STATEMENT OF ADDITIONAL INFORMATION

JAMES AGGRESSIVE ALLOCATION FUND (JAVAX)
JAMES BALANCED: GOLDEN RAINBOW FUND
(Institutional Class Shares: GLRIX;
Retail Class Shares: GLRBX)
JAMES MICRO CAP FUND (JMCRX)
JAMES SMALL CAP FUND (JASCX)

November 1, 2026

Series of
James Advantage Funds
225 Pictoria Drive, Suite 450
Cincinnati, OH 45246
1-800-995-2637

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This Statement of Additional Information ("SAI") is not a prospectus and should only be read in conjunction with the Prospectus for the applicable Fund dated November 1, 2026. Prospectuses and the annual and semi-annual shareholder reports can be obtained by writing the Transfer Agent at P.O. Box 46707, Cincinnati, OH 45246, by calling 1-800-99JAMES (1-800-995-2637), or by visiting www.jamesinvestment.com.

DESCRIPTION OF THE TRUST

The James Aggressive Allocation Fund, James Balanced: Golden Rainbow Fund, James Micro Cap Fund and James Small Cap Fund (each, a "Fund" and together, the "Funds") were organized as separate series of the James Advantage Funds (the "Trust"). The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated August 29, 1997 (the "Trust Agreement"). The Trust Agreement permits the Board of Trustees of the Trust (the "Board" or the "Trustees") to issue an unlimited number of shares of beneficial interest of separate series without par value. Each Fund is one of a series of Funds currently authorized by the Trustees. James Investment Research, Inc. serves as each Fund's investment adviser (the "Adviser"). The Investment Company Act of 1940, as amended (the "1940 Act"), classifies mutual funds as either diversified or non-diversified. Each Fund is classified as diversified.

The James Balanced: Golden Rainbow Fund currently has two classes of shares, the Retail Class shares and the Institutional Class shares, and each other Fund currently has one class of shares. Each share class represents an interest in the same assets of the Fund, has the same rights and is identical in all material respects except that each share class may bear different distribution fees, may have different sales charges, certain class specific expenses may be borne solely by each class and each class has exclusive voting rights with respect to matters relating to its own distribution arrangements.

Each share of a series represents an equal proportionate interest in the assets and liabilities belonging to that series with each other share of that series and is entitled to such dividends and distributions out of income belonging to the series as are declared by the Trustees. The shares do not have cumulative voting rights or any preemptive or conversion rights, and the Trustees have the authority from time to time to divide or combine the shares of any series into a greater or lesser number of shares of that series so long as the proportionate beneficial interest in the assets belonging to that series and the rights of shares of any other series are in no way affected. In case of any liquidation of a series, the holders of shares of the series being liquidated will be entitled to receive as a class a distribution out of the assets, net of the liabilities, belonging to that series. Expenses attributable to any series are borne by that series. Any general expenses of the Trust not readily identifiable as belonging to a particular series are allocated by or under the direction of the Trustees in such manner as the Trustees determine to be fair and equitable. No shareholder is liable to further calls or to assessment by the Trust without his or her express consent.

Any Trustee of the Trust may be removed by vote of the shareholders holding not less than two-thirds of the outstanding shares of the Trust. The Trust does not hold an annual meeting of shareholders. When matters are submitted to shareholders for a vote, each shareholder is entitled to one vote for each whole share he or she owns and fractional votes for fractional shares he or she owns. All shares of a Fund have equal voting rights and liquidation rights. The Trust Agreement can be amended by the Trustees, except that any amendment that adversely affects the rights of shareholders must be approved by the shareholders affected.

For other information concerning the purchase and redemption of shares of the Funds, see "How to Purchase Shares" and "How to Redeem Shares" in the applicable Fund's Prospectus. For a description of the methods used to determine the share price and value of the Funds' assets, see "Pricing Your Shares" in the applicable Fund's Prospectus.

Regarding the James Micro Cap Fund and James Aggressive Allocation Fund, if the amount a shareholder is redeeming during any 90-day period is over the lesser of $250,000 or 1% of the Fund's net asset value, pursuant to an election under Rule 18f-1 under the 1940 Act filed by the Trust on behalf of the Fund, the Fund has the right to redeem the shareholder's shares by giving the shareholder the amount that exceeds the lesser of $250,000 or 1% of the Fund's net asset value in securities instead of cash.

DEFINITIONS, POLICIES AND RISK CONSIDERATIONS

This section contains a more detailed discussion of some of the investments the Funds may make and some of the techniques they may use, as described in the Prospectuses.

A. Asset-Backed and Receivable-Backed Securities.

The James Balanced: Golden Rainbow Fund and the James Aggressive Allocation Fund each may invest in asset-backed securities. These securities are undivided fractional interests in pools of consumer loans (unrelated to mortgage loans) held in a trust. Payments of principal and interest are passed through to certificate holders and are typically supported by some form of credit enhancement, such as a letter of credit, surety bond, limited guaranty or senior/subordination. The degree of credit enhancement varies, but generally amounts to only a fraction of the asset-backed or receivable-backed security's par value until exhausted. If the credit enhancement is exhausted, certificate holders may experience losses or delays in payment if the required payments of principal and interest are not made to the trust with respect to the underlying loans. The value of these securities also may change because of changes in the market's perception of the creditworthiness of the servicing agent for the loan pool, the originator of the loans or the financial institution providing the credit enhancement. Asset-backed and receivable-backed securities are ultimately dependent upon payment of consumer loans by individuals, and the certificate holder generally has no recourse against the entity that originated the loans. The underlying loans are subject to prepayments that shorten the securities' weighted average life and may lower their return. As prepayments flow through at par, total returns would be affected by the prepayments; if a security were trading at a premium, its total return would be lowered by prepayments, and if a security were trading at a discount, its total return would be increased by prepayments.

B. Borrowing and Leverage; Reverse Repurchase Agreements.

Each Fund may borrow from banks up to one-third of its total assets (including the amount borrowed), and may borrow from any person other than a bank for temporary purposes only, provided such temporary borrowings do not exceed 5% of the Fund's total assets at the time when the borrowing is made. A Fund may pledge assets in connection with such borrowings. Each Fund also may engage in reverse repurchase agreements in which the Fund sells a security to another party, such as a bank, broker-dealer or other financial institution, and simultaneously agrees to buy it back later at the same price plus interest. While a reverse repurchase agreement is outstanding, a Fund will be required to comply with the asset coverage requirements of Section 18 of the 1940 Act and the rules promulgated thereunder, and to combine the aggregate amount of indebtedness associated with all reverse repurchase agreements or similar financing transactions with the aggregate amount of any other senior securities representing indebtedness when calculating the asset coverage ratio. The Funds will enter into reverse repurchase agreements only with parties whose creditworthiness has been reviewed and deemed satisfactory by the Adviser. A Fund aggregates reverse repurchase agreements with its borrowings for the purpose of limiting all borrowings to one-third of its total assets.

If a Fund makes additional investments while borrowings and/or reverse repurchase agreements are outstanding, this may be construed as a form of leverage. The Fund's objective would be to pursue

investment opportunities with returns that exceed the cost of the borrowings. Leverage magnifies a Fund's potential for gain or loss and, therefore, increases the possibility of fluctuation in the Fund's net asset value. Leverage also creates interest expenses that may exceed the return on investments made with the borrowings. In addition, reverse repurchase agreements involve the risk that the market value of the securities sold by a Fund may decline below the price at which the Fund is obligated to repurchase the securities.

C. Open-End Investment Company Securities.

The Funds may invest in the securities of other open-end investment companies (i.e., another mutual fund, including a money market fund). When a Fund invests in other investment companies, it will indirectly bear its proportionate share of any fees and expenses payable directly by the underlying investment company, many of which may be duplicative. A Fund has no control over the investments and related risks taken by the underlying investment companies in which it invests.

D. Convertible Securities.

The Funds may invest in convertible securities. Convertible securities include fixed income securities that may be exchanged or converted into a predetermined number of shares of the issuer's underlying common stock at the option of the holder during a specified period. Convertible securities may take the form of convertible preferred stock, convertible bonds or debentures, units consisting of "usable" bonds and warrants or a combination of the features of several of these securities. Convertible securities are senior to common stocks in an issuer's capital structure, but are usually subordinated to similar non-convertible securities. While providing a fixed-income stream (generally higher in yield than the income derivable from common stock but lower than that afforded by a similar nonconvertible security), a convertible security also gives an investor the opportunity, through its conversion feature, to participate in the capital appreciation of the issuing company depending upon a market price advance in the convertible security's underlying common stock.

E. Corporate Debt.

The Funds may invest in investment grade corporate debt securities. Corporate debt securities are long and short-term debt obligations issued by companies (such as publicly issued and privately placed bonds, notes and commercial paper). The Funds will limit their purchases of corporate debt securities (other than convertible securities) to issues of investment grade quality. The Adviser considers corporate debt securities to be of investment grade quality if they are rated "BBB" or higher by S&P Global Ratings ("S&P") or "Baa2" or higher by Moody's Investors Service, Inc. ("Moody's"), or if unrated, determined by the Adviser to be of comparable quality. Investment grade debt securities generally have adequate to strong protection of principal and interest payments. In the lower end of this category, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to pay interest and repay principal than in higher rated categories. The Funds may invest in both secured and unsecured corporate bonds. A secured bond is backed by collateral and an unsecured bond is not. Therefore, an unsecured bond may have a lower recovery value than a secured bond in the event of a default by its issuer. The Adviser may incorrectly analyze the risks inherent in corporate bonds, such as the issuer's ability to meet interest and principal payments, resulting in a loss to the Funds.

F. Cybersecurity Risk.

In connection with the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, each Fund may be susceptible to operational, information security and related risks due to the possibility of cyber-attacks or other incidents. Cyber

incidents may result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, infection by computer viruses or other malicious software code, gaining unauthorized access to systems, networks or devices that are used to service a Fund's operations through hacking or other means for the purpose of misappropriating assets or sensitive information, corrupting data, malware or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks (which can make a website unavailable) on the Funds' website. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on a Fund's systems.

Cybersecurity failures or breaches by a Fund's third-party service providers (including, but not limited to, the adviser, distributor, custodian, transfer agent and financial intermediaries) may cause disruptions and impact the service providers' and a Fund's business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business and the mutual funds to process transactions, inability to calculate a Fund's net asset value, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs and/or additional compliance costs. Each Fund and its shareholders could be negatively impacted as a result of successful cyber-attacks against, or security breakdowns of, the Fund or its third-party service providers.

A Fund may incur substantial costs to prevent or address cyber incidents in the future. In addition, there is a possibility that certain risks have not been adequately identified or prepared for. Furthermore, a Fund cannot directly control any cybersecurity plans and systems put in place by third party service providers. Cybersecurity risks are also present for issuers of securities in which a Fund invests, which could result in material adverse consequences for such issuers, and may cause a Fund's investment in such securities to lose value.

The Fund, the Adviser, and the Fund's service providers rely on information technology systems and digital networks. A cybersecurity incident affecting any of them could disrupt operations or result in unauthorized access to, or the loss or misuse of, Fund assets or confidential information. Such incidents could cause financial loss, regulatory penalties, litigation, remediation costs, or reputational harm, and incidents affecting issuers in which the Fund invests could reduce the value of its investments. The Fund cannot control the cybersecurity systems of its service providers or other third parties, and there is no guarantee that safeguards will prevent all incidents.

The Adviser, the Fund's service providers, and the issuers in which the Fund invests may use artificial intelligence ("AI") tools. The Adviser uses AI to assist with gathering and summarizing information and with editing written materials. However, such technologies are not used to make investment decisions for the Funds. AI tools may produce inaccurate, incomplete, or biased outputs and may be vulnerable to cyberattacks, and reliance on them could result in operational errors or losses to the Fund. The Fund cannot control how third parties use AI. The Adviser maintains policies and procedures governing its use of AI and continues to review them as the technology evolves, although these measures may not prevent every error.

G. Derivatives.

Although the Funds do not intend to engage in derivatives transactions, a Fund may acquire derivatives such as contingent value rights ("CVRs") as a result of its ownership of other securities. A CVR gives the holder the right to receive an amount, which may be a fixed amount or a variable amount determined by a formula, in the event that a specified corporate action or other business event or trigger occurs (or does not occur) during the term of the CVR. CVRs are often subject to an expiration date. CVRs may be issued to investors in the context of a corporate acquisition or major restructuring, such as a reorganization pursuant to Chapter 11 of the U.S. Bankruptcy Code or other bankruptcy reorganization. For

example, investors in an acquired or reorganized company may receive CVRs that enable the investor to receive additional shares of the acquiring company in the event that the acquiring company's share price falls below a certain level by a specified date, or to receive cash payments and/or securities in the event of a future sale or liquidation event involving the company by a specified date. CVRs generally do not entitle a holder to dividends or voting rights with respect to the underlying company and do not represent any rights in the assets of the issuing company. Risks associated with investing in CVRs are generally similar to risks associated with the use of purchased options, such as the risk that the required trigger does not occur prior to a CVR's expiration, causing the CVR to expire with no value. CVRs also present liquidity risk, as they typically are not registered under the federal securities laws and are generally non-transferable or difficult to transfer, as well as involving counterparty risk and credit risk. Further, because CVRs are valued based on the likelihood of the occurrence of a trigger, valuation often requires subjective modeling and judgment, which may be hampered by incomplete or unavailable relevant information, increasing the risk of mispricing or improper valuation.

H. Equity Securities.

The Funds may invest in equity securities, which include common stock, preferred stock and common stock equivalents (such as convertible preferred stock and convertible debentures). Convertible preferred stock is preferred stock that can be converted into common stock pursuant to its terms. Convertible debentures are debt instruments that can be converted into common stock pursuant to their terms. The Adviser intends to invest only in preferred stock rated "A" or higher by S&P or by Moody's. Equity securities also include investment company securities that invest primarily in equity securities.

I. Exchange-Traded Funds.

The Funds may invest in a range of exchange-traded funds ("ETFs"). ETFs (both stock and fixed income) are subject to all of the common stock risks. ETFs with foreign holdings will also be subject to the foreign securities risks described below. ETFs are considered to be investment companies.

When a Fund invests in sector ETFs, there is a risk that securities within the same group of industries will decline in price due to sector-specific market or economic developments. If a Fund invests more heavily in a particular sector, the value of its shares may be especially sensitive to factors and economic risks that specifically affect that sector. As a result, the Fund's share price may fluctuate more widely than the value of shares of a mutual fund that invests in a broader range of industries. Additionally, some sectors could be subject to greater government regulation than other sectors. Therefore, changes in regulatory policies for those sectors may have a material effect on the value of securities issued by companies in those sectors. The sectors in which a Fund may be more heavily invested will vary.

The shares of an ETF may be assembled in a block known as a creation unit and redeemed in-kind for a portfolio of the underlying securities (based on the ETF's net asset value) together with a cash payment generally equal to accumulated dividends as of the date of redemption. Conversely, a creation unit may be purchased from the ETF by depositing a specified portfolio of the ETF's underlying securities, as well as a cash payment generally equal to accumulated dividends of the securities (net of expenses) up to the time of deposit. A Fund may redeem creation units for the underlying securities (and any applicable cash), and may assemble a portfolio of the underlying securities and use it (and any required cash) to purchase creation units, if the Fund's Adviser believes it is in the Fund's interest to do so. A Fund's ability to redeem creation units may be limited by the 1940 Act, which provides that the ETFs will not be obligated to redeem shares held by the Fund in an amount exceeding one percent of their total outstanding securities during any period of less than 30 days.

There is a risk that the ETFs in which a Fund invests may terminate due to extraordinary events that may cause any of the service providers to the ETFs, such as the trustee or sponsor, to close or otherwise fail to perform their obligations to the ETF. Also, because the ETFs in which the Fund intends to invest may be granted licenses by agreement to use the indices as a basis for determining their compositions and/or otherwise to use certain trade names, the ETFs may terminate if such license agreements are terminated. In addition, an ETF may terminate if its entire net asset value falls below a certain amount. Although the Funds believe that, in the event of the termination of an underlying ETF they will be able to invest instead in shares of an alternate ETF tracking the same market index or another market index with the same general market, there is no guarantee that shares of an alternate ETF would be available for investment at that time.

J. Exchange-Traded Notes.

Each Fund may invest in exchange-traded notes ("ETNs"). ETNs are a type of debt security that is typically unsecured and that differs from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, but ETNs do not own the underlying index they are tracking and, typically, no periodic coupon payments are distributed and no principal protections exist, even at maturity. ETNs are traded on a major exchange, such as the New York Stock Exchange ("NYSE"), during normal trading hours. However, investors such as the Fund can also hold the debt security until maturity. At that time, the issuer will pay the investor a cash amount that would be equal to a principal amount times the return of a benchmark index, less any fees or other reductions. Because fees reduce the amount of return at maturity or upon redemption, if the value of the underlying index decreases or does not increase significantly, the Fund may receive less than the principal amount of investment at maturity or upon redemption. ETNs are subject to credit risk. The value of an ETN may vary and may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying markets, changes in the applicable interest rates, changes in the issuer's credit rating, and economic, legal, political or geographic events. When a Fund invests in ETNs, it will bear its proportionate share of any fees and expenses borne by the ETN. In addition, the ETN may employ leverage that will make the value of the ETN more volatile by multiplying the effect of any decrease in the value of the index to which the ETN is linked, and thus subject the Fund to potentially greater losses. There may be restrictions on a Fund's right to redeem its investment in an ETN, which is meant to be held until maturity. A Fund's ability to sell its ETN holdings may be limited by the availability of a secondary market. Leveraged ETNs can, at times, be relatively illiquid, and thus may be difficult to purchase or sell at a fair price.

K. Foreign Securities.

The Funds may invest, without limitation, in foreign securities, including ETFs that invest in foreign securities. Foreign fixed-income securities include corporate debt obligations issued by foreign companies and debt obligations of foreign governments or international organizations. Foreign securities may include floating rate obligations, variable rate obligations, Yankee dollar obligations (U.S. dollar denominated obligations issued by foreign companies and traded on U.S. markets) and Eurodollar obligations (U.S. dollar denominated obligations issued by foreign companies) and American depository receipts ("ADRs"). ADRs are certificates of ownership issued by a U.S. bank as a convenience to investors in lieu of the underlying shares which it holds in custody.

Foreign investing involves risks not typically associated with U.S. investments. These risks include, among others, adverse fluctuations in foreign currency values as well as adverse political, social and economic developments affecting a foreign country. There may be less information publicly available about a foreign company than about a U.S. company, and foreign companies may not be subject to accounting, auditing and financial reporting standards and practices comparable to those in the U.S. The Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is unable to inspect audit work papers in certain foreign countries. Investors in foreign countries often have limited

rights and few practical remedies to pursue shareholder claims, including class actions or fraud claims, and the ability of the U.S. Securities and Exchange Commission ("SEC"), the U.S. Department of Justice and other authorities to bring and enforce actions against foreign issuers or foreign persons is limited. Other risks associated with investments in foreign securities include changes in the administrations or economic and monetary policies of foreign governments, the imposition of exchange control regulations, the possibility of expropriation decrees and other adverse foreign governmental action, the imposition of foreign taxes, less liquid markets, less government supervision of exchanges, brokers and issuers, difficulty in enforcing contractual obligations, delays in settlement of securities transactions and greater price volatility. In addition, investing in foreign securities will generally result in higher commissions than investing in similar domestic securities, and owning foreign securities could cause a Fund's performance to fluctuate more than if it held only U.S. securities.

Each Fund may invest in foreign securities of issuers in emerging markets. Investing in emerging market securities imposes risks different from, or greater than, risks of investing in foreign developed countries. These risks include: smaller market capitalization of securities markets, which may suffer periods of relative illiquidity; significant price volatility; restrictions on foreign investment; possible repatriation of investment income and capital. In addition, foreign investors may be required to register the proceeds of sales; future economic or political crises could lead to price controls, forced mergers, expropriation or confiscatory taxation, seizure, nationalization, or creation of government monopolies. The currencies of emerging market countries may experience significant declines against the U.S. dollar, and devaluation may occur subsequent to investments in these currencies by a Fund. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

Certain emerging markets limit, or require governmental approval prior to, investments by foreign persons. Repatriation of investment income and capital from certain emerging markets is subject to certain governmental consents. Even where there is no outright restriction on repatriation of capital, the mechanics of repatriation may affect the operation of a Fund.

Additional risks of emerging markets securities may include: greater social, economic and political uncertainty and instability; more substantial governmental involvement in the economy; less governmental supervision and regulation; unavailability of currency hedging techniques; companies that are newly organized and small; differences in auditing and financial reporting standards, which may result in unavailability of material information about issuers; and less developed legal systems. In addition, emerging securities markets may have different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions. Settlement problems may cause a Fund to miss attractive investment opportunities, hold a portion of its assets in cash pending investment, or be delayed in disposing of a portfolio security. Such a delay could result in possible liability to a purchaser of the security.

L. Illiquid Securities.

Each of the James Small Cap Fund and James Micro Cap Fund will not invest more than 15% of its net assets in securities that are restricted as to resale. Each of the James Balanced: Golden Rainbow Fund and the James Aggressive Allocation Fund will not invest more than 15% of its net assets in securities that are restricted as to resale or otherwise illiquid. Illiquid securities generally include securities that cannot be disposed of promptly and in the ordinary course of business without taking a reduced price. Securities may be illiquid due to contractual or legal restrictions on resale or lack of a ready market. In addition, the following securities are considered to be illiquid: repurchase agreements maturing in more than seven days, non-publicly offered securities and certain restricted securities. Restricted securities are securities the resale of which is subject to legal or contractual restrictions. Restricted securities may be sold only in privately

negotiated transactions, in a public offering with respect to which a registration statement is in effect under the Securities Act of 1933, as amended (the "1933 Act") or pursuant to Rule 144 or Rule 144A promulgated under the 1933 Act. Certain restricted securities that may be sold pursuant to Rule 144A may be considered to be liquid by a Fund. Where registration is required, the Funds may be obligated to pay all or part of the registration expense, and a considerable period may elapse between the time of the decision to sell and the time such security may be sold under an effective registration statement. If during such a period adverse market conditions were to develop, a Fund might obtain a less favorable price than the price it could have obtained when it decided to sell.

M. Income Trusts.

Each Fund may invest in income trusts, including real estate investment trusts, business trusts and oil royalty trusts. Income trusts are operating businesses that have been put into a trust. They pay out the bulk of their free cash flow to unit holders. These trusts are regarded as equity investments with fixed income attributes or high-yield debt with no fixed maturity date, and typically offer regular income payments and a significant premium yield compared to other types of fixed income investments.

Real Estate Investment Trusts. A real estate investment trust ("REIT") is an income trust that invests substantially all of its assets in interests in real estate. Equity REITs are those that purchase or lease land and buildings and generate income primarily from rental income. Equity REITs may also realize capital gains (or losses) when selling property that has appreciated (or depreciated) in value. Mortgage REITs are those that invest in real estate mortgages and generate income primarily from interest payments on mortgage loans. Hybrid REITs generally invest in both real property and mortgages. Real estate-related equity securities also include those issued by real estate developers, companies with substantial real estate holdings (for investment or as part of their operations), as well as companies whose products and services are directly related to the real estate industry, such as building supply manufacturers, mortgage lenders or mortgage servicing companies. Risks associated with REIT investments include the fact that equity and mortgage REITs are dependent upon specialized management skills and are not fully diversified. These characteristics subject REITs to the risks associated with financing a limited number of projects. They are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. Additionally, equity REITs may be affected by any changes in the value of the underlying property owned by the trusts, and mortgage REITs may be affected by the quality of any credit extended, as well as changes in interest rates.

Oil Royalty Trusts. Each Fund may invest in oil royalty trusts that are traded on the stock exchanges (including foreign stock exchanges). Oil royalty trusts pass on to unit-holders the cash flow received from the sale of the oil and gas produced from the oil and gas reserves underlying the royalty trust, after certain deductions. As such, royalty trust distribution levels and unit prices are highly dependent on commodity prices, which can be highly volatile. Moreover, as the underlying oil and gas reserves are produced, the remaining reserves attributable to the trust are depleted. The ability of the trust to replace reserves is therefore fundamental to its ability to maintain distribution levels and unit prices over time. Oil royalty trusts manage reserve depletion through reserve additions resulting from internal capital development activities and through acquisitions.

Because they distribute the bulk of their cash flow to unit-holders, oil royalty trusts are effectively precluded from internally originating new oil and gas prospects. Therefore, these trusts typically grow through acquisition of producing companies or those with proven reserves of oil and gas, funded through the issuance of additional equity or debt securities. Consequently, the trusts are considered less exposed to the uncertainties faced by a traditional exploration and production corporation. However, they are still exposed to commodity and reserve risk, as well as operating risk. Hedging strategies utilized by these trusts can provide partial mitigation against commodity risk, while reserve risk can only be addressed through appropriate due diligence prior to investment. As with REITs, management plays a very important role in

mitigating these inherent risks while maximizing value through prudent corporate and asset acquisitions and exploitation of existing reserves of oil and gas. When a Fund invests in foreign oil royalty trusts, it will also be subject to foreign securities risks, which are more fully described above.

Business Trusts. A business trust is an income trust that invests primarily in entities whose principal business is in the manufacturing, service or general industrial sectors. One of the primary attractions of business trusts, in addition to their relatively high yield, is their ability to enhance diversification in the portfolio as they cover a broad range of industries and geographies, including public refrigerated warehousing, mining, coal distribution, sugar distribution, forest products, retail sales, food sales and processing, chemical recovery and processing, data processing, gas marketing and check printing. Investments in business trusts are subject to risks related to the underlying operating companies controlled by such trusts. These risks will vary depending on the industries represented by the underlying investments.

N. Limited Partnerships.

Each Fund may invest in exchange-traded limited partnerships, including master limited partnerships. A limited partnership is an entity treated as a partnership for federal income tax purposes, which results in the limited partnership not paying income taxes at the entity level. A Fund would own limited partner units and would have no role in the management of the limited partnership. The general partners control the operations and management of the partnership. Limited partnerships typically are structured so that general partners have first priority to receive distributions up to an established minimum amount and receive a greater interest in the incremental income compared to the limited partners. This structure gives the general partner the incentive to undertake acquisitions and growth projects to increase distributions to all partners but may create a conflict of interest for the general partners, as they may be motivated to pursue projects with high risk and high potential reward. Most limited partnerships are engaged in natural resource-based activities such as the processing, transportation and storage of minerals or other natural resources. Investing in these limited partnerships will expose a Fund to risks specific to energy and natural resources commodity enterprises, as well as issuer-specific risks. In addition, many limited partnerships have smaller capitalizations and are subject to liquidity risk and more price volatility.

O. Loans of Securities.

Each Fund may lend portfolio securities with an aggregate market value of up to one-third of the Fund's total assets (including collateral received from the loans). Under the lending policy authorized by the Board, the borrower must agree to maintain collateral with the applicable Fund on a daily marked-to-market basis in an amount at least equal to the value of the loaned securities. The Funds will continue to receive dividends or interest on the loaned securities and will be able to vote on any material matter affecting the loaned securities that the Adviser determines to be important. With respect to loans of securities, there is the risk that the borrower may fail to return the loaned securities, the borrower may not be able to provide additional collateral, or that the Funds may lose rights in the collateral should the borrower fail financially.

P. Mortgage-Backed Securities.

Each Fund may invest in mortgage-backed securities, including pass-through securities, collateralized mortgage obligations ("CMOs"), commercial mortgage-backed securities, mortgage dollar rolls, CMO residuals, stripped mortgage-backed securities and other securities that directly or indirectly represent a participation in, or are secured by and payable from, mortgage loans on real property. The value of some mortgage-backed securities may be particularly sensitive to changes in prevailing interest rates. Early repayment of principal on some mortgage-backed securities may expose the Funds to a lower rate of return upon reinvestment of principal. When interest rates rise, the value of a mortgage-related security generally will decline; however, when interest rates are declining, the value of mortgage-related securities

with prepayment features may not increase as much as other fixed income securities. The value of these securities may fluctuate in response to the market's perception of the creditworthiness of the issuers. Mortgage-backed securities may also possess credit risk. Because the assets providing cash flows to a mortgage-backed security are comprised of mortgage loans, the holders of mortgage-backed securities are subject to default and delinquency risks. If mortgage borrowers are delinquent or default on their payments, the holders of mortgage-backed securities may not realize full repayment of their investment or may experience delays in the repayment of their investment. The credit risk of mortgage-backed securities depends, in part, on the likelihood of the borrower paying the promised cash flows of principal and interest on time. The credit risk of a specific mortgage-backed security may be influenced by a variety of factors, including: (i) the mortgage borrower's lessened ability to repay in light of changed circumstances such as a job loss; (ii) the borrower's ability to make higher mortgage payments, which may result from floating-rate interest resets; (iii) declines in the value of the property, which serves as collateral for the mortgage loan; (iv) seniority or priority of the specific mortgage-backed security relative to other claims on the cash flow from the pool of mortgage loans.

Q. Municipal Securities.

The Funds may invest in municipal securities, which are debt/fixed income securities issued by states, municipalities and other political subdivisions, agencies, authorities and instrumentalities of states and multi-state agencies or authorities. The Funds would do so for income yield and the potential for capital appreciation, not because the income may be tax-exempt. Although the interest earned on many municipal securities is exempt from federal income tax, the Funds may invest in taxable municipal securities. To the extent the Funds invest in municipal obligations, the same credit standards as used in selecting corporate obligations will be applied. Note that shareholders will probably not benefit from the tax-exempt nature of interest income from municipal securities held by the Funds.

Municipal securities are issued to obtain funds for various public purposes, including the construction of a wide range of public facilities such as bridges, highways, roads, schools, waterworks and sewer systems, and other utilities. Other public purposes for which municipal securities may be issued include refunding outstanding obligations, obtaining funds for general operating expenses and obtaining funds to lend to other public institutions and facilities.

Certain debt obligations known as "Private Activity Bonds" may be issued by or on behalf of municipalities and public authorities to obtain funds to provide water, sewage and solid waste facilities; qualified residential rental projects; certain local electric, gas and other heating or cooling facilities; qualified hazardous waste facilities; high-speed intercity rail facilities; governmentally-owned airports, docks and wharves and mass transportation facilities; qualified mortgage; student loan and redevelopment bonds; and bonds used for certain organizations exempt from federal income taxation. Debt obligations known as "Industrial Development Bonds" under prior federal tax law may have been issued by or on behalf of public authorities to obtain funds to provide privately operated housing facilities; sports facilities; industrial parks; convention or trade show facilities; airport, mass transit, port or parking facilities; air or water pollution control facilities; sewage or solid waste disposal facilities; and facilities for water supply. Other private activity bonds and industrial development bonds issued to fund the construction, improvement, equipment or repair of privately-operated industrial, distribution, research, or commercial facilities may also be municipal securities, but the size of such issues is limited under current and prior federal tax law. The aggregate amount of most private activity bonds and industrial development bonds is limited (except in the case of certain types of facilities) under federal tax law by an annual "volume cap." The volume cap limits the annual aggregate principal amount of such obligations issued by or on behalf of all governmental instrumentalities in the state.

The two principal classifications of municipal securities consist of "general obligation" and "limited" (or revenue) issues. General obligation bonds are obligations involving the credit of an issuer possessing taxing power and are payable from the issuer's general unrestricted revenues and not from any particular fund or source. The characteristics and method of enforcement of general obligation bonds vary according to the law applicable to the particular issuer, and payment may be dependent upon appropriation by the issuer's legislative body. Limited obligation bonds are payable only from the revenues derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source. Private activity bonds and industrial development bonds generally are revenue bonds and thus not payable from the unrestricted revenues of the issuer. The credit and quality of such bonds is generally related to the credit of the bank selected to provide the letter of credit underlying the bond, if any, or to the credit of the underlying corporate user (and any guarantor). Payment of principal of and interest on industrial development revenue bonds is the responsibility of the corporate user (and any guarantor).

The Funds may also acquire "moral obligation" issues, which are normally issued by special purpose authorities, and in other tax-exempt investments including pollution control bonds and tax-exempt commercial paper. The Funds may purchase short-term General Obligation Notes; Tax Anticipation Notes; Bond Anticipation Notes; Revenue Anticipation Notes; Project Notes; and other forms of short-term loans. Such notes are issued with a short-term maturity in anticipation of the receipt of tax funds, the proceeds of bond placements, or other revenues. Project Notes are issued by a state or local housing agency and are sold by the Department of Housing and Urban Development. While the issuing agency has the primary obligation with respect to its Project Notes, they are also secured by the full faith and credit of the United States through agreements with the issuing authority which provide that, if required, the Federal government will lend the issuer an amount equal to the principal of and interest on the Project Notes.

There are, of course, variations in the quality of municipal securities, both within a particular classification and between classifications. Also, the yields on municipal securities depend upon a variety of factors, including general money market conditions; coupon rate; the financial condition of the issuer; general conditions of the municipal bond market; the size of a particular offering; the maturity of the obligations; and the rating of the issue. The ratings of Moody's and S&P represent their opinions as to the quality of municipal securities. However, ratings are general and are not absolute standards of quality. Municipal securities with the same maturity, interest rate and rating may have different yields while municipal securities of the same maturity and interest rate with different ratings may have the same yield. Subsequent to its purchase by the Fund, an issue of municipal securities may cease to be rated or its rating may be reduced below the minimum rating required for purchase by the Fund. The Adviser will consider such an event in determining whether the Funds should continue to hold the obligations.

Municipal securities may include obligations of municipal housing authorities and single-family mortgage revenue bonds. Weaknesses in Federal housing subsidy programs and their administration may result in a decrease of subsidies available for payment of principal and interest on housing authority bonds. Economic developments, including fluctuations in interest rates and increasing construction and operating costs, may also adversely impact revenues of housing authorities. In the case of some housing authorities, inability to obtain additional financing could also reduce revenues available to pay existing obligations. Single-family mortgage revenue bonds are subject to extraordinary mandatory redemption at par in whole or in part from the proceeds derived from prepayments of underlying mortgage loans and also from the unused proceeds of the issue within a stated period which may be within a year from the date of issue.

Risk Factors in Municipal Securities

Information Risk. Information about the financial condition of issuers of municipal securities may be less available than about corporations having a class of securities registered under the Securities Exchange Act of 1934, as amended.

State and Federal Laws. An issuer's obligations under its municipal securities are subject to the provisions of bankruptcy, insolvency, and other laws affecting the rights and remedies of creditors, such as the federal bankruptcy code, and laws, if any, which may be enacted by Congress or state legislatures extending the time for payment of principal or interest, or both, or imposing other constraints upon the enforcement of such obligations. The power or ability of an issuer to meet its obligations for the payment of interest on and principal of its municipal securities may be materially adversely affected by litigation or other conditions.

Litigation and Current Developments. Such litigation or conditions may from time to time materially affect the credit risk with respect to particular bonds or notes. Adverse economic, business, legal or political developments might affect all or a substantial portion of the Fund's municipal securities in the same manner.

R. Obligations of Supranational Entities.

The Funds may invest in obligations of supranational entities designated or supported by governmental entities to promote economic reconstruction or development and of international banking institutions and related government agencies. Examples include the International Bank for Reconstruction and Development (the "World Bank"), the European Coal and Steel Community, the Asian Development Bank and the Inter-American Development Bank. Each supranational entity's lending activities are limited to a percentage of its total capital (including "callable capital" contributed by its governmental members at the entity's call), reserves and net income. There is no assurance that participating governments will be able or willing to honor their commitments to make capital contributions to a supranational entity.

S. Portfolio Turnover.

The turnover ratio is the percentage of a mutual fund or other investment's holdings that have been replaced in a given year. Each Fund may have a higher portfolio turnover rate. The Funds do not intend to purchase or sell securities for short-term trading purposes. Each Fund may, however, sell any portfolio security (without regard to the length of time it has been held) when the Adviser believes that market conditions, creditworthiness factors or general economic conditions warrant such actions. Higher turnover rates will result in correspondingly greater broker commission expenses and may result in the realization of additional capital gains for tax purposes.

T. Repurchase Agreements.

The Funds may invest in repurchase agreements fully collateralized by obligations issued by the U.S. Government or by agencies of the U.S. Government ("U.S. Government obligations"). A repurchase agreement is a short-term investment in which the purchaser (i.e., a Fund) acquires ownership of a U.S. Government obligation (which may be of any maturity) and the seller agrees to repurchase the obligation at a future time at a set price, thereby determining the yield during the purchaser's holding period (usually not more than seven days from the date of purchase). Any repurchase transaction in which a Fund engages will require full collateralization of the seller's obligation during the entire term of the repurchase agreement. In the event of a bankruptcy or other default of the seller, a Fund could experience both delays in liquidating the underlying security and losses in value. However, the Funds intend to enter into repurchase agreements only with banks with assets of $1 billion or more and registered securities dealers

determined by the Adviser to be creditworthy. The Adviser monitors the creditworthiness of the banks and securities dealers with which the Funds engage in repurchase transactions.

U. Sovereign Obligations.

The Funds may invest in sovereign debt obligations. Investments in sovereign debt obligations involve special risks not present in corporate debt obligations. The issuer of the sovereign debt or the governmental authorities that control the repayment of the debt may be unable or unwilling to repay principal or interest when due, and a Fund may have limited recourse in the event of a default. During periods of economic uncertainty, the market prices of sovereign debt, and a Fund's net asset value, may be more volatile than prices of U.S. debt obligations. In the past, certain emerging markets have encountered difficulties in servicing their debt obligations, withheld payments of principal and interest and declared moratoria on the payment of principal and interest on their sovereign debts.

A sovereign debtor's willingness or ability to repay principal and pay interest in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign currency reserves, the availability of sufficient foreign exchange, the relative size of the debt service burden, the sovereign debtor's policy toward principal international lenders and local political constraints. Sovereign debtors may also be dependent on expected disbursements from foreign governments, multilateral agencies and other entities to reduce principal and interest arrearages on their debt. The failure of a sovereign debtor to implement economic reforms, achieve specified levels of economic performance or repay principal or interest when due may result in the cancellation of third-party commitments to lend funds to the sovereign debtor, which may further impair such debtor's ability or willingness to service its debts.

V. Treasury Inflation-Protected Securities (TIPS).

The Funds may invest in Treasury Inflation-Protected Securities ("TIPS"). TIPS are marketable securities whose principal is adjusted by changes in the Consumer Price Index (the "CPI"). The principal of a TIPS increases with inflation (a rise in the Index) and decreases with deflation (a drop in the CPI). The relationship between TIPS and the CPI affects both the sum investors are paid when a TIPS matures and the amount of interest that a TIPS pays every six months. TIPS pay interest at a fixed rate, which is determined at auction. Because the rate is applied to the adjusted principal, however, interest payments can vary in amount from one period to the next. If inflation occurs, the interest payment increases. In the event of deflation, the interest payment decreases. At the maturity of a TIPS, you receive the adjusted principal or the original principal, whichever is greater. TIPS are designed to provide protection against both inflation and deflation.

W. U.S. Government Obligations.

The Funds may invest in U.S. Government obligations. These securities may be backed by the credit of the United States Treasury or only by the issuing agency. U.S. Treasury bonds, notes and bills and some agency securities, such as those issued by the Government National Mortgage Association ("GNMA") are backed by the full faith and credit of the United States Government as to payment of interest and principal and are typically considered to be free of default risk. Some agencies, known as government-sponsored enterprises ("GSEs"), such as the Federal Home Loan Banks, the Federal Land Banks and the Federal Farm Credit Banks, have a federal charter and operate within limits established by the government. These were established by various acts of Congress over the years. The interest paid by these agencies is not subject to state and local taxes. While they do not carry an explicit government guarantee, they are considered to be "moral obligations" of the United States government. The Federal Home Loan Mortgage Corporation ("Freddie Mac") and the Federal National Mortgage Association ("Fannie Mae") are private companies that are also GSEs. Because they are private corporations, the interest on their public debt is

subject to state and local taxes. These companies became technically bankrupt during the financial crisis of 2008, and the federal government has backed their obligations since then. However, the future of that backing remains in doubt.

Under the direction of the Federal Housing Finance Agency, Fannie Mae and Freddie Mac have entered into a joint initiative to develop a common securitization platform for the issuance of a uniform mortgage-backed security (the "Single Security Initiative"), which would generally align the characteristics of Fannie Mae and Freddie Mac certificates. The Single Security Initiative was launched in June 2019, and as of this time, the long-term effects it may have on the market for mortgage-backed securities remain uncertain.

X. Variable and Floating Rate Instruments.

Certain obligations purchased by the Funds may carry variable or floating rates of interest, may involve a conditional or unconditional demand feature and may include variable amount master demand notes. Variable and floating rate instruments are issued by a wide variety of issuers and may be issued for a wide variety of purposes, including as a method of reconstructing cash flows.

Subject to their investment objective policies and restrictions, the Funds may acquire variable and floating rate instruments. A variable rate instrument is one whose terms provide for the adjustment of its interest rate on set dates and which, upon such adjustment, can reasonably be expected to have a market value that approximates its par value. The Funds may purchase extendable commercial notes. Extendable commercial notes are variable rate notes which normally mature within a short period of time (e.g., 1 month) but which may be extended by the issuer for a maximum maturity of thirteen months.

A floating rate instrument is one whose terms provide for the adjustment of its interest rate whenever a specified interest rate changes and which, at any time, can reasonably be expected to have a market value that approximates its par value. Floating rate instruments are frequently not rated by credit rating agencies; however, unrated variable and floating rate instruments purchased by a Fund will be determined by the Adviser to be of comparable quality at the time of purchase to rated instruments eligible for purchase under the Fund's investment policies. There may be no active secondary market with respect to a particular variable or floating rate instrument purchased by a Fund. The absence of such an active secondary market could make it difficult for the Fund to dispose of the variable or floating rate instrument involved in the event the issuer of the instrument defaulted on its payment obligations, and the Fund could, for this or other reasons, suffer a loss to the extent of the default. Variable or floating rate instruments may be secured by bank letters of credit or other assets. A Fund may purchase a variable or floating rate instrument to facilitate portfolio liquidity or to permit investment of the Fund's assets at a favorable rate of return.

Past periods of high inflation, together with the fiscal measures adopted to attempt to deal with it, have seen wide fluctuations in interest rates, particularly "prime rates" charged by banks. While the value of the underlying floating or variable rate securities may change with changes in interest rates generally, the nature of the underlying floating or variable rate should minimize changes in value of the instruments. Accordingly, as interest rates decrease or increase, the potential for capital appreciation and the risk of potential capital depreciation is less than would be the case with a portfolio of fixed rate securities. A Fund's portfolio may contain floating or variable rate securities on which stated minimum or maximum rates, or maximum rates set by state law, limit the degree to which interest on such floating or variable rate securities may fluctuate; to the extent it does, increases or decreases in value may be somewhat greater than would be the case without such limits. Because the adjustment of interest rates on the floating or variable rate securities is made in relation to movements of the applicable banks' "prime rates" or other short-term rate securities adjustment indices, the floating or variable rate securities are not comparable to long-term fixed

rate securities. Accordingly, interest rates on the floating or variable rate securities may be higher or lower than current market rates for fixed rate obligations of comparable quality with similar maturities.

Variable Amount Master Demand Notes. Variable amount master demand notes are demand notes that permit the indebtedness to vary and provide for periodic adjustments in the interest rate according to the terms of the instrument. Because master demand notes are direct lending arrangements between a Fund and the issuer, they are not normally traded. Although there is no secondary market in the notes, a Fund may demand payment of principal and accrued interest. The Adviser will consider the earning power, cash flow, and other liquidity ratios of the issuers of such notes and will continuously monitor their financial status and ability to meet payment on demand. In determining average weighted portfolio maturity, a variable amount master demand note will be deemed to have a maturity equal to the period of time remaining until the principal amount can be recovered from the issuer through demand.

Limitations on the Use of Variable and Floating Rate Notes. Variable and floating rate instruments for which no readily available market exists (e.g., illiquid securities) will be purchased in an amount which, together with securities with legal or contractual restrictions on resale or for which no readily available market exists (including repurchase agreements providing for settlement more than seven days after notice), respectively, exceeds 15% of the net assets of the James Small Cap Fund and James Micro Cap Fund and exceeds 15% of net assets of the James Balanced: Golden Rainbow Fund and the James Aggressive Allocation Fund only if such instruments are subject to a demand feature that will permit the Fund to demand payment of the principal within seven days after demand by the Fund. There is no limit on the extent to which a Fund may purchase demand instruments that are not illiquid or deemed to be liquid in accordance with the Adviser's liquidity determination procedures. If not rated, such instruments must be found by the Adviser to be of comparable quality to instruments in which a Fund may invest. A rating may be relied upon only if it is provided by a Nationally Recognized Statistical Ratings Organization that is not affiliated with the issuer or guarantor of the instruments.

Y. When-Issued Securities and Forward Commitments.

The Funds may buy and sell securities on a when-issued or delayed delivery basis, with payment and delivery taking place at a future date. The price and interest rate that will be received on the securities are each fixed at the time the buyer enters into the commitment. The Funds may enter into such forward commitments if it holds, and maintains until the settlement date in a separate account at the Funds' custodian, U.S. Bank, N.A. (the "Custodian") cash or U.S. Government securities in an amount sufficient to meet the purchase price. Forward commitments involve a risk of loss if the value of the security to be purchased declines prior to the settlement date. Any change in value could increase fluctuations in the Funds' share price and yield. Although the Funds will generally enter into forward commitments with the intention of acquiring securities for its portfolio, the Funds may dispose of a commitment prior to the settlement if the Adviser deems it appropriate to do so.

INVESTMENT LIMITATIONS

Fundamental. The investment limitations described below have been adopted by the Trust with respect to the Funds and are fundamental ("Fundamental"), that is, they may not be changed without the affirmative vote of a majority of the outstanding shares of the Funds. As used in a Prospectus and this SAI, the term "majority" of the outstanding shares of a Fund means the lesser of (1) 67% or more of the outstanding shares of the Fund present at a meeting, if the holders of more than 50% of the outstanding shares of the Fund are present or represented at such meeting; or (2) more than 50% of the outstanding shares of the Fund. Other investment practices that may be changed by the Board without the approval of shareholders to the extent permitted by applicable law, regulation or regulatory policy are considered non-fundamental ("Non-fundamental").

1. Borrowing Money. Each Fund will not borrow money, except (a) from a bank, provided that immediately after such borrowing there is an asset coverage of 300% for all borrowings of the Fund; or (b) from a bank or other persons for temporary purposes only, provided that such temporary borrowings are in an amount not exceeding 5% of the Fund's total assets at the time when the borrowing is made. This limitation does not preclude each Fund from entering into reverse repurchase transactions, provided that each Fund has an asset coverage of 300% for all borrowings and repurchase commitments of each Fund pursuant to reverse repurchase transactions.

2. Senior Securities. The Funds will not issue senior securities. This limitation is not applicable to activities that may be deemed to involve the issuance or sale of a senior security by the Funds, provided that the Funds' engagement in such activities is consistent with or permitted by the 1940 Act, the rules and regulations promulgated thereunder or interpretations of the Securities and Exchange Commission or its staff.

3. Underwriting. The Funds will not act as underwriter of securities issued by other persons. This limitation is not applicable to the extent that, in connection with the disposition of portfolio securities (including restricted securities), the Funds may be deemed an underwriter under certain federal securities laws.

4. Real Estate. The Funds will not purchase or sell real estate. This limitation is not applicable to investments in marketable securities that are secured by or represent interests in real estate. This limitation does not preclude the Funds from investing in mortgage-related securities or investing in companies engaged in the real estate business or that have a significant portion of their assets in real estate (including real estate investment trusts).

5. Commodities. The Funds will not purchase or sell commodities except as described in the applicable Prospectus and Statement of Additional Information. This limitation does not preclude the Funds from acquiring commodities as a result of ownership of securities or other investments; from entering into options, futures, currency, swap, cap, floor, collar or similar transactions; from investing in securities or other instruments backed by commodities; or from investing in companies that are engaged in a commodities business or have a significant portion of their assets in commodities.

6. Loans. The Funds will not make loans to other persons, except (a) by loaning portfolio securities, (b) by engaging in repurchase agreements, or (c) by purchasing non-publicly offered debt securities. For purposes of this limitation, the term "loans" shall not include the purchase of a portion of an issue of publicly distributed bonds, debentures or other securities.

7. Concentration. Each Fund will not invest 25% or more of its total assets in any particular industry. This limitation is not applicable to investments in obligations issued or guaranteed by the U.S. Government, its agencies and instrumentalities or repurchase agreements with respect thereto.

8. Diversification. The Funds will comply with the standards for diversification as required by the then-current 1940 Act, the rules and regulations promulgated thereunder and interpretations of the Securities and Exchange Commission or its staff.

With respect to the percentages adopted by the Trust as maximum limitations on its investment policies and limitations, an excess above the fixed percentage will not be a violation of the policy or limitation unless the excess results immediately and directly from the acquisition of any security or the action taken. This paragraph does not apply to the borrowing policy set forth in paragraph 1 above.

With respect to commodities, no Fund has a current intention to invest in options, futures, or swaps.

With respect to diversification, the current standards require that each Fund may not purchase the securities of any one issuer, other than an investment company or the U.S. Government or any of its instrumentalities, if immediately after such purchase more than 5% of the value of its total assets would be invested in such issuer, or the Fund would own more than 10% of the outstanding voting securities of such issuer, except that up to 25% of the value of the Fund's total assets may be invested without regard to such 5% and 10% limitations.

Non-fundamental. The following limitations have been adopted by the Trust with respect to the Funds and are Non-fundamental (see "Investment Limitations" above).

1. Pledging. The Funds will not mortgage, pledge, hypothecate or in any manner transfer, as security for indebtedness, any assets of the Funds except as may be necessary in connection with borrowings described in fundamental limitation (1) above. Margin deposits, security interests, liens and collateral arrangements with respect to transactions involving options, short sales and other permitted investments and techniques are not deemed to be a mortgage, pledge or hypothecation of assets for purposes of this limitation.

2. Borrowing. Each Fund (other than the James Aggressive Allocation Fund and the James Balanced: Golden Rainbow Fund) will not purchase any security while borrowings (including reverse repurchase agreements) representing more than 5% of its total assets are outstanding.

3. Margin Purchases. The Funds will not purchase securities or evidences of interest thereon on "margin." This limitation is not applicable to short-term credit obtained by the Funds for the clearance of purchases and sales or redemption of securities, or to arrangements with respect to transactions involving short sales and other permitted investments and techniques.

4. Options. The Funds will not purchase or sell puts, calls, options or straddles, except as described in the applicable Prospectus and the Statement of Additional Information.

5. Short Sales. Each Fund will not effect short sales of securities.

6. Illiquid Securities. Each Fund will not invest more than 15% of its net assets in securities that are restricted as to resale or otherwise illiquid. For this purpose, in connection with Rule 22e-4 under the 1940 Act, illiquid securities are defined as any investment that each Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment.

7. 80% Investment Policy. Applicable only to the James Micro Cap Fund: the James Micro Cap Fund invests primarily in common stocks of micro capitalization companies, defined by the Adviser as those companies with market capitalizations at the time of purchase no larger than the stocks in the Bloomberg US Micro-Cap Total Return Index, including ETFs that invest primarily in such securities. As of September 30, 2026, the largest market capitalization of the companies included in the Bloomberg US Micro-Cap Total Return Index was $1.46 billion. Under normal circumstances, the Fund will invest at least 80% of its assets (defined as net assets plus the amount of any borrowing for investment purposes) in micro capitalization stocks, as defined above.

Applicable only to the James Small Cap Fund: the James Small Cap Fund invests primarily in common stocks of small capitalization companies, defined by the Adviser as those companies with market

capitalizations at the time of purchase no larger than the stocks in the Bloomberg US 2000 Total Return Index (including ETFs that invest primarily in such securities). As of September 30, 2026, the largest market capitalization of the companies included in the Bloomberg US 2000 Total Return Index was $13.32 billion. Micro cap securities are considered small capitalization securities. Under normal circumstances, the Fund will invest at least 80% of its assets (defined as net assets plus the amount of any borrowing for investment purposes) in small capitalization stocks, as defined above.

Applicable to the James Micro Cap Fund and James Small Cap Fund: Shareholders of the applicable Fund will be provided with at least 60 days' prior notice of any change in the Fund's 80% investment policy. The notice will be provided in a separate written document containing the following, or similar, statement, in boldface type: "Important Notice Regarding Change in Investment Policy." The statement will also appear on the envelope in which the notice is delivered, unless the notice is delivered separately from other communications to the shareholder. The Adviser, subject to the approval of the Board, may change its foregoing definitions of micro, small and large capitalization companies. Shareholders will be notified of any such change.

DISCLOSURE OF PORTFOLIO HOLDINGS

The following is a summary of the Funds' policies and procedures for disclosing the Funds' portfolio securities to any person requesting this information. No compensation will be received by a Fund, the Adviser, or any other party in connection with the disclosure of information about portfolio securities. The Funds may disclose information related to the Funds' portfolio holdings to various service providers in connection with the day-to-day operations and management of the Funds. The procedures prohibit the disclosure of portfolio holdings to persons outside the Adviser, the Funds' Independent Registered Public Accounting Firm, legal counsel or other service providers identified in the applicable Prospectus except under the following conditions:

1) Routine shareholder reports filed quarterly with the SEC within 60 days after the quarter-end and routine shareholder reports distributed to shareholders within 60 days after the six-month end;

2) For use in preparing and distributing routine periodic reporting to market data agencies;

3) For use in preparing and distributing routine shareholder reports, including disclosure to the Trust's independent public accounting firm, typesetter and printer;

4) Regular quarterly postings on the Fund's website provided that full holdings are at least 30 days after the most recent calendar month-end and top ten holdings are generally 5-10 days after the most recent calendar month end;

5) In response to Requests for Proposal ("RFPs"), due diligence questionnaires or similar inquiries received by the Adviser from consultants (or consultant departments of brokers/dealers and others) that service accounts in the Funds (or are a referral source for such accounts), provided: (i) only month-end data that is at least 30 days old is disclosed, or (ii) the Adviser's senior management approves the disclosure and such approval is reported to the Chief Compliance Officer ("CCO") of the Trust as soon as is practicable; and

6) Full holdings disclosure to various market data agencies as of the end of a calendar month.

The Funds may provide their full holdings to various market data agencies as of the end of a calendar month. All other disclosures are made in accordance with the requests of the parties indicated above. Employees of the Adviser that are access persons under the Funds' Code of Ethics have access to

Fund holdings on a regular basis, but are subject to confidentiality requirements and trading prohibitions in the Code of Ethics. In addition, the Custodian of the Funds' assets and the Funds' accounting services agent, each of whose agreements contains a confidentiality provision, have access to the current Fund holdings on a daily basis. In addition, certain unaffiliated brokers and market professionals involved in the execution of transactions for the Funds will by necessity have information on Fund holdings and are not covered under this policy.

This prohibition covers only selective disclosures and does not prohibit a discussion of Fund holdings in a public format, such as a radio or television interview. These events are covered under the Trust's Marketing Policies and Procedures.

Certain products of the Adviser's private client business are very similar to portfolios of the Funds. Consultants that receive holdings data on RFPs or on routine questionnaires or other inquiries submitted to the Adviser may have no confidentiality requirements and a Fund cannot be assured in such cases that portfolio holdings disclosed to them will be kept confidential. Since the portfolios may be very similar to the Funds, completion of the questionnaire or RFP may constitute a selective disclosure. Also, the Funds have no assurance that market data agencies, such as Morningstar, will keep data provided to them confidential.

Disclosure of portfolio holdings by the Adviser will be made to other service providers as deemed necessary in the execution of their responsibilities. Legal counsel will have access to portfolio holdings at any time, as will regulators such as the SEC or the Financial Industry Regulatory Authority, Inc. ("FINRA") if requested. In other cases, the Adviser will restrict holdings data to month end data with at least a 30-day lag.

The CCO is authorized to determine whether disclosure of portfolio securities is for a legitimate business purpose and is in the best interest of the Funds and their shareholders. The CCO will report any perceived and unresolved conflict between the interests of shareholders and the interests of the Adviser, or any affiliates, to the Board, which will make a determination that is in the best interests of shareholders.

TRUSTEES AND OFFICERS

The Board has overall responsibility for management of the Trust under the laws of Ohio governing the responsibilities of trustees of business trusts. Following are the Trustees and executive officers of the Trust, their present occupation with the Trust or Funds, age and principal occupation during the past 5 years and their aggregate compensation from the Trust for the fiscal year ended June 30, 2026.

INTERESTED TRUSTEE				
Name/Address*/Age	**Position(s) With Fund/Time Served/During Past 5 years****	**Principal Occupation by Trustee**	**Number of Portfolios in Fund Complex Overseen**	**Other Directorships Held by Trustee Outside During the Past 5 Years**
Barry R. James[1], - James Investment Research, Inc. 1349 Fairground Road Xenia, OH 45385	Chairman & Trustee since 1997	Chairman of the Board (2005-Present) CEO, James Investment Research (2005 – 2022); President, James Investment Research	4	Director, FAIR Foundation (2010 - present).

Year of Birth: 1956		(2005 – 2021); CEO and Director, James Capital Alliance (1992 – 2021)		

INDEPENDENT TRUSTEES				
Name/Address*/Age	**Position(s) With Funds/Time Served/During Past 5 years****	**Principal Occupation(s) by Trustee**	**Number of Portfolios in Fund Complex Overseen**	**Other Directorships Held by Trustee Outside During the Past 5 Years**
Ronald D. Brown Year of Birth: 1953	Trustee Since 2014	Interim President & Chief Executive Officer, Cincinnati Incorporated (2020); Interim Chief Executive Officer, LSI Industries Inc. (2018); Vice Chairman, The Armor Group (2017 – 2018); Chief Operating Officer, The Armor Group (2013 – 2017)	4	Director, LSI Industries, Inc. (2018-present); Director of AO Smith Corporation (2001 - present); Board Trustee of University of Cincinnati (2013 - present).
Robert F. Chelle Year of Birth: 1948	Trustee since 2014	Retired Founding Director of the L. William Crotty Center for Entrepreneurial Leadership at the University of Dayton (1999 – 2015); President/CEO, High Voltage Maintenance Corp, Dayton, OH (1974-1999)	4	Director of DRT Mfg. Co. (2007 – 2022), Director of Prime Controls (2008 – present).
Julia W. Poston Year of Birth: 1960	Trustee Since August 2022	Partner, Ernst & Young LLP, Cincinnati, Ohio (2002-2020); Partner, Arthur Andersen & Co., Cincinnati, Ohio (1982-2002)	4	Director, The Royce Funds (2023 – present); Director, AuguStar Variable Insurance Products Fund, Inc. (formerly, Ohio National Fund) (2022 – present);

				Director, Merus Corporation (formerly, Al. Neyer Corporation) (2020-present); Director, Master Chemical Corporation (2021-present); Director of Cincinnati Museum Center (2015 – present).
Richard C. Russell Year of Birth: 1946	Trustee since 2003	Consultant, Danis Companies (construction and real estate development firm), (2002 - 2021); Retired CEO & CFO, Danis Companies (1983-2002)	4	Director, Excellence in Motivation (1996 - 2022); Director, DRT Manufacturing Co. (1999 - 2022); Director, Catholic Community Foundation for the Archdiocese of Cincinnati, Inc. (2015 – 2023); Director, Catholic Education Foundation for the Archdiocese of Cincinnati, Inc. (2015 – 2023).

* All Trustees may be contacted at c/o James Advantage Funds, Attn: Secretary, 1349 Fairground Road, Xenia, OH 45385.

**Each Trustee shall serve as a Trustee of the Trust subject to a mandatory retirement policy requiring such Trustee to retire upon the end of the calendar year in which such Trustee reaches the age of 80.

[1] Mr. James is an "interested person" of the Trust as defined in the 1940 Act because of his relationship to James Investment Research, Inc., which serves as the investment adviser to the Trust.

OFFICERS

Name/Address/Age	Positions Held With Fund/Date Service Began	Principal Occupation by Officer
Lesley Ott James Investment Research, Inc. 1349 Fairground Road Xenia, OH 45385	CCO since 2012	Chief Compliance Officer, James Investment Research, Inc. (since 2012), Chief Operating Officer, James Investment Research, Inc. (since 2020).

Year of Birth: 1983		
Brian P. Shepardson James Investment Research, Inc. 1349 Fairground Road Xenia, OH 45385 Year of Birth: 1973	Secretary since 2018 Chief Financial Officer and Treasurer since 2022	Vice President, James Investment Research, Inc. (since 2022), First Vice President, James Investment Research, Inc. (2014-2022).
Richard Brian Culpepper James Investment Research, Inc. 1349 Fairground Road Xenia, OH 45385 Year of Birth: 1972	President since 2022	President and CEO, James Investment Research, Inc. (since 2022).
Bernard J. Brick c/o Ultimus Fund Solutions, LLC 225 Pictoria Drive, Suite 450 Cincinnati, OH 45246 Year of Birth: 1974	Assistant Secretary since 2023	Vice President and Senior Counsel, Ultimus Fund Solutions, LLC (2022 – Present); Vice President and Senior Counsel, State Street Bank and Trust Company (2011 – 2022).
Angela A. Simmons c/o Ultimus Fund Solutions, LLC 225 Pictoria Drive, Suite 450 Cincinnati, OH 45246 Year of Birth: 1975	Assistant Treasurer since 2022	Vice President, Financial Administration (2022 – Present) and Assistant Vice President, Financial Administration (2015 – 2022), Ultimus Fund Solutions, LLC.

Board Leadership

The Board is led by its Chairman, Mr. Barry James. Mr. James is an "interested person" of the Trust because he is Chairman of the Board of the Adviser. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because Mr. James has served as Chairman of the Trust's Board since 1997. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee is independent or an interested person. The independent Trustees have determined that they can act independently and effectively without having an independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the independent Trustees to constitute a substantial majority of the Board.

The Board has not appointed a lead independent Trustee. It was determined by the Board that due to its size (five Trustees), the size of the Fund complex and the relatively straightforward investment strategies adopted by the Funds, it is not necessary to appoint a lead independent Trustee. The independent Trustees believe they have consistently worked well together and have demonstrated an ability to provide appropriate oversight to the operations of the Trust.

Risk Oversight

Investing in general and the operation of a mutual fund involves a variety of risks, such as investment risk, compliance risk and operational risk, among others. The Board oversees risk as part of its oversight of the Funds. Risk oversight is addressed as part of various regular Board and committee

activities. The Board, directly or through its Audit Committee, reviews reports from among others, the Adviser, the Trust's CCO, the Trust's independent registered public accounting firm and the Trust's counsel, as appropriate, regarding risks faced by the Trust and the risk management programs of the Adviser and certain service providers. The full Board regularly engages in discussions of risk management and receives compliance reports that inform its oversight of risk management from the Trust's CCO at quarterly meetings and on an ad hoc basis, when and if necessary.

The Trust's CCO also meets at least quarterly in the Governance and Compensation Committee with the independent Trustees. The Governance and Compensation Committee also receives reports from the CCO regarding governance and risks, and the Audit Committee receives reports from the CCO regarding financial and internal controls. The actual day-to-day risk management with respect to the Trust resides with the Adviser and other service providers. Although the risk management policies of the Adviser and the other service providers are designed to seek to be effective, those policies and their implementation vary among service providers and over time, there is no guarantee that they will be effective. Not all risks that may affect the Trust can be identified, nor can processes and controls necessarily be developed to eliminate or mitigate their occurrence or effects. Some risks are simply beyond the control of the Trust, the Adviser or other service providers to the Trust. The Board may, at any time and in its sole discretion, change the manner in which it conducts its risk oversight role.

Information About Trustees' Experience, Qualifications, Attributes and Skills to Serve on the Board

Mr. Ronald D. Brown is currently serving, since July of 2020, as the Interim President & Chief Executive Officer of Cincinnati Incorporated, a family owned machine tool company which manufactures shears, press brakes, laser machinery, powdered metal and additive manufacturing equipment. He is the retired Chairman & Chief Executive Officer of Milacron Inc., a leading supplier of plastics processing and industrial fluids with major manufacturing facilities in North America, Europe and Asia. Mr. Brown also served as Chief Operating Officer and Chief Financial Officer of Milacron. He currently serves on the Board of Directors of A.O. Smith Corporation (AOS:NYSE) and LSI Industries, Inc. (LYTS:Nasdaq), where he served as Interim Chief Executive Officer during 2018. Mr. Brown previously served as Chief Operating Officer (2013 to 2017) and as Vice Chairman (2017 to 2018) of the Armor Group, a certified woman owned corporation which provides manufactured goods and services to a variety of industries. Mr. Brown has considerable experience in acquisition and integration of businesses, as well as financial and operational restructurings. The Trustees believe that Mr. Brown's extensive management and business skills make him well qualified to serve on the Board.

Mr. Robert F. Chelle owned and was President of the High Voltage Maintenance Corporation ("HVM") from 1973 to 1996. HVM is a technical service company specializing in predictive testing, preventive maintenance and electrical engineering of power distribution systems. Headquartered in Dayton, OH, it operates in 13 other major cities. HVM was sold to Emerson Electric Co. of St. Louis in October of 1996. Mr. Chelle remained as President and CEO of HVM for a three-year transition. Mr. Chelle has considerable experience serving on numerous other boards. From August of 1999 to 2015, he was Entrepreneur-In-Residence and Professor of Entrepreneurship at the University of Dayton. The Trustees believe that Mr. Chelle's experiences in financial management, board structure, policy development, strategic planning and decision making make him well qualified to serve on the Board.

Mr. Barry R. James is Chairman of the Adviser's Board. He also served as President and CEO of the Adviser from 2005 to 2022 and Chairman and Chief Executive Officer of James Capital Alliance from 1992 to 2021. Mr. James received a Bachelor of Science degree from the United States Air Force Academy and a Master's in Business Administration from Boston University. The Trustees believe that Mr. James' leadership training and management experience in the United States Air Force, experience as President and Chief Executive Officer of several companies, experience in the investment advisory business and

experience in portfolio management and investment research since 1986 make him well qualified to serve on the Board.

Mr. Richard C. Russell was a Director on the Board of Excellence In Motivation from 1996 until 2022 and a Director on the Board of Dayton Reliable Tool from 1999 to 2022. Mr. Russell also worked for 20 years with a private construction and real estate development firm based in Dayton, Ohio in the capacity of Chief Financial Officer and subsequently Chief Executive Officer. In this role, Mr. Russell provided oversight of a $300 million construction operation and a $300 million real estate portfolio. Mr. Russell is an experienced Chief Executive Officer, Chief Financial Officer and Director with proven leadership skills and a diverse background in both public and private companies. The Trustees believe that Mr. Russell's experience in strategic planning, financial management, budgeting, fiscal reporting, communications, human resources, shareholder relations, and board structure, policy development and decision making make him well qualified to serve on the Board.

Ms. Julia W. Poston retired as an Office Managing Partner of Ernst & Young ("E&Y"), where she worked for 18 years as an Audit Partner, 12 years of which as an Office Managing Partner. Prior to her employment at E&Y, Ms. Poston was an Audit Partner with Arthur Andersen where she worked for 20 years. Her clients included investment management firms, private equity funds, open end mutual funds as well as several Fortune 500 companies. Ms. Poston holds a Bachelor of Science in Accounting from Miami University in Oxford, Ohio. She has been recognized as a Cincinnati Enquirer's Woman of the Year, Cincinnati Business Courier Women Who Mean Business, and was ranked #10 by Cincy Magazine's Power 100 listing of business and community leaders. The Trustees believe that Ms. Poston's extensive audit experience within the asset management industry and her management experience with E&Y make her well qualified to serve on the Board.

Trustee Compensation:

Name	Compensation from James Aggressive Allocation Fund	Compensation from James Balanced: Golden Rainbow Fund	Compensation from James Micro-Cap Fund	Compensation from James Small Cap Fund	Total Compensation from Trust*
Barry R. James	$0	$0	$0	$0	$0
+# Ronald D. Brown	$2,344.78	$33,990.30	$2,326.82	$6,237.61	$44,900
+# Robert F. Chelle	$2,344.78	$33,990.30	$2,326.82	$6,237.61	$44,900
+# Richard C. Russell	$2,344.78	$33,990.30	$2,326.82	$6,237.61	$44,900
+# Julia Poston	$2,454.40	$35,580.00	$2,435.60	$6,529.30	$47,000

\+ Member of Audit Committee. The Audit Committee's function is to oversee the Trust's accounting and financial reporting policies and practices, its internal controls and, as appropriate, the internal controls of certain service providers; to oversee the quality and objectivity of the Trust's financial statements and the independent audit thereof; and to act as a liaison between the Trust's independent auditors and the full Board. The Audit Committee held four regularly scheduled meetings during the fiscal year ended June 30, 2026.

\# Member of Governance and Compensation Committee. The Governance and Compensation Committee's function, among other things, is to advise and assist the Board in establishing, implementing and executing policies, procedures and practices that seek to assure orderly and effective

governance of the Trust, including compensation arrangements. The Governance and Compensation Committee held four regularly scheduled meetings during the fiscal year ended June 30, 2026.

* Amounts shown include payments made to the Trustees during the fiscal year ended June 30, 2026. The Trust does not pay any retirement benefits to the Trustees for their service.

Trustees' Ownership of Trust Shares (as of December 31, 2025)

Name	Dollar Range of Equity Securities in James Aggressive Allocation Fund	Dollar Range of Equity Securities in James Balanced: Golden Rainbow Fund	Dollar Range of Equity Securities in James Micro Cap Fund	Dollar Range of Equity Securities in James Small Cap Fund	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies
Barry R. James	Over $100,000	Over $100,000	Over $100,000	Over $100,000	Over $100,000
Ronald D. Brown	None	Over $100,000	None	None	Over $100,000
Robert F. Chelle	None	$10,001-$50,000	Over $100,000	Over $100,000	Over $100,000
Richard C. Russell	None	Over $100,000	Over $100,000	Over $100,000	Over $100,000
Julia Poston	None	Over $100,000	None	None	Over $100,000

PROXY VOTING POLICIES OF THE TRUST AND THE ADVISER

The Trust's Proxy Voting Policies and Procedures

Pursuant to rules established by the SEC, under the 1940 Act, the Board has adopted the following formal, written guidelines for proxy voting by the Trust. The Board oversees voting policies and decisions for each Fund.

Each Fund exercises its proxy voting rights with regard to the companies in the Fund's investment portfolio, with the goals of maximizing the value of the Fund's investments, promoting accountability of a company's management and board of directors to its shareholders, aligning the interests of management with those of shareholders, and increasing transparency of a company's business and operations.

In general, the Board believes that the Adviser, which selects the individual companies that are part of each Fund's portfolio, is the most knowledgeable and best suited to make decisions about proxy votes for the Fund. Therefore, the Trust defers to and relies on the Adviser to make decisions on casting proxy votes for each Fund.

In some instances, the Adviser may be asked to cast a proxy vote that presents a conflict between the interests of a Fund's shareholders, and those of the Adviser or an affiliated person of the Adviser. In such a case, the Adviser is instructed to abstain from making a voting decision and to forward all necessary proxy voting materials to the Trust to enable the Board to make a voting decision. When the Board is

required to make a proxy voting decision, only the Trustees without a conflict of interest with regard to the security in question or the matter to be voted upon shall be permitted to participate in the decision of how the Fund's vote will be cast.

SUMMARY OF ADVISER'S PROXY VOTING GUIDELINES

The proxy voting decisions for issues not specifically addressed in the following summary are determined on a case-by-case basis. The Adviser has retained Institutional Shareholder Services, Inc. ("ISS") to vote proxies on behalf of the Trust in accordance with the Trust's and the Adviser's policies. As part of this retention, the Adviser has adopted the ISS U.S. Proxy Voting Concise Guidelines, as amended from time to time (the "ISS Proxy Voting Guidelines"). While these guidelines are not intended to be all-inclusive, they do provide guidance on ISS' general voting policies. A copy of the Proxy Voting Guidelines will be available upon request by writing the Transfer Agent at P.O. Box 46707, Cincinnati, OH 45246, or by calling 800-99 JAMES (800-995-2637).

TRUST PROXY VOTES FOR 12 MONTHS ENDED JUNE 30, 2026

Information regarding how each of the Funds voted proxies related to their respective portfolio securities during the 12-month period ended June 30, 2026 is available (1) without charge, upon request, by calling 800-99 JAMES (800-995-2637) or by writing the Transfer Agent at P.O. Box 46707, Cincinnati, OH 45246; (2) on or through the Funds' website at https://www.jamesfunds.com; and (3) on the SEC's website at http://www.sec.gov.

PRINCIPAL HOLDERS OF VOTING SECURITIES

As of September 30, 2026, the officers and Trustees of the Trust as a group owned 10.62% of the then-outstanding shares of the James Aggressive Allocation Fund.

As of September 30, 2026, the following persons owned of record, for the benefit of their respective customers, more than 5% of the outstanding voting shares of the James Aggressive Allocation Fund:

Name/Address	Percentage Owned
Frank E. James Jr. Trust Beavercreek, OH 45434	24.49%
James Investment Research Inc. P.O. Box 8 Alpha, OH 45301	15.27%
National Financial Services LLC 5th Floor One World Financial Center 200 Liberty St One Manhattan, NY 10281	12.78%

As of September 30, 2026, the officers and Trustees of the Trust as a group owned less than one percent of the then-outstanding shares of the James Balanced: Golden Rainbow Fund Retail Class shares.

As of September 30, 2026, the officers and Trustees of the Trust as a group owned 7.47% of the then-outstanding shares of the James Balanced: Golden Rainbow Fund Institutional Class shares.

As of September 30, 2026, the following persons owned of record, for the benefit of their respective customers, more than 5% of the outstanding voting shares of the James Balanced: Golden Rainbow Fund Retail Class shares or 5% of the outstanding voting shares of the James Balanced: Golden Rainbow Fund Institutional shares:

Name/Address	Percentage Owned
Retail	
National Financial Services LLC* 5th Floor One World Financial Center 200 Liberty St One Manhattan, NY 10281	40.19%
Charles Schwab & Co., Inc. 211 Main Street San Francisco, CA 94105	10.76%
Institutional	
National Financial Services LLC 5th Floor One World Financial Center 200 Liberty St One Manhattan, NY 10281	17.37%
Frank E. James Jr. Trust Beavercreek, OH 45434	13.98%
James Investment Research Inc. Profit Sharing Plan P.O. Box 8 Alpha, OH 45301	5.46%
Charles Schwab & Co., Inc. 211 Main Street San Francisco, CA 94105	10.26%

* May be deemed to control the Fund because it owned of record, for the benefit of others, more than 25% of the outstanding voting shares as of September 30, 2026.

As of September 30, 2026, the officers and Trustees of the Trust as a group owned 9.20% of the then-outstanding shares of the James Micro Cap Fund.

As of September 30, 2026, the following persons owned of record, for the benefit of their respective customers, more than 5% of the outstanding voting shares of the James Micro Cap Fund:

Name/Address	Percentage Owned
Frank E. James Jr. Trust* Beavercreek, OH 45434	30.11%
James Investment Research Inc. P.O. Box 8 Alpha, OH 45301	9.70%
Charles Schwab & Co., Inc.	7.70%

211 Main Street San Francisco, CA 94105	
National Financial Services, LLC 82 Devonshire St. Mail Zone ZE7F Boston, MA 02109	15.97%

* May be deemed to control the Fund because it owned of record, for the benefit of others, more than 25% of the outstanding voting shares as of September 30, 2026.

As of September 30, 2026, the officers and Trustees of the Trust as a group owned 4.54% of the then-outstanding shares of the James Small Cap Fund.

As of September 30, 2026, the following persons owned of record, for the benefit of their respective customers, more than 5% of the outstanding voting shares of the James Small Cap Fund:

Name/Address	Percentage Owned
National Financial Services, LLC 82 Devonshire St Boston, MA 02109	16.84%
Frank E. James Jr. Trust Beavercreek, OH 45434	12.04%
Charles Schwab & Co., Inc. 211 Main St San Francisco, CA 94105	9.33%
James Investment Research Inc. P.O. Box 8 Alpha, OH 45301	5.46%

THE INVESTMENT ADVISER

James Investment Research, Inc., P.O. Box 8, Alpha, Ohio 45301 supervises the Funds' investments pursuant to Management Agreements between the Adviser and the Trust on behalf of each Fund, subject to the approval of the Board. The Francis E. James, Jr. Trust (the "Dr. James Trust") is the controlling shareholder of the Adviser. The current trustees of the Dr. James Trust are Iris James, Frank E. James, III and Barry R. James.

The current term of the Management Agreement between the Adviser and each Fund is one year. and is renewed thereafter for one year periods only so long as such renewal and continuance is specifically approved at least annually by the Board or by vote of a majority of the applicable Fund's outstanding voting securities, provided the continuance is also approved by a majority of the Trustees who are not "interested persons" of the Trust or the Adviser by vote cast in person at a meeting called for the purpose of voting on such approval. Each Management Agreement is terminable without penalty on sixty days' notice by the Board or by the Adviser. Each Management Agreement provides that it will terminate automatically in the event of its assignment.

Under the terms of each Fund's Management Agreement, the Adviser manages each Fund's investments subject to approval of the Board. The Adviser pays the expenses (except as excluded below)

of each Fund other than the James Balanced: Golden Rainbow Fund. These expenses paid by the Adviser exclude brokerage fees and commissions, taxes, interest, fees and expenses of the non-interested person Trustees, 12b-1 fees and extraordinary expenses (including litigation to which the Fund may be party and indemnification of the Trust's Trustees and officers with respect thereto). Acquired Fund Fees and Expenses, which are paid indirectly by a Fund, are also excluded. The Adviser does not make such payments for the James Balanced: Golden Rainbow Fund.

As compensation for the Adviser's management services (and, with respect to each Fund except the James Balanced: Golden Rainbow Fund, also in exchange for the Adviser's agreement to pay such Fund's expenses as outlined above), each Fund is obligated to pay the Adviser a fee (based on average daily net assets) computed and accrued daily and paid monthly at the following annual rates (minus the fees and expenses of the non-interested person Trustees incurred by the James Small Cap and James Micro Cap Funds):

ASSETS	JAMES AGGRESSIVE ALLOCATION FUND	JAMES BALANCED: GOLDEN RAINBOW FUND	JAMES MICRO CAP FUND	JAMES SMALL CAP FUND
Up to and including $500 million	0.98%	0.74%	1.50 %	1.25 %
Over $500 million up to and including $1 billion	0.95%	0.70%	1.45%	1.20%
Over $1 billion up to and including $2 billion	0.90%	0.65%	N/A	1.15%
Over $2 billion	0.85%	0.60%	N/A	1.10%

The Adviser may waive all or part of its fee, at any time, and at its sole discretion, but such action shall not obligate the Adviser to waive any fees in the future. Each Fund paid the Adviser the following amounts for each of the last three fiscal years:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024
James Aggressive Allocation Fund	$282,485	$243,789	$213,291
James Balanced: Golden Rainbow Fund	$3,093,142	$3,087,863	$3,123,947
James Micro Cap Fund	$418,468	$408,420	$369,493
James Small Cap Fund	$942,132	$616,172	$467,677

The James Balanced: Golden Rainbow Fund is responsible for the payment of all operating expenses of the Fund, including brokerage fees and commissions; taxes or governmental fees; interest; fees and expenses of the non-interested person trustees; clerical and shareholder service staff salaries; office space and other office expenses; fees and expenses incurred by the Fund in connection with membership in investment company organizations; legal, auditing and accounting expenses; expenses of registering shares under federal and state securities laws; insurance expenses; fees and expenses of the Custodian, transfer agent, dividend disbursing agent, shareholder service agent, administrator, and accounting and pricing services agent of the Fund; expenses, including clerical expenses, of issue, sale, redemption or repurchase of shares of the Fund; the cost of preparing and distributing reports and notices to shareholders, the cost of printing or preparing prospectuses and statements of additional information for delivery to the Fund's shareholders; the cost of printing or preparing statements, reports or other documents to shareholders; expenses of shareholders' meetings and proxy solicitations; and such extraordinary or non-recurring

expenses as may arise, including litigation to which the Fund may be a party and indemnification of the Trust's Trustees and officers with respect thereto.

The Adviser retains the right to use the names "James," "Balanced: Golden Rainbow," "James Advantage" or any variation thereof in connection with another investment company or business enterprise with which the Adviser is or may become associated. The Trust's right to use the name "James," "Balanced: Golden Rainbow," "James Advantage" or any variation thereof automatically ceases 90 days after termination of the Management Agreement and may be withdrawn by the Adviser on 90 days written notice.

The Adviser may make payments to banks, broker-dealers, or other financial institutions that provide shareholder services and administer shareholder accounts. If a financial institution were prohibited from continuing to perform all or a part of such services, management of the Funds believes that there would be no material impact on the Funds or their shareholders. Financial institutions may charge their customers fees for offering these services to the extent permitted by applicable regulatory authorities, and the overall return to those shareholders availing themselves of the financial institution services will be lower than to those shareholders who do not. The Funds may from time to time purchase securities issued by financial institutions that provide such services; however, in selecting investments for the Funds, no preference will be shown for such securities.

PORTFOLIO MANAGERS

The following charts list the Funds' portfolio managers, the number of their other managed accounts per investment category, the total pooled assets of managed accounts (not including the Funds), and the beneficial ownership in the Fund(s) managed at the end of the June 30, 2026 fiscal year. Barry James, Dr. Fall Ainina, and Lesley Ott, are members of the Adviser's investment committee and are not responsible for the day-to-day management of each Fund's portfolio of securities. Ann M. Shaw and Thomas Mangan are advisors to the investment committee and are not responsible for the portfolio management of the Funds. Listed below the charts is (i) a description of accounts managed where the advisory fee is based on the performance of the account, if any, (ii) a description of the portfolio managers' compensation structure at the end of the June 30, 2026 fiscal year, and (iii) a description of any material conflicts that may arise in connection with the portfolio manager's management of the Funds' investments and the investments of the other accounts included in the chart and any material conflicts in allocation of investment opportunities between the Funds and other accounts managed by the portfolio manager, if any.

Portfolio Manager	Account Type	Number of Accounts Managed	Total Assets (in millions)	Number of Accounts Managed Subject to Performance Fee	Total Assets Subject to a Performance Fee (in millions)
R. Brian Culpepper, CMFC, CKA					
	Registered Investment Cos.	0	0	0	0
	Other Pooled Investment Vehicles*	0	0	0	0
	Other Accounts	218	$387.94	0	0

Brian P. Shepardson, CFA					
	Registered Investment Cos.	0	0	0	0
	Other Pooled Investment Vehicles*	0	0	0	0
	Other Accounts	57	$225.53	0	0
Trent Dysert, CFA					
	Registered Investment Companies	0	0	0	0
	Other Pooled Investment Vehicles*	1	$7.33	0	0
	Other Accounts	144	$195.56	0	0

* The other pooled account is the Nano Cap Group Partnership, which is not open to the public.

Securities Ownership of Portfolio Managers: As of June 30, 2026

Portfolio Manager	Fund	Dollar Range
R. Brian Culpepper, CMFC, CKA	James Aggressive Allocation Fund	$100,001 - $500,000
	James Balanced: Golden Rainbow Fund	$500,001 - $1,000,000
	James Micro-Cap Fund	$100,001 - $500,000
	James Small Cap Fund	$100,001 - $500,000
Brian P. Shepardson, CFA	James Aggressive Allocation Fund	$100,001 - $500,000
	James Balanced: Golden Rainbow Fund	$500,001 - $1,000,000
	James Micro-Cap Fund	$100,001 - $500,000
	James Small Cap Fund	$100,001 - $500,000
Trent D. Dysert, CFA	James Aggressive Allocation Fund	$100,001 - $500,000
	James Balanced: Golden Rainbow Fund	$100,001 - $500,000
	James Micro-Cap Fund	$100,001 - $500,000
	James Small Cap Fund	$100,001 - $500,000

* R. Brian Culpepper is a co-trustee of the James Investment Research Profit Sharing Plan (the "Plan"). As a result, Mr. Culpepper may be deemed to beneficially own the shares owned by the Plan. Shares indicated as owned by Mr. Culpepper include shares in his account of the Plan, but do not include any other shares of the Plan.

Portfolio Manager Compensation. All portfolio managers are compensated in the following manner:

Salary: Determined at employment and periodically adjusted.

Profit Sharing: The net, pre-tax profits of the Adviser are shared with all of its employees based on a formula.

Portfolio Manager's Bonus: An additional portion of the profits of the Adviser is awarded to portfolio managers. This is based on the value of the assets under management by that portfolio manager, the number of accounts managed and length of service with the Adviser; the longer the tenure, the greater the compensation.

Other Bonuses: The Adviser may give additional bonuses at its sole discretion or upon the advice of its Board of Directors.

A material conflict might arise in the management of the Funds versus the management of other accounts if the dollar value of micro capitalization stock transactions were to grow to be so large as to cause significant price movements as portfolio managers acquire and liquidate positions. This conflict may arise because many of the Adviser's individually managed portfolios follow the same strategies as the Funds and hold the same securities. The Adviser may use limits in executing larger transactions and has adopted policies and procedures, such as aggregating mutual fund trades with private client transactions and average pricing to ensure that no fund or client has an advantage over other Funds or clients.

TRANSFER AGENT, DISTRIBUTOR AND ADMINISTRATOR

The Funds retain Ultimus Fund Solutions, LLC ("Ultimus," the "Transfer Agent" or the "Administrator"), 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246, to serve as a transfer agent, dividend paying agent, and shareholder services agent, and to provide the Funds with administrative services, including regulatory reporting and necessary office equipment, personnel, and facilities. The Funds also retain Ultimus to provide the Funds with fund accounting services, including calculating the Funds' daily net asset value, necessary office equipment, personnel, and facilities. The Adviser pays the Transfer Agent for its transfer agency fund administrative services, and fund accounting services on behalf of each Fund besides the James Balanced: Golden Rainbow Fund which pays its own expenses. The following amounts were paid for fund administration, fund accounting and transfer agency services for each of the last three fiscal years.

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024
James Aggressive Allocation Fund	$37,186	$34,196	$59,558
James Balanced: Golden Rainbow Fund	$290,059	$265,014	$296,917
James Micro Cap Fund	$38,046	$36,896	$60,550
James Small Cap Fund	$81,672	$52,951	$72,933

The Funds retain Ultimus Fund Distributors, LLC (the "Distributor"), 225 Pictoria Drive, Suite 450, Cincinnati, OH 45246 to act as the exclusive agent for distribution of the Funds' shares. The Distributor is obligated to sell shares of the Funds on a best efforts basis only against purchase orders for the shares. Shares of the Funds are offered to the public on a continuous basis.

Certain officers of the Trust may also be officers and/or employees of Ultimus (the Administrator, the Transfer Agent and accounting services agent for the Trust).

CUSTODIAN

U.S. Bank, N.A., 425 Walnut Street, Cincinnati, Ohio 45202, is Custodian of the Funds. The Custodian holds the cash and securities of the Funds (either in the Custodian's possession or in its favor through "book entry systems" authorized by the Trustees in accordance with the 1940 Act), collects all income and effects all securities transactions on behalf of the Funds.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The firm of Deloitte & Touche LLP, 1601 Wewatta Street, Suite 400, Denver, CO 80202, has been selected as independent registered public accounting firm for the Trust. Deloitte & Touche LLP performs annual audits of the Funds' financial statements and financial highlights.

PORTFOLIO TRANSACTIONS AND BROKERAGE

Subject to policies established by the Board, the Adviser is responsible for the Funds' portfolio decisions and the placing of the Funds' portfolio transactions. In placing portfolio transactions, the Adviser seeks the best qualitative execution for the Funds, taking into account such factors as price (including the applicable brokerage commission or dealer spread), the execution capability, financial responsibility and responsiveness of the broker or dealer and the brokerage and research services provided by the broker or dealer. The Adviser generally seeks favorable prices and commission rates that are reasonable in relation to the benefits received.

The Adviser is specifically authorized to select brokers or dealers who also provide brokerage and research services to the Funds and/or the other accounts over which the Adviser exercises investment discretion and to pay such brokers or dealers a commission in excess of the commission another broker or dealer would charge if the Adviser determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services provided. The determination may be viewed in terms of a particular transaction or the Adviser's overall responsibilities with respect to the Trust and to other accounts over which it exercises investment discretion.

Research services include supplemental research, securities and economic analyses, statistical services and information with respect to the availability of securities or purchasers or sellers of securities and analyses of reports concerning performance of accounts. The research services and other information furnished by brokers through whom the Funds effect securities transactions may also be used by the Adviser in servicing all of its accounts. Similarly, research and information provided by brokers or dealers serving other clients may be useful to the Adviser in connection with its services to the Funds. Although research services and other information are useful to the Funds and the Adviser, it is not possible to place a dollar value on the research and other information received. It is the opinion of the Board and the Adviser that the review and study of the research and other information will not reduce the overall cost to the Adviser of performing its duties to the Funds under the Management Agreements.

Over-the-counter transactions will be placed either directly with principal market makers or with broker-dealers, if the same or a better price, including commissions and executions, is available. Fixed income securities are normally purchased directly from the issuer, an underwriter or a market maker. Purchases include a concession paid by the issuer to the underwriter and the purchase price paid to a market maker may include the spread between the bid and asked prices.

The Adviser makes investment decisions for the Funds independently from those of the other accounts the Adviser manages; investments of the type the Funds may make, however, may also be made by those other accounts. When the Funds and one or more other accounts the Adviser manages are prepared

to invest in, or desire to dispose of, the same security, the Adviser will allocate available investments or opportunities for sales in a manner the Adviser believes to be equitable to each. In some cases, this procedure may adversely affect the price paid or received by the Funds or the size of the position obtained or disposed of by the Fund. The Adviser will aggregate purchase and sale orders for the Funds and its other clients if it believes such aggregation is consistent with its duty to seek best execution for the Funds and its other clients.

The Adviser may not give consideration to sales of shares of the Fund as a factor in the selection of brokers and dealers to execute portfolio transactions. However, the Adviser may place portfolio transactions with brokers or dealers that promote or sell the Fund's shares so long as such placements are made pursuant to policies approved by the Board that are designed to ensure that the selection is based on the quality of the broker's execution and not on its sales efforts.

Orders for the same security for one of the Funds and one of the accounts the Adviser manages, placed at the same time by a portfolio manager will be aggregated. In addition, two or more portfolio managers may place orders for the same security, either to buy or sell, at the same time. These orders will also be aggregated if executed by an Adviser's trader at the same time through the same broker. Orders for trades in the Funds may be bunched, or aggregated with other clients, including limited partnerships. Bunched or aggregated orders will be average priced and positions not 100 percent filled will be allocated on a pro-rata basis. These policies apply to all trades: establishing long positions and selling long positions. The policies do not require that all Fund trades be aggregated, especially in the case of portfolio maintenance trades or trades specific to a particular portfolio, such as the need to rebalance a portfolio, to raise cash or to invest new cash.

The Funds paid brokerage commissions in the following amounts in the last three fiscal years:

	Fiscal Year Ended June 30, 2026	Fiscal Year Ended June 30, 2025	Fiscal Year Ended June 30, 2024
James Aggressive Allocation Fund	$1,507	$1,116	$2,013
James Balanced: Golden Rainbow Fund	$16,338	$16,089	$16,112
James Micro Cap Fund	$4,443	$4,442	$5,213
James Small Cap Fund	$18,790	$8,564	$9,445

Code of Ethics. The Trust, the Adviser and the Distributor have each adopted a Code of Ethics under Rule 17j-1 under the 1940 Act, which permits Fund personnel to invest in securities for their own accounts. The Codes of Ethics adopted by the Trust, the Adviser and the Distributor are on public file with, and are available from, the SEC.

SHARES OF THE FUNDS

The Funds do not issue share certificates. All shares are held in non-certificate form registered on the books of the Funds and the Transfer Agent for the account of the shareholder. The rights to limit the amount of purchases and to refuse to sell to any person are reserved by the Funds. If your check or wire does not clear, you will be responsible for any loss incurred by the Funds. If you are already a shareholder, the Funds can redeem shares from any identically registered account in the Funds as reimbursement for any loss incurred. You may be prohibited or restricted from making future purchases in the Funds.

The James Balanced: Golden Rainbow Fund offers two classes of shares: the Retail Class shares and Institutional Class shares. Each class represents an interest in the same portfolio of investments and has the same rights, but differs primarily in distribution fees, sales charges and shareholder features. The Retail Class shares are subject to distribution (12b-1) fees but have lower minimum investment requirements and offer certain shareholder services not available to Institutional Class shareholders. Institutional Class shares are not subject to 12b-1 fees and are available only through investment advisers and bank trust departments that have made arrangements for shares of all of their clients investing in the Fund to be held in an omnibus account (as well as other entities that are approved by management of the Trust).

DETERMINATION OF SHARE PRICE

The price (net asset value) of the shares of the Funds is determined as of 4:00 p.m., Eastern Time on each day the Trust is open for business and on any other day on which there is sufficient trading in the Fund's securities to materially affect the net asset value. The Trust is open for business on every day except Saturdays, Sundays and the following holidays: New Year's Day, President's Day, Martin Luther King, Jr. Day, Good Friday, Memorial Day, Juneteenth National Independence Day, Independence Day, Labor Day, Thanksgiving and Christmas. For a description of the methods used to determine the net asset value (share price), see "Pricing Your Shares" in the applicable Prospectus.

Securities that are traded on any exchange are valued at the last quoted sale price. Lacking a last sale price, a security is valued at its last bid price except when, in the Adviser's opinion, the last bid price does not accurately reflect the current value of the security. Securities that are traded on the NASDAQ over-the-counter market are valued at their NASDAQ Official Closing Price ("NOCP") for all NASDAQ National Market ("NNM") and NASDAQ Capital Market® securities. When market quotations are not readily available, if an event occurs after the close of the trading market (but before the time as of which the Fund determines its net asset value) that materially affects a security's value, when the Adviser determines that the market quotation does not accurately reflect the current value or when a restricted security is being valued, that security will be valued at its fair value as determined in good faith in conformity with guidelines adopted by and subject to review of the Board. The Funds may use pricing services to determine market value for securities.

For valuation purposes, quotations of foreign securities in a foreign currency are converted to U.S. dollar equivalents at the time of pricing. In computing the net asset value of the Funds, the values of foreign portfolio securities are generally based upon market quotations which, depending upon the exchange or market, may be last sale price, last bid price, or the average of the last bid and asked prices as of, in each case, the close of the appropriate exchange or another designated time.

Trading in securities on European and Far Eastern securities exchanges and over-the-counter markets is normally completed at various times before the close of business on each day on which the NYSE is open. Trading of these securities may not take place on every NYSE business day. In addition, trading may take place in various foreign markets on Saturdays or on other days when the NYSE is not open and on which the Funds' share price is not calculated. Therefore, the value of the portfolio of a fund holding foreign securities may be significantly affected on days when shares of the Funds may not be purchased or redeemed.

The calculation of the share price of the Funds holding foreign securities in its portfolio does not take place contemporaneously with the determination of the values of many of the foreign portfolio securities used in such calculation. Events affecting the values of foreign portfolio securities that occur between the time their prices are determined and the calculation of the Funds' share price will not be reflected in the calculation unless the Adviser determines, subject to review by the Board, that the particular event would materially affect net asset value, in which case an adjustment will be made.

FEDERAL INCOME TAXES

This section provides additional information for investors in a Fund concerning U.S. federal income taxes. It is based on the Internal Revenue Code of 1986, as amended (the "Code"), applicable Treasury Regulations, judicial authority, and administrative rulings and practice, all as of the date of this SAI, and all of which are subject to change, including changes with retroactive effect. The following does not address any state, local or foreign or estate or gift tax matters.

A shareholder's U.S. federal income tax consequences from acquiring, holding and disposing of shares in the Funds may vary depending upon the shareholder's particular situation. This discussion only applies to shareholders who are U.S. persons, except where otherwise noted. For purposes of this discussion, U.S. persons are: (i) U.S. citizens or residents, (ii) U.S. corporations (i.e., entities classified as corporations for U.S. tax purposes that are organized under the laws of the United States or any state), (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source, or (iv) a trust, if a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or if the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person. Except where expressly noted, this discussion does not address issues of significance to U.S. persons in special situations such as: (i) certain types of tax-exempt entities, (ii) shareholders holding shares through tax-qualified accounts (such as 401(k) plan accounts or individual retirement accounts), (iii) shareholders holding investments through foreign institutions (financial and non-financial) or foreign accounts, (iv) financial institutions, (v) broker-dealers, (vi) shareholders who are dealers in securities, (vii) shareholders holding shares as part of a hedge, straddle or conversion transaction, (viii) shareholders who are subject to the U.S. federal alternative minimum tax or U.S. federal corporate alternative minimum tax, (ix) insurance companies, (x) regulated investment companies, and (xi) shareholders who are pass-through entities.

If a pass-through entity (including for this purpose any entity treated as a partnership or S corporation for U.S. federal income tax purposes) is a beneficial owner of shares, the tax treatment of an owner of the pass-through entity will generally depend upon the status of the owner and the activities of the entity. Owners of entities that are considering the purchase of shares should consult their tax advisers regarding the U.S. federal income tax consequences of the purchase, ownership and disposition of shares.

The Funds have not requested and will not request an advance ruling from the Internal Revenue Service (the "IRS") as to the U.S. federal income tax matters described below. The IRS could adopt positions contrary to those discussed below and such positions could be sustained. In addition, the foregoing discussion only addresses some of the U.S. federal income tax considerations generally affecting investments in the Funds. Prospective shareholders are urged to consult with their own tax advisers as to the particular U.S. federal tax consequences to them of an investment in the Funds, as well as the applicability and effect of any state, local or foreign laws, and the effect of possible changes in applicable tax laws.

Taxation of the Funds. The Funds have qualified and intend to continue to qualify, as "regulated investment companies" under Subchapter M of the Code. Each Fund also intends to be treated as a separate entity for federal income tax purposes. Thus, the provisions of the Code applicable to regulated investment companies generally will apply separately to each Fund even though it is a series of the Trust. Furthermore, each Fund will separately determine its income, gain, losses and expenses for federal income tax purposes. This discussion assumes that the Funds will qualify under Subchapter M of the Code as regulated investment companies and will satisfy distribution requirements for taxation as such (as described below), although there can be no assurance that this assumption will be correct.

In order to qualify for the special tax treatment accorded regulated investment companies and their shareholders, a Fund must, among other things: (i) derive at least 90% of its gross income each taxable year from dividends, interest, payments with respect to securities' loans, gains from the disposition of stock, securities or foreign currencies, and other income (including, but not limited to, gains from forward contracts) derived with respect to its business of investing in such stock, securities or currencies, and certain net income from interests in a qualified publicly traded partnership (as described below); (ii) diversify its holdings so that at the end of each fiscal quarter, (a) at least 50% of the value of its total assets consists of cash and cash items (including receivables), U.S. government securities, securities of other regulated investment companies, and other securities limited generally, with respect to any one issuer, to no more than 5% of the value of the Fund's total assets and 10% of the outstanding voting securities of such issuer, and (b) not more than 25% of the value of the Fund's total assets are invested in (1) the securities (other than those of the U.S. government or other regulated investment companies) of any one issuer, (2) the securities (other than the securities of other regulated investment companies) of two or more issuers which a Fund "controls" (as defined in the Code) and which are engaged in the same, similar or related trades or businesses, or (3) in the securities of one or more qualified publicly traded partnerships; and (iii) distribute with respect to each taxable year an amount equal to or exceeding the sum of (a) 90% of its "investment company taxable income," as that term is defined in the Code (which generally includes, among other things, dividends, taxable interest, and the excess of any net short-term capital gains over net long-term capital losses, and excludes, among other things, net capital gain) without regard to the deduction for dividends paid, and (b) 90% of its tax-exempt interest income, net of expenses allocable thereto. For purposes of meeting the diversification requirement described in (ii) above, in the case of a Fund's investment in loan participations, the issuer may be the financial intermediary or the borrower.

With respect to (i) above, the IRS may issue Treasury Regulations that limit qualifying income from foreign currency gains and certain derivatives to the amount of such income that is directly related to a regulated investment company's principal business of investing in stock or securities. For purposes of the 90% gross income requirement described in (i) above, income derived from a partnership will generally be treated as qualifying income only to the extent such income is attributable to items of income of the partnership which would be qualifying income if realized by the regulated investment company. However, 100% of the net income derived from an interest in a "qualified publicly traded partnership" (defined as a partnership (x) interests in which are traded on an established securities market or readily tradable on a secondary market or the substantial equivalent thereof and (y) that derives less than 90% of its income from the qualifying income described in (i) above) will be treated as qualifying income. In addition, although in general the passive activity loss rules of the Code do not apply to regulated investment companies, such rules do apply to a regulated investment company with respect to items attributable to an interest in a qualified publicly traded partnership. Finally, for purposes of (ii)(a) above, the term "outstanding voting securities of such issuer" will include the equity securities of a qualified publicly traded partnership.

To the extent that it qualifies for treatment as a regulated investment company, a Fund will not be subject to U.S. federal income tax on income distributed to its shareholders in a timely manner in the form of dividends (including capital gain dividends, defined below). In certain situations, a Fund can cure failures to meet the income and diversification tests described above, including, in some cases, by paying a Fund-level tax and, in the case of diversification failures, timely disposing of certain assets. If a Fund were to fail to qualify as a regulated investment company accorded special tax treatment in any taxable year – for example, because it was not sufficiently diversified under the applicable Code tests – the Fund would be subject to tax on its taxable income at corporate rates, and all distributions from earnings and profits, including any distributions of net tax-exempt income and net long-term capital gains, would be taxable to shareholders as ordinary income. To qualify again to be taxed as a regulated investment company that is accorded special tax treatment in a subsequent year, a Fund could be required to pay substantial taxes, penalties and interest and make substantial distributions, which may be taxed to shareholders as either ordinary income or qualified dividend income. In addition, if a Fund fails to qualify as a regulated

investment company for a period greater than two taxable years, the Fund may be required to recognize and pay tax on any net built-in gain (the excess of aggregate gain, including items of income, over aggregate loss that would have been realized if the Fund had been liquidated) or, alternatively, to be subject to taxation on such built-in gain recognized for a period of five years, in order to qualify as a regulated investment company in a subsequent year.

As regulated investment companies, the Funds generally will not be subject to U.S. federal income tax on their net capital gains (that, is any net long-term capital gains in excess of net short-term capital losses) to the extent of dividends that are properly reported by such Fund in a written statement to shareholders as capital gain dividends ("capital gain dividends") or on its investment company taxable income if any, that such Fund distributes to shareholders on a timely basis. The Funds generally intend to distribute all of their investment company taxable income and to distribute all of their net capital gains, after offsetting any capital loss carryforwards, as capital gains. If the Funds do retain any investment company taxable income, they will be subject to tax at regular corporate rates on the amount retained. However, the Funds may elect to have certain distributions paid after the close of a tax year treated as having been paid during the tax year for purposes of the regulated investment company distribution requirements and for purposes of determining its taxable income ("spill-back dividends"). Spill-back dividends are taxed to shareholders in the year in which they are received.

If a Fund retains any net capital gain, it will also be subject to tax at regular corporate rates on the amount retained, but may designate the retained amount as undistributed capital gains in a notice to its shareholders who (i) will be required to include in income for U.S. federal income tax purposes, as long-term capital gain, their shares of such undistributed amount, (ii) will be entitled to credit their proportionate shares of the tax paid by such Fund on such undistributed amount against their U.S. federal income tax liabilities, if any, and (iii) will be entitled to obtain a refund of the excess, if any, of their allocable share of the tax paid by the Fund on such undistributed amount over the shareholder's tax liability on such amount. For U.S. federal income tax purposes, the tax basis of shares owned by a shareholder of a Fund will be increased by an amount equal to the difference between the amount of undistributed capital gains included in the shareholder's income and the tax deemed paid by the shareholder under clause (ii) of the preceding sentence.

Generally, the excess (if any) of a Fund's net short-term capital loss over the net long-term capital gain for a taxable year will carry over as a short-term capital loss arising on the first day of the next tax year. In addition, the excess (if any) of a Fund's net long-term capital loss over the net short-term capital gain for the year will carry over as a long-term capital loss arising on the first day of the next tax year. Any capital loss carryforward can be carried over indefinitely until used in future years to offset net realized capital gains.

If future capital gains are offset by carried-forward capital losses, such future capital gains are not subject to Fund-level federal income tax, regardless of whether they are distributed to shareholders. Distributions of gains that are offset by carried-forward capital losses are generally treated as return of capital distributions. The Funds cannot carry back or carry forward any net operating losses.

The Funds may be limited under Code Section 382 in their ability to offset its taxable income by capital loss carryforwards and net unrealized built-in losses after an "ownership change" of the Funds. The term "net unrealized built-in loss" refers to the excess, if any, of the Funds' aggregate adjusted basis in its assets immediately before an ownership change, over the fair market value of such assets at such time, subject to a de minimis rule. A Fund would experience an ownership change under Code Section 382 if and when 5-percent shareholders of a Fund increase their ownership by more than 50 percentage points in the aggregate over their respective lowest percentage ownership of the Fund's shares in a 3-year period. Under Code Section 382, if a Fund experiences an ownership change, the Fund may use its pre-change tax capital

loss carryforwards and net unrealized built-in losses in a year after the ownership change generally only up to the product of the fair market value of the Fund's equity immediately before the ownership change and a certain interest rate published monthly by the U.S. Treasury known as the applicable long-term tax-exempt rate. The foregoing limitation on the use of pre-ownership change net unrealized built-in losses only applies for a period of five years after the ownership change, while the foregoing limitation on the use of pre-ownership change capital loss carryforwards lasts indefinitely.

The Funds may elect to treat any post-October capital loss (defined as the company's net capital loss, net long-term capital loss, or net short-term capital loss, as applicable, in each case attributable to the portion of the taxable year after October 31) and late-year ordinary loss (generally, (i) net ordinary losses from the sale, exchange or other taxable disposition of property, attributable to the portion of the taxable year after October 31, plus (ii) certain other net ordinary losses attributable to the portion of the taxable year after December 31) as if incurred in the succeeding taxable year.

As of June 30, 2026, each Fund has the following capital loss carryforwards:

	Short-Term	Long-Term
James Aggressive Allocation Fund	$0	$0
James Balanced: Golden Rainbow Fund	$0	$0
James Micro Cap Fund	$0	$0
James Small Cap Fund	$0	$0

If a Fund fails to distribute in a calendar year at least an amount equal to the sum of 98% of its ordinary income for such year and 98.2% of its net capital gain income for the one-year period ending on October 31 of such year, plus any retained amount for the prior year, such Fund will be subject to a non-deductible excise tax on the undistributed amounts. For these purposes, ordinary gains and losses from the sale, exchange or other taxable disposition of property that would be properly taken into account after October 31 are treated as arising on January 1 of the following calendar year. For purposes of the excise tax, a Fund will be treated as having distributed any amount on which it has been subject to corporate income tax in the taxable year ending within the calendar year. A dividend paid to shareholders in January of a year that was declared and payable to the shareholders of record on a date in October, November or December of that preceding year generally is deemed to have been paid on December 31 of that preceding taxable year.

While the Funds intend to distribute their taxable income and capital gains in a manner so as to avoid imposition of the federal excise and income taxes, there can be no assurance that the Funds indeed will make sufficient distributions to avoid entirely imposition of federal excise or income taxes. Moreover, the Funds reserve the right to pay an excise tax rather than make an additional distribution when circumstances warrant (for example, the amount of excise tax to be paid is deemed de minimis by a Fund).

A Fund that is a "personal holding company" and that fails to distribute (or to be treated as distributing) all of its investment company taxable income may also be subject to a 20% nondeductible tax on its "undistributed personal holding company income." A Fund would generally be a personal holding company for a taxable year if five or fewer individuals own more than 50% of its outstanding shares at any time in the last half of the taxable year. The term "individual" for this purpose includes private foundations and certain trusts. The Funds do not expect to be subject to the tax on undistributed personal holding company income, although there can be no assurance that this will never occur.

Equalization Accounting. A Fund is permitted to treat on its tax return as dividends paid the portion of redemption proceeds paid to redeeming shareholders that represents the redeeming shareholders' portion of the Fund's accumulated earnings and profits. This practice, called tax "equalization," would reduce the amount of income and/or gains that a Fund must distribute as dividends to non-redeeming shareholders. This practice is not available for a Fund that for any taxable year in which the Fund is treated as a "personal holding company" for federal income tax purposes. However, the IRS has not expressly authorized the particular equalization methods that a Fund may use, and a Fund's use of an equalization method may be subject to IRS scrutiny. If the IRS were to determine that a Fund's equalization method is improper and that the Fund has under-distributed its income and gain for any taxable year, the Fund may be liable for federal income and/or excise tax.

Taxation of the Funds' Distributions. For U.S. federal income tax purposes, distributions of investment company taxable income are generally taxable as ordinary income to the extent of the Funds' current or accumulated "earnings and profits." Taxes on distributions of capital gains are determined by how long a Fund owned the investments that generated them, rather than how long a shareholder has owned the shareholder's shares. Distributions of net capital gains from the sale of investments that a Fund owned for more than one year and that are properly reported by such Fund as capital gain dividends (i.e., "capital gain dividends") will be taxable to such Fund shareholders as long-term capital gains. Generally, distributions of gains from the sale of investments that a Fund owned for one year or less will be taxable as ordinary income.

A Fund may report certain dividends as derived from "qualified dividend income," which, when received by an individual or other non-corporate shareholder, will be taxed at the rates applicable to long-term capital gain, in addition to the surtax on net investment income described below. Dividend income distributed to individual or other non-corporate shareholders will qualify as "qualified dividend income" as that term is defined in section 1(h)(11)(B) of the Code to the extent such distributions are attributable to income from a Fund's investments in common and preferred stock of U.S. companies and stock of certain qualified foreign corporations provided that certain holding period requirements and other requirements are met by both the Fund (with respect to the dividend paying corporation's stock) and its shareholders (with respect to the Fund's shares). If 95% or more of a Fund's gross income (excluding net long-term capital gain over short-term capital loss) constitutes qualified dividend income, all of its distributions out of earnings and profits (other than capital gain dividends) may be reported to and treated by individual shareholders as qualified dividend income, if the shareholders satisfy certain holding period requirements with respect to their Fund shares.

Under the Code, the Funds will be required to report to the IRS all distributions of taxable income and net realized capital gains. Distributions are taxable to shareholders even if they are paid from income or gains earned by a Fund before a shareholder invested in such Fund (and thus were included in the price the shareholder paid). Distributions are taxable whether shareholders receive them in cash or reinvest them in additional shares (other than distributions, if any, reported by a Fund as "exempt-interest dividends," which the Funds generally do not expect to report). Distributions declared and payable by a Fund during October, November or December to shareholders of record on a date in any such month and paid by the Fund during the following January will be treated for U.S. federal tax purposes as paid by such Fund and received by shareholders on December 31st of the year in which declared rather than the calendar year in which they were received.

The maximum long-term capital gain rate applicable to individuals and other noncorporate taxpayers generally is 20%, in addition to the 3.8% surcharge on net investment income, described under "Surtax on Net Investment Income," below.

Dividends received by a shareholder of a Fund that is a corporation and that are reported by the Fund in a written statement furnished to shareholders may qualify for the 50% dividends received deduction to the extent of the amount of qualifying dividends received by such Fund from domestic corporations and to the extent (if any) that a portion of interest paid or accrued on certain high yield discount obligations owned by such Fund are treated as dividends. For a corporate shareholder to receive this deduction, certain holding period requirements apply. In particular, a corporate shareholder must hold its Fund shares (and must not have certain protections against risk of loss) at least 46 days for the 91-day period beginning on the date 45 days before the date on which the Fund's shares becomes ex-dividend. Additionally, the Fund must meet similar holding period requirements with respect to shares of the domestic corporation issuing dividends. The dividends-received deduction is also reduced for dividends on certain debt-financed portfolio stock.

If a Fund makes a distribution in excess of its current and accumulated "earnings and profits" in any taxable year, the excess distribution will be treated as a return of capital to the extent of a shareholder's tax basis in the shareholder's shares, and thereafter as capital gain. A return of capital is generally not taxable currently, but it reduces a shareholder's basis in the shareholder's shares, thus reducing any loss or increasing any gain on a subsequent taxable disposition by the shareholder of such shares.

Section 163(j) of the Code generally limits the deductibility of business interest to the sum of the taxpayer's business interest income and 30% of its adjusted taxable income. Certain small businesses are exempt from such limitations. If a Fund, as a regulated investment company, earns business interest income, the Fund would be permitted to pay Code Section 163(j) interest dividends to its shareholders. A shareholder that receives a Code Section 163(j) interest dividend generally may treat the dividend as interest income for purposes of Code Section 163(j) if certain holding period requirements are met. Generally, the shareholder must have held the fund shares for more than 180 days during the 361-day window beginning 180 days before the ex-dividend date, and the shareholder must not be obligated (under a short sale or otherwise) to make related payments with respect to substantially similar or related property.

Sale or Redemption of Shares. The sale or redemption of Fund shares may give rise to a gain or loss equal to the difference between the amount realized in the sale or redemption and the shareholder's adjusted basis in the Fund shares sold or redeemed. In general, any gain or loss realized upon a taxable disposition of Fund shares will be treated as long-term capital gain or loss if the shares have been held for more than one year. Otherwise, such gain or loss will be treated as short-term capital gain or loss. However, any loss realized upon a taxable disposition of shares held for six months or less will be treated as long-term, rather than short-term, to the extent of any long-term capital gain distributions received (or deemed received) by the shareholder with respect to the shares. The deductibility of capital losses is subject to limitation.

All or a portion of any loss realized upon a taxable disposition of Fund shares will be disallowed if other substantially identical shares of such Fund are purchased within 30 days before or after the disposition. In such a case, the basis of the newly purchased shares will be adjusted to reflect the disallowed loss.

Transfers between Shares of Different Funds or Classes of a Single Fund. An exchange of shares of different funds represents the taxable sale of shares from one fund and the purchase of shares of another fund. This may produce a taxable gain or loss in your non-tax-qualified account. Transfers of shares between classes of a single Fund are generally not taxable transactions. Certain "significant holders" of a Fund within the meaning of Treasury Regulation Section 1.368-3(c)(1) will be required to include in their federal income tax returns for the year of the exchange of one class of shares for another of the Fund for which they are significant holders the information listed in Treasury Regulations. The term "significant holders" refers to shareholders of a Fund who own at least one percent (by vote or value) of the total

outstanding shares of a Fund, as well as shareholders who own shares of a Fund (immediately before the share class transfer in question) having a tax basis of at least $1 million.

Passive Foreign Investment Companies. Funds that invest in non-U.S. securities may own shares in certain foreign investment entities, referred to as "passive foreign investment companies" ("PFICs"). In general, a foreign company is classified as a PFIC if at least one-half of its assets constitute investment-type assets or 75% or more of its gross income is investment-type income. In order to avoid U.S. federal income tax and an additional charge on a portion of any "excess distribution" from PFICs or gain from the disposition of PFIC shares, a Fund may elect to "mark-to-market" annually its investments in such entities, which will result in such Fund being treated as if it had sold and repurchased all the PFIC stock at the end of each year. If a Fund makes the mark-to-market election, a Fund would report any such gains as ordinary income and would deduct such losses as ordinary losses to the extent of previously recognized gains. By making the mark-to-market election, a Fund could potentially mitigate the adverse tax consequences with respect to its ownership of shares in a PFIC, but in any particular year it may be required to recognize income in excess of the distributions it receives from PFICs and its proceeds from dispositions of PFIC stock. A Fund may have to distribute this "phantom" income and gain recognized under a mark-to-market election to satisfy the distribution requirement applicable to regulated investment companies and to avoid imposition of the excise tax described above.

Alternatively, a Fund may elect to treat a PFIC as a "qualified electing fund" (a "QEF election"), in which case such Fund must include its share of the company's income and net capital gains annually, regardless of whether it receives distributions from the PFIC. As with the mark-to-market election, these amounts would be taken into account by a Fund if it makes a QEF election for purposes of satisfying the distribution requirement and the excise tax distribution requirement. Amounts included in income under a QEF election would be qualifying dividend income for a regulated investment company if either (i) such earnings are distributed in the taxable year in which they are included, or (ii) such earnings are derived with respect to the regulated investment company's business of investing in stock, securities or currency. In order to make a QEF election, a Fund would be required to obtain certain annual information from the PFICs in which it invests, which may be difficult or impossible to obtain. Dividends from a foreign corporation that is a PFIC in the year in which the dividend was paid or was a PFIC in the immediately preceding year generally will not qualify for treatment as qualified dividend income.

If a Fund is unable to identify an investment as a PFIC and thus does not make a mark-to-market election or a QEF election, the Fund may be subject to U.S. federal income tax and an interest charge on distributions with respect to such shares, or gain from the disposition of such shares, under punitive tax rules that apply to so-called "excess distributions" from PFICs, even if such income is distributed as a taxable dividend by the Fund to its shareholders.

Non-U.S. Taxes. Funds that invest in non-U.S. securities may be liable to non-U.S. governments for taxes relating primarily to investment income or capital gains on non-U.S. securities in such Fund's portfolio. If at the close of its taxable year more than 50% of the value of a Fund's total assets consists of securities of foreign corporations (including foreign governments), such Fund may make an election under the Code that would allow Fund shareholders who are U.S. persons (including U.S. corporations) to claim a foreign tax credit or deduction (but not both) on their U.S. income tax return for their pro rata portion of qualified taxes paid by that Fund to non-U.S. countries in respect of non-U.S. securities held at least a minimum period as specified in the Code.

Alternatively, if a Fund were to qualify as a "qualified fund of funds," such Fund could be entitled to elect to pass-through its foreign tax credits without regard to the above described 50% requirement. For this purpose, the term "qualified fund of funds" means a regulated investment company if (at the close of

each quarter of the taxable year) at least 50% of the value of its total assets is represented by interests in other regulated investment companies.

If a Fund were eligible for and were to make an election to pass through foreign taxes, a shareholder of such Fund must report as gross income the shareholder's proportionate share of those foreign taxes as reported by the Fund and may be able to claim such amount as a foreign tax credit or, alternatively, as an itemized deduction, subject to applicable limitations under federal tax law.

The Funds make no assurances as to either the availability of any election discussed in this section or their willingness to make any such election.

Controlled Foreign Corporations. The Funds may invest in entities known as "controlled foreign corporations" ("CFCs"). A CFC is a foreign corporation in which more than 50% of the stock, by vote or value, is owned, directly or constructively, by U.S. persons each of whom own, directly or constructively, 10% or more of the stock of a foreign corporation by vote or by value. If a Fund is such a 10% shareholder with respect to a CFC, the Fund generally must annually include in income its allocable share (if any) of the CFC's (i) "subpart F income" and (ii) "net CFC tested income," both as defined by the Code, regardless of whether or not the CFC distributes such amounts to the Fund. Amounts included in gross income by a Fund as subpart F income of a CFC are qualifying income for the Fund under Code Section 851(b) if either (i) such amounts are distributed to the Fund in the taxable year in which they are earned by the CFC, or (ii) such income is derived with respect to the Fund's business of investing in stock, securities or currencies. Net CFC tested income included in gross income is treated in the same manner as subpart F income for purposes of Code Section 851(b) and various other provisions of the Code except as provided in future rules issued by the Treasury Department.

Non-U.S. Currency Transactions. Transactions in non-U.S. currencies and non-U.S. currency denominated debt obligations may give rise to ordinary income or loss to the extent such income or loss results from fluctuations in the value of the non-U.S. currency concerned and may increase the amount and affect the timing and character of taxes payable by shareholders of a Fund. Funds may enter into certain transactions in foreign currencies and foreign currency denominated instruments that result in a difference between such Fund's book income and taxable income. This difference may cause a portion of such Fund's income distributions to constitute a return of capital or capital gain for tax purposes or require such Fund to make distributions exceeding book income to avoid excise tax liability and to qualify as a regulated investment company, which may have the effect of accelerating taxable distributions to shareholders of such Fund.

Securities Issued or Purchased at a Discount. A Fund may acquire debt obligations that have original issue discount. "Original issue discount" is the excess of a debt obligation's stated redemption price at maturity over the obligation's issue price. A taxpayer that acquires an obligation with original issue discount generally must include the original issue discount in income as it accrues on a constant yield-to-maturity basis without regard to when, or whether, payments are made on the obligation. Obligations owned by a Fund that have original issue discount may include investment in payment-in-kind securities, and certain other obligations. Obligations with original issue discount owned by a Fund will give rise to income that the Fund must distribute to shareholders who will be taxed on it as ordinary income (unless such dividends qualify as exempt-interest dividends) even though the Fund does not receive an interest payment in cash on the obligation during the year. To generate cash to satisfy those distribution requirements, a Fund may have to sell portfolio securities that it otherwise might have continued to hold or to use cash flows from other sources such as the sale of Fund shares. A Fund may realize gains or losses from such sales. If a Fund realizes net capital gains from such transactions, its shareholders may receive a larger capital gain dividend than they would in the absence of such transactions.

Some debt obligations that are acquired by a Fund in the secondary market may be treated as having market discount. "Market discount" is generally the excess of the stated redemption price of the bond at maturity over the basis of the bond immediately after its acquisition by the taxpayer. Generally, any gain recognized on the receipt of principal payments or on the disposition of a debt security having market discount is treated as ordinary income to the extent the gain is attributable to "accrued market discount" on such debt security. Market discount generally accrues in equal daily installments. A Fund may make certain elections applicable to debt obligations having market discount, which could affect the character and timing of recognition of income for U.S. federal income tax purposes.

Inflation Adjusted Securities. The Funds may invest in inflation-indexed securities (also known as inflation-protected securities), on which principal is adjusted based on changes in an inflation index such as the CPI. These securities may be reported under either the "coupon bond" method or the "discount bond method," depending upon characteristics of the particular securities. Under the coupon bond method, which generally applies if a debt instrument is issued at par and all stated interest is required to be paid at least annually, net positive adjustments to principal value as a result of an increase in the index are treated as original issue discount and are taxable as ordinary income in the year of the adjustment, rather than at maturity when the principal is repaid, and net negative adjustments to principal value as a result of a decrease in the index can be deducted to the extent of a Fund's interest income from the security for the current and previous taxable years, with any excess being carried forward to future taxable years. Under the discount bond method, which applies to inflation-indexed securities not subject to the coupon method, all income and expenses with respect to an inflation-adjusted security is recognized as original issue discount. The James Balanced: Golden Rainbow Fund intends to distribute dividends to shareholders on at least a quarterly basis, and each other Fund intends to distribute dividends to its shareholders on at least an annual basis. These distributions may include both interest income and net income representing principal adjustments. Net negative principal adjustments near the end of a taxable year may cause all or a portion of the dividends distributed earlier in the year to be treated as a return of capital.

Real Estate Investment Trusts. If a Fund were to invest in REITs, its equity securities of a REIT could result in such Fund's receipt of cash in excess of the REIT's earnings. If a Fund receives such distributions all or a portion of these distributions will constitute a return of capital to such Fund. Receiving a return of capital distribution from a REIT will reduce the amount of income available to be distributed to such Fund shareholders. Income from REIT securities generally will not be eligible for treatment as qualified dividend income.

A deduction of up to 20% is available for taxpayers other than corporations for "qualified REIT dividends" from REITs. The phrase "qualified REIT dividends" means ordinary REIT dividends other than capital gains dividends and other than qualified dividends. A Fund may pay and report "section 199A dividends" to its shareholders with respect to its qualified REIT dividends. The amount of section 199A dividends that a Fund may pay and report to its shareholders is limited to the excess of the "qualified REIT dividends" that the Fund receives from REITs for a taxable year over the Fund's expenses allocable to such dividends. A shareholder may treat section 199A dividends received on a share of a Fund as "qualified REIT dividends" if the shareholder has held the share for more than 45 days during the 91-day period beginning 45 days before the date on which the share becomes ex-dividend, but only to the extent that the shareholder is not under an obligation (under a short-sale or otherwise) to make related payments with respect to positions in substantially similar or related property. A shareholder may include 20% of the shareholder's "qualified REIT dividends" in the computation of the shareholder's "combined qualified business income amount" under Code Section 199A. Code Section 199A allows a taxpayer (other than a corporation) a deduction equal to the lesser of (A) the taxpayer's "combined qualified business income amount" or (B) 20% of the excess of the taxpayer's taxable income over the taxpayer's net capital gain for the year.

Exempt-Interest Dividends. If at least 50% of the value of a Fund's assets at the end of each quarter of a taxable year of the Fund is invested in state, municipal and other obligations the interest on which is excluded from gross income under Section 103(a) of the Code, the Fund could distribute any tax-exempt interest earned by the Fund to its shareholders as tax-exempt "exempt-interest dividends." None of the Funds expect that it will be eligible to pay exempt-interest dividends.

Tax-Exempt Shareholders. Under current law, each Fund serves to "block" (that is, prevent the attribution to shareholders of) unrelated business taxable income ("UBTI") from being realized by its tax-exempt shareholders. Notwithstanding the foregoing, a tax-exempt shareholder could realize UBTI by virtue of its investment in a Fund if either: (1) the applicable Fund invests in REITs that hold residual interests in real estate mortgage investment conduits ("REMICs"), in which event any related UBTI may not be offset by net operating losses; or (2) shares in the applicable Fund constitute debt-financed property in the hands of the tax-exempt shareholder within the meaning of section 514(b) of the Code. If a charitable remainder trust (as defined in section 664 of the Code) realizes any UBTI for a taxable year, it will be subject to an excise tax equal to the amount of such income. A Fund may invest in REITs that hold residual interests in REMICs. Tax-exempt investors should consult with their tax advisors concerning the impact of these rules and other tax considerations that may apply to their particular circumstances before investing in the Fund.

Backup Withholding. The Funds generally are required to withhold and remit to the U.S. Treasury a percentage of the taxable distributions and redemption proceeds paid to any individual or other non-corporate shareholder who (i) fails to properly furnish the Funds with a correct taxpayer identification number ("TIN"), (ii) is identified by the IRS as otherwise subject to back-up withholding, or (iii) fails to timely certify to the Funds that it is a U.S. person who is not subject to such withholding. The backup withholding tax rate is 24%.

Backup withholding is not an additional tax. Amounts withheld under the backup withholding rules from a payment to a shareholder generally may be refunded or credited against the shareholder's federal income tax liability, if any, provided that certain required information is timely furnished to the IRS. If a shareholder fails to furnish a valid TIN upon request, the shareholder can be subject to IRS penalties.

Cost Basis Reporting. The Funds (or their administrative agents) must report to the IRS and furnish to Fund shareholders the cost basis information for Fund shares purchased on or after January 1, 2012, and redeemed, exchanged or otherwise sold and whether these shares had a short-term or long-term holding period. The Funds must report to the IRS the gross proceeds from the sale of any Fund shares.

The Funds will allow Shareholders to elect from among several IRS-accepted cost basis methods to calculate the cost basis of their covered shares. In the absence of such an election by a shareholder, the Funds will use their default cost basis method.

Once a Fund shareholder has elected a cost basis reporting method, the election will apply to all future transactions in shares purchased on or after January 1, 2012, unless the shareholder revokes or changes the standing election. The cost basis method elected or applied may not be changed after the settlement date of a sale of Fund shares. Fund shareholders should consult with their tax advisers concerning the most desirable IRS-accepted cost basis method for their tax situation.

Surtax on Net Investment Income. A Medicare surtax of 3.8% applies to net investment income of an individual taxpayer and to the undistributed net investment income of certain estates and trusts, in each case, to the extent that such person's gross income, as adjusted, exceeds a threshold amount. Net investment income includes interest, dividends, royalties, rents, gross income from a trade or business involving passive activities, and net gain from disposition of property (other than property held in a non-

passive trade or business). Net investment income also includes ordinary income and capital gain distributions received by a Fund shareholder from a Fund, as well as the shareholder's net gains from redemptions or other taxable dispositions of Fund shares. Net investment income is reduced by deductions properly allocable to such income.

Withholding on Shares Held Through Foreign Accounts. Under the Foreign Account Tax Compliance Act (or "FATCA"), special withholding rules apply when U.S. persons hold investments in the Funds through foreign financial institutions ("FFIs") or non-financial foreign entities ("NFFEs"). FFIs, or NFFEs that own shares of the Funds on behalf of U.S. persons may be subject to a 30% withholding tax on certain distributions paid by the Funds. The FATCA withholding tax generally may be avoided: (a) by an FFI, if it reports certain direct and indirect ownership of foreign financial accounts held by U.S. persons with the FFI and satisfies certain withholding requirements, and (b) by an NFFE, if it: (i) certifies that is has no substantial U.S. persons as owners or (ii) if it does have such owners, reports information relating to them to the withholding agent (which may be the Fund). The U.S. Treasury has negotiated intergovernmental agreements (each, an "IGA") with certain countries and is in various stages of negotiations with other foreign countries with respect to one or more alternative approaches to implement FATCA. An entity in one of those countries may be required to comply with the terms of an IGA and applicable local law instead of U.S. Treasury regulations. The withholding requirements under FATCA are in addition to the withholding rules described above.

An FFI can avoid FATCA withholding by becoming a "participating FFI," which requires the FFI to enter into a tax compliance agreement with the IRS under section 1471(b) of the Code under which it agrees to verify, report and disclose certain of its U.S. accountholders and provided that such entity meets certain other specified requirements. The FFI will report to the IRS, or, depending on the FFI's country of residence, to the government of that country (pursuant to the terms and conditions of an applicable IGA and applicable law), which will, in turn, report to the IRS. An FFI that is resident in a country that has entered into an IGA with the U.S. to implement FATCA will be exempt from FATCA withholding provided that the FFI shareholder and the applicable foreign government comply with the terms of such agreement.

An NFFE that is the beneficial owner of a payment from a Fund can avoid FATCA withholding generally by certifying that it does not have any substantial U.S. owners or by providing the name, address and taxpayer identification number of each substantial U.S. owner. The NFFE will report to the Fund or other applicable withholding agent, which will, in turn, report information to the IRS.

FFIs or NFFEs also may fall into certain exempt, excepted or deemed compliant categories as established by U.S. Treasury regulations, IGAs, and other guidance regarding FATCA. An FFI or NFFE that invests in a Fund will need to provide the Fund with documentation properly certifying the entity's status under FATCA in order to avoid FATCA withholding. The requirements imposed by FATCA are different from, and in addition to, the U.S. certification rules to avoid backup withholding described above.

Reportable Transactions. Under Treasury regulations, if a shareholder recognizes a loss with respect to a Fund's shares of $2 million or more for an individual shareholder or $10 million or more for a corporate shareholder (or twice such amounts over a combination of years), the shareholder must file with the IRS a disclosure statement on Form 8886. The fact that a loss is reportable under these regulations does not determine whether the taxpayer's treatment of the loss is proper.

Other Tax Matters. Special tax rules not described in this discussion apply to investments through defined contribution plans and other tax-qualified plans as well as investments by tax-exempt entities. Shareholders should consult their tax adviser to determine the suitability of shares of a Fund as an investment through such plans and entities and the precise effect of an investment on their particular tax situation.

A type of savings account known as "Trump accounts" were introduced into the Code in 2025 as a type of individual retirement account for children. Until the beginning of the first calendar year in which the account beneficiary attains the age of 18, a Trump account can invest only in "eligible investments' which include only investments in mutual funds or exchange traded funds that track the returns of certain types of equity indexes. The Funds do not expect to qualify as an eligible investment for Trump accounts and investors will not be eligible to invest a Trump account in a Fund until the first calendar year in which the account beneficiary reaches the age of 18.

The foregoing discussion relates solely to U.S. federal income tax law. Dividends and distributions also may be subject to state and local taxes. In addition, since master limited partnerships in which the Funds may invest generally conduct business in multiple states, the Funds may be subject to income or franchise tax in each of the states in which the partnership does business. The additional cost of preparing and filing the tax returns and paying the related taxes may adversely impact the Funds' return on its investment in the master limited partnership.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and related regulations currently in effect. For the complete provisions, reference should be made to the pertinent Code sections and regulations. The Code and regulations are subject to change, possibly with retroactive effect, by legislative or administrative actions. This summary is not intended to provide tax advice to Fund investors. Investors should consult with their own tax advisers as to the particular U.S. federal tax consequences to them of an investment in the Funds, as well as the applicability and effect of any state, local or foreign laws, and the effect of possible changes in applicable tax laws.

DISTRIBUTION PLANS

The Trust has adopted a Plan of Distribution pursuant to Rule 12b-1 under the 1940 Act with respect to each of the James Small Cap Fund and the James Balanced: Golden Rainbow Fund – Retail Class shares (together, the "Plans"). The Trust, on behalf of each Fund, shall make payments to the Distributor, as the Fund's designee, that the Distributor will use to pay expenses for distribution activities ("Distribution Expenses") on behalf of and as agent of each Fund. The payments shall be made as of the last business day of each month, and shall be calculated at an annual rate of 0.25% of the average value of the daily net assets of the applicable Fund. Payments received pursuant to each Plan shall be used solely for the purpose of paying Distribution Expenses on behalf of the applicable Fund.

Under each Plan, the Trust may engage in activities related to the distribution of the applicable Fund's shares, including without limitation the following: (a) payments, including incentive compensation, to securities dealers or other financial intermediaries, financial institutions, investment advisors and others that are engaged in the sale of shares, or that may be advising shareholders regarding the purchase, sale or retention of shares; (b) payments, including incentive compensation, to securities dealers or other financial intermediaries, financial institutions, investment advisors and others that hold shares of the Fund for shareholders in omnibus accounts or as shareholders of record or provide shareholder support or administrative services to the Fund and its shareholders; (c) expenses of maintaining personnel (including personnel of organizations with which the Trust has entered into agreements related to the Plan) who engage in or support distribution of shares or who render shareholder support services not otherwise provided by the Trust's transfer agent, including, but not limited to, allocated overhead, office space and equipment, telephone facilities and expenses, answering routine inquiries regarding the Trust, processing shareholder transactions, and providing such other shareholder services as the Trust may reasonably request; (d) costs of preparing, printing and distributing prospectuses and statements of additional information and reports of the Fund for recipients other than existing shareholders of the Fund; (e) costs of formulating and implementing marketing and promotional activities, including, but not limited to, sales seminars, direct

mail promotions and television, radio, newspaper, magazine and other mass media advertising; (f) costs of preparing, printing and distributing sales literature; (g) costs of obtaining such information, analyses and reports with respect to marketing and promotional activities as the Trust may, from time to time, deem advisable; and (h) costs of implementing and operating the Plan.

Each Fund expects that its Plan will result in the sale or retention of a sufficient number of shares so as to allow that Fund to maintain economic viability. It is also anticipated that an increase in the size of the Fund will facilitate more efficient portfolio management and assist the Fund in seeking to achieve its investment objective.

Each Fund's Plan is a compensation plan, which means that payments are made regardless of Distribution Expenses actually incurred. Therefore, payments under a Plan may exceed distribution and shareholder service expenses related to intermediaries and other similar parties incurred pursuant to the Plan, in which case such payments would be applied to other allowable distribution expenses. Because these Distribution Expenses are paid out of Fund assets on an ongoing basis, over time these Distribution Expenses will increase the cost of your investment and may cost you more than paying other types of sales loads.

Continuation of each Plan and the related agreements must be approved annually by the Trustees, including the Trustees who are not "interested persons" of the Trust and who have no direct or indirect financial interest in the Plans or any related agreement, and a Plan or any related agreement may be terminated at any time without penalty by a majority of such independent Trustees or by a majority of the applicable Fund's outstanding shares. Any amendment increasing the maximum percentage payable under a Plan must be approved by a majority of the outstanding shares of the Fund, and all other material amendments to the Plan or any related agreement must be approved by a majority of the Board, including a majority of the independent Trustees.

Various state and federal laws limit the ability of a depository institution (such as a commercial bank or a savings and loan association) to become an underwriter or distributor of securities. In the event these laws are deemed to prohibit depository institutions from acting in the capacities described above or should Congress relax current restrictions on depository institutions, the Board will consider appropriate changes in the services. State securities laws governing the ability of depository institutions to act as underwriters or distributors of securities may differ from interpretations given to federal law and, therefore, banks and financial institutions may be required to register as dealers pursuant to state law.

For the fiscal year ended June 30, 2026, under the Plans, the James Small Cap Fund paid $191,480 in Rule 12b-1 fees and the James Balanced: Golden Rainbow Fund (Retail Class shares) paid $788,981 in Rule 12b-1 fees. For the fiscal year ended June 30, 2026, the fees paid under the Plans were spent as follows:

Fund	Advertising	Printing & Mailing of Prospectuses to Other than Current Shareholders	Compensation to Underwriters	Compensation to Broker-Dealers	Compensation to Sales Personnel	Interest, Carrying, or Other Financing Charges	Other
James Small Cap Fund	$19,087	-	-	$219,290	-	-	-
James Balanced: Golden Rainbow	$19,282	-	-	$813,046	-	-	-

Fund (Retail Class)							

Although they do not directly receive any payments pursuant to the Plan, Barry R. James, an interested Trustee and Chairman of the Trust, serves as a trustee of the Dr. James Trust, the controlling shareholder of the Adviser, and Lesley Ott, Richard Brian Culpepper, and Brian Shepardson, each of whom are employees of the Adviser and serve as Officers of the Trust (because of their respective associations with the Adviser) may indirectly benefit from any such payments made.

FINANCIAL STATEMENTS

The financial statements and report of Deloitte & Touche LLP, the Funds' independent registered public accounting firm, included in the Annual Report of the Funds for the year ended June 30, 2026, are incorporated herein by reference.