



# Manager Q&A

## The Tocqueville Opportunity Fund

### The Tocqueville Opportunity Fund

Symbol: TOPPX  
 Total Assets (12/31/13): \$83.7 million  
 Inception Date: 8/1/94<sup>1</sup>



**Thomas Vandeventer**  
 Portfolio Manager

Thomas Vandeventer, Managing Director, is a Senior Portfolio Manager at Tocqueville Asset Management and has been the portfolio manager of the Tocqueville Opportunity Fund since 2010. Prior to joining Tocqueville in 2006, Mr. Vandeventer was Senior Managing Director and head of the Institutional Large Cap Growth Group at Clearbridge Advisors (Legg Mason) and Citigroup Global Asset Management. Mr. Vandeventer has a BA from the University of Virginia and an MBA from Columbia University.

**Q1: The Tocqueville Opportunity Fund includes a wide range of securities in the portfolio. Would you please discuss your selection process?**

The Fund invests in a wide range of growth companies that have a leading market position within their business sector. Our portfolio companies tend to be smaller in size and range from approximately \$100 million in market cap to an upper limit of about \$13 billion. The Fund's median market cap was approximately \$5.7 billion as of December 31, 2013.

We prefer that our holdings have strong sales and earnings growth, increasing gross margins and a high return on capital. In addition, these companies should be run by high-quality, experienced management teams that are excellent stewards of shareholder capital. By focusing on companies with market leadership and demonstrated results, we believe that we can offer investors a portfolio of proven performers and therefore reduce overall volatility. We are quick to replace companies that have missed their operating targets. Our goal is to enhance longer-term results on a portfolio-wide basis by minimizing capital loss on individual companies.

**Q2: The Fund holds a larger number of companies in the portfolio. Would you please discuss your portfolio construction process?**

The Fund's performance goal is to outperform the Russell 2500 Growth Index over time. The Index is comprised of approximately 1900 companies and our portfolio of generally 150-250 stocks across a wide range of sectors is a loose subset. In fact, due to our security selection process our correlation with the Index is low. As a result, we believe that the Fund may be positioned as a performance-oriented satellite position in many asset allocations.

We believe that a broader portfolio provides investors with the advantage of less stock specific risk. By doing so, the Fund can take a small initial position in a variety of new companies that recently became public or were relaunched by private equity firms without exposing investors to excessive volatility often associated with newer public companies.

In addition, the Fund can hold smaller positions in a basket of companies that have more binary risk without exposing investors to more individual security risk. For example, the Fund invests in numerous biotech companies to reduce the impact of unfavorable trial results by any one company. By spreading the risk and including numerous biotech companies rather than a select few, the Fund was able to participate in the biotech rally without subjecting investors to undue risk in any particular company.

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#### About Tocqueville

With approximately \$11.4 billion in assets under management as of December 31, 2013, Tocqueville Asset Management and its founding principals have been managing private fortunes for more than 30 years, and has served as the advisor to the Tocqueville Trust since its inception. In working with financial planning professionals and their clients, Tocqueville considers the preservation of capital their primary investment objective. Tocqueville's value style of investing, coupled with their contrarian spirit, drives them to emphasize absolute rather than relative performance for investors.

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### Q3: With the strong market run-up in 2013, have valuations for growth companies become too expensive?

As fundamental bottom-up stock pickers, our job is to find opportunity regardless of the market environment. We are as enthusiastic today as we were a year ago even with the market advance in 2013. The Fund's mandate is broad by design and enables us to consider a large universe of stocks. We continue to see opportunity throughout our existing holdings and our watch list of additional opportunities is extensive. We continue to add to economically sensitive, cyclical areas such as Auto, Transportation, Durables and Materials in anticipation of further economic progress in 2014.

Investment Performance (as of 12/31/13)	Average Annual Total Return <sup>1</sup>			
	1 Year	3 Year	5 Year	10 Year
The Tocqueville Opportunity Fund (TOPPX)	40.97%	16.00%	20.25%	5.10%
Russell 2500 Growth Index	40.65%	17.15%	24.03%	10.11%
Morningstar Mid-Cap Growth Funds Average	34.93%	14.09%	20.80%	9.01%
Category Rank (%)	11	21	61	95
# of Funds in Category	703	638	548	416

Gross Expense Ratio: 1.34%

**Performance data represents past performance and does not guarantee future performance.** The investment return and principal value of an investment will fluctuate and the investor's shares, when redeemed, may be worth more or less than their original cost; and current performance may be lower or higher than the performance data quoted. Fund performance current to the most recent month-end may be obtained by visiting our website at <http://tocqueville.com/mutual-funds/tocqueville-opportunity-fund/performance> or by calling 1-800-697-3863. Total returns assume reinvestment of dividends and capital gains.

<sup>1</sup>Performance for periods before 10/12/10 is for The Tocqueville Small Cap Fund, (the "Predecessor Fund"), which was renamed The Tocqueville Opportunity Fund on 10/12/10. The Tocqueville Small Cap Fund had different Portfolio Managers until 7/1/10 and different investment objectives and strategies until 10/12/10.

The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

This is not an advertisement or solicitation to subscribe to the Tocqueville Opportunity Fund, which may only be made by prospectus. Before investing, consider the Fund's investment objectives, risks, charges and expenses. Contact 1-800-697-3863 or visit [www.tocqueville.com/mutual-funds](http://www.tocqueville.com/mutual-funds) for a prospectus containing this information and other information. Read it carefully before investing.

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