

**SUPPLEMENT DATED JANUARY 31, 2012
TO THE PROSPECTUS AND STATEMENT OF ADDITIONAL INFORMATION
DATED AUGUST 26, 2011 FOR
THE USX CHINA FUND CLASS A AND C SHARES (the “Fund”),
a series of 360 Funds (the “Trust”)**

This supplement must be accompanied by, or read in conjunction with, the current Prospectus and Statement of Additional Information (“SAI”) for the Fund, dated August 26, 2011. Please keep this supplement for future reference.

Effective January 31, 2012, Parr Financial Group, LLC (the “Sub-Adviser”) is resigning as the Fund’s sub-adviser and Stephen L. Parr is resigning as its portfolio manager. Effective February 1, 2012, (i) Matrix 360 Advisor, LLC, the Fund’s current investment adviser (the “Adviser”), will be the Fund’s sole investment adviser, and will assume the responsibilities of the Sub-Adviser as described in the Prospectus, and (ii) Christopher Anci and Ryan Jenkins will serve as the Fund’s portfolio managers.

Each reference to the Sub-Adviser in the Prospectus or the SAI is hereby deleted and, as appropriate, replaced with a reference to the Adviser.

In addition:

- The paragraph captioned “**Management**” on page 4 of the Prospectus is replaced with the following:

Matrix 360 Advisor, LLC serves as the Fund’s investment adviser. Christopher Anci, the President of the Trust, the managing member of the Adviser and the President of Matrix Capital Group, Inc., the Fund’s distributor (the “Distributor”), and Ryan Jenkins, Vice President of the Distributor, have served as the Fund’s portfolio managers since February 1, 2012.

- The section captioned “**Investment Sub-Adviser**” on page 9 is deleted and replaced with the following:

Portfolio Managers

Effective February 1, 2012, the Adviser has appointed Christopher Anci and Ryan Jenkins as the portfolio managers of the Fund. Mr. Anci is the managing member of the Adviser, and has been the President of the Distributor since 2004. Mr. Jenkins has served as the Vice President of the Distributor since 2008. From 2006 to 2008, Mr. Jenkins was an Associate Vice President at Oppenheimer & Co. Inc., where he served primarily in its unit investment trust group.

Mr. Anci and Mr. Jenkins share the responsibility for the day-to-day portfolio management of the Fund. The SAI provides additional information about each of Mr. Anci’s and Mr. Jenkins’ compensation, other accounts managed and his ownership of securities in the Fund.

- The second sentence of the section captioned “**Fair Value Committee**” on page 19 of the SAI is replaced with the following:

Art Falk, Ryan Jenkins and David Ganley are members of the Fair Value Committee.

- The section captioned “**Portfolio Management**” on pages 22-23 of the SAI is replaced with the following:

The Fund’s portfolio managers are Christopher Anci and Ryan Jenkins, both of whom are responsible for the day to day management of the Fund.

Neither of Mr. Anci or Mr. Jenkins:

- own any shares of the Fund;
- manage any assets in any other registered investment company, pooled investment vehicle or other account; or
- is compensated for his portfolio management services to the Fund; provided, however, that Mr. Anci may receive profits as an owner of the Adviser as assets of the Fund increase.

- Subsection (2) of Appendix B, which appears on page 42 of the SAI, is replaced with the following:

(2) PROXY VOTING AND DISCLOSURE POLICY FOR MATRIX 360 ADVISOR, LLC

Matrix 360 Advisor, LLC makes every effort to vote proxies in the best interests of its clients. A summary of our proxy voting guidelines is listed below:

Directors

We generally vote for the proposed director(s) if we are satisfied with the job the directors and management are doing with the company.

Compensation

Often there are questions regarding compensation. If we are satisfied with the job management is doing and don’t feel the compensation is excessive, we will vote in favor of these proposals.

Other Issues

Other proposals are reviewed on an individual basis.

Matrix 360 Advisor, LLC keeps records of votes cast on its clients’ behalf.

Investors Should Retain This Supplement for Future Reference

*Class A Shares –Ticker Symbol **HPCHX***
*Class C Shares –Ticker Symbol **HPCCX***

THE USX CHINA FUND
a series of the
360 Funds

PROSPECTUS
AUGUST 26, 2011

This Prospectus relates to two classes of shares (Class A shares and Class C shares), each currently offered by The USX China Fund for purchase by all investors; for questions or for Shareholder Services, please call 877.244.6235.

These securities have not been approved or disapproved by the Securities and Exchange Commission or any state securities commission nor has the Securities and Exchange Commission or any state securities commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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Summary

Investment Objective. The investment objective of The USX China Fund (the “Fund”) is long-term growth of capital.

Fees and Expenses of the Fund. This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. You may qualify for sales charge discounts if you and your family invest, or agree to invest in the future, at least \$100,000 in the Fund. More information about these and other discounts is available from your financial professional and in the section captioned “Purchasing Shares” on page 12 of the Fund’s prospectus and the section captioned “Purchases” beginning on page 25 of the Fund’s statement of additional information.

Shareholder Fees (*fees paid directly from your investment*)

	<u>Class A shares</u>	<u>Class C shares</u>
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of offering price)	4.50%	None
Contingent Deferred Sales Charge (Load) (as a percentage of original purchase price or the amount redeemed, whichever is less)	0.50%	1.00%
Sales Charge (Load) Imposed on Reinvested Dividends.....	None	None
Redemption Fees (as a % of amount redeemed).....	None	None
Exchange Fees	None	None

Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)

	<u>Class A shares</u>	<u>Class C shares</u>
Management Fees	1.25%	1.25%
Distribution and Service (12b-1) Fees	0.25%	1.00%
Other Expenses	2.08%	2.08%
Acquired Fund Fees and Expenses	0.01%	0.01%
Total Annual Fund Operating Expenses	3.59%	4.34%
Fee Waivers and Expense Reimbursement ¹	<u>-1.33%</u>	<u>-1.33%</u>
Total Annual Fund Operating Expenses after Fee Waivers and Expense Reimbursement	<u>2.26%</u>	<u>3.01%</u>

¹ Matrix 360 Advisor, LLC (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 the Fund’s annual operating expenses (exclusive of interest, taxes, brokerage fees and commissions, extraordinary expenses and payments, if any, under the Rule 12b-1 Plan) to not more than 2.00%. The current contractual agreement cannot be terminated prior to October 1, 2012 without the Board of Trustees’ approval.

Example. This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds.

This expense example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The expense example also assumes that your investment has a 5% return each year and the Fund’s operating expenses remain the same, and the contractual agreement to limit expenses remains in effect only until October 1, 2012. The Contingent Deferred Sales Charge (the “CDSC”) is not included in these calculations. If the CDSC were included, your costs would be higher. Although your actual costs may be higher or lower, based on these assumptions your cost would be:

Period Invested	1 Year	3 Years	5 Years	10 Years
Class A Shares	\$669	\$1,383	\$2,118	\$4,047
Class C Shares	\$406	\$1,197	\$2,102	\$4,416

You would pay the following expenses if you did not redeem your shares:

Period Invested	1 Year	3 Years	5 Years	10 Years
Class A Shares	\$669	\$1,383	\$2,118	\$4,047
Class C Shares	\$304	\$1,197	\$2,102	\$4,416

Portfolio Turnover. The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 104.59% of the average value of its portfolio.

Principal Investment Strategy of the Fund. The Fund’s principal investment strategy is to invest over 80% of its assets in stocks issued by companies listed on U.S. exchanges whose principal business is located in or centered on the People’s Republic of China. For purposes of determining which companies have their principal business located in or centered on the People’s Republic of China, Parr Financial Group, LLC (the “Sub-Adviser”) considers these companies to include companies that: (i) have their principal office in China; (ii) conduct a majority of their business in China; and/or (iii) have a majority of their assets in China or derive a majority of their revenues from China (“Chinese Companies”). In determining the forgoing, the Sub-Adviser may rely on such information and sources as the Sub-Adviser deems reasonable and appropriate.

In addition, the Fund may invest from time to time in securities of companies located in or doing business in China that are not listed on U.S. exchanges or companies that are not Chinese Companies, subject to the 80% investment requirement described above. While these purchases may be in publicly traded stocks, the Fund may also invest up to 15% of its assets (determined at the time of purchase) through purchases of privately-offered securities of publicly traded companies located or doing business primarily in China.

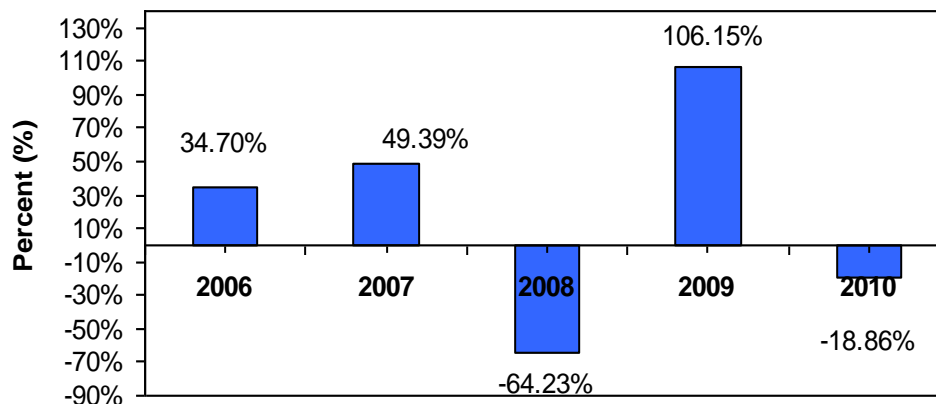
Principal Risks of Investing in the Fund. An investment in the Fund is subject to investment risks, including the possible loss of some or all of the principal amount invested. There can be no assurance that the Fund will be successful in meeting its investment objective. Generally, the Fund will be subject to the following additional risks:

- **Market risk** –Market risk refers to the risk that the value of securities in the Fund’s portfolio may decline due to daily fluctuations in the securities markets, including fluctuation in interest rates, national and international economic conditions and general equity market conditions.
- **Geographic concentration in China** – The Chinese economy is generally considered an emerging and volatile market, and many Chinese companies may be very sensitive to adverse political, social, economic, or regulatory developments in China and other Asian countries, which could lead to losses.
- **Government relationships risk** – Chinese companies may have business relationships with governments that are considered state sponsors of terrorism by the U.S. government, or governments that otherwise have policies in conflict with the U.S. government.
- **Foreign exposure risk** – Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, or economic developments.
- **Foreign exchange risk** – Investing in securities listed on non-U.S. exchanges involves a number of risks, including greater price volatility, fewer regulatory and accounting controls, higher brokerage costs and adverse tax consequences.
- **Foreign currency risk** – The value of an investment denominated in a foreign currency will decline in dollar terms if that currency weakens against the dollar. Additionally, Asian countries may utilize formal or informal currency-exchange controls or “capital controls.” Such controls may also affect the value of the Fund’s holdings.

- **Illiquid securities risk** – The Fund’s private investments in public companies may include illiquid securities, restricted securities or warrants, which are subject to risks of potential delays in resale and uncertainty in valuation.
- **Valuation risk** – While the Fund’s restricted and illiquid securities are priced pursuant to established procedures, there is no guarantee such securities will be accurately valued. In addition, when establishing fair value for securities purchased on foreign exchanges, such valuations may not be able take into account events that occur after the close of non-U.S. markets affecting the value of such securities prior to the time the Fund calculates its net asset value.
- **Management style risk** – The Fund intends to invest in value-oriented stocks (stocks that the Sub-Adviser believes are undervalued), and the Fund’s performance may at times be better or worse than that of similar funds with other focuses or that have a broader investment style.
- **Business and sector risk** – From time to time, a particular set of circumstances may affect a particular industry or certain companies within an industry, while having little or no impact on other industries or other companies within the industry.
- **Small company risk** – The Fund may invest in smaller companies, which generally have less experienced management teams, serve smaller markets, and find it more difficult to obtain financing for growth or potential development than larger companies.
- **Interest rate risk** – Increases in interest rates typically lower the present value of a company’s future earnings stream. Accordingly, stock prices will generally decline when investors anticipate or experience rising interest rates.
- **Issuer risk** – The value of an individual security or particular type of security can be more volatile and thus perform differently than the market as a whole.
- **Non-diversified fund risk** – A non-diversified fund is generally subject to the risk that a large loss in an individual issue will cause a greater loss for the fund than it would if the fund was required to hold a larger number of securities or smaller positions.

Performance. The bar chart and table shown below provide some indication of the risks of investing in the Fund by showing changes in the performance of the Fund from year to year and by showing how the Fund’s average annual returns for one year and since inception compare with those of several broad-based securities market indexes. The Fund’s past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future. Updated performance information for the Fund may be obtained by visiting the Fund’s website at www.theusxchinafund.com or by calling the Fund at 877.244.6235.

Calendar Year Returns for Class C Shares Returns as of 12/31*



* The year-to-date return as of the most recent calendar quarter, which ended June 30, 2011, was -52.59%.

Quarterly Returns During This Time Period

Highest 50.56% (quarter ended June 30, 2009)
 Lowest -30.93% (quarter ended December 31, 2008)

Average Annual Total Returns For The Periods Ended December 31, 2010	1 year	5 year	Since Inception (September 23, 2005)
Class A Shares Before taxes	-21.90%	3.55%	3.17%
Class C Shares Before taxes	-18.86%	3.78%	3.43%*
After taxes on distributions	-18.86%	3.01%	2.73%*
After taxes on distributions and sale of shares	-12.26%	3.30%	2.99%*
S&P 500 Total Return Index (reflects no deduction for fees, expenses or taxes)	15.06%	2.29%	3.07%*
MSCI AC Asia Pacific Ex Japan Index (reflects no deduction for fees, expenses or taxes)	12.47%	3.06%	4.67%*
Halter USX China Index (reflects no deduction for fees, expenses or taxes)	12.36%	15.80%	14.76%*

* "Since Inception" performance for Class C and the above indices is as of July 1, 2005, the inception date of Class C Shares.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown and are not relevant to investors who hold Fund shares through tax-deferred arrangements, such as an individual retirement account (an "IRA") or 401(k) plan. After-tax returns are shown only for one class of shares and after-tax returns will vary for other classes.

Management. Matrix 360 Advisor, LLC serves as the Fund's investment adviser. Parr Financial Group, LLC serves as the Fund's investment sub-adviser. Stephen L. Parr is the managing member of the Sub-Adviser and has served as the portfolio manager of the Fund since August 1, 2007.

Purchase and Sale of Fund Shares. The minimum initial investment in Class A or Class C shares of the Fund is generally \$2,500 for regular accounts and \$1,000 for IRA accounts, and the minimum subsequent investment is \$250 (\$100 under an automatic investment plan). You can purchase or redeem shares directly from the Fund on any business day the New York Stock Exchange is open directly by calling the Fund at 877.244.6235, where you may also obtain more information about purchasing or redeeming shares by mail, facsimile or bank wire. The Fund has also authorized certain broker-dealers to accept purchase and redemption orders on its behalf. Investors who wish to purchase or redeem Fund shares through a broker-dealer should contact their broker-dealer directly.

Tax Information. The Fund's distributions will generally be taxed to you as ordinary income or capital gains, unless you are investing through a tax deferred arrangement, such as a 401(k) plan or an IRA. Distributions on investments made through tax deferred arrangements such as 401(k) plans or IRAs may be taxed later upon a withdrawal of assets from those accounts.

Payments to Broker-Dealers and Other Financial Intermediaries. If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer

or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

INVESTMENT OBJECTIVE, STRATEGIES, RISKS AND PORTFOLIO HOLDINGS

The Fund's Investment Objective and Principal Investment Strategy

The Fund's investment objective is long-term growth of capital. The Fund's investment objective may be changed without shareholder approval.

To meet its investment objective, the Fund normally invests over 80% of its assets in stocks issued by companies listed on U.S. exchanges whose principal business is located in or centered on the People's Republic of China. For purposes of determining which companies have their principal business located in or centered on the People's Republic of China, the Fund's Sub-Adviser considers these companies to include companies that: (i) have their principal office in China; (ii) conduct a majority of their business in China; and/or (iii) have a majority of their assets in China or derive a majority of their revenues from China. In determining the forgoing, the Sub-Adviser may rely on such information and sources as the Sub-Adviser deems reasonable and appropriate.

While the Fund primarily invests in common stocks, the Fund may also invest in any other securities issued by Chinese Companies including, without limitation, preferred stock, convertible bonds, convertible preferred stock and warrants. In addition, the Fund may invest from time to time in securities of companies located in or doing business in China that are not listed on U.S. exchanges or companies that are not Chinese Companies, subject to the 80% investment requirement described above. While these purchases may be in publicly traded stocks, the Fund may also invest up to 15% of its assets (determined at the time of purchase) through purchases of privately-offered securities of publicly traded companies located or doing business primarily in China. In connection with some of these private purchases, the Fund may also receive warrants, which are options to purchase additional stock of the company at a particular price under conditions set forth in the terms of the warrant.

In selecting Chinese Companies for the Fund, the Sub-Adviser:

- Evaluates a number of fundamental factors and criteria for each company using the Sub-Adviser's proprietary methodology to perform a "bottom up" analysis of the company;
- Analyzes each company's management team, products and market, current earnings and profits, and future earnings potential;
- Uses proprietary mathematical formulas to determine an estimated value for each company's stock based on a number of criteria including, without limitation, earnings multiples, growth rates, and earnings potential; and
- Seeks to purchase stocks of companies that it believes are trading at significant discounts to their estimated long-term value.

The Sub-Adviser will adjust the weightings of the stocks in the Fund's portfolio from time to time based on its proprietary models and analysis. The Sub-Adviser will generally sell stocks from the Fund's portfolio when the Sub-Adviser determines that they have limited or no long-term growth prospects, or when the Sub-Adviser believes other companies represent better opportunities.

The Fund's policy to invest at least 80% of its assets in Chinese Companies may be changed without shareholder approval on 60 days' written notice to shareholders.

Temporary Defensive Positions. The Fund may, from time to time, take temporary defensive positions that are inconsistent with the Fund's principal investment strategies in an attempt to respond to adverse market, economic, political or other conditions. During such an unusual set of circumstances, the Fund may hold up to 100% of its portfolio in cash or cash equivalent positions. When the Fund takes a temporary defensive position, the Fund may not be able to achieve its investment objective.

Non-Diversified Fund. The Fund is a “non-diversified” investment company. Many mutual funds elect to be “diversified” funds that, as to 75% of their assets, cannot invest more than 5% of their assets in any one security at any given time. A non-diversified fund is not subject to this limitation, and so it may hold a relatively small number of securities in its portfolio. Even a non-diversified fund has to have some diversification for tax purposes. In order to deduct dividends distributed to shareholders under the tax code, mutual funds are required, at the end of each quarter of the taxable year, to have (i) at least 50% of the market value of the Fund’s total assets be invested in cash, U.S. Government securities, the securities of other regulated investment companies, and other securities, limited with respect to any one issuer limited for the purposes of this calculation to an amount not greater than (A) 5% of the value of the Fund’s total assets or (B) 10% of the outstanding voting securities of the issuer, and (ii) not more than 25% of the value of its total assets be invested in the securities of any one issuer (other than U.S. Government securities or the securities of other regulated investment companies). As a non-diversified investment company, the Fund may hold a small number of equity securities, but in no event fewer than 12, which is the minimum number of companies a non-diversified investment company regulated under the Investment Company Act of 1940 (the “1940 Act”) may invest in.

Portfolio Turnover. Although the Fund’s strategy emphasizes longer-term investments that typically result in portfolio turnover less than 100%, the Fund may, from time to time, have a higher portfolio turnover when the Sub-Adviser’s implementation of the Fund’s investment strategy or a temporary defensive position results in frequent trading. Since the Fund’s trades cost the Fund a brokerage commission, high portfolio turnover may have a significant adverse impact on the Fund’s performance. In addition, because sales of securities in the Fund’s portfolio may result in taxable gain or loss, high portfolio turnover may result in significant tax consequences for shareholders.

“Portfolio Turnover” is a ratio that indicates how often the securities in a mutual fund’s portfolio change during a year’s time. In general, higher numbers indicate a greater number of changes, and lower numbers indicate a smaller number of changes.

Additional Information About the Fund’s Investment Objective and Strategy. An investment in the Fund should not be considered a complete investment program. Your investment needs will depend largely on your financial resources and individual investment goals and objectives, and you should consult with your financial professional before making an investment in the Fund.

PRINCIPAL RISKS OF INVESTING IN THE FUND

All investments carry risks, and investment in the Fund is no exception. No investment strategy works all the time, and past performance is not necessarily indicative of future performance. You may lose money on your investment in the Fund. To help you understand the risks of investing in the Fund, the principal risks of an investment in the Fund are generally set forth below:

- **Market risk** – Stock prices are volatile. Market risk refers to the risk that the value of securities in the Fund’s portfolio may decline due to daily fluctuations in the securities markets generally. The Fund’s performance per share will change daily based on many factors that may generally affect the stock market, including fluctuation in interest rates, national and international economic conditions and general equity market conditions. In a declining stock market, stock prices for all companies (including those in the Fund’s portfolio) may decline, regardless of their long-term prospects.
- **Geographic concentration in China** – The Chinese economy is generally considered an emerging and volatile market. A small number of companies represent a large portion of the China market as a whole, and prices for securities of these companies may be very sensitive to adverse political, economic, or regulatory developments in China and other Asian countries, and may experience significant losses in such conditions. China’s central government has historically exercised substantial control over the Chinese economy through administrative regulation and/or state ownership. Despite economic reforms that have resulted in less direct central and local government control over Chinese businesses, actions of the Chinese central and local government authorities continue to have a substantial effect on economic conditions in China. These activities, which may include central planning, partial state ownership of or government actions designed to substantially influence certain

Chinese industries, market sectors or particular Chinese companies, may adversely affect the public and private sector companies in which the Fund invests. Government actions may also affect the economic prospects for, and the market prices and liquidity of, the securities of China companies and the payments of dividends and interest by China companies. In addition, currency fluctuations, monetary policies, competition, social instability or political unrest may adversely affect economic growth in China. The Chinese economy and Chinese companies may also be adversely affected by regional security threats, including those from Taiwan and North Korea, as well as adverse developments in Chinese trade policies, or in trade policies toward China by countries that are trading partners with China.

- **Government relationships risk** – While companies in China may be subject to limitations on their business relationships under Chinese law, these laws may not be consistent with certain political and security concerns of the U.S. As a result, Chinese companies may have material direct or indirect business relationships with governments that are considered state sponsors of terrorism by the U.S. government, or governments that otherwise have policies in conflict with the U.S. government (an “Adverse Government”). If the Fund invests in companies that have or develop a material business relationship with an Adverse Government, then the Fund will be subject to the risk that these companies’ reputation and price in the market will be adversely affected.
- **Foreign exposure risk** – Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- **Foreign exchange risk** – Investing in securities listed on non-U.S. exchanges involves a number of potential risks to which the Fund will be subject, including greater price volatility; less supervision and regulation than U.S. securities exchanges, brokers, and issuers; higher brokerage costs; adverse tax consequences; and settlement delays. Accounting and disclosure standards also differ from country to country, which may make obtaining reliable research more difficult.
- **Foreign currency risk** – Currencies of emerging markets countries are subject to significantly greater risks than currencies of developed countries, which may have an adverse effect on the value of securities of foreign companies traded on U.S. or foreign exchanges. For example, many emerging markets countries have experienced steady declines or sudden devaluations or increases of their currencies relative to the U.S. dollar, which may have adverse effects on companies’ cash flows, asset values and profits or losses, and may have adverse effects on the value of the Fund’s assets denominated in foreign currencies. Some emerging markets currencies may not be internationally traded or may be subject to strict controls by local governments, resulting in undervalued or overvalued currencies. Some governments have responded to such market fluctuation by restricting currency conversions, foreign investments or the repatriation of foreign investments. Future restrictive exchange controls could prevent or restrict the ability of an issuer in such market to make dividend or interest payments in the original currency of the obligation.
- **Restricted and illiquid securities risk** – The Fund’s private investments in public companies (including, without limitation, any warrants held by the Fund) will be subject to a number of risks because the securities may be illiquid securities, restricted securities (subject to restrictions on resale for one year) or warrants. These types securities are subject to risks of potential delays in resale and uncertainty in valuation. The Fund values these types of securities using its fair value procedures (described below) but there can be no assurance that (i) the Fund will determine fair value of these types of securities accurately; (ii) that the Fund would be able to sell these types of securities for the fair value determined by the Fund.
- **Valuation risk** – There is no market for restricted and illiquid securities from which to derive their value, thus the Fund fair values these securities based on a reference stock share prices, financial factors and other indicators consistent with the Fund’s Fair Value Pricing Instructions (defined below). However, because there is no market for these securities, there can be no guarantee they are not overvalued or undervalued. Additionally, when establishing fair value for securities purchased on foreign exchanges, such valuations might not take into account events that occur after the close of non-U.S. markets but prior to the time the Fund calculates its net asset value.

- **Management style risk** – Different styles of management tend to shift into and out of favor with stock market investors depending on market and economic conditions. Because the Fund intends to invest in value-oriented stocks (stocks that the Sub-Adviser believes are undervalued), the Fund’s performance may at times be better or worse than the performance of similar funds that focus on other types of stocks (e.g., “growth” stocks selected for growth potential), or that have a broader investment style.
- **Business and sector risk** – From time to time, a particular set of circumstances may affect a particular industry or certain companies within an industry, while having little or no impact on other industries or other companies within the industry. For instance, economic or market factors; regulation or deregulation; and technological or other developments may negatively impact all companies in a particular industry. To the extent the Fund invests heavily in a particular industry that experiences such a negative impact, the Fund’s portfolio will be adversely affected.
- **Small company risk** – From time to time, the Fund may be substantially invested in stocks of smaller companies. Stocks of smaller companies may have more risks than those of larger companies. In general, smaller companies have less experienced management teams, serve smaller markets, and find it more difficult to obtain financing for growth or potential development than larger companies. Due to these and other factors, small companies may be more susceptible to market downturns, and their stock prices may be more volatile than those of larger companies.
- **Interest rate risk** – Increases in interest rates typically lower the present value of a company’s future earnings stream. Since the market price of a stock changes continuously based upon investors’ collective perceptions of future earnings, stock prices will generally decline when investors anticipate or experience rising interest rates.
- **Issuer risk** – The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.
- **Non-diversified fund risk** – In general, a non-diversified fund may invest a greater percentage of its assets in a particular issue and may own fewer securities than other mutual funds. Accordingly, a non-diversified fund is generally subject to the risk that a large loss in an individual issue will cause a greater loss for the fund than it would if the fund was required to hold a larger number of securities or smaller positions.

MANAGEMENT

Investment Adviser. Matrix 360 Advisor, LLC serves as the Fund’s investment adviser. The Adviser’s principal office is located at 420 Lexington Avenue, Suite 601, New York, New York 10170. The Adviser, organized as a Delaware limited liability company, is controlled by Christopher Anci and 360 Holdings LLC, of which Mr. Anci is a member. While the Fund is the Adviser’s only advisory client, the Adviser’s affiliate, Matrix Capital Group, Inc., has experience as an investment adviser and has provided investment advice and portfolio management for unit investment trusts since 2003.

The Adviser became the investment adviser for the Fund on March 15, 2011 pursuant to an Interim Investment Advisory Agreement. That agreement was superseded by a new Investment Advisory Agreement (“Advisory Agreement”) that was approved by the Trust’s Board of Trustees (the “Trustees”) on March 14, 2011 and by the shareholders of the Fund at a meeting held on June 17, 2011. The current Advisory Agreement is in effect for a two year period, after which the Advisory Agreement will be renewed on an annual basis subject to appropriate review and approval by the Trustees.

Under the Agreement, the Fund pays the Adviser a monthly fee based on an annualized rate of 1.25% of the average daily net asset value of the Fund. 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 the Fund’s annual operating expenses (exclusive of interest, taxes, brokerage fees and commissions, extraordinary expenses and payments, if any, under the Rule 12b-1 Plan) to not more than 2.00%. This expense limitation agreement with the Adviser replaces the Fund’s previous Expense Limitation Agreement with the Sub-Adviser. During the period in which the Adviser served as the investment adviser to the

Fund, from March 15, 2011 to the end of the Fund's fiscal period on April 30, 2011, due to waivers, the Fund did not pay any fees for advisory services to the Adviser.

Prior to March 15, 2011, the Sub-Adviser served as investment adviser to the Fund pursuant to an investment advisory agreement that was approved by the Trustees on July 30, 2007 and the shareholders of the Fund on November 2, 2007. Pursuant to the investment advisory agreement with Parr Financial Group, LLC, the Fund was obligated to pay Parr Financial Group, LLC a management fee equal to 1.25% of the Fund's average daily net assets, subject to a contractual expense limitation agreement by Parr Financial Group, LLC to waive or reduce its fees and to assume other expenses of the Fund, if necessary, in an amount that limited the Fund's annual operating expenses (exclusive of interest, taxes, brokerage fees and commissions, extraordinary expenses and payments, if any, under the Rule 12b-1 Plan) to not more than 2.00%. During the Fund's fiscal period ended April 30, 2011, due to waivers, the advisory fee paid to Parr Financial Group, LLC was approximately 0.01%.

A discussion regarding the basis for the Trustees approving Advisory Agreement of the Fund is available in the Fund's Annual Report to shareholders for the fiscal year ended April 30, 2011. You may obtain a copy of the Annual Report and subsequent annual and semi-annual shareholder reports, without charge, upon request to the Fund.

Investment Sub-Adviser. Parr Financial Group, LLC serves as the Fund's investment sub-adviser. The Sub-Adviser's principal office is located at 5100 Poplar Avenue, Suite 3117, Memphis, Tennessee 38137. The Sub-Adviser, with oversight from the Adviser, makes day-to-day investment decisions for the Fund and selects broker-dealers for executing portfolio transactions, subject to the brokerage policies established by the Trustees.

The Sub-Adviser was founded and is controlled by Stephen L. Parr. Mr. Parr is the managing member of the Sub-Adviser and has served in that capacity since its founding. Mr. Parr also serves as the portfolio manager for the Sub-Adviser. In addition, he serves as the sole portfolio manager for the Fund. Prior to joining the Sub-Adviser, Mr. Parr was a macroeconomic and portfolio analyst for Pope Asset Management, LLC, a former investment adviser of the Fund's, from 2002 through 2007 and during that time served as a portfolio manager for the Fund. From 1977 through 1995, he worked as a vice-president and international specialist at Goldman Sachs performing portfolio management for individuals. From 1995 to 2005, Mr. Parr provided financial and strategic advice to a number of private and public companies as an independent consultant. Mr. Parr is originally from Little Rock, Arkansas, and attended Vanderbilt University on a football scholarship, majoring in East Asian history, where he graduated in 1975 with a B.A. in East Asian History and Finance. He received an M.B.A. from Emory University in 1977, with a concentration in Finance. Mr. Parr has been a portfolio manager for the Fund since the Fund's inception.

The SAI provides additional information about Mr. Parr's compensation, other accounts he manages and his ownership of securities in the Fund.

The Sub-Adviser became the sub-investment adviser for the Fund on March 15, 2011 pursuant to an Interim Investment Sub-Advisory Agreement between the Adviser and the Sub-Adviser. That agreement was superseded by a new Investment Sub-Advisory Agreement ("Sub-Advisory Agreement") between the Adviser and the Sub-Adviser that was approved by the Trustees on March 14, 2011 and by the shareholders of the Fund at a meeting held on June 17, 2011. The current Sub-Advisory Agreement is in effect for a two year period, after which the Sub-Advisory Agreement will continue year to year thereafter unless terminated earlier, so long as it is specifically approved at least annually in the manner required by the Investment Company of 1940, as amended. Prior to March 15, 2011, the Sub-Adviser managed the Fund as the Fund's investment adviser beginning in August 2007.

Under the Sub-Advisory Agreement, the Sub-Adviser receives an investment advisory fee from the Adviser equal to an annualized rate of 0.35% of the average daily net assets of the Fund. The Fund does not pay a direct fee to the Sub-Adviser under the Sub-Advisory Agreement.

A discussion regarding the basis for the Trustees approving the Sub-Advisory Agreement is available in the Fund's Annual Report to shareholders for the fiscal year ended April 30, 2011. You may obtain a copy of the Annual Report and subsequent annual and semi-annual shareholder reports, without charge, upon request to the Fund.

In addition to the advisory fees described above, the Adviser and the Sub-Adviser may also receive certain benefits from its management of the Fund in the form of brokerage or research services received from brokers under arrangements under Section 28(e) of the 1934 Act and the terms of the Advisory Agreement. For a description of these potential benefits, see the description under “Portfolio Transactions And Brokerage Allocation -- Brokerage Selection” in the SAI.

Board of Trustees. The Fund is a series of the 360 Funds, an open-end management investment company organized as a Delaware statutory trust on February 25, 2005. The Board of Trustees of the Trust supervises the operations of the Fund according to applicable state and federal law, and is responsible for the overall management of the Fund’s business affairs.

ADMINISTRATION

Custodian. Fifth Third Bank (the “Custodian”) serves as the custodian of the Fund’s securities.

Fund Administration and Distribution. Matrix 360 Administration, LLC (“Matrix”) serves as the Fund’s administrator providing the Fund with administrative, accounting and compliance services. In addition, Matrix serves as the transfer agent and dividend-disbursing agent of the Fund. As indicated below under the caption “Investing in the Fund,” Matrix will handle your orders to purchase and redeem Shares of the Fund, and will disburse dividends paid by the Fund.

Distribution of Shares. Matrix Capital Group, Inc. (the “Distributor”) serves as the Fund’s principal underwriter. The Distributor may sell the Fund’s Shares to or through qualified securities dealers or other approved entities. The Fund has adopted a Distribution Plan in accordance with Rule 12b-1 (“Distribution Plan”) under the 1940 Act. The Distribution Plan provides that the Fund may compensate or reimburse the Distributor for services rendered and expenses borne in connection with activities primarily intended to result in the sale of the Fund’s Shares (this compensation is commonly referred to as “12b-1 fees”). Sales charges (including without limitation, sales loads, CDSCs and 12b-1 fees) may be paid to broker-dealers, banks and any other financial intermediary eligible to receive such fees for sales of Fund shares and for services provided to shareholders. The Distributor may also retain a portion of these fees as the Fund’s distributor. Pursuant to the Distribution Plan, the Fund may annually pay the Distributor up to 0.25% of the average daily net assets attributable to the Class A shares and up to 1.00% of the average daily net assets attributable to the Class C shares. The 0.25% fee for the Class A shares is a service fee. The 1.00% fee for the Class C shares is comprised of a 0.25% service fee and a 0.75% distribution fee. Because 12b-1 fee are paid out of the Fund’s assets on an on-going basis, over time these fees will increase the cost of your investment and may cost you more than paying other types of sales charges.

The Fund offers two classes of shares (Class A shares and Class C shares), each of which is available for purchase by all investors. Each class represents interests in the same portfolio of investments and has the same rights, but the classes differ with respect to sales loads and expenses to which they are subject. The decision as to whether Class A or Class C shares are more beneficial to you generally depends on the amount and intended length of time of your investment.

Certain Expenses. In addition to the 12b-1 fees and the investment advisory fees, the Fund pays all expenses not assumed by the Adviser, including, without limitation, the fees and expenses of its independent accountants and of its legal counsel; the costs of printing and mailing to shareholders annual and semi-annual reports, proxy statements, prospectuses, statements of additional information and supplements thereto; the costs of printing registration statements; bank transaction charges and custodian’s fees; any proxy solicitors’ fees and expenses; filing fees; any federal, state or local income or other taxes; any interest; any membership fees of the Investment Company Institute and similar organizations; fidelity bond and Trustees’ liability insurance premiums; and any extraordinary expenses, such as indemnification payments or damages awarded in litigation or settlements made.

INVESTING IN THE FUND

Minimum Initial Investment. The Fund’s Shares are sold and redeemed at net asset value. Shares may be purchased by any account managed by the Adviser and any other institutional investor or any broker-dealer authorized to sell Shares in the Fund. The minimum initial investment for the Class A or Class C shares of the Fund

is generally \$2,500 for regular accounts and \$1,000 for IRA accounts. The Fund may, at the Adviser's sole discretion, accept accounts with less than the minimum investment.

Determining the Fund's Net Asset Value. The price at which you purchase or redeem Shares is based on the next calculation of net asset value after an order is accepted in good form. An order is considered to be in good form if it includes a complete application and payment in full of the purchase amount. The Fund's net asset value per share is calculated by dividing the value of the Fund's total assets, less liabilities (including Fund expenses, which are accrued daily), by the total number of outstanding Shares of the Fund. The net asset value per Share of the Fund is normally determined at the time regular trading closes on the NYSE, currently 4:00 p.m. Eastern time, Monday through Friday, except when the NYSE closes earlier. The Fund does not calculate net asset value on business holidays when the NYSE is closed.

The valuation of portfolio securities is determined in accordance with procedures established by, and under the direction of, the Trustees. In determining the value of the Fund's total assets, portfolio securities are generally calculated at market value by quotations from the primary market in which they are traded. Instruments with maturities of 60 days or less are valued at amortized cost which approximates market value. The Fund normally uses pricing services to obtain market quotations. Securities and assets for which representative market quotations are not readily available or which cannot be accurately valued using the Fund's normal pricing procedures are valued at fair value as determined in good faith under policies approved by the Trustees. Fair value pricing may be used, for example, in situations where (i) a portfolio security, such as a small-cap stock, is so thinly traded that there have been no transactions for that stock over an extended period of time or the validity of a market quotation received is questionable; (ii) the exchange on which the portfolio security is principally traded closes early; (iii) trading of the particular portfolio security is halted during the day and does not resume prior to the Fund's net asset value calculation; (iv) the security or warrant is a restricted security not registered under federal securities laws purchased through a private placement not eligible for resale; or (v) the security is purchased on a foreign exchange.

Pursuant to policies adopted by the Trustees, the Sub-Adviser is responsible for notifying the Trustees (or the Trust's Fair Value Committee ("Fair Value Committee")) when it believes that fair value pricing is required for a particular security. The Fund's policies regarding fair value pricing are intended to result in a calculation of the Fund's net asset value that fairly reflects portfolio security values as of the time of pricing. A portfolio security's "fair value" price may differ from the price next available for that portfolio security using the Fund's normal pricing procedure, and may differ substantially from the price at which the portfolio security may ultimately be traded or sold. If such fair value price differs from the price that would have been determined using the Fund's normal pricing procedures, a shareholder may receive more or less proceeds or shares from redemptions or purchases of Fund shares, respectively, than a shareholder would have otherwise received if the portfolio security was priced using the Fund's normal pricing procedures. The performance of the Fund may also be affected if a portfolio security's fair value price were to differ from the security's price using the Fund's normal pricing procedures. The Trustees monitor and evaluate the Fund's use of fair value pricing.

As discussed above, the Fund may invest in restricted securities and warrants ("Restricted Securities") through purchases of privately-offered securities of publicly traded companies located or doing business primarily in China. In connection with these investments, the Trust has adopted additional policies for the valuation of these Restricted Securities as part of the Fund's Pricing Policies and Procedures (the "Fair Value Pricing Instructions"). Under these Fair Value Pricing Instructions, the Sub-Adviser, subject to the oversight and approval of the Fair Value Committee, determines the fair value price of Restricted Securities on a daily basis using, among other things, factors and criteria established by the Trustees. These factors and criteria include, without limitation, the nature and duration of the restrictions on the disposition of the Restricted Security; market trading in the applicable company's publicly traded stock (the "Reference Stock"); government and economic matters affecting China; and information regarding the applicable company and its business. Using the Fair Value Pricing Instructions, the Sub-Adviser seeks to determine the price that is representative of the amount that the Fund might reasonably expect to receive for the Restricted Securities upon their current sale. Since the fair value of these Restricted Securities is determined pursuant to policies approved by the Trustees rather than by use of market prices, shareholders may receive more or less proceeds or shares from redemptions or purchases than they would if market prices were available for the Restricted Securities.

Consistent with the Fair Value Pricing Instructions and the foregoing, any foreign exchange-traded securities held by the Fund are valued as of the close of trading of the primary exchange on which they trade and the

values of such securities are converted to U.S. dollars using exchange rates determined as of the close of trading on the NYSE. In general the fair value of such securities will be determined, in accordance with the Fund's Fair Value Pricing Instructions and subject to the Board's oversight by a pricing service retained by the Fund that is independent of the Fund. The Fund will use foreign currency exchange rates deemed to be most appropriate by a foreign currency pricing service that is independent of the Fund. There may be circumstances in which the Fund's independent pricing service is unable to provide a reliable price for a security. In addition, when establishing a security's fair value, the independent pricing service may not take into account events that occur after the close of applicable markets but prior to the time the Fund calculates its NAV. Similarly, there may be circumstances in which a foreign currency exchange rate is deemed inappropriate for use by the Fund or multiple appropriate rates exist. In such circumstances, the Fair Value Committee will determine the fair value of a security, or a fair exchange rate in accordance with the Fund's Fair Value Pricing Instructions and subject to the oversight of the Board.

Foreign securities held by the Fund may be traded on days and at times when the NYSE is closed and the NAV is therefore not calculated. Accordingly, the NAV of the Fund may be significantly affected on days when shareholders have no access to the Fund.

Other Matters. Purchases and redemptions of Shares by the same shareholder on the same day will be netted for the Fund. All redemption requests will be processed and payment with respect thereto will normally be made within seven days after tender. The Fund may suspend redemption, if permitted by the 1940 Act, for any period during which the NYSE is closed or during which trading is restricted by the Securities and Exchange Commission ("SEC") or if the SEC declares that an emergency exists. Redemptions may also be suspended during other periods permitted by the SEC for the protection of the Fund's shareholders. Additionally, during drastic economic and market changes, telephone redemption privileges may be difficult to implement. Also, if the Trustees determine that it would be detrimental to the best interest of the Fund's remaining shareholders to make payment in cash, the Fund may pay redemption proceeds in whole or in part by a distribution-in-kind of readily marketable securities.

PURCHASING SHARES

Opening a New Account. To open an account with the Fund, take the following steps:

1. Complete an Account Application. Be sure to indicate the type of account you wish to open, the amount of money you wish to invest, and which class of shares you wish to purchase. If you do not indicate which class you wish to purchase, your purchase will be invested in Class A shares. The application must contain your name, date of birth, address, and Social Security Number ("SSN") or Taxpayer Identification Number ("TIN"). If you have applied for a SSN or TIN prior to completing your account application but you have not received your number, please indicate this on the application and include a copy of the form applying for the SSN or TIN. Taxes are not withheld from distributions to U.S. investors if certain IRS requirements regarding the SSN or TIN are met.
2. Write a check or prepare a money order from a U.S. financial institution and payable in U.S. dollars. For regular mail orders, mail your completed application along with your check or money order made payable to the "The USX China Fund" to:

360 Funds
c/o Matrix 360 Administration, LLC
630 Fitzwatertown Road
Building A, 2nd Floor
Willow Grove, Pennsylvania 19090-1904

If checks are returned due to insufficient funds or other reasons, the purchase order will not be accepted. The Fund will charge the prospective investor a \$20 fee for cancelled checks and may redeem Shares of the Fund already owned by the prospective investor or another identically registered account for such fee. The prospective investor will also be responsible for any losses or expenses incurred by the Fund or the Administrator in connection with any cancelled check.

Bank Wire Purchases. Purchases may also be made through bank wire orders. To establish a new account or add to an existing account by wire, please call **877.244.6235** for instructions.

Additional Investments. You may add to your account by mail or wire at any time by purchasing Shares at the then current public offering price. The minimum additional investment for any account of Class A or Class C shares in the Fund is \$250, except under the automatic investment plan discussed below. Before adding funds by bank wire, please call the Fund at **877.244.6235** and follow the above directions for bank wire purchases. Please note that in most circumstances, there will be a bank charge for wire purchases. Mail orders should include, if possible, the “Invest by Mail” stub that is attached to your confirmation statement. Otherwise, please identify your account in a letter accompanying your purchase payment. The Fund may, at the Adviser’s sole discretion, accept additional investments for less than the minimum additional investment.

Automatic Investment Plan. Shareholders who have met the Fund’s minimum investment criteria may participate in the Fund’s automatic investment plan. The automatic investment plan enables shareholders to make regular monthly or quarterly investments in Class A or Class C shares through automatic charges to shareholders’ checking account. With shareholder authorization and bank approval, the Fund will automatically charge the shareholder’s checking account for the amount specified (\$100 minimum for each of Class A or Class C shares of the Fund), which will automatically be invested in the type of shares that the shareholder holds in his or her account (Class A or Class C shares), at the public offering price on or about the 21st day of the month. The shareholder may change the amount of the investment or discontinue the plan at any time by notifying the Fund in writing.

Important Information about Procedures for Opening a New Account. Under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA Patriot Act of 2001), the Fund is required to obtain, verify, and record information to enable the Fund to form a reasonable belief as to the identity of each customer who opens an account. Consequently, when an investor opens an account, the Fund will ask for, among other things, the investor’s name, street address, date of birth (for an individual), social security or other tax identification number (or proof that the investor has filed for such a number), and other information that will allow the Fund to identify the investor. The Fund may also ask to see the investor’s driver’s license or other identifying documents. An investor’s account application will not be considered “complete” and, therefore, an account will not be opened and the investor’s money will not be invested until the Fund receives this required information. In addition, if after opening the investor’s account, the Fund is unable to verify the investor’s identity after reasonable efforts, as determined by the Fund in its sole discretion, the Fund may (i) restrict redemptions and further investments until the investor’s identity is verified; and (ii) close the investor’s account without notice and return the investor’s redemption proceeds to the investor. If the Fund closes an investor’s account because the Fund was unable to verify the investor’s identity, the Fund will value the account in accordance with the Fund’s next net asset value calculated after the investor’s account is closed. In that case, the investor’s redemption proceeds may be worth more or less than the investor’s original investment. The Fund will not be responsible for any losses incurred due to the Fund’s inability to verify the identity of any investor opening an account.

Other Information. In connection with all purchases of Fund Shares, we observe the following policies and procedures:

- We price direct purchases based on the next public offering price (net asset value) computed after your order is received. Direct purchase orders received by Matrix as the Fund’s transfer agent by the close of the regular session of the NYSE (generally 4:00 p.m., Eastern time) are confirmed at that day’s public offering price. Purchase orders received by dealers prior to the close of the regular session of the NYSE on any business day and transmitted to Matrix on that day are confirmed at the public offering price determined as of the close of the regular session of trading on the NYSE on that day.
- We do not accept third party checks for any investments.
- We may open accounts for less than the minimum investment or change minimum investment requirements at any time.
- We may refuse to accept any purchase request for any reason or no reason.
- We mail you confirmations of all your purchases or redemptions of Fund Shares.
- Certificates representing Shares are not issued.

Choosing a Share Class. The Fund offers two classes of shares (Class A shares and C shares), each of which is available for purchase by all investors. Each class represents interests in the same portfolio of investments and has the same rights, but the classes differ with respect to sales loads and ongoing expenses. The decision as to whether

Class A or Class C shares are more beneficial to you generally depends on your purchase amount, the length of time you expect to hold your investment and the sales charges and total operating expenses associated with each class.

Class A shares generally have an initial sales load, but are subject to lower ongoing expenses than Class C shares. Class C shares are sold without any initial sales load so the entire purchase price is immediately invested in the Fund, but Class C shares are subject to higher ongoing expenses than Class A shares. Since the entire amount of the purchase price of Class C shares is immediately invested in the Fund, any investment return on Class C shares may partially or wholly offset the higher annual expenses of Class C shares over the short term. However, there can be no assurance that this would be the case, since the Fund's future returns cannot be predicted. In addition, you should consider the effect of the CDSC applicable to Class C shares and certain redemptions of Class A shares, depending on the length of time you expect to hold your investment in the Fund.

Each investor's considerations are different. You should speak with your financial representative or broker-dealer to help you decide which class of shares is best for you. Set forth below is a brief description of each class of shares offered by the Fund.

Class A Shares. Class A shares are sold at net asset value plus an initial sales load. The sales load is deducted from the amount you invest. The sales load for Class A shares is reduced for purchases of \$100,000 or more, as shown in the chart below.

Amount of Investment	Sales load as a % of:		Dealer Reallowance as % of Public Offering Price*
	Public Offering Price*	Net Amount Invested	
Less than \$100,000	4.50%	4.71%	4.50%
\$100,000 but less than \$250,000	3.50%	3.63%	3.50%
\$250,000 but less than \$500,000	3.00%	3.09%	3.00%
\$500,000 but less than \$1 million	2.00%	2.04%	2.00%
\$1 million but less than \$3 million	1.00%	1.01%	1.00%
\$3 million or more	0.00%**	0.00%**	See below

* "Public Offering Price" is the net asset value at the time of purchase plus the front-end sales load. In general, the broker-dealer reallowance on sales of Class A shares will equal the amount of the Sales Load as a % of Public Offering Price described in this table.

**No sales load is paid at the time of purchase for investments of \$3 million or more. A CDSC of 0.50% may be imposed on such investments in the event of redemption within 12 months of purchase.

Class A shares are also subject to an annual 12b-1 fee of up to 0.25% of the Fund's average daily net assets allocable to Class A shares.

Broker-Dealer Reallowances and Commissions. The broker-dealer reallowance for purchases of Class A shares under \$3 million is described in the chart above. For initial purchases of Class A shares of the Fund of \$3 million or more, a broker-dealer's commission (equal to 0.50% of such purchases over \$3 million) may be paid by the Adviser to participating unaffiliated broker-dealers through whom such purchases are effected. No commission will be paid if the purchase represents the reinvestment of a redemption from the Fund made during the previous twelve months. Redemptions of Class A shares may result in the imposition of a CDSC if the broker-dealer's commission described in this paragraph was paid in connection with the purchase of such shares. See "CDSC for Certain Purchases of Class A shares" below.

Under certain circumstances, the Distributor may increase or decrease the reallowance to broker-dealers. The Distributor receives that portion of the initial sales load which is not reallowed to the brokers who sell shares of the Fund. The Distributor retains the entire sales load on all direct initial investments in the Fund and on all investments in accounts with no designated dealer of record.

Reduced Sales Loads. Front-end sales loads on purchases of Class A shares may be reduced under the "Right of Accumulation" or under a "Letter of Intent." To receive a reduced sales load, you must inform your broker-dealer or the Fund at the time you purchase shares that you qualify for such a reduction. If you do not let

your broker-dealer or the Fund know you are eligible for a reduced sales charge, you may not receive the discount to which you are otherwise entitled.

You may use the “Right of Accumulation” to reduce your sales load. Under the “Right of Accumulation,” you may combine the current net asset value of your existing Class A shares of the Fund with the amount of any current purchases in order to take advantage of the reduced sales loads in the table above.

Purchases made pursuant to a “Letter of Intent” may also be eligible for the reduced sales loads. In a Letter of Intent, the investor expresses his or her intention, in writing, to invest a certain amount over a specified period of time. The Fund will then apply to each of the investor’s periodic investments the reduced sales load that would apply to the total amount stated in the Letter of Intent. The minimum initial investment under a Letter of Intent is \$100,000. If not stated otherwise in the Letter of Intent, the amount of shares you purchase in the Fund during the thirteen (13) months following the signing of the Letter of Intent qualify for the reduced sales load. The reduced sales load will not apply to purchases in the Fund made more than 90 days prior to the signing of the Letter of Intent. During the term of your Letter of Intent, the Transfer Agent will hold in escrow shares representing the highest applicable sales load for the Fund each time you make a purchase. Any shares you redeem during that period will count against your total amount stated in your Letter of Intent. If, by the end of the term of the Letter of Intent, you have purchased all the shares you committed to purchase in the Letter of Intent, the escrowed shares will be released to you. If you have not purchased all the shares you committed to purchase in the Letter of Intent, your escrowed shares will be redeemed in an amount equal to the sales load that would apply if you had purchased the actual amount in your account all at once. Any escrowed shares not needed to satisfy that sales load would be released to you.

Shareholders may include the value of certain related accounts, including accounts held by their spouse and children under the age of 21, family trust accounts of the investor and other accounts held by the investor to determine the applicable sales load and for purposes of the Right of Accumulation and Letter of Intent privileges. These privileges apply even if your related accounts are opened at different brokerage firms, so it is important to let your broker-dealer(s) or the Transfer Agent know about all your accounts that may be combined. To verify eligibility for a reduced sales load, your broker-dealer or the Fund may require that you submit copies of account statements to substantiate requests for Right of Accumulation and Letter of Intent privileges.

In addition to the Right of Accumulation and Letters of Intent, Class A shares are offered at net asset value without a sales load to the following types of investors: trustees and officers of the Fund, clients of the Adviser, employees of the Adviser (and members of their immediate families) and the Adviser and certain service providers of the Fund. As explained above, there also is no sales load at the time of purchase on investments of \$3 million or more in the Fund, but such purchases may be subject to a CDSC of 0.50% in the event of redemption within 12 months of purchase. See “CDSC for Certain Purchases of Class A Shares” below.

CDSC for Certain Purchases of Class A Shares. A CDSC is imposed upon certain redemptions of Class A shares purchased at net asset value in amounts totaling \$3 million if the dealer’s commission described above was paid by the underwriter and the shares are redeemed within one year from the date of purchase. The CDSC will be paid to the Distributor and will be equal to 0.50% of the lesser of (1) the net asset value at the time of purchase of the Class A shares being redeemed; or (2) the net asset value of such shares at the time of redemption. If your purchase of Class A shares is subject to the CDSC, you will be so notified on the confirmation you receive for such purchase. A CDSC will not be imposed upon redemptions of Class A shares held for more than one year.

Class C shares. Class C shares are sold at net asset value without an initial sales load so that the full amount of your purchase payment may be immediately invested in the Fund. A CDSC of 1.00% will be imposed on redemptions of Class C shares made within one year of their purchase. The CDSC will be a percentage of the dollar amount of shares redeemed and will be assessed on an amount equal to the net asset value at the time of purchase of the Class C shares being redeemed. A CDSC will not be imposed upon redemptions of Class C shares held for more than one year. Class C shares are subject to an annual 12b-1 fee of up to 1.00% of the Fund’s average daily net assets allocable to Class C shares.

Additional Information about Sales Charges. Information regarding the Fund’s sales charges, as well as information regarding reduced sales charges and waived sales charges, and the terms and conditions for the

purchase, pricing, and redemption of Fund shares is not available on the Fund's website since the Fund's website contains limited information. Further information is available by calling the Fund at 877.244.6235.

Redeeming Shares

Regular Mail Redemptions. Regular mail redemption requests should be addressed to:

360 Funds
c/o Matrix 360 Administration, LLC
630 Fitzwatertown Road
Building A, 2nd floor
Willow Grove, Pennsylvania 19090-1904

Regular mail redemption requests should include the following:

- (1) Your letter of instruction specifying the Fund, account number and number of Shares (or the dollar amount) to be redeemed. This request must be signed by all registered shareholders in the exact names in which they are registered;
- (2) Any required signature guarantees (see "Signature Guarantees" below); and
- (3) Other supporting legal documents, if required in the case of estates, trusts, guardianships, custodianships, corporations, pension or profit sharing plans, and other entities.

Your redemption proceeds normally will be sent to you within seven days after receipt of your redemption request. However, the Fund may delay forwarding a redemption check for recently purchased Shares while it determines whether the purchase payment will be honored. Such delay (which may take up to 10 days from the date of purchase) may be reduced or avoided if the purchase is made by certified check or wire transfer. In all cases, the net asset value next determined after receipt of the request for redemption will be used in processing the redemption request.

Telephone and Bank Wire Redemptions. Unless you specifically decline the telephone transaction privileges on your account application, you may redeem Shares of the Fund by calling 877.244.6235. The Fund may rely upon confirmation of redemption requests transmitted via facsimile (Fax# 215.830.8995). The confirmation instructions must include the following:

- (1) Name of Fund;
- (2) Shareholder name(s) and account number;
- (3) Number of Shares or dollar amount to be redeemed;
- (4) Instructions for transmittal of redemption funds to the shareholder; and
- (5) Shareholder(s) signature(s) as it/they appear(s) on the application then on file with the Fund.

You can choose to have redemption proceeds mailed to you at your address of record, your financial institution, or to any other authorized person, or you can have the proceeds sent by wire transfer to your financial institution (\$5,000 minimum). The Fund in its discretion may choose to pass through to redeeming shareholders any charges imposed by the Fund's custodian for wire redemptions. If this cost is passed through to redeeming shareholders by the Fund, the charge will be deducted automatically from your account by redemption of Shares in your account. Your bank or brokerage firm may also impose a charge for processing the wire. If wire transfer of funds is impossible or impractical, the redemption proceeds will be sent by mail to the designated account.

Redemption proceeds will only be sent to the financial institution account or person named in your Fund Shares Application currently on file with the Fund. Telephone redemption privileges authorize the Fund to act on telephone instructions from any person representing himself or herself to be the investor and reasonably believed by the Fund to be genuine. The Fund will not be liable for any losses due to fraudulent or unauthorized instructions nor for following telephone instructions provided that the Fund follows reasonable procedures to insure instructions are genuine.

Minimum Account Size. Due to the relatively high cost of maintaining small accounts, the Fund reserves the right to liquidate a shareholder's account if, as a result of redemptions or transfers (but not required IRA distributions), the account's balance falls below the minimum initial investment required for your type of account (see "Minimum Initial Investment" above). The Fund will notify you if your account falls below the required minimum. If your account is not increased to the required level after a thirty (30) day cure period then the Fund may, at its discretion, liquidate the account.

Redemptions In Kind. The Fund does not intend, under normal circumstances, to redeem its Shares by payment in kind. However, the Fund reserves the right to meet redemption requests by payment in kind where it believes it is in the best interest of the Fund and the remaining shareholders. In such a case, the Trustees may authorize payment to be made in readily marketable portfolio securities of the Fund. Securities delivered in payment of redemptions would be valued at the same value assigned to them in computing the Fund's net asset value per share. Shareholders receiving them would incur brokerage costs when these securities are sold.

Signature Guarantees. To protect your account and the Fund from fraud, signature guarantees may be required to be sure that you are the person who has authorized a change in registration or standing instructions for your account. Signature guarantees are generally required for (i) change of registration requests; (ii) requests to establish or to change exchange privileges or telephone and bank wire redemption service other than through your initial account application; (iii) transactions where proceeds from redemptions, dividends, or distributions are sent to an address or financial institution differing from the address or financial institution of record; and (iv) redemption requests in excess of \$50,000. Signature guarantees are acceptable from a member bank of the Federal Reserve System, a savings and loan institution, credit union (if authorized under state law), registered broker-dealer, securities exchange, or association clearing agency and must appear on the written request for change of registration, establishment or change in exchange privileges, or redemption request.

Other Information about Contingent Deferred Sales Charges. If, within the first year of purchase, you redeem (i) Class A share purchases of more than \$3 million; or (ii) Class C shares, you may be subject to a CDSC as described above under "Fees and Expenses of the Fund" and "Purchasing Shares – Choosing a Share Class". Shares acquired through the reinvestment of dividends or distributions of capital gains will not be subject to a CDSC. To determine if the CDSC applies to a redemption, the Fund redeems Shares in the following order: (i) Shares acquired by reinvestment of dividends and capital gains distributions; and then (ii) Shares held for the longest period.

The Fund will waive the CDSC if requested in the following circumstances:

- Redemption upon the death or permanent disability of the shareholder if made within one year of the death or the initial determination of permanent disability. The waiver is available only for Shares held at the time of death or initial determination of permanent disability.
- Mandatory distributions from a tax-deferred retirement plan or IRA.

If you wish to request that the CDSC be waived for one of the reasons stated above, contact your financial representative, broker-dealer or the Fund. Such waiver requests must be made at the time of redemption.

ADDITIONAL INFORMATION ABOUT PURCHASES AND REDEMPTIONS

Purchases and Redemptions through Securities Firms. The Fund has authorized one or more brokers to accept purchase and redemption orders on its behalf and such brokers are authorized to designate intermediaries to accept orders on behalf of the Fund. In addition, orders will be deemed to have been received by the Fund when an authorized broker, or broker-authorized designee, accepts the purchase order or receives the redemption order. Orders will be priced at the next calculation of the Fund's net asset value after the authorized broker or broker-authorized designee receives the orders. Investors may also be charged a fee by a broker or agent if Shares are purchased through a broker or agent. The Fund is not responsible for ensuring that a broker carries out its obligations. You should look to the broker through whom you wish to invest for specific instructions on how to purchase or redeem shares of the Fund.

Telephone Purchases by Securities Firms. Brokerage firms that are Financial Industry Regulatory Authority, Inc. ("FINRA") members may telephone Matrix at 877.244.6235 and buy Shares for investors who have investments in the Fund through the brokerage firm's account with the Fund. By electing telephone purchase privileges, FINRA

member firms, on behalf of themselves and their clients, agree that neither the Fund nor Matrix shall be liable for following telephone instructions reasonably believed to be genuine. To be sure telephone instructions are genuine, the Fund and its agents send written confirmations of transactions to the broker that initiated the telephone purchase. As a result of these and other policies, the FINRA member firms may bear the risk of any loss in the event of such a transaction. However, if Matrix fails to follow these established procedures, it may be liable. The Fund may modify or terminate these telephone privileges at any time.

Disruptive Trading and Market Timing. The Fund is not intended for or suitable for market timers, and market timers are discouraged from becoming investors. The ability of new shareholders to establish an account, or for existing shareholders to add to their accounts is subject to modification or limitation if the Fund determines, in its sole opinion, that the shareholder or potential shareholder has engaged in frequent purchases or redemptions that may be indicative of market timing or otherwise disruptive trading (“Disruptive Trading”) which can have harmful effects for other shareholders. These risks and harmful effects include:

- o an adverse effect on portfolio management, as determined by the Adviser in its sole discretion, such as causing the Fund to maintain a higher level of cash than would otherwise be the case, or causing the Fund to liquidate investments prematurely; and
- o reducing returns to long-term shareholders through increased brokerage and administrative expenses.

You should note that, because the Fund invests primarily in securities of foreign companies that are traded on U.S. exchanges, the Fund may be more susceptible to market timing than mutual funds investing primarily in U.S. companies.

In an effort to protect shareholders from Disruptive Trading, the Board of Trustees has approved certain market timing policies and procedures. Under these market timing policies and procedures, the Fund may monitor trading activity by shareholders and take specific steps to prevent Disruptive Trading. In general, each Fund considers frequent roundtrip transactions in a shareholder account to constitute Disruptive Trading. A “roundtrip transaction” is one where a shareholder buys and then sells, or sells and then buys, Shares within 30 days. While there is no specific limit on roundtrip transactions, the Fund reserves the right to (i) refuse any purchase order; and/or (ii) restrict or terminate purchase privileges for shareholders or former shareholders, particularly in cases where the Fund determines that the shareholder or potential shareholder has engaged in more than one roundtrip transaction in the Fund within any rolling 30-day period.

In determining the frequency of roundtrip transactions, the Fund does not include purchases pursuant to dollar cost averaging or other similar programs, and the Fund will not count systematic withdrawals and/or automatic purchases, mandatory retirement distributions, and transactions initiated by a plan sponsor. The Fund will calculate roundtrip transactions at the shareholder level, and may contact a shareholder to request an explanation of any activity that the Fund suspects as Disruptive Trading.

Notwithstanding the foregoing, the Fund may also take action if a shareholder’s trading activity (evaluated based on roundtrip trading or otherwise) is deemed Disruptive Trading by the Fund, even if applicable Shares are held longer than 30 days. In addition, the Fund may, without prior notice, take whatever action it deems appropriate to comply with or take advantage of any state or federal regulatory requirement. The Fund also imposes an initial sales load and a CDSC on certain Shares, each of which has the effect of discouraging Disruptive Trading in Fund Shares.

The Fund cannot guarantee that its policies and procedures regarding market timing will be effective in detecting and deterring all Disruptive Trading.

Disclosure of Portfolio Holdings. A description of the Fund’s policies and procedures with respect to the disclosure of the Fund’s portfolio securities is available in the Fund’s SAI.

OTHER IMPORTANT INFORMATION

Distributions

The Fund distributes its net investment income and net realized long and short-term capital gains to its shareholders at least annually, usually in December. Absent instructions to pay distributions in cash, distributions will be reinvested automatically in additional Shares (or fractions thereof) of the Fund.

Federal Taxes

The following information is meant as a general summary for U.S. taxpayers. Additional information appears in the SAI. Shareholders should rely on their own tax advisers for advice about the particular federal, state, and local tax consequences of investing in the Fund.

Shareholders may elect to take dividends from net investment income or capital gain distributions, if any, in cash or reinvest them in additional Fund Shares. Although the Fund will not be taxed on amounts it distributes, shareholders will generally be taxed on distributions paid by the Fund, regardless of whether distributions are received in cash or are reinvested in additional Fund Shares. Distributions may be subject to state and local taxes, as well as federal taxes.

The table to the right can provide a guide for your potential tax liability when selling Fund Shares (unless you are a corporation).

“Short-term capital gains” applies to fund shares sold up to 12 months after buying them.

“Long-term capital gains” applies to shares held for more than 12 months.

Taxability of Distributions (rates subject to change)		
<u>Type of distribution</u>	<u>Tax rate for 15% bracket</u>	<u>Tax rate for 25% bracket or above</u>
Income dividends	Long Term Capital Gains Rate	Long Term Capital Gains Rate
Short-term capital gains	Ordinary Income Rate	Ordinary Income Rate
Long-term capital gains	0%	15%

Shareholders should consult with their own tax advisers to ensure that distributions and sale of Fund shares are treated appropriately on their income tax returns.

Benchmark Descriptions

The Fund compares its performance to several indexes. The S&P 500 Total Return Index by Standard and Poor’s Corp. is a capitalization weighted index comprising 500 issues listed on various exchanges, representing the performance of the U.S. stock market generally. The All Country Asia Pacific Excluding Japan Index by Morgan Stanley Capital is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of Asia, excluding Japan. The Halter USX China Index by the Halter Financial Group is a modified market capitalization weighted index comprised of U.S. exchange listed securities of companies that derive a majority of their revenues from the People’s Republic of China. These indexes do not have investment advisers and do not pay any commissions, expenses, or taxes. If these indexes did pay commissions, expenses, or taxes, their returns would be lower.

Financial Highlights

The financial highlights tables beginning on the following pages are intended to help you understand the Fund’s financial performance for the period of the Fund’s operations. Certain information reflects financial results for a single Fund Share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). The financial data in the tables have been derived from audited financial statements of the Funds. The financial data in the tables has been audited by Cohen Fund Audit Services, Ltd., an independent registered public accounting firm, whose reports covering such periods are incorporated by reference into the Fund’s Statement of Additional Information (“SAI”). This information should be read in conjunction with the Funds’ latest audited annual financial statements and notes

thereto, which are also incorporated by reference into the SAI, a copy of which may be obtained at no charge by calling the Fund. Further information about the performance of the Funds is contained in the Annual Report and Semi-annual Report of the Fund, copies of which may also be obtained at no charge by calling the Fund at 877-244-6235.

THE USX CHINA FUND
FINANCIAL HIGHLIGHTS

Per Share Data For a Share Outstanding Throughout Each year

	The USX China Fund Class A *				
	For the Year Ended Ended April 30, 2011	For the Year Ended April 30, 2010	For the Year Ended April 30, 2009	For the Year Ended April 30, 2008	For the Year Ended April 30, 2007
Net Asset Value, Beginning of year/period	\$ 11.51	\$ 5.23	\$ 13.07	\$ 14.62	\$ 12.03
Investment Operations:					
Net investment income (loss) ^(a)	(0.17)	(0.18)	(0.16)	(0.23)	(0.15)
Net realized and unrealized gain (loss) on investments	(5.01)	6.46	(6.95)	1.02	2.80
Total from investment operations	(5.18)	6.28	(7.11)	0.79	2.65
Distributions:					
From net realized capital loss	-	-	(0.73)	(2.34)	(0.06)
Total distributions	-	-	(0.73)	(2.34)	(0.06)
Net Asset Value, End of year/period	\$ 6.33	\$ 11.51	\$ 5.23	\$ 13.07	\$ 14.62
Total Return ^(a)	(45.00)%	120.08%	(54.41)%	1.83%	22.09%
Ratios/Supplemental Data					
Net assets, end of year/period (in 000's)	\$ 6,688	\$ 17,406	\$ 10,928	\$ 31,650	\$ 32,054
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	3.58%	2.97%	3.08%	2.35%	2.80%
After fees waived and expenses absorbed	2.25%	2.14%	2.20%	2.25%	2.18%
Ratio of net investment income (loss) to average net assets:					
Before fees waived and expenses absorbed	(3.20)%	(2.76)%	(2.92)%	(1.51)%	(1.80)%
After fees waived and expenses absorbed	(1.87)%	(1.92)%	(2.04)%	(1.41)%	(1.18)%
Portfolio turnover rate	104.59%	131.37%	81.83%	75.41%	40.84%

^(a) Per share amounts were calculated using the average shares method.

^(b) Total return in the above table represents the rate that the investor would have earned or lost in an investment in the Fund assuming reinvestment of dividends.

**THE USX CHINA FUND
FINANCIAL HIGHLIGHTS**

Per Share Data For a Share Outstanding Throughout Each year/period

The USX China Fund Class C *					
	For the Year Ended Ended April 30, 2011	For the Year Ended April 30, 2010	For the Year Ended April 30, 2009	For the Year Ended April 30, 2008	For the Year Ended April 30, 2007
Net Asset Value, Beginning of year/period	\$ 11.20	\$ 5.13	\$ 12.94	\$ 14.59	\$ 12.01
Investment Operations:					
Net investment loss ^(a)	(0.23)	(0.26)	(0.24)	(0.35)	(0.26)
Net realized and unrealized (loss)/gain on investments	(4.86)	6.33	(6.85)	1.04	2.80
Total from investment operations	(5.09)	6.07	(7.09)	0.69	2.54
Distributions:					
From net realized capital loss	-	-	(0.73)	(2.34)	-
Total distributions	-	-	(0.73)	(2.34)	-
Paid-in capital from CDSC fees	- ^(b)	- ^(b)	0.01	- ^(b)	0.04
Net Asset Value, End of year/period	\$ 6.11	\$ 11.20	\$ 5.13	\$ 12.94	\$ 14.59
Total Return ^(c)	(45.45)%	118.32%	(54.74)%	1.12%	21.48%
Ratios/Supplemental Data					
Net assets, end of year/period (in 000's)	\$ 224	\$ 1,109	\$ 627	\$ 2,177	\$ 909
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	4.33%	3.72%	3.83%	3.10%	3.85%
After fees waived and expenses absorbed	3.00%	3.00%	3.00%	3.00%	3.00%
Ratio of net investment loss to average net assets:					
Before fees waived and expenses absorbed	(3.95)%	(3.51)%	(3.67)%	(2.26)%	(2.89)%
After fees waived and expenses absorbed	(2.62)%	(2.79)%	(2.84)%	(2.16)%	(2.04)%
Portfolio turnover rate	104.59%	131.37%	81.83%	75.41%	40.84%

^(a) Per share amounts were calculated using the average shares method.

^(b) CDSC fees resulted in less than \$0.01 per share.

^(c) Total return in the above table represents the rate that the investor would have earned or lost in an investment in the Fund assuming reinvestment of dividends.

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Privacy Notice

FACTS		WHAT DOES 360 FUNDS DO WITH YOUR PERSONAL INFORMATION?	
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> ▪ Social Security number ▪ Assets ▪ Retirement Assets ▪ Transaction History ▪ Checking Account Information ▪ Purchase History ▪ Account Balances ▪ Account Transactions ▪ Wire Transfer Instructions <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>		
How?	All financial companies need to share your personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons 360 Funds chooses to share; and whether you can limit this sharing.		
	Reasons we can share your personal information	Does 360 Funds share?	Can you limit this sharing?
	For our everyday business purposes – Such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
	For our marketing purposes – to offer our products and services to you	No	We don't share
	For joint marketing with other financial companies	No	We don't share
	For our affiliates' everyday business purposes – information about your transactions and experiences	No	We don't share
	For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
	For nonaffiliates to market to you	No	We don't share
Questions?	Call 1-877-244-6235		

Not Part of the Prospectus

Who we are	
Who is providing this notice?	360 Funds Matrix 360 Administration, LLC (Administrator) Matrix Capital Group, Inc. (Distributor)
What we do	
How does 360 Funds protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.
How does 360 Funds collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> ▪ Open an account ▪ Provide account information ▪ Give us your contact information ▪ Make deposits or withdrawals from your account ▪ Make a wire transfer ▪ Tell us where to send the money ▪ Tell us who receives the money ▪ Show your government-issued ID ▪ Show your driver's license We also collect your personal information from other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> ▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness ▪ Affiliates from using your information to market to you ▪ Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> ▪ <i>Matrix 360 Advisor, LLC, the investment adviser to the 360 Funds, as well as Matrix 360 Administration, LLC and Matrix Capital Group, Inc., could each be deemed to be an affiliate.</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies <ul style="list-style-type: none"> ▪ <i>360 Funds does not share with nonaffiliates so they can market to you.</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> ▪ <i>360 Funds does not jointly market.</i>

THE USX CHINA FUND

Additional information about the Fund's investments is available in the Fund's annual and semi-annual reports to shareholders. In the Fund's annual reports, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Also, a statement of additional information ("SAI") about the Fund has been filed with the Securities and Exchange Commission. The SAI (which is incorporated in its entirety by reference in this Prospectus) contains additional information about the Fund.

To request a free copy of the SAI, the Fund's annual and semi-annual reports and other information about the Fund, or to make inquiries about the Fund, write the Fund at The USX China Fund c/o Matrix 360 Administration, LLC, 630 Fitzwatertown Road, Building A, 2nd Floor, Willow Grove, Pennsylvania, 19090-1904 or call the Fund at 877.244.6235. This Prospectus and other information about the Fund is available on the Fund's website at www.theusxchinafund.com.

Information about the Fund (including the SAI) can be reviewed and copied at the SEC's public reference room in Washington, D.C. Information about the operation of the public reference room may be obtained by calling the SEC at 1-202-551-8090. Reports and other information about Fund are available on the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>, and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the writing the SEC's Public Reference Section, Washington, D.C. 20549-1520.

360 Funds Investment Company Act File Number: 811-21726