A No-Load Mutual Fund Managed by:
Front Street Capital Management, Inc.

TARKIO FUND

Dear Fellow Shareholders, May 18, 2021

Investing is about trying to predict what the long-term cash flow of a business could be and determining what would be a fair price to pay today for the right to a portion of that cash flow going forward. We believe that the further into the future one can estimate this cash flow, the greater the odds of one's success. We constantly monitor our companies to determine, among other things, whether our thesis about why we invested in the company is still valid. When our investment thesis about a company from years ago is still valid today, it is an indication that our work back then on the company's future cash flow was done well. For that reason, we think it is helpful to refer periodically to our original introduction letters on companies that we currently own. This quarter, we have enclosed for your reference our 2016 letter on Level 3 Communications, which is now known as Lumen Technologies.

Not only do we believe that our original investment case is as true today as it was then, but we believe the valuation (i.e., the current price of the stock vs. the potential future cash flows) is even more compelling now. And while the original thesis is still intact, there are a few updates.

As stated in our 2016 letter, the infrastructure backbone of the internet was created during the dot-com bubble of the late 1990's. And at that time, the industry was badly fragmented and in need of consolidation. As we mentioned, Level 3 was a major driver of that consolidation, but while Level 3 was busy building its network by acquisition, there was one other company – CenturyLink – that was almost as aggressive accumulating fiber backbone assets during this period. The two companies merged in 2017 creating the most comprehensive set of fiber backbone assets in the United States and, arguably, in the world. Due to its sheer size, this transaction was even more compelling than any acquisition Level 3 had made in the past. But along with the prize of nearly doubling the fiber backbone, almost a third of CenturyLink's revenues came not from fiber backbone services, but from copper-based consumer connections. The industry sometimes refers to this legacy business as POTS (plain old telephone service).

By that time, the POTS business had become quite challenged, as last mile connections to the home did not need the kind of bandwidth required over the backbone. (Think of the traffic in the streets of a Los Angeles neighborhood versus the capacity needed as that traffic collectively pours onto the freeway system at rush hour). Since the CenturyLink merger, the combined company, now lead by the Level 3 management team (except for Sunit Patel, since retired) has successfully integrated this now massive fiber backbone while simultaneously letting the POTS business become a much smaller percentage of the business. Most importantly during this period, the company's free cash flow (our north star) has grown meaningfully. In fact, the copper business is now such a small portion of the company, and the fiber optics such a large portion, that last year they changed the Company's name to Lumen Technologies. A "lumen" is a measure of light.

Now a couple brief updates on the other names referenced in the enclosed 2016 letter. Colfax is still an important holding in the Tarkio Fund. Oclaro merged with Lumentum, which we still own, Finisar merged with II-VI Corporation, which we still own, and we still own Ciena. All three companies have made a significant contribution to compounding our collective capital at the level we have been enjoying. We no longer have a position in Infinera at this juncture.

We thank you for your continued confidence and investment in the Tarkio Fund.

Warm Montana regards from the entire Tarkio Team,

Russ Michele Ginger [illegible] Dom

Russ, Michele, Ginger, Jeremy & Dominic

Securities Mentioned (Closing Share Price 06/30/2021)

Description	Ticker	Price Per Share	Portfolio Percentage
Lumen Technologies	LUMN	$13.59	8.39%
Colfax Corp	CFX	$45.81	4.34%
Lumentum Holdings Inc.	LITE	$82.03	1.83%
II-VI Inc.	IIVI	$72.59	1.52%
Ciena Corp	CIEN	$56.89	1.65%

The mention of any investments in this commentary should not be considered a recommendation to sell or purchase the security(ies) mentioned or similar investments. Please consult an investment professional on how the purchase or sale of such investments can be implemented to meet your particular investment objective or goals. Investments in securities and/or similar investments are subject to risks. It is important to obtain information about and understand these risks prior to investing.

Mutual Fund investing involves risk. Such risks associated with the Tarkio Fund (including but not limited to Small/Medium Capitalization Risks, Foreign Securities Risk, Fixed Income Securities Risk, Non-Diversification Risk, and New Fund/Adviser Risk) as well as applicable investment objectives, charges and expenses must be considered carefully before investing. This and other important information about the Tarkio Fund is found in the Prospectus, a copy of which or current performance information may be obtained by visiting www.tarkiofund.com or by contacting 866-738-3629. We encourage you to read the prospectus before investing.

Tarkio Fund is distributed by Arbor Court Capital, LLC - Member FINRA/SIPC.

January 2016

Our last correspondence discussed Colfax, a new holding in the Tarkio Fund where we had established a meaningful position over the past year. This letter will discuss the investment thesis behind our largest holding in the fund, Level 3 Communications, and a smaller investment in a related basket of companies.

In 1988 I was introduced to Raychem, a company that was working on a technology to connect homes and businesses through an all fiber optic network. At the time the promise of this technology was so futuristic it was beyond imagination. Raychem and other proponents of the technology laid out a vision for the future that would include using your personal computer to watch video, send correspondence and even shop. Unfortunately, Raychem was 20 years ahead of their time and Raynet, their subsidiary working on this project, became such a cash drain that the parent company was eventually forced to sell out at a very depressed price. This experience, however, began for me what has become a twenty-eight-year journey studying the evolution of telecommunications transmitted by light through glass cable.

Fast forward to the telecom bubble that began in 1996 and abruptly ended in 2001. During this time period the power of fiber optic telecommunications became better understood and investment capital flooded into companies working to develop this technology. As it became clearer as to what was possible with virtually unlimited bandwidth, increasingly everyone wanted to get onboard. Funding poured into anything that was associated with the build out of an all fiber network. As it turned out, the biggest cost in achieving an end-to-end fiber network servicing the entire country was getting the appropriate right-of-ways and digging up the streets. Kiewit Construction, which has close ties to Warren Buffett, became a major participant in this network build out. In fact, it became such a large part of the company that they decided to create a separate subsidiary called Level 3 Communications that would eventually not only build but also own and operate the network. The capital continued to flow into building fiber networks and as a result the old legacy copper networks were rapidly becoming obsolete. Capitalism can be a powerful force for moving mankind forward and improving lives but investors do not always benefit in the same linear fashion as society. By 1999 funds continued to be attracted into this space at an unprecedented clip and as a result, the network was getting built out ahead of the demand. That was a good thing for consumers as it made the transmission of information very cost effective. What was good for the consumers, however, was not so good for the companies investing into this technology as prices began to plummet due to overcapacity. As a result, in 2001 the so called “Telecom Bubble” burst.

When the bubble broke network providers began to hemorrhage and since the cost of building the networks was a sunk fixed cost there were no expenses to be cut to align with the subpar revenues. As a result, these companies had no pricing power and the cost for users continued to decline to the point that for most, the internet appeared to be free of charge. As you could imagine, this was bad news for the owners of the networks but great news for all the entrepreneurs developing new ways to provide services to benefit society. This combination created an explosion in applications running over the network enabling the proliferation of what are now three of the largest companies in the world namely Google, Amazon and Apple.

As we entered 2002/2003 network companies were going bankrupt at an unprecedented pace while simultaneously network usage was growing at an equally unprecedented rate. In fact network traffic was growing in excess of 100% per year. As an investor I understand the power of compounding and compounding anything at 100% per year will eventually lead to staggering numbers. It was starting to look like the convergence of these two powerful forces might be creating an interesting investment opportunity.

During this period virtually every company that invested in the network during the boom years had either gone bankrupt or sold out at pennies on the dollar, with the exception one company, Level 3. I am not saying Level 3 was immune from the pain, far from it; they spent several years as the walking dead. They were only saved by the financial acumen of their brilliant Chief Financial Officer, Sunit Patel, and a strong desire to make good on their financial promises. In addition, as the only company standing during this period they were able to acquire additional network assets from their bankrupt peers for almost nothing, which was a good thing since they had next to nothing to offer.

As we moved into 2004-2006 is was clear this was a high fixed cost business that had a large barrier to entry, namely no company would ever dare again risk their capital to dig up the streets. Although at the time the cost structure was higher than the revenues could support, capacity was starting to fill up as traffic continued to grow. As we approached 2007 the business model was starting to turn profitable and pricing was beginning to firm. It is important to note that a fixed cost business turns very profitable as the model drives through break even and eventually turns into a cash machine if revenues can continue to increase. Since 2007, network usage has continued grow even through the great recession of 2008/2009. Looking forward, in our opinion, internet traffic will almost certainly be higher five, ten, twenty, even thirty years from now as new applications emerge.

Investing is about being able to identify reliable future cash flows. Using a discounted cash flow model, the longer the visibility of increased cash flow the more valuable the business should be worth today. By that definition, Level 3 has the potential to be a compounding machine for decades to come.

On a broader scale, our involvement with communications technology has led me to the belief the evolution of mankind is tied to increased and more efficient communication. From the firsthand gesture, to the grunt, to hieroglyphics, to the printing press, to the telegraph, to the telephone, and now finally to the internet, knowledge advances by the ability to bring ideas together. The more accessible and quickly ideas can be passed from one person to another, the greater the development of society. It is for this reason we believe, communication technology is one of the few industries that should grow for as long as humans inhabit the earth and, as such, should continue to be fertile ground for the long-term investor to seek opportunities.

Lastly, as mentioned before, we own a small basket of companies that make the equipment that enable the fiber optic network to operate. Although this sector of the industry is quite cyclical, we believe the demand for enhancements to the fixed network will continue to grow as traffic grows. As we speak, this group consists of Oclaro, Lumentum, Ciena, Infinera, and our largest holding of the group Finisar. Finisar's founder, Jerry Rawls, now 70 years young, is a pioneer in the industry. He started his career with the company whose vision, although before their time, helped make all this possible, you guessed it Raychem.

As always thank you for your continued support and long-term investment in the Tarkio Fund.

Best wishes,

Russell Piazza

Front Street Capital Management, Inc. serves as the Investment Adviser to the Tarkio Fund.

On December 31, 2015, the Tarkio Fund Portfolio held the following securities: Level 3 10.34%, Colfax 4.63%, Finisar 4.14%, Oclaro 2.71%, Ciena 2.69%, Lumentum 0.45%, and Infinera 0.24%. The mention of any investments in this commentary should not be considered a recommendation to sell or purchase the security(ies) mentioned or similar investments. Please consult an investment professional on how the purchase or sale of such investments can be implemented to meet your particular investment objective or goals. Investments in securities and/or similar investments are subject to risks. It is important to obtain information about and understand these risks prior to investing.

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