

Class I: FSYIX Class A: FSYAX

FS Long/Short Equity Fund

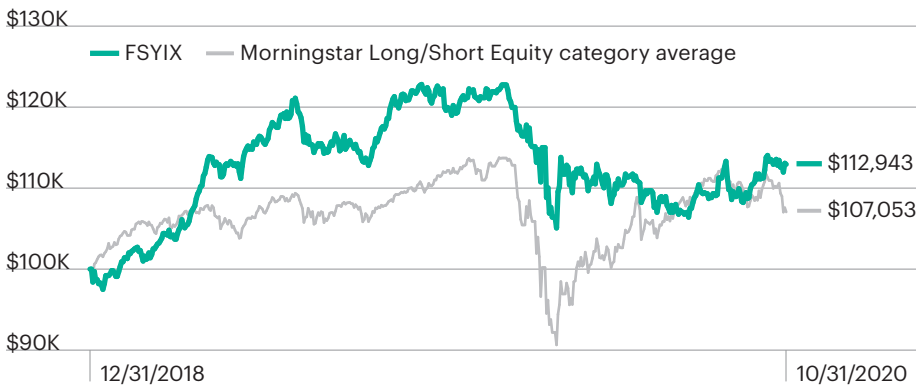
Seeks to deliver equity-like returns through long/short investing

Performance (total returns)	Inception date	MTD	QTD	YTD	1 year	Since inception	As of 9/30/2020	
							1 year	Since inception
FSYIX (Class I at NAV)	12/31/2018	1.97%	1.97%	-5.08%	-6.66%	6.88%	-3.26%	6.02%
FSYAX (Class A at NAV)	12/31/2018	1.86%	1.86%	-5.38%	-6.84%	6.62%	-3.42%	5.83%
with maximum sales charge		-4.02%	-4.02%	-10.81%	-12.22%	3.22%	-8.99%	2.29%
						Since 12/31/2018		Since 12/31/2018
Morningstar Long/Short Equity category avg.	—	-1.12%	-1.12%	-2.63%	0.33%	4.94%	2.06%	5.91%
S&P 500 Index	—	-2.66%	-2.66%	2.77%	9.71%	17.85%	15.14%	20.60%

The expense ratios for Class I shares are 9.08% total annual fund operating expenses,¹ 1.35% total annual fund operating expenses (after expense reductions) and 0.85% total annual fund operating expenses after expense reductions (after fee waiver).^{2,3} The expense ratios for Class A shares are 9.33% total annual fund operating expenses,¹ 1.60% total annual fund operating expenses (after expense reductions) and 1.10% total annual fund operating expenses after expense reductions (after fee waiver).^{2,3} Performance data quoted represents past performance and is no guarantee of future results. Returns for time periods greater than one year are annualized. The investment return and principal value of an investment will fluctuate so that an 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 quoted. Please call 877-628-8575 or visit our website at www.fsinvestments.com for performance data current to the most recent month-end.

One cannot invest directly in an index. See index definitions on the following page.

GROWTH OF \$100,000 (12/31/2018–10/31/2020)



Key statistics

Standard deviation	10.58%	
Sharpe ratio	0.50	
	FSYIX vs. S&P 500	Morningstar Long/Short Equity category avg. vs. S&P 500
Beta	0.23	0.52
Alpha (annualized)	1.6%	-5.0%
Correlation	0.41	0.85
R-squared	0.17	0.72
Upside capture	32%	41%
Downside capture	24%	61%

Fund management

Strategy description

Focus on highest-conviction long/short ideas of hedge fund managers leveraging exclusive access to proprietary 13-F quantitative analysis and short interest data⁴

Portfolio construction and risk management

Seeks to actively monitor exposures to help reach risk/return objectives

Providers

NOVUS

BARCLAYS

FS Investments

¹ The total annual fund operating expenses ratio calculation is a percentage of average net assets for the 12 months ended December 31, 2019.

² Total annual fund operating expenses (after expense reduction) is a percentage of average net assets for the 12 months ended December 31, 2019. The Adviser has entered into an expense limitation agreement with the Fund under which it has agreed to waive or reduce its fees and to assume other expenses of the Fund, if necessary, in an amount that limits ordinary operating expenses (exclusive of management fees, distribution or servicing fees, interest, taxes, brokerage fees and commissions, dividends and interest paid on short positions, acquired fund fees and expenses and extraordinary expenses (as determined in the sole discretion of the Adviser)) to not more than 0.25% of the average daily net assets for the Fund at least until April 30, 2021. The Fund may terminate the expense limitation agreement at any time. The expense limitation agreement permits the Adviser to recoup waived or reimbursed amounts within the three-year period from the date of the waiver after the Adviser bears the expense, provided total expenses, including such recoupment, do not exceed the annual expense limit in effect at the time of such waiver/reimbursement or recoupment.

³ The Adviser has contractually agreed to waive a portion of its management fee so that the fee received equals 0.60% of the Fund's average daily net assets until the earlier of (i) December 31, 2021 or (ii) the date on which the gross proceeds that have been received by the Fund from investors, in aggregate, exceed \$150 million. The Adviser's contractual management fee, without giving effect to this waiver, is equal to 1.10% of the Fund's average daily net assets.

⁴ FS Investments has exclusive access to the Novus Barclays indexes in U.S. retail products until January 30, 2023.

Portfolio

Sector allocation ⁵	Long portfolio	Short portfolio	Gross	Net	Top 5 long equity holdings*	
Communications	31.6%	-7.2%	38.7%	24.4%	Zendesk Inc.	2.50%
Consumer discretionary	25.8%	-21.8%	47.6%	4.1%	Crown Holdings, Inc.	2.36%
Consumer staples	5.3%	-7.5%	12.9%	-2.2%	Pinterest, Inc.	2.31%
Energy	1.9%	-5.5%	7.3%	-3.6%	The Charles Schwab Corp.	2.29%
Financials	34.6%	-24.8%	59.5%	9.8%	Vertiv Holdings Co.	2.28%
Health care	18.4%	-22.5%	40.8%	-4.1%	Top 5 short equity holdings*	
Industrials	11.5%	-10.3%	21.8%	1.1%	Johnson & Johnson, Inc.	-1.00%
Materials	6.6%	-7.0%	13.6%	-0.4%	Procter & Gamble Co.	-0.91%
Technology	39.9%	-26.6%	66.5%	13.3%	JPMorgan Chase & Co.	-0.85%
Utilities	4.2%	-4.2%	8.4%	0.0%	Pfizer Inc.	-0.53%
Total	179.8%	-137.4%	317.1%	42.4%	Merck & Co., Inc.	-0.50%

Fund

Adviser	FS Fund Advisor, LLC
Objective	Provide equity-like returns through long/short investing within equity markets
Tax reporting	Form 1099-DIV
Structure	Mutual fund with daily liquidity

Share classes

	Class I	Class A
Ticker	FSYIX	FSYAX
CUSIP	302691878	302691886
Minimum initial investment⁶	\$1 million	\$2,500
Sales charge	None	Up to 5.75%
Management fee⁷	1.10%	1.10%
Management fee⁷ (after fee waiver)	0.60%	0.60%

*Holdings are subject to change.

5 Figures may be rounded.

6 Class I shares minimum initial investment ranges from \$2,500 (eligible accounts through certain intermediary institutions) to \$1 million. Any minimum initial investment requirement may be waived in the Fund's sole discretion.

7 The Adviser has contractually agreed to waive a portion of its management fee so that the fee received equals 0.60% of the Fund's average daily net assets until the earlier of (i) December 31, 2021 or (ii) the date on which gross proceeds that have been received by the Fund from investors, in the aggregate, exceed \$150 million. The Adviser's contractual management fee, without giving effect to this waiver, is equal to 1.10% of the Fund's average daily net assets.

GLOSSARY OF TERMS

Alpha measures excess return relative to expected returns based on the fund's degree of beta. A positive alpha indicates the portfolio is earning excess returns. A negative alpha indicates the portfolio is lagging in returns. **Beta** is a measure of an asset's or a portfolio's volatility, or systematic risk, in comparison to a benchmark or the market as a whole, reflecting the tendency of returns to respond to market swings. **Correlation** is a statistical measure of the extent to which two securities move in relation to each other, often expressed via a coefficient ranging from +1 to -1. **Form 13-F** is the reporting form filed by institutional investment managers holding more than \$100 million in securities. **R-squared** is the percentage of a fund's or security's movements that can be explained by movements in a benchmark index. **Sharpe ratio** is an asset's excess return (the amount over the risk-free rate) divided by the standard deviation of excess returns. A higher value generally signifies a more attractive risk-adjusted return. **Standard deviation** is a statistical measure of the dispersion of an asset's rate of return relative to its mean and is typically used to assess its historical volatility. **Upside/downside capture ratio** shows whether and to what extent an investment has outperformed a broad benchmark during periods of market strength and weakness. An upside capture ratio over 100 means it usually gained more than the benchmark when benchmark returns were positive. A downside capture ratio less than 100 means it lost less than the benchmark when benchmark returns were negative.

INDEX DEFINITIONS

Morningstar Long/Short Equity category is composed of funds holding sizable stakes in both long and short equity and related derivatives positions. Some funds may shift their exposure to long and short positions depending on their macro outlook or the opportunities they uncover. Some funds may hedge long stock positions through exchange-traded funds or derivatives. At least 75% of the assets are in equity securities or derivatives. **S&P 500 Index** is a market capitalization-weighted index of the 500 largest U.S. publicly traded companies by market value.

The indexes referenced herein are the exclusive property of each respective index provider and have been licensed for use by FS Investments. The index providers do not guarantee the accuracy and/or completeness of the indexes and accept no liability in connection with the use, accuracy, or completeness of the data included therein. Inclusion of the indexes in these materials does not imply that the index providers endorse or express any opinion in respect of FS Investments. Visit www.fsinvestments.com/support/articles/index-disclaimers for more information.

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An investment in FS Long/Short Equity Fund (the "Fund") involves a high degree of risk and may be considered speculative. Investors are advised to consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other information about the Fund. Investors may obtain a copy of the Fund's prospectus free of charge at www.fsinvestments.com or by contacting FS Investments at 201 Rouse Blvd., Philadelphia, PA 19112 or by phone at 877-628-8575. Investors should read and carefully consider all information found in the Fund's prospectus and other reports filed with the U.S. Securities and Exchange Commission before investing.

This Fund is new and has limited operating history. Investing in the Fund involves risk, including the risk that a shareholder may receive little or no return on their investment or that a shareholder may lose part or all of their investment. The Fund is subject to interest rate risk and will decline in value as interest rates rise. The Fund may engage in leveraging and other speculative investment practices that may increase the risk of loss of investment, and accelerate the velocity of potential losses. In addition to the normal risks associated with investing, international and emerging markets may involve risk of capital loss from unfavorable fluctuations in currency values, differences in generally accepted accounting principles or from social, economic, or political instability in other nations. The Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses.

Diversification does not protect an investor from market risk and does not ensure a profit.

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