002</b>

CS - Credit Suisse Securities (Europe) Limited

ETF - Exchange Traded Fund

LIBOR - London Interbank Offered Rate

<sup>(i)</sup> Interest rate is based upon predetermined notional amounts, which may be a multiple of the number of shares plus a specified spread.

**Spectrum Funds**  
**Statements of Assets and Liabilities (Unaudited)**  
**March 31, 2020**

	<b>Spectrum Low Volatility Fund</b>	<b>Spectrum Advisors Preferred Fund</b>
<b>ASSETS</b>		
Investment securities:		
At cost	\$ 92,009,527	\$ 9,850,176
At value	\$ 92,445,361	9,850,668
Segregated cash - Collateral for swaps	6,030,000	810,000
Deposit with broker for futures	309,585	760,340
Receivable for swaps	23,583	10,616
Unrealized appreciation on swaps	290,704	133,573
Unrealized appreciation on futures	-	231,490
Receivable for Fund shares sold	74,976	-
Prepaid expenses	1,845	20,253
<b>TOTAL ASSETS</b>	<b>99,176,054</b>	<b>11,816,940</b>
<b>LIABILITIES</b>		
Unrealized depreciation on swaps	1,181,007	34,571
Payable for swaps	328,625	-
Investment advisory fees payable	163,128	15,381
Due to broker - Variation Margin	37,050	-
Payable for Fund shares redeemed	37,034	-
Unrealized depreciation on futures	-	61,650
Payable for investments purchased	-	853,914
Shareholder servicing fees payable	3,942	740
<b>TOTAL LIABILITIES</b>	<b>1,750,786</b>	<b>966,256</b>
<b>NET ASSETS</b>	<b>\$ 97,425,268</b>	<b>\$ 10,850,684</b>
<b>NET ASSET VALUE</b>		
Net Assets	\$ 97,425,268	\$ 10,850,684
Shares of beneficial interest outstanding	4,507,139	484,856
Net asset value, Offering and Redemption Price Per Share (Net Assets ÷ Shares Outstanding)	\$ 21.62	\$ 22.38
<b>NET ASSETS CONSIST OF:</b>		
Paid in capital (\$0 par value, unlimited shares authorized)	\$ 97,683,470	\$ 11,471,335
Accumulated earnings (loss)	(258,202)	(620,651)
<b>NET ASSETS</b>	<b>\$ 97,425,268</b>	<b>\$ 10,850,684</b>

See accompanying notes to financial statements.

**Spectrum Funds**  
**Statements of Operations (Unaudited)**  
**For the Six Months Ended March 31, 2020**

	<b>Spectrum Low Volatility Fund</b>	<b>Spectrum Advisors Preferred Fund</b>
<b>INVESTMENT INCOME</b>		
Dividends	\$ 784,479	\$ 155,576
Interest	294,645	31,759
<b>TOTAL INVESTMENT INCOME</b>	<u>1,079,124</u>	<u>187,335</u>
<b>EXPENSES</b>		
Investment advisory fees	916,777	101,717
Shareholder servicing fees	12,792	2,034
Administration expenses (Note 5)	150,361	20,655
Trustees' fees and expenses	717	809
<b>TOTAL EXPENSES</b>	<u>1,080,647</u>	<u>125,215</u>
<b>NET INVESTMENT INCOME (LOSS)</b>	<u>(1,523)</u>	<u>62,120</u>
<b>REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>		
Net realized gain (loss) from:		
Investments	547,989	1,321,162
Swaps	1,657,614	(519,058)
Futures	124,659	(282,736)
<b>TOTAL NET REALIZED GAIN</b>	<u>2,330,262</u>	<u>519,368</u>
Net change in unrealized appreciation (depreciation) on:		
Investments	427,194	(1,471,082)
Swaps	266,410	93,370
Futures	-	183,260
<b>TOTAL NET CHANGE IN UNREALIZED APPRECIATION (DEPRECIATION)</b>	<u>693,604</u>	<u>(1,194,452)</u>
<b>NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>	<u>3,023,866</u>	<u>(675,084)</u>
<b>NET INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS</b>	<u><b>\$ 3,022,343</b></u>	<u><b>\$ (612,964)</b></u>

See accompanying notes to financial statements.

## Spectrum Low Volatility Fund

### Statements of Changes in Net Assets

	<b>For the Six Months Ended March 31, 2020  (Unaudited)</b>	<b>For the Year Ended September 30, 2019</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>		
<b>FROM OPERATIONS</b>		
Net investment income (loss)	\$ (1,523)	\$ 60,225
Net realized gain from security transactions, swaps, and futures contracts	2,330,262	4,096,732
Net change in unrealized (depreciation) of investments, swaps and futures contracts	<u>693,604</u>	<u>(633,538)</u>
Net increase in net assets resulting from operations	<u>3,022,343</u>	<u>3,523,419</u>
 <b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Total distributions paid	<u>(3,280,545)</u>	<u>(2,246,066)</u>
Net decrease in net assets from distributions to shareholders	<u>(3,280,545)</u>	<u>(2,246,066)</u>
 <b>FROM SHARES OF BENEFICIAL INTEREST</b>		
Proceeds from shares sold	20,824,127	22,054,592
Net asset value of shares issued in reinvestment of distributions	3,038,916	2,062,027
Payments for shares redeemed	<u>(8,374,994)</u>	<u>(9,923,138)</u>
Net increase in net assets from shares of beneficial interest	<u>15,488,049</u>	<u>14,193,481</u>
 <b>TOTAL INCREASE IN NET ASSETS</b>	<u>15,229,847</u>	<u>15,470,834</u>
 <b>NET ASSETS</b>		
Beginning of Period	<u>82,195,421</u>	<u>66,724,587</u>
End of Period	<u><b>\$ 97,425,268</b></u>	<u><b>\$ 82,195,421</b></u>
 <b>SHARE ACTIVITY</b>		
Shares Sold	970,065	1,024,682
Shares Reinvested	143,571	98,590
Shares Redeemed	<u>(390,448)</u>	<u>(464,516)</u>
Net increase in shares of beneficial interest outstanding	<u>723,188</u>	<u>658,756</u>

See accompanying notes to financial statements.

## Spectrum Advisors Preferred Fund

### Statements of Changes in Net Assets

	<b>For the Six Months Ended March 31, 2020 (Unaudited)</b>	<b>For the Year Ended September 30, 2019</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>		
<b>FROM OPERATIONS</b>		
Net investment income	\$ 62,120	\$ 9,107
Net realized gain (loss) from security transactions, swaps and futures contracts	519,368	(214,683)
Distributions from underlying investment companies	-	62,395
Net change in unrealized appreciation (depreciation) of investments, swaps and futures contracts	(1,194,452)	541,320
Net increase (decrease) in net assets resulting from operations	<u>(612,964)</u>	<u>398,139</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
From return of capital	-	(92,632)
Total distributions paid	<u>(7,687)</u>	<u>(301,785)</u>
Net decrease in net assets from distributions to shareholders	<u>(7,687)</u>	<u>(394,417)</u>
<b>FROM SHARES OF BENEFICIAL INTEREST</b>		
Proceeds from shares sold	1,509,812	2,045,224
Net asset value of shares issued in reinvestment of distributions	7,687	394,417
Payments for shares redeemed	<u>(2,728,147)</u>	<u>(1,188,460)</u>
Net increase (decrease) in net assets from shares of beneficial interest	<u>(1,210,648)</u>	<u>1,251,181</u>
<b>TOTAL INCREASE (DECREASE) IN NET ASSETS</b>	<u>(1,831,299)</u>	<u>1,254,903</u>
<b>NET ASSETS</b>		
Beginning of Period	12,681,983	11,427,080
End of Period	<u><b>\$ 10,850,684</b></u>	<u><b>\$ 12,681,983</b></u>
<b>SHARE ACTIVITY</b>		
Shares Sold	61,773	92,155
Shares Reinvested	320	18,098
Shares Redeemed	<u>(113,773)</u>	<u>(53,279)</u>
Net increase (decrease) in shares of beneficial interest outstanding	<u>(51,680)</u>	<u>56,974</u>

See accompanying notes to financial statements.

## Spectrum Low Volatility Fund Financial Highlights

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Period Presented

	For the Six Months Ended March 31, 2020 (Unaudited)	For the Year Ended September 30, 2019	For the Year Ended September 30, 2018	For the Year Ended September 30, 2017	For the Year Ended September 30, 2016	For the Year Ended September 30, 2015
Net asset value, beginning of period	\$ 21.72	\$ 21.35	\$ 22.58	\$ 22.16	\$ 19.88	\$ 19.94
Activity from investment operations:						
Net investment income (loss) (1)	0.00 (7)	0.02	0.02	(0.04)	(0.06)	(0.06)
Net realized and unrealized gain on investments, swaps and futures contracts	0.75	1.04	0.21	2.35	2.62	0.47
Total from investment operations	0.75	1.06	0.23	2.31	2.56	0.41
Less distributions from:						
Net investment income	(0.52)	(0.69)	(1.01)	(1.39)	(0.28)	(0.42)
Net realized gains	(0.33)	-	(0.45)	(0.50)	-	(0.05)
Total distributions	(0.85)	(0.69)	(1.46)	(1.89)	(0.28)	(0.47)
Net asset value, end of period	\$ 21.62	\$ 21.72	\$ 21.35	\$ 22.58	\$ 22.16	\$ 19.88
Total return (2)	3.57% (5)	5.12%	1.06%	11.32%	13.04%	2.03%
Net assets, end of period (000s)	\$ 97,425	\$ 82,195	\$ 66,725	\$ 65,313	\$ 34,875	\$ 21,546
Ratio of expenses to average net assets,						
net of fee waivers (3)	2.53% (6)	2.53%	2.53%	2.54%	2.55%	2.43%
before fee waivers (3)	2.53% (6)	2.53%	2.53%	2.54%	2.57%	2.63%
Ratio of net investment income (loss) to average net assets (3,4)	0.00% (6)	0.08%	0.10%	(0.20)%	(0.24)%	(0.29)%
Portfolio Turnover Rate	351% (5)	675%	438%	319%	649%	526%

(1) Per share amounts calculated using the average shares method, which more appropriately presents the per share data for the period.

(2) Assumes reinvestment of all dividends and distributions if any.

(3) The ratios of expenses to average net assets and net investment income (loss) to average net assets do not reflect the expenses of the underlying investment companies in which the Fund invests.

(4) Recognition of net investment income (loss) by the Fund is affected by the timing and declaration of dividends by the underlying investment companies in which the Fund invests.

(5) Not annualized.

(6) Annualized.

(7) Amount is less than \$0.005 per share.

See accompanying notes to financial statements.

## Spectrum Advisors Preferred Fund Financial Highlights

Per Share Data and Ratios for a Share of Beneficial Interest Outstanding Throughout Each Period Presented

	For the Six Months Ended March 31, 2020 (Unaudited)	For the Year Ended September 30, 2019	For the Year Ended September 30, 2018	For the Year Ended September 30, 2017	For the Year Ended September 30, 2016	For the Period Ended September 30, 2015 *
Net asset value, beginning of period	\$ 23.64	\$ 23.83	\$ 21.95	\$ 19.46	\$ 18.61	\$ 20.00
Activity from investment operations:						
Net investment income (loss) (1)	0.12	0.02	(0.15)	0.09	(0.12)	(0.05)
Net realized and unrealized gain (loss) on investments, swaps and future contracts	(1.37)	0.60	2.93	2.51	1.10	(1.34)
Total from investment operations	(1.25)	0.62	2.78	2.60	0.98	(1.39)
Less distributions from:						
Net investment income	(0.01)	(0.18)	(0.29)	(0.11)	(0.13)	-
Net realized gains	-	(0.45)	(0.61)	-	-	-
Return of capital	-	(0.18)	-	-	-	-
Total distributions	(0.01)	(0.81)	(0.90)	(0.11)	(0.13)	-
Net asset value, end of period	\$ 22.38 (3)	\$ 23.64	\$ 23.83	\$ 21.95	\$ 19.46	\$ 18.61
Total return (2)	(5.27)%	2.89%	13.07%	13.39%	5.31%	(6.95)% (3)
Net assets, end of period (000s)	\$ 10,851 (4)	\$ 12,682	\$ 11,427	\$ 7,350	\$ 4,321	\$ 5,506
Ratio of expenses to average net assets (5)	1.85% (4)	1.83%	1.81%	1.86%	1.95%	1.88% (4)
Ratio of net investment income (loss) to average net assets (5,6)	0.92% (3)	0.08%	(0.65)%	0.45%	(0.66)%	(0.68)% (4)
Portfolio Turnover Rate	285%	360%	269%	260%	228%	53% (3)

\* The Fund commenced operations on June 1, 2015.

(1) Per share amounts calculated using the average shares method, which more appropriately presents the per share data for the period.

(2) Assumes reinvestment of all dividends and distributions if any.

(3) Not annualized.

(4) Annualized.

(5) The ratios of expenses to average net assets and net investment income (loss) to average net assets do not reflect the expenses of the underlying investment companies in which the Fund invests.

(6) Recognition of net investment income (loss) by the Fund is affected by the timing and declaration of dividends by the underlying investment companies in which the Fund invests.

See accompanying notes to financial statements.

# Spectrum Funds

## Notes to Financial Statements (Unaudited)

### March 31, 2020

#### 1. ORGANIZATION

The Spectrum Low Volatility Fund (the "Low Volatility Fund") and Spectrum Advisors Preferred Fund (the "Advisors Preferred Fund") (collectively, the "Funds") are each a diversified series of Advisors Preferred Trust (the "Trust"), a statutory trust organized under the laws of the State of Delaware on August 15, 2012 and registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Low Volatility Fund's investment objective is total return with lower downside volatility and risk compared to major stock market indices while the Advisors Preferred Fund seeks long term capital appreciation. Each Fund currently offers one class of shares, Investor Class shares, which is offered at net asset value. The Low Volatility Fund also offers Advisor Class shares, but as of the date of this report none have been issued. The Low Volatility Fund commenced operations on December 16, 2013 and the Advisors Preferred Fund commenced operations on June 1, 2015. The Trust's Agreement and Declaration of Trust permits the Trust's Board of Trustees ("Board") to authorize and issue an unlimited number of shares of beneficial interest of separate series without par value. The investment adviser to each Fund is Advisors Preferred LLC (the "Adviser"). The investment sub-adviser to each Fund is Spectrum Financial, Inc. (the "Sub-Adviser").

#### 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed by the Funds in preparation of their financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The Funds are each an investment company and accordingly follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 "*Financial Services – Investment Companies*" including FASB Accounting Standard Update ASU 2013-08.

**Securities Valuation** – Securities listed on an exchange are valued at the last reported sale price at the close of the regular trading session of the exchange on the business day the value is being determined, or in the case of securities listed on NASDAQ at the NASDAQ Official Closing Price ("NOCP"). In the absence of a sale, such securities shall be valued at the mean of the last bid and offer price on the day of valuation. Futures are valued at the final settled price or, in the absence of a settled price, at the last sale price on the day of valuation. Swaps are valued based upon prices from third party vendor models or quotations from market makers to the extent available. Investments valued in currencies other than the U.S. dollar are converted to U.S. dollars using exchange rates obtained from pricing services. Short-term debt obligations, excluding U.S. Treasury Bills, having 60 days or less remaining until maturity, at time of purchase, may be valued at amortized cost.

The Funds may hold securities, such as private placements, interests in commodity pools, other non-traded securities or temporarily illiquid securities, for which market quotations are not readily available or are determined to be unreliable. These securities will be valued using the "fair value" procedures approved by the Board. The Board has delegated execution of these procedures to a fair value committee composed of one or more representatives from each of the (i) Trust, (ii) administrator, and (iii) advisor and/or sub-advisor. The committee may also enlist third party consultants such as a valuation specialist at a public accounting firm, valuation consultant or financial officer of a security issuer on an as-needed basis to assist in determining a security-specific fair value. The Board reviews and ratifies the execution of this process and the resultant fair value prices at least quarterly to assure the process produces reliable results.

**Fair Valuation Process** – As noted above, the fair value committee is composed of one or more representatives from each of the (i) Trust, (ii) administrator, and (iii) Adviser and/or Sub-Adviser. The applicable investments are valued collectively via inputs from each of these groups. For example, fair value determinations are required for the following securities: (i) securities for which market quotations are insufficient or not readily available on a particular business day (including securities for which there is a short and temporary lapse in the provision of a

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

price by the regular pricing source), (ii) securities for which, in the judgment of the Adviser or Sub-Adviser, the prices or values available do not represent the fair value of the instrument. Factors which may cause the Adviser or Sub-Adviser to make such a judgment include, but are not limited to, the following: only a bid price or an asked price is available; the spread between bid and asked prices is substantial; the frequency of sales; the thinness of the market; the size of reported trades; and actions of the securities markets, such as the suspension or limitation of trading; (iii) securities determined to be illiquid; (iv) securities with respect to which an event that will affect the value thereof has occurred (a "significant event") since the closing prices were established on the principal exchange on which they are traded, but prior to a Fund's calculation of its net asset value. Specifically, interests in commodity pools or managed futures pools are valued on a daily basis by reference to the closing market prices of each futures contract or other asset held by a pool, as adjusted for pool expenses. Restricted or illiquid securities, such as private investments or non-traded securities are valued via inputs from the Adviser or Sub-Adviser based upon the current bid for the security from two or more independent dealers or other parties reasonably familiar with the facts and circumstances of the security (who should take into consideration all relevant factors as may be appropriate under the circumstances). If the Adviser or Sub-Adviser is unable to obtain a current bid from such independent dealers or other independent parties, the fair value committee shall determine the fair value of such security using the following factors: (i) the type of security; (ii) the cost at date of purchase; (iii) the size and nature of a Fund's holdings; (iv) the discount from market value of unrestricted securities of the same class at the time of purchase and subsequent thereto; (v) information as to any transactions or offers with respect to the security; (vi) the nature and duration of restrictions on disposition of the security and the existence of any registration rights; (vii) how the yield of the security compares to similar securities of companies of similar or equal creditworthiness; (viii) the level of recent trades of similar or comparable securities; (ix) the liquidity characteristics of the security; (x) current market conditions; and (xi) the market value of any securities into which the security is convertible or exchangeable.

**Valuation of Fund of Funds** - The Funds may invest in open-end or closed-end investment companies (the "Underlying Funds"). The Underlying Funds value securities in their funds for which market quotations are readily available at their market values (generally the last reported sale price) and all other securities and assets at their fair value to the methods established by the board of directors of the Underlying Funds.

Open-end investment companies are valued at their respective net asset values as reported by such investment companies. The shares of many closed-end investment companies, after their initial public offering, frequently trade at a price per share, which is different than the net asset value per share. The difference represents a market premium or market discount of such shares. There can be no assurances that the market discount or market premium on shares of any closed-end investment company purchased by the Funds will not change.

The Funds utilize various methods to measure the fair value of all of their investments on a recurring basis. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of input are:

**Level 1** – Unadjusted quoted prices in active markets for identical assets and liabilities that the Funds have the ability to access.

**Level 2** – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

**Level 3** – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Funds' own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following table summarizes the inputs used as of March 31, 2020 for each Fund's investments measured at fair value:

#### Spectrum Low Volatility Fund

Assets *	Level 1	Level 2	Level 3	Total
Mutual Funds	\$ 29,563,490	\$ -	\$ -	\$ 29,563,490
Short-term Investments	13,439,872	-	-	13,439,872
U.S. Treasury Bills	49,441,999	-	-	49,441,999
Derivatives				
Swaps	-	290,704	-	290,704
Total Assets	\$ 92,445,361	\$ 290,704	\$ -	\$ 92,736,065

#### Spectrum Advisors Preferred Fund

Assets *	Level 1	Level 2	Level 3	Total
Exchange Traded Funds	\$ 1,687,638	\$ -	\$ -	\$ 1,687,638
Short-term Investments	8,163,030	-	-	8,163,030
Derivatives				
Futures Contracts	231,490	-	-	231,490
Swaps	-	133,573	-	133,573
Total Assets	\$ 10,082,158	\$ 133,573	\$ -	\$ 10,215,731
Liabilities*				
Derivatives				
Futures Contracts	\$ (61,650)	\$ -	\$ -	\$ (61,650)
Swaps	-	(34,571)	-	(34,571)
Total Liabilities	\$ (61,650)	\$ (34,571)	\$ -	\$ (96,221)

\* Refer to the Portfolios of Investments for sector classifications.

The Funds did not hold any Level 3 securities during the current period.

**Exchange Traded Funds** – The Funds may invest in exchange traded funds (“ETFs”). ETFs are typically a type of fund bought and sold on a securities exchange. An ETF trades like common stock and represents a portfolio of securities that may be designed to track the performance and dividend yield of a particular domestic or foreign market index. The Funds may purchase an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although the lack of liquidity on an ETF could result in it being more volatile. Additionally, ETFs have fees and expenses which reduce their value.

**Futures Contracts** – The Funds are subject to interest rate risk, equity risk and forward currency exchange rate risk in the normal course of pursuing their respective investment objectives. The Funds have purchased or sold futures contracts to gain exposure to, or hedge against, changes in the value of equities and interest rates. Initial margin deposits required upon entering into futures contracts are satisfied by the segregation of specific securities or cash as collateral for the account of the broker (the Funds’ agent in acquiring the futures position). During the period the futures contracts are open, changes in the value of the contracts are recognized as unrealized gains or losses by “marking to market” on a daily basis to reflect the market value of the contracts at the end of each day’s trading. Variation margin payments are received or made depending upon whether unrealized gains or losses are incurred. When the contracts are closed, the Funds recognize a realized gain or loss equal to the difference

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

between the proceeds from, or cost of, the closing transaction and the Funds' basis in the contract. If the Funds were unable to liquidate a futures contract and/or enter into an offsetting closing transaction, the Funds would continue to be subject to market risk with respect to the value of the contracts and continue to be required to maintain the margin deposits on the futures contracts. The Funds segregate cash having a value at least equal to the amount of the current obligation under any open futures contract. Risks may exceed amounts recognized in the Statements of Assets and Liabilities. With futures, there is minimal counterparty credit risk to the Funds since futures are exchange traded and the exchange's clearinghouse, as counterparty to all exchange traded futures, guarantees the futures against default.

**Swap Contracts** - Each Fund is subject to equity price, credit risk, and interest rate risk in the normal course of pursuing its investment objective. The Funds have entered into various swap transactions for investment purposes or to manage interest rate, equity, or credit risk. These would typically be two-party contracts entered into primarily to exchange the returns (or differentials in rates of returns) typically earned or realized on particular pre-determined investments or instruments.

Standard equity swap contracts are between two parties that agree to exchange the returns (or differentials in rates of return) earned or realized on particular predetermined investments or instruments. The gross amount to be exchanged is calculated with respect to a "notional amount" (i.e. the return on or increase in value of a particular dollar amount invested in a "basket" of securities representing a particular index or industry sector). Most equity swap agreements entered into by a Fund calculate the obligations of the parties on a "net basis". Consequently, a Fund's current obligations under a swap agreement generally will be equal to the net amount to be paid or received under the agreement based on the relative value of the positions held by each party. A Fund's obligations are accrued daily (offset by any amounts owed to a Fund).

The Funds may enter into swap contracts that provide the opposite return of the particular benchmark or security ("short" the index or security). The operations are similar to that of the swaps disclosed above except that the counterparty pays interest to the Fund on the notional amount outstanding and the dividends on the underlying securities reduce the return of the swap. However, in certain instances, market factors such as the interest rate environment and the demand to borrow the securities underlying the swap agreement can cause a scenario in which a Fund pays the counterparty interest. These amounts are netted with any unrealized appreciation or depreciation to determine the value of the swap. The Funds will typically enter into equity swap agreements in instances where the Adviser or Sub-Adviser believes that it may be more cost effective or practical than buying a security or the securities represented by a particular index.

The Funds may enter into credit default swaps ("CDS"). CDS are typically two-party (bilateral) financial contracts that transfer credit exposure between the two parties. One party to a CDS (referred to as the credit protection "buyer") receives credit protection or sheds credit risk, whereas the other party to a CDS (referred to as the credit protection "seller") is selling credit protection or taking on credit risk. The seller typically receives pre-determined periodic payments from the other party. These payments are in consideration for agreeing to make compensating specific payments to the buyer should a negative credit event occur, such as (1) bankruptcy or (2) failure to pay interest or principal on a reference debt instrument, with respect to a specified issuer or one of the reference issuers in a CDS portfolio. In general, CDS may be used by the Funds to obtain credit risk exposure similar to that of a direct investment in high yield bonds. Higher swap spreads generally imply a higher risk of default.

The amounts to be exchanged or "swapped" between parties are calculated with respect to the notional amount. Changes in the value of swap agreements are recognized as unrealized gains or losses in the Statements of Operations by "marking to market" on a daily basis to reflect the value of the swap agreement at the end of each trading day. Payments received or paid at the beginning of the agreement are reflected as such on the Statements of Assets and Liabilities and may be referred to as upfront payments. A liquidation payment received or made at the termination of the swap agreement is recorded as a realized gain or loss on the Statements of Operations. The maximum pay-outs for these contracts are limited to the notional amount of each swap. CDS may involve greater risks than if the Funds had invested in the referenced obligation directly and are subject to general market risk, liquidity risk, counterparty risk and credit risk.

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

By contrast, certain swap transactions are subject to mandatory central clearing. These swaps are executed through a derivatives clearing member (“DCM”), acting in an agency capacity, and submitted to a central counterparty (“CCP”) (“centrally cleared swaps”), in which case all payments are settled with the CCP through the DCM. Swaps are marked-to-market daily using pricing vendor quotations, counterparty or clearinghouse prices or model prices, and the change in value, if any, is recorded as an unrealized gain or loss. Upon entering into a swap contract, a Fund is required to satisfy an initial margin requirement by delivering cash or securities to the counterparty (or in some cases, segregated in a triparty account on behalf of the counterparty), which can be adjusted by any mark-to-market gains or losses pursuant to bilateral or centrally cleared arrangements. For centrally cleared swaps the daily change in valuation, if any, is recorded as a receivable or payable for variation margin.

The Funds collateralize swap agreements with cash and certain securities as indicated on the Portfolios of Investments and Statements of Assets and Liabilities of the Funds, respectively. Such collateral is held for the benefit of the counterparty in a segregated account at the Custodian to protect the counterparty against non-payment by the Funds. The Funds do not net collateral. In the event of a default by the counterparty, the Funds will seek return of this collateral and may incur certain costs exercising their rights with respect to the collateral. Amounts expected to be owed by the Funds are regularly collateralized either directly with the Funds or in a segregated account at the Custodian.

A Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty to the extent that posted collateral, if any, is insufficient. The Funds will enter into swap agreements only with large, well-capitalized and established financial institutions. The creditworthiness of each of the firms that is counterparty to a swap agreement is monitored by the Adviser. The financial statements of these counterparties may be available by accessing the SEC’s website, at [www.sec.gov](http://www.sec.gov).

International Swaps and Derivatives Association, Inc. Master Agreements (“ISDA Master Agreements”) govern OTC financial derivative transactions entered into by the Funds and those counterparties. The ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreements. Any election to early terminate could be material to the financial statements.

During the normal course of business, the Funds purchase and sell various financial instruments, which may result in market, credit and liquidity risks, the amount of which is not apparent from the financial statements.

**Security Transactions and Related Income** – Security transactions are accounted for on trade date. Interest income is recognized on an accrual basis. Discounts are accreted and premiums are amortized on securities purchased over the lives of the respective securities using the effective yield method. Dividend income is recorded on the ex-dividend date. Realized gains or losses from sales of securities are determined by comparing the identified cost of the security lot sold with the net sales proceeds. Foreign withholding tax is recorded as incurred or known, in accordance with the Funds’ understanding of the applicable country’s tax rules and rates.

**Dividends and Distributions to Shareholders** – Dividends from net investment income, if any, are declared and paid quarterly. Distributable net realized capital gains, if any, are declared and distributed annually in December. Dividends from net investment income and distributions from net realized gains are recorded on ex-dividend date and are determined in accordance with federal income tax regulations, which may differ from GAAP. These “book/tax” differences are considered either temporary (i.e., deferred losses, capital loss carryforwards) or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the composition of net assets based on their federal tax-basis treatment; temporary differences do not require reclassification. These reclassifications have no effect on net assets, results from operations or net asset value per share of the Funds.

**Federal Income Tax** – It is each Fund’s policy to continue to qualify as a regulated investment company by complying with the provisions of Subchapter M of the Internal Revenue Code that are applicable to regulated

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

investment companies and to distribute substantially all of its taxable income and net realized gains to shareholders. Therefore, no federal income tax provision is required.

The Funds recognize the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed each Fund’s tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions expected to be taken on returns filed for the open tax years 2017 – 2019 or expected to be taken in the Funds’ 2020 tax returns. The Funds identify their major tax jurisdictions as U.S. Federal and foreign jurisdictions where the Funds make significant investments; however, the Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

The Funds recognize interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statements of Operations. During the period, the Funds did not incur any interest or penalties.

**Expenses** – Expenses of the Trust that are directly identifiable to a specific Fund are charged to that Fund. Expenses which are not readily identifiable to a specific fund are allocated in such a manner as deemed equitable, taking into consideration the nature and type of expense and the relative sizes of the funds in the Trust.

**Indemnification** – The Trust indemnifies its officers and trustees for certain liabilities that may arise from the performance of their duties to the Trust. Additionally, in the normal course of business, the Funds enter into contracts that contain a variety of representations and warranties and which provide general indemnities. Each Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Funds that have not yet occurred. However, based on experience, the risk of loss due to these warranties and indemnities appears to be remote.

### 3. INVESTMENT TRANSACTIONS

For the six months March 31, 2020, cost of purchases and proceeds from sales of portfolio securities, other than short-term investments and derivatives amounted to \$109,152,101 and \$106,796,599 for the Low Volatility Fund and \$20,808,089 and \$27,293,031 for the Advisors Preferred Fund.

### 4. OFFSETTING OF FINANCIAL AND DERIVATIVE ASSETS AND LIABILITIES

The Funds’ policy is to recognize a gross asset or liability equal to the unrealized gain/(loss) for futures and gross asset or liability equal to unrealized gain/(loss) for swap contracts. During the six months March 31, 2020, the Funds were subject to a master netting arrangement for the swap contracts. The following table shows additional information regarding the offsetting of assets and liabilities at March 31, 2020.

#### Spectrum Low Volatility Fund

Assets:

Description	Gross Amount of Recognized Assets	Gross Amounts Offset in the Statements of Assets & Liabilities	Net Amounts of Assets Presented in the Statements of Assets & Liabilities	Gross Amounts Not Offset in the Statements of Assets & Liabilities		
				Financial Instruments	Cash Collateral Received	Asset Net Amount
Swaps Contracts - OTC	\$ 290,704	\$ -	\$ 290,704	\$ -	\$ -	\$ 290,704

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

#### Spectrum Advisors Preferred Fund

Assets:

Description	Gross Amount of Recognized Assets	Gross Amounts Offset in the Statements of Assets & Liabilities	Net Amounts of Assets Presented in the Statements of Assets & Liabilities	Gross Amounts Not Offset in the Statements of Assets & Liabilities		
				Financial Instruments	Cash Collateral Received	Asset Net Amount
Futures Contracts	\$ 231,490	\$ -	\$ 231,490	\$ (61,650)	\$ -	\$ 169,840
Swaps Contracts - OTC	133,573	-	133,573	(34,571)	-	99,002
<b>Total</b>	<b>\$ 365,063</b>	<b>\$ -</b>	<b>\$ 365,063</b>	<b>\$ (96,221)</b>	<b>\$ -</b>	<b>\$ 268,842</b>

Liabilities:

Description	Gross Amount of Recognized Liabilities	Gross Amounts Offset in the Statements of Assets & Liabilities	Net Amounts of Liabilities Presented in the Statements of Assets & Liabilities	Gross Amounts Not Offset in the Statements of Assets & Liabilities		
				Financial Instruments	Cash Collateral Pledged (1)	Liability Net Amount
Futures Contracts	\$ (61,650)	\$ -	\$ (61,650)	\$ 61,650	\$ -	\$ -
Swaps Contracts - OTC	(34,571)	-	(34,571)	34,571	-	-
<b>Total</b>	<b>\$ (96,221)</b>	<b>\$ -</b>	<b>\$ (96,221)</b>	<b>\$ 96,221</b>	<b>\$ -</b>	<b>\$ -</b>

(1) The amount is limited to the derivative liability balance and accordingly does not include excess collateral pledged.

#### Impact of Derivatives on the Statements of Assets and Liabilities and Statements of Operations

The following is a summary of the location of derivative investments on the Funds' Statements of Assets and Liabilities as of March 31, 2020:

Derivative Investment Type	Location on the Statement of Assets and Liabilities
Total Return Swaps	Unrealized appreciation/depreciation on swaps
Futures Contracts (Advisors Preferred Fund)	Unrealized appreciation/depreciation on futures

The following table sets forth the fair value of the Funds' derivative contracts as of March 31, 2020:

#### Spectrum Low Volatility Fund

Asset (Liability) Derivatives Investment Value

Derivative Investment Type	Multiple Risks (Equity, Interest, and Currency)	Total as of March 31, 2020
Total Return Swaps	\$ 290,704	\$ 290,704
<b>Total</b>	<b>\$ 290,704</b>	<b>\$ 290,704</b>

#### Spectrum Advisors Preferred Fund

Asset (Liability) Derivatives Investment Value

Derivative Investment Type	Equity Risk	Total as of March 31, 2020
Total Return Swaps	\$ 99,002	\$ 99,002
Futures Contracts *	169,840	169,840
<b>Total</b>	<b>\$ 268,842</b>	<b>\$ 268,842</b>

\* Represents cumulative appreciation (depreciation) on futures contracts as reported in the Portfolios of Investments.

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

The following is a summary of the location of derivative investments on the Funds' Statements of Operations for the six months ended March 31, 2020:

Derivative Investment Type	Location of Gain/Loss on Derivative
Swaps/Futures	Net realized gain (loss) from Swaps
	Net realized gain (loss) from Futures
	Net change in unrealized appreciation (depreciation) on Swaps
	Net change in unrealized appreciation (depreciation) on Futures

The following is a summary of the Funds' realized gain/(loss) on derivative investments recognized in the Statements of Operations categorized by primary risk exposure for the six months ended March 31, 2020:

#### Spectrum Low Volatility Fund

Realized gain/(loss) on derivatives recognized in the Statements of Operations

Derivative Investment Type	Interest Rate Risk	Multiple Risks (Equity, Interest, and Currency)	Total for the Six Months Ended March 31, 2020
Swaps	\$ (121,535)	\$ 1,779,149	\$ 1,657,614
Futures	124,659	-	124,659
<b>Total</b>	<b>\$ 3,124</b>	<b>\$ 1,779,149</b>	<b>\$ 1,782,273</b>

Changes in unrealized appreciation/(depreciation) on derivatives recognized in the Statements of Operations

Derivative Investment Type	Interest Rate Risk	Multiple Risks (Equity, Interest, and Currency)	Total for the Six Months Ended March 31, 2020
Swaps	\$ -	\$ 266,410	\$ 266,410
<b>Total</b>	<b>\$ -</b>	<b>\$ 266,410</b>	<b>\$ 266,410</b>

#### Spectrum Advisors Preferred Fund

Realized gain/(loss) on derivatives recognized in the Statements of Operations

Derivative Investment Type	Interest Rate Risk	Equity Risk	Total for the Six Months Ended March 31, 2020
Swaps	\$ 2,610	\$ (521,668)	\$ (519,058)
Futures	(282,736)	-	(282,736)
<b>Total</b>	<b>\$ (280,126)</b>	<b>\$ (521,668)</b>	<b>\$ (801,794)</b>

Changes in unrealized appreciation/(depreciation) on derivatives recognized in the Statements of Operations

Derivative Investment Type	Multiple Risks (Equity, Interest, and Currency)	Equity Risk	Total for the Six Months Ended March 31, 2020
Swaps	\$ 93,370	-	\$ 93,370
Futures	-	183,260	183,260
<b>Total</b>	<b>\$ 93,370</b>	<b>\$ 183,260</b>	<b>\$ 276,630</b>

The notional value of the derivative instruments outstanding as of March 31, 2020 as disclosed in the Portfolios of Investments and the amounts realized and changes in unrealized gains and losses on derivative instruments during the year or period as disclosed above and within the Statements of Operations serve as indicators of the

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

volume of derivative activity for the Funds.

*Market Risk:* Market risk is the risk that changes in interest rates, foreign exchange rates or equity prices will affect the positions held by the Funds. The Funds are exposed to market risk on financial instruments that are valued at market prices as disclosed in the Portfolios of Investments. The prices of derivative instruments, including swaps and futures prices, can be highly volatile. Price movements of derivative contracts in which the Funds' assets may be invested are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. The Funds are exposed to market risk on derivative contracts in that the Funds may not be able to readily dispose of its holdings when it chooses and also that the price obtained on disposal is below that at which the investment is included in Funds' financial statements. All financial instruments are recognized at fair value, and all changes in market conditions directly affect net income. A Fund's investments in derivative instruments are exposed to market risk and are disclosed in the portfolio of investments.

Unexpected local, regional or global events, such as war; acts of terrorism; financial, political or social disruptions; natural, environmental or man-made disasters; the spread of infectious illnesses or other public health issues; and recessions and depressions could have a significant impact on the Funds and their investments and may impair market liquidity. Such events can cause investor fear, which can adversely affect the economies of nations, regions and the market in general, in ways that cannot necessarily be foreseen. An outbreak of infectious respiratory illness known as COVID-19, which is caused by a novel coronavirus (SARS-CoV-2), was first detected in China in December 2019 and subsequently spread globally. This coronavirus has resulted in, among other things, travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, significant disruptions to business operations, market closures, cancellations and restrictions, supply chain disruptions, lower consumer demand, and significant volatility and declines in global financial markets, as well as general concern and uncertainty. The impact of COVID-19 has adversely affected, and other infectious illness outbreaks that may arise in the future could adversely affect, the economies of many nations and the entire global economy, individual issuers and capital markets in ways that cannot necessarily be foreseen. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

*Counterparty Risk:* The Funds invest in derivative instruments (the "Product") issued for the Funds by Credit Suisse Securities (Europe) Limited, Credit Suisse Securities (USA) LLC ("Credit Suisse") and Barclays Capital, Inc. ("Barclays"). If Credit Suisse or Barclays become insolvent, each may not be able to make any payments under the Product and a Fund may lose their capital invested in the Product. A decline in Credit Suisse's or Barclays' financial standing is likely to reduce the market value of the Product and therefore the price a Fund may receive for the Product if sold it in the market.

*Liquidity Risk:* Liquidity risk is the risk that a Fund will encounter difficulty in raising funds to meet commitments. Liquidity risk may result in an inability to sell investments quickly at close to fair value. The Funds' financial instruments include investments in securities which are not traded on organized public exchanges and which generally may be illiquid. As a result, the Funds may not be able to quickly liquidate its investments in these instruments at an amount close to its fair value in order to meet its liquidity requirements. The Funds do not anticipate any material losses as a result of liquidity risk.

#### **5. INVESTMENT ADVISORY AGREEMENT AND TRANSACTIONS WITH RELATED PARTIES**

The business activities of the Funds are overseen by the Board, which is responsible for the overall management of the Funds. Advisors Preferred, LLC, serves as investment adviser to the Funds. The Adviser has engaged Spectrum Financial, Inc. to serve as the sub-adviser to the Funds. These expenses are the responsibility of the Adviser.

Pursuant to an advisory agreement with the Funds, the Adviser, under the oversight of the Board, directs the daily

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

operations of the Funds and supervises the performance of administrative and professional services provided by others. As compensation for its services and the related expenses borne by the Adviser, the Funds pay the Adviser computed and accrued daily and paid monthly at an annual rate of 2.15% for Spectrum Low Volatility Fund and 1.50% for the Spectrum Advisors Preferred Fund of the average daily net assets. The Adviser, not the Fund, pays the Sub-Adviser. Pursuant to the advisory agreement, the Advisor earned \$916,777 and \$101,717 for Spectrum Low Volatility Fund and Spectrum Advisors Preferred Fund, respectively, in advisory fees for the six months ended March 31, 2020.

Gemini Fund Services, LLC (“GFS”), provides administration, fund accounting, and transfer agent services to the Trust. Pursuant to a separate servicing agreement with GFS, the Funds pay GFS customary fees for providing administration, fund accounting and transfer agency services to the Funds. Under the terms of the Funds’ agreement with GFS, GFS pays for certain operating expenses of the Funds. Certain officers of the Trust are also officers of GFS, and are not paid any fees directly by the Funds for serving in such capacities.

In addition, certain affiliates of GFS provide ancillary services to the Funds as follows:

Blu Giant, LLC (“Blu Giant”) Blu Giant, an affiliate of GFS, provides EDGAR conversion and filing services as well as print management services for the Funds on an ad-hoc basis. These expenses are the responsibility of GFS.

Effective February 1, 2019, NorthStar Financial Services Group, LLC, the parent company of GFS and its affiliated companies including Blu Giant (collectively, the “Gemini Companies”), sold its interest in the Gemini Companies to a third party private equity firm that contemporaneously acquired Ultimus Fund Solutions, LLC (an independent mutual fund administration firm) and its affiliates (collectively, the “Ultimus Companies”). As a result of these separate transactions, the Gemini Companies and the Ultimus Companies are now indirectly owned through a common parent entity, The Ultimus Group, LLC.

The Funds pay Ceros Financial Services (the “Distributor”) to provide compensation for ongoing servicing related activities or services and/or maintenance of the Investor Class accounts, not otherwise required to be provided by the Adviser. For the six months ended March 31, 2020, the Funds paid \$12,792 and \$2,034 for Spectrum Low Volatility Fund and Spectrum Advisors Preferred Fund, respectively, which was paid out to brokers and dealers.

During the six months ended March 31, 2020, Ceros Financial Services, Inc. (“Ceros”), a registered broker/dealer and an affiliate of the Adviser, executed trades on behalf of the Funds. Spectrum Low Volatility Fund and Spectrum Advisor Preferred Fund paid trade commissions of \$1,726 and \$3,532 to Ceros, respectively. Any 12b-1 fees received by Ceros related to a Fund’s investment in another Fund are returned to the respective Fund.

Each Trustee who is not an “interested person” of the Trust or Adviser is compensated at a rate of \$30,000 per year as well as reimbursement for any reasonable expenses incurred attending the meetings, paid quarterly. The “interested persons” who serve as Trustees of the Trust receive no compensation for their services as Trustees. None of the executive officers receive compensation from the Trust. Interested Trustees of the Trust are also officers or employees of the Adviser and its affiliates. Trustee fees are not borne by the Funds, but by the Adviser.

#### **6. AGGREGATE UNREALIZED APPRECIATION AND DEPRECIATION – TAX BASIS**

The identified cost of investments in securities owned by each Fund for federal income tax purposes excluding futures and swaps, and its respective gross unrealized appreciation and depreciation at March 31, 2020, were as follows:

# Spectrum Funds

## Notes to Financial Statements (Unaudited) (Continued)

### March 31, 2020

	Tax Cost	Gross Unrealized Appreciation	Gross Unrealized (Depreciation)	Net Unrealized Appreciation
Spectrum Low Volatility Fund	\$ 92,056,699	\$ 435,834	\$ (47,172)	\$ 388,662
Spectrum Advisors Preferred Fund	9,850,176	6,636	(6,144)	492

#### 7. DISTRIBUTION TO SHAREHOLDERS AND TAX COMPONENTS OF CAPITAL

The tax character of fund distributions paid for the years ended September 30, 2019 and September 30, 2018 were as follows:

For fiscal year ended 9/30/2019	Ordinary Income	Long-Term Capital Gains	Return of Capital	Total
Spectrum Low Volatility Fund	\$ 2,246,066	\$ -	\$ -	\$ 2,246,066
Spectrum Advisors Preferred Fund	15,961	285,824	92,632	394,417

For fiscal year ended 9/30/2018	Ordinary Income	Long-Term Capital Gains	Return of Capital	Total
Spectrum Low Volatility Fund	\$ 4,401,333	\$ 39,321	\$ -	\$ 4,440,654
Spectrum Advisors Preferred Fund	132,247	174,258	-	306,505

As of September 30, 2019, the components of accumulated earnings/ (deficit) on a tax basis were as follows:

	Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Post October Loss and Late Year Loss	Capital Loss Carry Forwards	Other Book/Tax Differences	Unrealized Appreciation/ (Depreciation)	Total Accumulated Earnings/(Deficits)
Spectrum Low Volatility Fund	\$ 1,477,539	\$ 880,993	\$ -	\$ -	\$ -	\$ (38,532)	\$ 2,320,000
Spectrum Advisors Preferred Fund	-	-	-	(274,548)	-	1,471,574	1,197,026

The difference between book and tax basis accumulated earnings is primarily attributable to the tax deferral of losses on wash sales, mark-to-market on open swap contracts and open futures contracts.

At September 30, 2019, the Funds had capital loss carry forwards for federal income tax purposes available to offset future capital gains and utilized capital loss carryforwards as follows:

	Non-Expiring Short-Term	Non-Expiring Long-Term	Total	CLCF Utilized
Spectrum Low Volatility Fund	\$ -	\$ -	\$ -	\$ 832,644
Spectrum Advisors Preferred Fund	79,559	194,989	274,548	-

Permanent book and tax differences, primarily attributable to the book/tax basis treatment of net operating losses, resulted in reclassification for the year ended September 30, 2019 as follows:

	Paid In Capital	Accumulated Earnings (Losses)
Spectrum Low Volatility Fund	\$ -	\$ -
Spectrum Advisors Preferred Fund	(6,810)	6,810

#### 8. CONTROL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates presumption of control of the fund pursuant to Section 2(a)(9) of the 1940 Act. As of March 31, 2020, National

# **Spectrum Funds**

## **Notes to Financial Statements (Unaudited) (Continued)**

### **March 31, 2020**

Financial Services LLC held approximately 91% of the Spectrum Low Volatility Fund and 95% of the Spectrum Advisors Preferred Fund.

#### **9. UNDERLYING INVESTMENT IN OTHER INVESTMENT COMPANIES**

The Advisors Preferred Fund currently invests a portion of its assets in Fidelity Investments Money Market Funds – Government Portfolio (“Fidelity”) and First American Government Obligations Fund (“First American”). The Advisors Preferred Fund may redeem its investment at any time if the Advisor or Sub-Advisor determines that it is in the best interest of the Advisors Preferred Fund and its shareholders to do so.

The performance of the Advisors Preferred Fund will be directly affected by the performance of Fidelity and First American. The financial statements of Fidelity and First American, including the portfolio of investments, can be found at the Securities and Exchange Commission’s website [www.sec.gov](http://www.sec.gov) and should be read in conjunction with the Advisors Preferred Fund’s financial statements. As of March 31, 2020, the percentage of the Advisors Preferred Fund’s net assets invested in Fidelity and First American was 37.6% and 37.6%, respectively.

#### **10. SUBSEQUENT EVENTS**

Subsequent events after the date of the Statements of Assets and Liabilities have been evaluated through the date the financial statements were issued. Management has determined that no events or transactions occurred requiring adjustment or disclosure in the financial statements.

## Spectrum Funds Expense Example (Unaudited) March 31, 2020

As a shareholder of Spectrum Funds, you incur ongoing costs, including management fees; service fees; and other Fund expenses. This example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2019 through March 31, 2020.

### Table 1. Actual Expenses

The "Actual Expenses" line in the table below provides information about actual account values and actual expenses. You may use the information below; together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the table under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Table 2. Hypothetical Example for Comparison Purposes

The "Hypothetical" line in the table below provides information about hypothetical account values and hypothetical expenses based on the Funds' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Funds' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balances or expenses you paid for the period. You may use this information to compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs. Therefore, the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

Actual Expenses	Annualized Expense Ratio	Beginning Account 10/1/2019	Ending Account 3/31/2020	Expenses Paid During Period * 10/1/2019-3/31/2020
Spectrum Low Volatility Fund	2.53%	\$1,000.00	\$1,035.70	\$12.88
Spectrum Advisors Preferred Fund	1.85%	\$1,000.00	\$947.30	\$9.01
Hypothetical (5% return before expenses)	Annualized Expense Ratio	Beginning Account 10/1/2019	Ending Account 3/31/2020	Expenses Paid During Period * 10/1/2019-3/31/2020
Spectrum Low Volatility Fund	2.53%	\$1,000.00	\$1,012.35	\$12.73
Spectrum Advisors Preferred Fund	1.85%	\$1,000.00	\$1,015.75	\$9.32

\* Expenses are equal to the average account value over the period, multiplied by the Fund's annualized expense ratio, multiplied by the number of days in the period (183) divided by the numbers of days in the fiscal year (366).

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited)

### March 31, 2020

#### **Approval of Advisory and Sub-Advisory Agreement – Spectrum Low Volatility Fund & Spectrum Advisors Preferred Fund**

At a meeting held on November 13, 2018 (the “Meeting”), the Board of Trustees (the “Board”) of Advisors Preferred Trust (the “Trust”), including a majority of Trustees who are not “interested persons” (the “Independent Trustees”), as such term is defined under Section 2(a)(19) of the Investment Company Act of 1940, as amended (the “1940 Act”), considered the approval of the investment advisory agreement (the “Advisory Agreement”) between Advisors Preferred, LLC (the “Adviser”) and the Trust, on behalf of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund (each a “Fund” and together the “Funds”) and the approval of each sub-advisory agreement (the “Sub-Advisory Agreement”) between the Adviser and Spectrum Financial, Inc. (the “Sub-Adviser”).

In connection with the Board’s consideration of the Advisory Agreement and Sub-Advisory Agreements, the Adviser and Sub-Adviser provided the Board in advance of the Meeting with written materials, which included information regarding: (a) a description of the investment management personnel of the Adviser and Sub-Adviser; (b) the Adviser’s and Sub-Adviser’s operations and the Adviser’s financial condition; (c) the Adviser’s proposed brokerage practices (including any soft dollar arrangements); (d) the level of the advisory fees proposed to be charged compared with the fees charged to comparable mutual funds or accounts; (e) each Fund’s anticipated level of profitability from the Adviser’s and Sub-Adviser’s fund-related operations; (g) the Adviser’s and Sub-Adviser’s compliance policies and procedures; and (h) information regarding the performance of each Fund as compared to their respective benchmarks and Morningstar categories.

The Board then considered the annual approval of the renewal of the Advisory Agreement with respect to the Spectrum Funds and the Sub-Advisory Agreement between the Adviser and Spectrum Financial (referred to in this section only as the “Sub-Adviser”) for each of the Spectrum Funds. Mr. Bridgeport noted that the Board’s deliberations would be presented contemporaneously given the overlapping considerations, parallel issues and conclusions drawn by the Board. The Board reviewed materials provided by the Adviser and the materials provided by the Sub-Adviser relating to the Advisory Agreement between the Trust and the Adviser and the Sub-Advisory Agreement between the Adviser and the Sub-Adviser with respect to each of the Spectrum Funds, respectively.

*Nature, Extent and Quality of Services.* With respect to the nature, extent and quality of services provided, the Board reviewed the Adviser’s and Spectrum Financial’s Forms ADV, a description of the manner in which investment decisions are made for the Spectrum Funds by the Sub-Adviser, a description of the services provided by the Adviser and those services provided by the Sub-Adviser, a review of the experience of professional personnel performing services for each of the Funds, including the teams of individuals that primarily monitor and execute the investment and administration processes, respectively, and a certification from each of the Adviser and Sub-Adviser certifying that each has adopted a Code of Ethics containing provisions reasonably necessary to prevent Access Persons, as that term is defined in Rule 17j-1 under the 1940 Act, from engaging in conduct prohibited by Rule 17j-1(b)) and that each of the Adviser and Sub-Adviser has adopted procedures reasonably necessary to prevent Access Persons from violating such Codes of Ethics.

In reaching their conclusions, the Board considered that the Adviser delegates day-to-day investment decisions of the Spectrum Funds to the Sub-Adviser and that the Adviser generally provides management and operational oversight of the Sub-Adviser. The Board considered the services provided by the Adviser to the Funds, noting that the Adviser monitors and evaluates the performance of the Spectrum Funds on a continuous basis, executes trades for each of the Funds and provides various compliance and administrative functions to the Spectrum Funds. The Board considered the scope of each of these services provided by the Adviser to the Spectrum Funds, including the practices described by the Adviser for regular monitoring and review of the Sub-Adviser’s activities, and concluded that such practices were adequate. The Board then concluded that the Adviser had sufficient quality and depth of personnel,

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

### March 31, 2020

resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreement and that the nature, overall quality and extent of the management services provided by the Adviser to the Funds were satisfactory and reliable.

With respect to the Sub-Adviser, the Board noted that the Sub-Adviser is primarily responsible for the portfolio management of the Spectrum Funds, and considered the Sub-Adviser's services in that regard. The Board considered that the Sub-Adviser creates and provides a portfolio management program, performs research and development of advanced technical strategies applied to the Funds, and performs analysis of the effectiveness of those strategies employed for each of the Funds. The Board considered the experience of the Sub-Adviser's portfolio management and research staff and the quality and sophistication of the portfolio management services provided to the Funds, noting the differing strategies offered for each of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund, and found them to be appropriate. The Board also considered the Sub-Adviser's operation of its compliance program, and found that there have been no material compliance matters during the prior year. The Board concluded that the Sub-Adviser had sufficient quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Sub-Advisory Agreements and that the nature, overall quality and extent of the management services provided by Sub-Adviser to the Spectrum Funds was satisfactory and reliable.

*Performance.* The Board considered that the Adviser generally delegates its day-to-day investment decisions to the Sub-Adviser and therefore is not responsible for the performance of the Funds' portfolios. The Board considered the Adviser's other responsibilities under the Advisory Agreement, including with respect to trade oversight, obtaining derivative agreements and reporting to the Board, and concluded that the Adviser appears to be adequately monitoring the Sub-Adviser's adherence to the Funds' investment objectives and appears to be carrying out its functions appropriately.

#### *Spectrum Low Volatility Fund*

The Board considered the Fund's performance as compared to various benchmark indices and the Fund's Morningstar category, Non-Traditional Bond. The Board reviewed one-year and three-year period and since inception (December 16, 2013) periods through September 30, 2018, and noted the Fund underperformed its primary benchmark, the S&P/LSTA Leveraged Loan Index, for the one-year period while outperforming the benchmark for the three-year and since inception periods. With regards to the Fund's Morningstar Non-Traditional Bond category, for the one-year period the Fund underperformed, while it outperformed the category during the three year period. The Trustees recognized that this Fund seeks risk adjusted returns and noted that the Sub-Adviser is aware of the recent lower returns, and is reviewing their strategy to see if refinements can be made to allow the Fund to better participate in sectors with potential gains. The Board also considered the Spectrum Low Volatility Fund's returns as compared to the S&P 500 Total Return Index, and found that while the Fund underperformed the Index, the Fund's returns were positive and the Fund's returns are not expected to necessarily be highly correlated to the returns of an equity index. Specifically, the Board noted that with respect to major stock market indices, such as the S&P 500 Total Return Index, that the Fund's investment objective is total return with lower downside volatility and risk compared to major stock market indices.

#### *Spectrum Advisors Preferred Fund*

The Board considered the Fund's performance as compared to its benchmark index, S&P 500 Total Return; and the Fund's Morningstar Category, Multi-Alternative. The Board considered that for the one-year and three-year periods through September 30, 2018, the Fund underperformed its primary benchmark for both time periods. The Board considered that the Fund outperformed the Morningstar Multi-Alternative category, for the one-year period and three-year periods. The Board then concluded that the performance and strategy implementation by the Sub-Advisor was satisfactory, noting that the Fund is not

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

### March 31, 2020

necessarily expected to track the S&P 500 Total Return Index, and that the Sub-Adviser was expected to continue to obtain an acceptable level of investment returns for shareholders.

*Fees and Expenses.* The Board reviewed comprehensive comparison reports of each Fund's expense ratio as detailed below:

#### *Spectrum Low Volatility Fund*

With respect to the costs of the services rendered by each of the Adviser and Sub-Adviser to the Fund, the Trustees first considered the level of overall advisory fees, noting that the Fund's advisory fee is 2.15% from which the Sub-Adviser receives 1.80%. The Board considered the Fund's management fee as compared to that of funds included in a universe composed of the Morningstar Multi-Alternative, Non-Traditional Bond, and Long/Short Equity/Credit categories and noted the advisory fee was within a range of reasonable fees when the categories are viewed as a group. The Board considered Spectrum Financial's tactical and extremely complex investment approach as a factor in considering the higher rate for its sub-advisory services as compared to other mutual funds and concluded that the advisory fee was reasonable for this niche Fund. The Board also noted that the Fund's total expense ratio (Investor Class shares) of 3.10% was reasonable as it was within a range of reasonable fees when the above Morningstar categories are viewed as a group. The Board also considered the allocation of the advisory fee between the Adviser and Sub-Adviser and concluded that the allocation of the advisory fee was reasonable in relation to the services rendered by the Adviser and Sub-Adviser, respectively. The Board also took into account that fees charged by the Sub-Adviser for its investment management of separately managed accounts utilizing a substantially similar strategy as that of the Spectrum Low Volatility Fund were higher than the fee imposed on the Fund.

#### *Spectrum Advisors Preferred Fund*

The Trustees compared the Fund's overall advisory fee of 1.50%, from which 1.15% is paid to the Sub-Adviser, to that of similarly sized funds within the Morningstar Multi-Alternative Category, and found that while the Fund's advisory fee was higher than average of the category, it was not the highest and was within a range of reasonable fees in relation to the range of fees charged by other funds. The Trustees further considered the allocation of the advisory fee as between the Adviser and Sub-Adviser and determined it was reasonable in relation to the services rendered by the Adviser and Sub-Adviser, respectively. In addition, the Board reviewed the level of overall fees to the Spectrum Advisors Preferred Fund, and found the Fund's total expenses ratio (Investor Class shares) of 2.63% was within the range of the Multi-Alternative category. The Trustees concluded that overall fees for the Fund were reasonable.

*Profitability.* The Board considered the profitability of each of the Adviser and Sub-Adviser, respectively, and whether such profits are reasonable in light of the services provided to each Fund as detailed below:

#### *Spectrum Low Volatility Fund*

The Board reviewed profitability analyses prepared by each of the Adviser and Sub-Adviser for the 12-month period ended September 30, 2018. The Trustees considered that based on current asset levels, the Adviser's relationship with the Fund is only slightly profitable at a 2% gross margin and the Sub-Adviser's profits from its relationship with the Fund were not unreasonable at 39% gross margin.

#### *Spectrum Advisors Preferred Fund*

The Board reviewed profitability analyses prepared by each of the Adviser and Sub-Adviser for the year ended September 30, 2018. The Trustees considered that based on current assets levels and stage

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

### March 31, 2020

of growth, the Adviser's relationship with the Fund was only slightly profitable and Sub-Adviser's relationship with the Fund was not profitable.

The Board also took into account financial information provided by each of the Adviser and Sub-Adviser and did not consider the financial condition of either the Adviser or Sub-Adviser to be a concern at this time, based, in part, on the Adviser's representation that it had access to additional capital should the need arise.

*Economies of Scale.* The Board considered whether the Adviser and Sub-Adviser would realize economies of scale with respect to their management of the Spectrum Funds. The Board reviewed and considered the profitability analyses and selected financial information of each of the Adviser and Sub-Adviser and also took into consideration the Sub-Adviser's expected capacity to grow the Spectrum Funds and concluded that at current asset levels economies of scale were not achievable for the Spectrum Advisors Preferred Fund. The Board noted that for the Spectrum Low Volatility Fund, economies of scale might be achieved at \$200 million, and will be revisited as the Funds grows.

*Conclusion.* Having requested and received such information from each of the Adviser and Sub-Adviser as the Board believed to be reasonably necessary to evaluate the terms of the Advisory Agreement and Sub-Advisory Agreement, respectively, with respect to each of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund; and as assisted by the advice of independent counsel, the Board, including a majority of the Independent Trustees, determined that approval of the Advisory Agreement and the Sub-Advisory Agreement for each Fund for an additional one-year period was in the best interests of the Spectrum Funds and their current and future shareholders.

#### **Approval of New Advisory and New Sub-Advisory Agreement – Spectrum Low Volatility Fund & Spectrum Advisors Preferred Fund**

At an in person meeting held on March 28, 2019 (the "Meeting"), the Board of Trustees (the "Board") of Advisors Preferred Trust (the "Trust"), including a majority of Trustees who are not "interested persons" (the "Independent Trustees"), as such term is defined under Section 2(a)(19) of the Investment Company Act of 1940, as amended (the "1940 Act"), considered the approval of the new investment advisory agreement (the "New Advisory Agreement") between Advisors Preferred, LLC (the "Adviser") and the Trust, on behalf of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund (each a "Fund" and together the "Funds") and the approval of each new sub-advisory agreement (the "New Sub-Advisory Agreement") between the Adviser and Spectrum Financial, Inc. (the "Sub-Adviser") in anticipation of a change in control of the Adviser.

In connection with the Board's consideration of the New Advisory Agreement and New Sub-Advisory Agreements, the Adviser and Sub-Adviser provided the Board in advance of the Meeting with written materials, which included information regarding: (a) a description of the investment management personnel of the Adviser and Sub-Adviser; (b) the Adviser's and Sub-Adviser's operations and the Adviser's financial condition; (c) the Adviser's proposed brokerage practices (including any soft dollar arrangements); (d) the level of the advisory fees proposed to be charged compared with the fees charged to comparable mutual funds or accounts; (e) each Fund's anticipated level of profitability from the Adviser's and Sub-Adviser's fund-related operations; (g) the Adviser's and Sub-Adviser's compliance policies and procedures; and (h) information regarding the performance of each Fund as compared to their respective benchmarks and Morningstar categories. The Trustees also re-considered their recent deliberations made on November 13, 2018, when they renewed the current advisory agreement and current sub-advisory agreement as well as deliberated upon updated and supplemental information. The Board's deliberations are presented contemporaneously given the overlapping considerations, paralleled issues and conclusions drawn by the Board.

# **Spectrum Funds**

## **SUPPLEMENTAL INFORMATION (Unaudited) (Continued)**

### **March 31, 2020**

*Nature, Extent and Quality of Services.* With respect to the nature, extent and quality of services provided, the Board reviewed the Adviser's and Spectrum Financial's Forms ADV, a description of the manner in which investment decisions are made for the Spectrum Funds by Spectrum Financial, a description of the services provided by the Adviser and those services provided by Spectrum Financial, a review of the experience of professional personnel performing services for each of the Funds, including the teams of individuals that primarily monitor and execute the investment and administration processes, respectively, and a certification from each of the Adviser and Spectrum Financial certifying that each has adopted a Code of Ethics containing provisions reasonably necessary to prevent Access Persons, as that term is defined in Rule 17j-1 under the 1940 Act, from engaging in conduct prohibited by Rule 17j-1(b)) and that each of the Adviser and Sub-Adviser has adopted procedures reasonably necessary to prevent Access Persons from violating such Codes of Ethics.

In reaching their conclusions, the Board considered that the Adviser delegates day-to-day investment decisions of the Spectrum Funds to Spectrum Financial and that the Adviser generally provides management and operational oversight of the Sub-Adviser. The Board considered the services provided by the Adviser to the Funds, noting that the Adviser monitors and evaluates the performance of the Spectrum Funds on a continuous basis, executes trades for each of the Funds and provides various compliance and administrative functions to the Spectrum Funds. The Board considered the scope of each of these services provided by the Adviser to the Spectrum Funds, including the practices described by the Adviser for regular monitoring and review of the Sub-Adviser's activities, and concluded that such practices were adequate. The Board then concluded that the Adviser had sufficient quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreement and that the nature, overall quality and extent of the management services provided by the Adviser to the Funds were satisfactory and reliable.

With respect to the Sub-Adviser, the Board noted that Spectrum Financial is primarily responsible for the portfolio management of the Spectrum Funds, and considered Spectrum Financial's services in that regard. The Board considered that Spectrum Financial creates and provides a portfolio management program, performs research and development of advanced technical strategies applied to the Funds, and performs analysis of the effectiveness of those strategies employed for each of the Funds. The Board considered the experience of Spectrum Financial's portfolio management and research staff and the quality and sophistication of the portfolio management services provided to the Funds, noting the differing strategies offered for each of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund, and found them to be appropriate. The Board also considered Spectrum Financial's operation of its compliance program, and found that there have been no material compliance matters during the prior year. The Board concluded that Spectrum Financial had sufficient quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Sub-Advisory Agreement and that the nature, overall quality and extent of the management services provided to the Spectrum Funds was satisfactory and reliable.

*Performance.* The Board considered that the Adviser generally delegates its day-to-day investment decisions to Spectrum Financial and therefore was not responsible for the performance of the Funds' portfolios. The Board considered the Adviser's other responsibilities under the Advisory Agreement, including with respect to trade oversight, obtaining derivative agreements and reporting to the Board, and concluded that the Adviser appears to be adequately monitoring Spectrum Financial's adherence to each Fund's investment objective and appears to be carrying out its functions appropriately.

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

### March 31, 2020

#### Spectrum Low-Volatility Fund

The Board considered the Fund's performance as compared to various benchmark indices and the Fund's Morningstar category, Non-Traditional Bond. The Board reviewed one-year, three-year, five-year and since inception (December 16, 2013) periods through December 31, 2018, and noted the Fund outperformed its primary benchmark, the S&P/LSTA Leveraged Loan Index, for all periods. With regards to the Fund's Morningstar Non-Traditional Bond category, for the one-year, three-year and five-year periods, the Fund outperformed the category. The Board also considered the Fund's returns as compared to the S&P 500 Total Return Index, and found that while the Fund outperformed for the one-year period, it lagged for all other periods. The Board observed that the Fund's returns were positive for all periods and the Fund's returns were not expected to be highly correlated to the returns of an equity index. Specifically, the Board noted that with respect to major stock market indices, such as the S&P 500 Total Return Index, the Fund's investment objective was total return with lower downside volatility and risk compared to major stock market indices. The Board concluded that performance was satisfactory.

#### Spectrum Advisors Preferred Fund

The Board reviewed the Fund's performance as compared to its benchmark index, S&P 500 Total Return Index and the Fund's Morningstar Category, Multi-Alternative. The Board considered that for the one-year, three-year, and since-inception periods through December 31, 2018, the Fund underperformed its primary benchmark. The Board observed that the Fund was not expected to track the S&P 500 Total Return Index, in part because its investment objective had a long term element, the Fund did not employ an index-tracking strategy, and the principal strategy included non-equity instruments. The Board considered that the Fund only slightly lagged the Morningstar Multi-Alternative category for the one-year period, and significantly outperformed over the three-year period. The Board concluded that the performance and strategy implementation by Spectrum Financial was satisfactory, and that Spectrum Financial was expected to continue to obtain an acceptable level of investment returns for shareholders over the long term.

*Fees and Expenses.* The Board reviewed comprehensive comparison reports of each Fund's expense ratio as detailed below:

#### Spectrum Low-Volatility Fund

With respect to the costs of the services rendered by each of the Adviser and Sub-Adviser to the Fund, the Trustees first considered the level of overall advisory fees, noting that the Fund's annual advisory fee was 2.15%, from which the sub-advisor received 1.80%. The Board considered the Fund's management fee as compared to that of funds included in a universe composed of the Morningstar Multi-Alternative, Non-Traditional Bond, and Long/Short Equity/Credit categories and noted the advisory fee was within a range of peer fund fees when the categories are viewed as a group. The Board considered Spectrum Financial's tactical and complex investment approach as a factor in considering the higher rate for its sub-advisory services as compared to other mutual funds and concluded that the advisory fee was not unreasonable for this niche Fund. The Board also noted that the Fund's total expense ratio (Investor Class shares) of 3.10% was reasonable as it was within the range of peer fund fees when the above Morningstar categories were viewed as a group. The Board also considered the allocation of the advisory fee between the Adviser and Sub-Adviser and concluded that the allocation of the advisory fee was reasonable in

# Spectrum Funds

## SUPPLEMENTAL INFORMATION (Unaudited) (Continued)

### March 31, 2020

relation to the services rendered by the Adviser and Sub-Adviser, respectively. The Board also took into account that fees charged by Spectrum Financial for its investment management of separately managed accounts utilizing a substantially similar strategy as that of the Spectrum Low Volatility Fund were higher than the fee imposed on the Fund.

#### Spectrum Advisors Preferred Fund

The Board compared the Fund's overall advisory fee of 1.50%, from which 1.15% was paid to Spectrum Financial, to that of similarly sized funds within the Morningstar Multi-Alternative Category, and found that while the Fund's advisory fee was higher than average of the category, it was not the highest and was within a range of fees charged by comparable funds. The Trustees further considered the allocation of the advisory fee as between the Adviser and Sub-Adviser and determined it was reasonable in relation to the services rendered by the Adviser and Sub-Adviser, respectively. In addition, the Board reviewed the level of overall fees paid by the Fund, and found the Fund's total expenses ratio (Investor Class shares) of 2.63% was within the range of the Multi-Alternative category. The Trustees concluded that advisory fees for the Fund were not unreasonable.

*Profitability.* The Board considered the profitability of each of the Adviser and Sub-Adviser, respectively, and whether such profits were reasonable in light of the services provided to each Fund as detailed below. The Board reviewed profitability analyses prepared by each of the Adviser and Sub-Adviser for the 12-month period ended September 30, 2018. The Board also received representations that profitability had not materially changed since September 30, 2018. The Trustees discussed the commissions earned on Fund portfolio transaction by the Adviser's affiliate. The Board concluded that neither the Adviser nor Spectrum Financial had realized meaningful profits from its service to either Fund and therefore excessive profits were not a concern at this time.

*Economies of Scale.* The Board considered whether the Adviser and Sub-Adviser had or would realize economies of scale with respect to their management of the Spectrum Funds. The Board reviewed and considered the profitability analyses and selected financial information of each of the Adviser and Sub-Adviser and also took into consideration the expected growth of the Spectrum Funds and concluded that at current asset levels economies of scale were not achievable for the Spectrum Advisors Preferred Fund. The Board noted that, for the Spectrum Low Volatility Fund, economies of scale might be achieved at \$200 million, and would be revisited as the Fund grows.

*Conclusion.* Having requested and received such information from each of the Adviser and Spectrum Financial as the Board believed to be reasonably necessary to evaluate the terms of the Advisory Agreement and Sub-Advisory Agreement, respectively, with respect to each of the Spectrum Low Volatility Fund and the Spectrum Advisors Preferred Fund and as assisted by the advice of independent counsel, the Board, including a majority of the Independent Trustees, determined that approval of the Advisory Agreement and the Sub-Advisory Agreement for each Fund was in the best interests of the Spectrum Funds and their current and future shareholders. Furthermore, the Board concluded the Transaction would not result in an unfair burden to either Fund's shareholders.

**FACTS WHAT DOES ADVISORS PREFERRED TRUST DO WITH YOUR PERSONAL INFORMATION?**

**Why?** Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?** The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Assets
- Retirement Assets
- Transaction History
- Checking Account Information
- Purchase History
- Account Balances
- Account Transactions
- Wire Transfer Instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?** All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Advisors Preferred Trust chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Advisors Preferred Trust share?	Can you limit this sharing?
<b>For our everyday business purposes</b> – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes</b> – to offer our products and services to you	No	We don't share
<b>For joint marketing with other financial companies</b>	No	We don't share
<b>For our affiliates' everyday business purposes</b> – information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes</b> – information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

**Questions?** Call 1-866-862-9686

**Who we are**

**Who is providing this notice?** Advisors Preferred Trust

**What we do**

**How does Advisors Preferred Trust protect my personal information?** To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.

**How does Advisors Preferred Trust collect my personal information?** We collect your personal information, for example, when you

- Open an account
- Provide account information
- Give us your contact information
- Make deposits or withdrawals from your account
- Make a wire transfer
- Tell us where to send the money
- Tells us who receives the money
- Show your government-issued ID
- Show your driver's license

We also collect your personal information from other companies.

**Why can't I limit all sharing?** Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes – information about your creditworthiness
- Affiliates from using your information to market to you
- Sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

**Definitions**

**Affiliates** Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Advisors Preferred Trust does not share with our affiliates.*

**Nonaffiliates** Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Advisors Preferred Trust does not share with nonaffiliates so they can market to you.*

**Joint marketing** A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Advisors Preferred Trust doesn't jointly market.*

## **PROXY VOTING POLICY**

Information regarding how the Funds voted proxies relating to portfolio securities for the most recent twelve month period ended June 30 as well as a description of the policies and procedures that the Funds use to determine how to vote proxies will be available without charge, upon request, by calling 1-866-862-9686 or by referring to the SEC's website at <http://www.sec.gov>.

## **PORTFOLIO HOLDINGS**

The Funds file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-PORT. Form N-PORT is available on the SEC's website at <http://www.sec.gov>. The information on Form N-PORT is available without charge, upon request, by calling 1-866-862-9686.

### **INVESTMENT ADVISOR**

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