



## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

INSTITUTIONAL CLASS SHARES – NCLSX  
INVESTOR CLASS SHARES – NCLIX

SEMI-ANNUAL REPORT



# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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October 31, 2016

Dear Fellow Shareholders:

We are pleased to write our semi-annual shareholder letter for the Nuance Concentrated Value Long-Short Fund (the “Fund”). The Fund seeks long-term capital appreciation by taking long positions in securities priced below, and short positions in securities priced above, our internal view of their estimated intrinsic value. The Fund will typically maintain 15-35 long positions and up to 50 short positions.

## Average Annual Rates of Return as of October 31, 2016:

	<u>6 Months</u>	<u>Since Inception<sup>(1)</sup></u>
Institutional Class	1.09%	11.40%
S&P 500 Index <sup>(2)</sup>	4.06%	5.87%
	<u>6 Months</u>	<u>Since Inception<sup>(1)</sup></u>
Investor Class	0.91%	11.10%
S&P 500 Index <sup>(2)</sup>	4.06%	5.87%

*Performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. Short term performance, in particular, is not a good indication of the fund’s future performance, and an investment should not be made solely based on returns. Performance data current to the most recent month end may be obtained by calling 1-855-682-6233.*

The Fund has contractually agreed to reduce its management fees, and may reimburse the Fund for its operating expenses, in order to ensure that Total Annual Fund Operating Expenses (Excluding acquired fund fees and expenses, leverage, interest, dividend and interest expense on short sales, taxes, brokerage commissions, and extraordinary expenses) do not exceed 1.55% of the average daily net assets of the Investor Class and 1.30% of the average daily net assets of the Institutional Class through at least August 27, 2017. The investor pays the Net Expense Ratio.

Institutional Class Gross Expense Ratio – 3.88%

Net Expense Ratio – 2.18%

Investor Class Gross Expense Ratio – 4.13 %

Net Expense Ratio – 2.43%

(1) December 31, 2015

(2) The Standard & Poor’s 500 Index (S&P 500) is an unmanaged, capitalization-weighted index generally representative of the U.S. Market for large capitalization stocks. This Index cannot be invested in directly.

In terms of performance, since its inception on December 31, 2015 through October 31, 2016, the Institutional Class is up 11.40 percent versus its primary index –the S&P 500 Index – up 5.87 percent. Given the very short history of the fund, we do not read much into our since inception performance. While our Nuance Concentrated Value Long-Short Fund underperformed the benchmark over the 6-month time horizon, Nuance cautions clients regarding the use of short-term performance as a tool to make investment decisions. As we remind our clients each month, your team continues to try and find leading business franchises with sustainable competitive positions that are trading below our internally derived view of fair or intrinsic value. We believe that our time-tested process of finding what we consider best of breed businesses with better than the market downside support and better than the market upside potential over the long-term should lead to solid risk adjusted returns versus our peers and benchmarks.

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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At Nuance, our team and our processes are designed to emphasize consistency and what we believe is thorough fundamental analysis of companies that have the potential to lead to investment returns that will be acceptable for our shareholders over the long-term. To do this, we focus our attention on studying one company at a time using the Nuance approach.

Nuance employs a bottoms-up stock selection process that emphasizes one stock at a time valuation and fundamental work. Sector/industry weightings are a fallout primarily of the emphasis of the team to optimize the risk versus reward profile of the portfolio. We would note that often specific events will result in an entire industry or sector being out of favor and thus showing positively skewed risk versus rewards. During those periods, we are likely to be overweight those areas. The reverse is also true and certain sectors or industries can become overvalued at the same time. During those periods we would be underweight. Those decisions are made as a direct result of the time tested process of studying valuations for leading business franchises one stock at a time as opposed to a top-down view of a space.

On the long side, we have recently been reducing our weighting in the Financial sector as an upward movement in interest rates led to some of our positions approaching our internal view of fair value. We remain underweight the newly formed Real Estate sector as the sector appears overvalued due to what we have termed the chase for yield. The portfolio continues to be overweight Industrials, Energy, Utilities and Materials as it has been over the last several quarters. We are underweight the Consumer Discretionary, Healthcare, and Technology sectors primarily due to valuation concerns.

On the short side, we are seeing opportunities in the Real Estate, Consumer Discretionary, Consumer Staples, and Industrials sectors. The Real Estate sector appears overvalued due to what we have termed the chase for yield. Additionally, we believe we are finding some attractive shorts in the Consumer Staples and Consumer Discretionary Sectors as we believe low energy prices have driven many of those businesses to peak returns on capital. Lastly, in the Industrial sector, we are seeing opportunities in waste disposal companies as they are enjoying what we view as peak pricing combined with peak volumes.

Thank you for your interest and your continued support.

Chad Baumler, CFA

Please visit our website at [www.nuanceinvestments.com](http://www.nuanceinvestments.com) for more information about our team, our process, and value investing. You can also get real-time access to the Nuance Investment website updates and information via traditional mail or e-mail. Simply contact us at [client.services@nuanceinvestments.com](mailto:client.services@nuanceinvestments.com) or call 816-743-7080 to sign-up.

*This report should be preceded or accompanied by a prospectus.*

**Mutual fund investing involves risk. Principal loss is possible. Investments in small and mid-capitalization companies involve additional risk such as limited liquidity and greater volatility than larger capitalization companies. Investments in foreign securities involve political, economic and currency risks, greater volatility and differences in accounting methods. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund.**

***Past performance does not guarantee future results.***

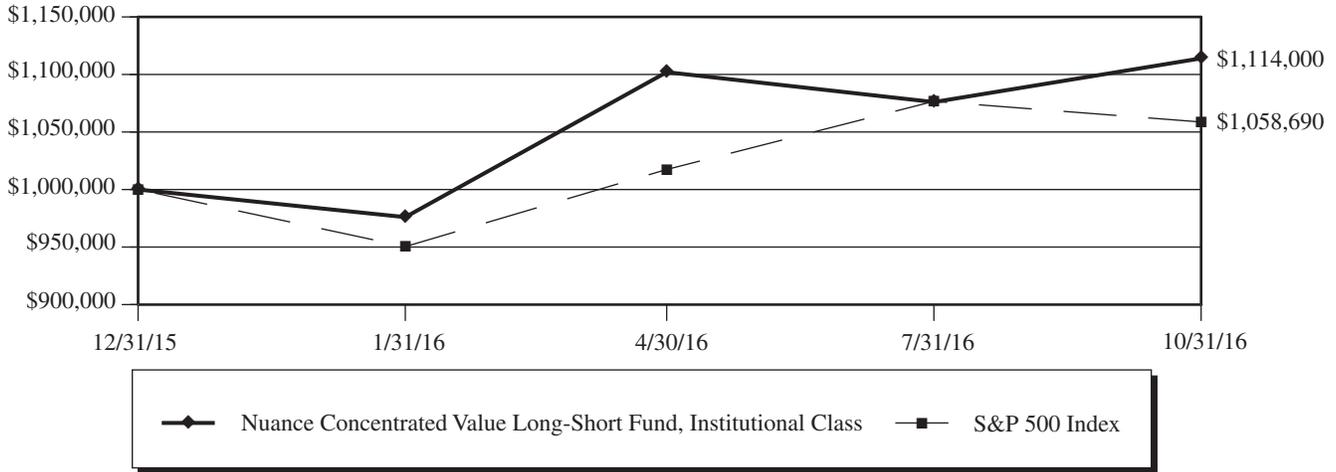
Opinions expressed are subject to change, are not guaranteed and should not be considered investment advice or recommendations to buy or sell any security.

Nuance Investments, LLC is majority owned by Montage Investments, LLC.

Nuance Investments is the advisor to the Nuance Concentrated Value Fund which is distributed by Quasar Distributors, LLC.

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

### Value of \$1,000,000 Investment (UNAUDITED)



*The chart assumes an initial investment of \$1,000,000. Performance reflects waivers of fee and operating expenses in effect. In the absence of such waivers, total return would be reduced. Past performance is not predictive of future performance. Investment return and principal value will fluctuate, so that your shares, when redeemed may be worth more or less than their original cost. Performance assumes the reinvestment of capital gains and income distributions. The performance does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.*

### Rates of Return (%) As of October 31, 2016

	<u>Since Inception<sup>(1)</sup></u>
<b>Institutional Class</b>	11.40%
<b>Investor Class</b>	11.10%
<b>S&amp;P 500 Index<sup>(2)</sup></b>	5.87%

(1) December 31, 2015.

(2) The Standard & Poor's 500 Index (S&P 500) is an unmanaged, capitalization-weighted index generally representative of the U.S. market for large capitalization stocks. This Index cannot be invested in directly.

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## EXPENSE EXAMPLE (UNAUDITED) OCTOBER 31, 2016

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees, shareholder servicing fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The Example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (May 1, 2016 – October 31, 2016).

### ACTUAL EXPENSES

For each class, the first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

### HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

For each class, the second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

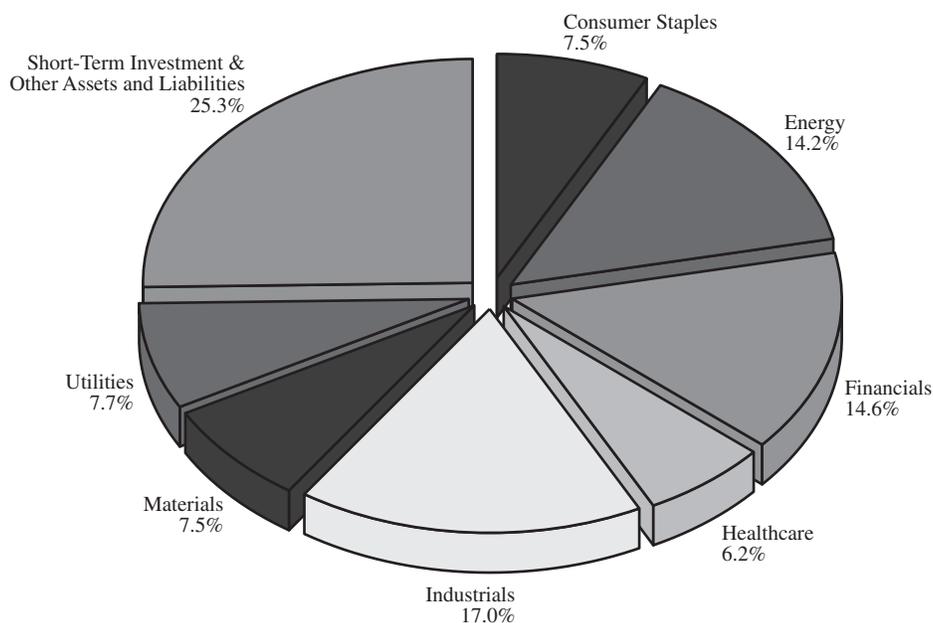
*Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if transactional costs were included, your costs may have been higher.*

	<u>Beginning Account Value (5/1/2016)</u>	<u>Ending Account Value (10/31/2016)</u>	<u>Expenses Paid During Period<sup>(1)</sup> (5/1/2016 to 10/31/2016)</u>
Investor Class			
Actual <sup>(2)(3)</sup>	\$1,000.00	\$1,009.10	\$15.85
Hypothetical <sup>(4)</sup> (5% return before expenses)	\$1,000.00	\$1,009.43	\$15.85
Institutional Class			
Actual <sup>(2)(3)</sup>	\$1,000.00	\$1,010.90	\$14.34
Hypothetical <sup>(4)</sup> (5% return before expenses)	\$1,000.00	\$1,010.94	\$14.34

- (1) Expenses are equal to the Fund’s annualized expense ratio for the most recent six-month period of 3.13% and 2.83% for the Investor Class and Institutional Class, respectively, multiplied by the average account value over the period, multiplied by 184/365 to reflect the one-half year period.
- (2) Based on the actual returns for the six-month period ended October 31, 2016 of 0.91% and 1.09% for the Investor Class and Institutional Class, respectively.
- (3) Excluding dividends and interest on short positions, the actual expenses would be \$7.85 and \$6.59 for the Investor Class and Institutional Class, respectively.
- (4) Excluding dividends and interest on short positions, the hypothetical expenses would be \$7.88 and \$6.61 for the Investor Class and Institutional Class, respectively.

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

## ALLOCATION OF PORTFOLIO<sup>(1)(2)</sup> (% OF NET ASSETS) (UNAUDITED) AS OF OCTOBER 31, 2016



### TOP TEN LONG POSITIONS<sup>(2)</sup> (UNAUDITED) AS OF OCTOBER 31, 2016 (% OF NET ASSETS)

Frank's International N.V.	9.4%
National Fuel Gas Co.	7.7%
Diageo PLC – ADR	5.6%
Schlumberger Ltd.	4.7%
BOK Financial Corp.	4.6%
Rockwell Collins, Inc.	3.9%
Patterson Companies, Inc.	3.8%
Northern Trust Corp.	3.8%
Heartland Express, Inc.	3.8%
Praxair, Inc.	3.8%

### TOP FIVE SHORT POSITIONS<sup>(2)</sup> (UNAUDITED) AS OF OCTOBER 31, 2016 (% OF NET ASSETS)

Waste Management, Inc.	-3.6%
Kraft Heinz Co.	-3.6%
Ross Stores, Inc.	-3.6%
Altria Group, Inc.	-3.6%
Coca-Cola Co.	-3.4%

(1) Excludes short positions.

(2) Fund holdings and sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

### SCHEDULE OF INVESTMENTS (UNAUDITED) OCTOBER 31, 2016

	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS – 74.7%</b>		
<b>Consumer Staples – 7.5%</b>		
Diageo PLC – ADR (a)	15,340	\$ 1,649,510
Wal-Mart Stores, Inc. (a)	7,801	<u>546,226</u>
		<u>2,195,736</u>
<b>Energy – 14.2%</b>		
Frank’s International N.V. (a)	247,293	2,782,046
Schlumberger Ltd. (a)	17,863	<u>1,397,423</u>
		<u>4,179,469</u>
<b>Financials – 14.6%</b>		
BOK Financial Corp. (a)	18,943	1,345,332
Commerce Bancshares, Inc. (a)	14,053	700,121
M&T Bank Corp. (a)	6,988	857,637
MetLife, Inc. (a)	5,978	280,727
Northern Trust Corp. (a)	15,598	<u>1,129,607</u>
		<u>4,313,424</u>
<b>Healthcare – 6.2%</b>		
Patterson Companies, Inc. (a)	26,483	1,131,089
Smith & Nephew – ADR (a)	24,085	<u>704,486</u>
		<u>1,835,575</u>
<b>Industrials – 17.0%</b>		
Deere & Co. (a)	9,393	829,402
Emerson Electric Co. (a)	11,024	558,696
Heartland Express, Inc. (a)	61,119	1,124,590
Hub Group, Inc. – Class A (a)*	15,820	576,639
Lindsay Corp. (a)	4,825	377,797
Rockwell Collins, Inc. (a)	13,591	1,145,993
United Parcel Service, Inc. – Class B (a)	3,817	<u>411,320</u>
		<u>5,024,437</u>
<b>Materials – 7.5%</b>		
Compass Minerals International, Inc. (a)	7,735	555,760
H.B. Fuller Co. (a)	12,682	533,531
Praxair, Inc. (a)	9,583	<u>1,121,786</u>
		<u>2,211,077</u>
<b>Utilities – 7.7%</b>		
National Fuel Gas Co. (a)	43,261	<u>2,266,011</u>
<b>Total Common Stocks</b>		
<b>(Cost \$21,548,320)</b>		<u>22,025,729</u>

See Notes to the Financial Statements

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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### SCHEDULE OF INVESTMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

	<u>Shares</u>	<u>Value</u>
<b>SHORT-TERM INVESTMENT – 21.5%</b>		
Fidelity Institutional Government Portfolio, Class I, 0.27%^ (Cost \$6,324,547)	6,324,547	\$ 6,324,547
<b>Total Investments – 96.2%</b> (Cost \$27,872,867)		28,350,276
<b>Other Assets and Liabilities, Net – 3.8%</b>		<u>1,128,611</u>
<b>Total Net Assets – 100.0%</b>		<u>\$29,478,887</u>

(a) All or a portion of this security is designated as collateral for securities sold short. As of October 31, 2016, the value of the collateral was \$22,025,729.

\* Non-income producing security.

^ The rate shown is the annualized seven day effective yield as of October 31, 2016.

ADR – American Depositary Receipt

See Notes to the Financial Statements

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

### SCHEDULE OF SECURITIES SOLD SHORT (UNAUDITED) OCTOBER 31, 2016

	<u>Shares</u>	<u>Value</u>
<b>COMMON STOCKS – 56.8%</b>		
<b>Consumer Discretionary – 19.5%</b>		
Cintas Corp.	1,732	\$ 184,753
Delta Air Lines, Inc.	4,829	201,707
Home Depot, Inc.	7,918	966,075
McDonalds Corp.	3,874	436,096
Newell Brands, Inc.	8,717	418,590
Restaurant Brands International, Inc.	8,188	364,121
Ross Stores, Inc.	17,073	1,067,746
Scotts Miracle-Gro Co. – Class A	2,233	196,705
Six Flags Entertainment Corp.	3,899	216,979
Southwest Airlines Co.	4,891	195,885
Stanley Black & Decker, Inc.	1,450	165,068
TJX Companies, Inc.	12,099	892,301
Yum! Brands, Inc.	4,973	429,071
		<u>5,735,097</u>
<b>Consumer Staples – 12.0%</b>		
Altria Group, Inc.	16,119	1,065,788
Coca-Cola Co.	23,498	996,315
Ingredion, Inc.	1,419	186,130
Kraft Heinz Co.	12,078	1,074,338
Tyson Foods, Inc. – Class A	3,049	216,022
		<u>3,538,593</u>
<b>Financials – 0.7%</b>		
Allstate Corp.	2,887	196,027
<b>Industrials – 6.0%</b>		
Republic Services, Inc.	9,476	498,722
Sealed Air Corp.	4,467	203,829
Waste Management, Inc.	16,364	1,074,460
		<u>1,777,011</u>
<b>Materials – 1.2%</b>		
Avery Dennison Corp.	2,296	160,238
Ball Corp.	2,424	186,818
		<u>347,056</u>
<b>Real Estate – 10.0%</b>		
Boston Properties, Inc.	1,773	213,611
Equity Residential	3,129	193,216
Prologis, Inc.	9,672	504,491
Public Storage	1,028	219,704

See Notes to the Financial Statements

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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### SCHEDULE OF SECURITIES SOLD SHORT (UNAUDITED) – CONTINUED OCTOBER 31, 2016

	<u>Shares</u>	<u>Value</u>
<b>Real Estate – 10.0% (Continued)</b>		
Realty Income Corp.	14,546	\$ 861,705
Simon Property Group, Inc.	2,697	501,534
Vornado Realty Trust	1,537	142,603
Welltower Inc.	2,069	141,789
Weyerhaeuser Co.	6,161	184,399
		<u>2,963,052</u>
<b>Utilities – 7.4%</b>		
Consolidated Edison, Inc.	6,692	505,580
Edison International	6,817	500,913
PG&E Corp.	3,002	186,484
WEC Energy Group, Inc.	8,330	497,468
Xcel Energy, Inc.	11,905	494,653
		<u>2,185,098</u>
<b>Total Securities Sold Short</b>		
<b>(Proceeds \$16,837,291)</b>		<u><u>\$16,741,934</u></u>

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED) OCTOBER 31, 2016

### ASSETS:

Investments, at value (cost \$27,873,828)	\$28,350,276
Cash <sup>(1)</sup>	743,247
Deposits at broker <sup>(1)</sup>	17,479,879
Receivable for investment securities sold	492,620
Receivable for capital shares sold	594,964
Dividends & interest receivable	7,194
Prepaid expenses	14,946
Total assets	<u>47,683,126</u>

### LIABILITIES:

Securities sold short, at value (proceeds \$16,837,291)	16,741,934
Dividends payable	7,384
Payable for investment securities purchased	1,403,212
Payable to investment adviser	8,820
Payable for fund administration & accounting fees	13,737
Payable for transfer agent fees & expenses	4,761
Payable for custody fees	1,500
Payable for trustee fees	1,809
Payable for compliance fees	1,708
Accrued distribution & shareholder service fees	1,117
Accrued expenses	18,257
Total liabilities	<u>18,204,239</u>

**NET ASSETS** \$29,478,887

### NET ASSETS CONSIST OF:

Paid-in capital	\$27,840,290
Accumulated net investment loss	(101,235)
Accumulated undistributed net realized gain on investments	1,167,066
Net unrealized appreciation on:	
Investments	477,409
Securities sold short	95,357
Net Assets	<u><u>\$29,478,887</u></u>

	<u>Investor Class</u>	<u>Institutional Class</u>
Net Assets	\$1,285,735	\$28,193,152
Shares issued and outstanding <sup>(2)</sup>	115,689	2,531,428
Net asset value, redemption price and offering price per share	\$11.11	\$11.14

(1) Pledged as collateral for securities sold short.

(2) Unlimited shares authorized with no par value.

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## STATEMENT OF OPERATIONS (UNAUDITED) FOR THE SIX MONTHS ENDED OCTOBER 31, 2016

### INVESTMENT INCOME:

Dividend income	\$ 177,237
Less: Foreign taxes withheld	(3,906)
Interest income	4,739
Total investment income	<u>178,070</u>

### EXPENSES:

Dividend & broker interest on short positions	150,543
Investment adviser fees (See Note 4)	98,311
Fund administration & accounting fees (See Note 4)	44,295
Federal & state registration fees	23,565
Transfer agent fees & expenses (See Note 4)	14,383
Audit fees	8,858
Legal fees	5,520
Compliance fees (See Note 4)	5,068
Custody fees (See Note 4)	4,332
Trustee fees (See Note 4)	4,125
Postage & printing fees	2,686
Other	2,235
Distribution & shareholder service fees- Investor Class (See Note 5)	<u>1,291</u>
Total expenses before waiver	365,212
Less: waiver from investment adviser (See Note 4)	<u>(85,907)</u>
Net expenses	<u>279,305</u>

**NET INVESTMENT LOSS** (101,235)

### REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS

Net realized gain on transactions from:	
Investments	744,699
Securities sold short	375,854
Net change in unrealized appreciation (depreciation) on:	
Investments	(1,022,425)
Securities sold short	<u>115,820</u>
Net realized and unrealized gain on investments	<u>213,948</u>

**NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS** \$ 112,713

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	<u>For the Six Months Ended October 31, 2016 (Unaudited)</u>	<u>For the Period Inception<sup>(1)</sup> through April 30, 2016</u>
<b>OPERATIONS:</b>		
Net investment loss	\$ (101,235)	\$ (7,169)
Net realized gain (loss) on transactions from:		
Investments	744,699	(28,057)
Securities sold short	375,854	81,739
Net change in unrealized appreciation (depreciation) on:		
Investments	(1,022,425)	1,499,834
Securities sold short	<u>115,820</u>	<u>(20,463)</u>
Net increase in net assets resulting from operations	<u>112,713</u>	<u>1,525,884</u>
<b>CAPITAL SHARE TRANSACTIONS:</b>		
Investor Class:		
Proceeds from shares sold	1,111,890	228,744
Proceeds from reinvestment of distributions	—	—
Payments for shares redeemed	<u>(82,197)</u>	<u>—</u>
Increase in net assets resulting from Investor Class transactions	<u>1,029,693</u>	<u>228,744</u>
Institutional Class:		
Proceeds from shares sold	11,257,920	15,910,501
Proceeds from reinvestment of distributions	—	—
Payments for shares redeemed	<u>(586,271)</u>	<u>(297)</u>
Increase in net assets resulting from Institutional Class transactions	<u>10,671,649</u>	<u>15,910,204</u>
Net increase in net assets resulting from capital share transactions	<u>11,701,342</u>	<u>16,138,948</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS:</b>		
From net investment income:		
Investor Class	—	—
Institutional Class	—	—
From net realized gains:		
Investor Class	—	—
Institutional Class	<u>—</u>	<u>—</u>
Total distributions to shareholders	<u>—</u>	<u>—</u>
<b>TOTAL INCREASE IN NET ASSETS</b>	<u>11,814,055</u>	<u>17,664,832</u>
<b>NET ASSETS:</b>		
Beginning of period	<u>17,664,832</u>	<u>—</u>
End of period (including accumulated net investment loss of \$(101,235) and \$0, respectively)	<u>\$29,478,887</u>	<u>\$17,664,832</u>

(1) Inception date of the Fund was December 31, 2015.

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

## FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

	<u>For the Six Months Ended October 31, 2016 (Unaudited)</u>	<u>For the Period Inception<sup>(1)</sup> Through April 30, 2016</u>
<b>Investor Class</b>		
<b>PER SHARE DATA:</b>		
Net asset value, beginning of period	<u>\$11.01</u>	<u>\$10.00</u>
<b>INVESTMENT OPERATIONS:</b>		
Net investment loss	(0.04)	— <sup>(2)</sup>
Net realized and unrealized gain on investments	<u>0.14</u>	<u>1.01</u>
Total from investment operations	<u>0.10</u>	<u>1.01</u>
<b>LESS DISTRIBUTIONS:</b>		
Distributions from net investment income	—	—
Distributions from net realized gains	<u>—</u>	<u>—</u>
Total distributions	<u>—</u>	<u>—</u>
Net asset value, end of period	<u>\$11.11</u>	<u>\$11.01</u>
<b>TOTAL RETURN<sup>(3)</sup></b>	0.91%	10.10%
<b>SUPPLEMENTAL DATA AND RATIOS:</b>		
Net assets, end of period (in millions)	\$1.3	\$0.2
Ratio of expenses to average net assets <sup>(4)</sup> :		
Before expense reimbursement	4.09%	3.61%
After expense reimbursement	3.13%	2.06%
Ratio of expenses excluding dividends & interest on short positions to average net assets <sup>(4)</sup> :		
Before expense reimbursement	2.51%	3.10%
After expense reimbursement	1.55%	1.55%
Ratio of net investment loss to average net assets <sup>(4)</sup> :		
Before expense reimbursement/waiver	(2.27)%	(1.58)%
After expense reimbursement/waiver	(1.31)%	(0.03)%
Portfolio turnover rate <sup>(3)</sup>	39%	51%

(1) Inception date of the Fund was December 31, 2015.

(2) Amount rounds to less than \$0.01.

(3) Not annualized.

(4) Annualized.

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

	<u>For the Six Months Ended October 31, 2016 (Unaudited)</u>	<u>For the Period Inception<sup>(1)</sup> Through April 30, 2016</u>
<b>Institutional Class</b>		
<b>PER SHARE DATA:</b>		
Net asset value, beginning of period	<u>\$11.02</u>	<u>\$10.00</u>
<b>INVESTMENT OPERATIONS:</b>		
Net investment loss	(0.04)	— <sup>(2)</sup>
Net realized and unrealized gain on investments	<u>0.16</u>	<u>1.02</u>
Total from investment operations	<u>0.12</u>	<u>1.02</u>
<b>LESS DISTRIBUTIONS:</b>		
Distributions from net investment income	—	—
Distributions from net realized gains	<u>—</u>	<u>—</u>
Total distributions	<u>—</u>	<u>—</u>
Net asset value, end of period	<u>\$11.14</u>	<u>\$11.02</u>
<b>TOTAL RETURN<sup>(3)</sup></b>	1.09%	10.20%
<b>SUPPLEMENTAL DATA AND RATIOS:</b>		
Net assets, end of period (in millions)	\$28.2	\$17.4
Ratio of expenses to average net assets <sup>(4)</sup> :		
Before expense reimbursement	3.70%	3.73%
After expense reimbursement	2.83%	2.18%
Ratio of expenses excluding dividends & interest on short positions to average net assets <sup>(4)</sup> :		
Before expense reimbursement	2.17%	2.85%
After expense reimbursement	1.30%	1.30%
Ratio of net investment loss to average net assets <sup>(4)</sup> :		
Before expense reimbursement	(1.89)%	(1.70)%
After expense reimbursement	(1.02)%	(0.15)%
Portfolio turnover rate <sup>(3)</sup>	39%	51%

(1) Inception date of the Fund was December 31, 2015.

(2) Amount rounds to less than \$0.01.

(3) Not annualized.

(4) Annualized.

See Notes to the Financial Statements

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) OCTOBER 31, 2016

### 1. ORGANIZATION

Managed Portfolio Series (the “Trust”) was organized as a Delaware statutory trust on January 27, 2011. The Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Nuance Concentrated Value Long-Short Fund (the “Fund”) is a non-diversified series with its own investment objectives and policies within the Trust. The investment objective of the Fund is long-term capital appreciation. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 946 Financial Services – Investment Companies. The Fund commenced operations on December 31, 2015. Costs incurred by the Fund in connection with the organization, registration, and the initial public offering of shares were paid by Nuance Investments, LLC (the “Adviser”). The Fund currently offers two classes, the Investor Class and the Institutional Class. Investor Class shares are subject to a 0.25% Rule 12b-1 distribution and servicing fee and each class of shares is subject to a shareholder servicing fee of up to 0.15%. Each class of shares has identical rights and privileges with respect to the distribution fees and voting on matters affecting a single share class. The Fund may issue an unlimited number of shares of beneficial interest, with no par value.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

**Security Valuation** – All investments in securities are recorded at their estimated fair value, as described in Note 3.

**Federal Income Taxes** – The Fund complies with the requirements of Subchapter M of the Internal Revenue Code of 1986, as amended, necessary to qualify as a regulated investment company and distributes substantially all net taxable investment income and net realized gains to shareholders in a manner which results in no tax cost to the Fund. Therefore, no federal income or excise tax provision is required. As of and during the period ended October 31, 2016, the Fund did not have any tax positions that did not meet the “more-likely-than-not” threshold of being sustained by the applicable tax authority. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits on uncertain tax positions as income tax expense in the Statement of Operations. During the period ended October 31, 2016, the Fund did not incur any interest or penalties.

**Security Transactions and Investment Income** – The Fund follows industry practice and records security transactions on the trade date. Realized gains and losses on sales of securities are calculated on the basis of identified cost. Dividend income and expense is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Withholding taxes on foreign dividends have been provided for in accordance with the Fund’s understanding of the applicable country’s tax rules and regulations. Discounts and premiums on securities purchased are amortized over the expected life of the respective securities.

The Fund will make distributions, if any, of net investment income quarterly. The Fund will also distribute net realized capital gains, if any, annually. Distributions to shareholders are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, GAAP requires that they be reclassified in the components of the net assets based on their ultimate characteriza-

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

tion for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset values per share of the Fund.

**Short Sales** – A short sale is the sale by the Fund of a security which they do not own in anticipation of purchasing the same security in the future at a lower price to close the short position. A short sale will be successful if the price of the shorted security decreases. However, if the underlying security goes up in price during the period in which the short position is outstanding, the Fund will realize a loss. The risk on a short sale is unlimited because the Fund must buy the shorted security at the higher price to complete the transaction. Therefore, short sales may be subject to greater risks than investments in long positions. With a long position, the maximum sustainable loss is limited to the amount paid for the security plus the transaction costs, whereas there is no maximum attainable price of the shorted security. The Fund would also incur increased transaction costs associated with selling securities short. In addition, the Fund segregates liquid securities at least equal to the market value of the securities sold short (not including the proceeds from the short sales).

**Use of Estimates** – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Allocation of Income, Expenses and Gains/Losses** – Income, expenses (other than those deemed attributable to a specific share class), and gains and losses of the Fund are allocated daily to each class of shares based upon the ratio of net assets represented by each class as a percentage of the net assets of the Fund. Expenses deemed directly attributable to a class of shares are recorded by the specific class. Most Fund expenses are allocated by class based on relative net assets. 12b-1 fees are expensed at 0.25% of average daily net assets of Investor Class shares. Shareholder service fees are expensed at up to 0.15% of average daily net assets for each class of shares. Expenses associated with a specific fund in the Trust are charged to that fund. Common Trust expenses are typically allocated evenly between the funds of the Trust, or by other equitable means.

### 3. SECURITIES VALUATION

The Fund has adopted authoritative fair value accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value, a discussion in changes in valuation techniques and related inputs during the period and expanded disclosure of valuation levels for major security types. These inputs are summarized in the three broad levels listed below:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

Following is a description of the valuation techniques applied to the Fund's major categories of assets and liabilities measured at fair value on a recurring basis. The Fund's investments are carried at fair value.

**Equity Securities** – Securities that are primarily traded on a national securities exchange are valued at the last sale price on the exchange on which they are primarily traded on the day of valuation or, if there has been no sale on such day, at the mean between the bid and ask prices. Securities traded primarily in the Nasdaq Global Market System for which market quotations are readily available are valued using the Nasdaq Official Closing Price (“NOCP”). If the NOCP is not available, such securities are valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the bid and ask prices. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

**Mutual Funds** – Investments in other mutual funds, including money market funds, are valued at their net asset value per share and are categorized in Level 1 of the fair value hierarchy. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

Securities for which market quotations are not readily available, or if the closing price does not represent fair value, are valued following procedures approved by the Board of Trustees. These procedures consider many factors, including the type of security, size of holding, trading volume and news events. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset values per share. The Board of Trustees has established a Valuation Committee to administer, implement, and oversee the fair valuation process, and to make fair value decisions when necessary. The Board of Trustees regularly reviews reports that describe any fair value determinations and methods.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's securities as of October 31, 2016:

	Level 1	Level 2	Level 3	Total
Common Stocks	\$ 22,025,729	\$ —	\$ —	\$ 22,025,729
Short-Term Investment	6,324,547	—	—	6,324,547
Total Investments in Securities	<u>\$ 28,350,276</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 28,350,276</u>
Securities Sold Short				
Common Stocks	\$(16,741,934)	\$ —	\$ —	\$(16,741,934)
Total Securities Sold Short	<u>\$(16,741,934)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$(16,741,934)</u>

Transfers between levels are recognized at the end of the reporting period. During the period ended October 31, 2016, the Fund recognized no transfers between levels. The Fund did not invest in any Level 3 investments during the period. Refer to the Schedule of Investments for further information on the classification of investments.

#### 4. INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

The Trust has an agreement with the Adviser to furnish investment advisory services to the Fund. Pursuant to an Investment Advisory Agreement between the Trust and the Adviser, the Adviser is entitled to receive, on a monthly basis, an annual advisory fee equal to 1.00% of the Fund's average daily net assets.

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

The Fund’s Adviser has contractually agreed to waive a portion or all of its management fees and reimburse the Fund for its expenses to ensure that total annual operating expenses (excluding acquired fund fees and expenses, dividends and interest on short positions, interest, taxes, brokerage commissions and extraordinary expenses) for the Fund do not exceed 1.55% and 1.30% of average daily net assets of the Fund’s Investor Class and Institutional Class, respectively. Fees waived and expenses reimbursed by the Adviser may be recouped by the Adviser for a period of three fiscal years following the fiscal period during which such waiver or reimbursement was made if such recoupment can be achieved without exceeding the expense limit in effect at the time the waiver and reimbursement occurred. The Operating Expense Limitation Agreement is intended to be continual in nature and cannot be terminated within a year after the effective date of the Fund’s prospectus. After that date, the agreement may be terminated at any time upon 60 days’ written notice by the Trust’s Board of Trustees or the Adviser, with the consent of the Board. Waived fees and reimbursed expenses subject to potential recovery by year of expiration are as follows:

<u>Expiration</u>	<u>Amount</u>
April 30, 2019	\$75,414
April 30, 2020	\$85,907

U.S. Bancorp Fund Services, LLC (“USBFS” or the “Administrator”) acts as the Fund’s Administrator, Transfer Agent, and Fund Accountant. U.S. Bank N.A. (the “Custodian”) serves as the custodian to the Fund. The Custodian is an affiliate of the Administrator. The Administrator performs various administrative and accounting services for the Fund. The Administrator prepares various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund’s custodian; coordinates the payment of the Fund’s expenses and reviews the Fund’s expense accruals; and serves as the Fund’s fund accountant and transfer agent. The officers of the Trust, including the Chief Compliance Officer, are employees of the Administrator. A Trustee of the Trust is an officer of the Administrator. As compensation for its services, the Administrator is entitled to a monthly fee at an annual rate based upon the average daily net assets of the Fund, subject to annual minimums. Fees paid by the Fund for administration and accounting, transfer agency, custody and compliance services for the period ended October 31, 2016, are disclosed in the Statement of Operations.

Quasar Distributors, LLC (the “Distributor”) acts as the Fund’s principal underwriter in a continuous public offering of the Fund’s shares. The Distributor is an affiliate of the Administrator.

### **5. DISTRIBUTION & SHAREHOLDER SERVICING FEES**

The Fund has adopted a Distribution Plan pursuant to Rule 12b-1 (the “Plan”) in the Investor Class only. The Plan permits the Fund to pay for distribution and related expenses at an annual rate of 0.25% of the Investor Class average daily net assets. The expenses covered by the Plan may include the cost of preparing and distributing prospectuses and other sales material, advertising and public relations expenses, payments to financial intermediaries and compensation of personnel involved in selling shares of the Fund. Payments made pursuant to the Plan will represent compensation for distribution and service activities, not reimbursements for specific expenses incurred. For the period ended October 31, 2016, the Investor Class incurred expenses of \$958 pursuant to the Plan.

The Fund has entered into a shareholder servicing agreement (the “Agreement”) with the Adviser, under which the Fund may pay servicing fees at an annual rate of up to 0.15% of the average daily net assets of each class. Payments to the Adviser under the Agreement may reimburse the Adviser for payments it makes to selected brokers, dealers and administrators which have entered into service agreements with the Adviser for services provided to shareholders of the Fund. The services provided by such intermediaries are primarily designed to assist share-

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

## NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

holders of the Fund and include the furnishing of office space and equipment, telephone facilities, personnel and assistance to the Fund in servicing such shareholders. Services provided by such intermediaries also include the provision of support services to the Fund and includes establishing and maintaining shareholders' accounts and record processing, purchase and redemption transactions, answering routine client inquiries regarding the Fund, and providing such other personal services to shareholders as the Fund may reasonably request. For the period ended October 31, 2016, the Investor Class incurred \$333 of shareholder servicing fees under the Agreement.

### 6. CAPITAL SHARE TRANSACTIONS

Transactions in shares of the Fund were as follows:

	Six Months Ended October 31, 2016	For the Period Inception <sup>(1)</sup> through April 30, 2016
Investor Class:		
Shares sold	101,398	21,721
Shares issued to holders in reinvestment of distributions	—	—
Shares redeemed	(7,430)	—
Net increase in Investor Class shares	93,968	21,721
Institutional Class:		
Shares sold	1,001,794	1,581,233
Shares issued to holders in reinvestment of distributions	—	—
Shares redeemed	(51,572)	(27)
Net increase in Institutional Class shares	950,222	1,581,206
Net increase in shares outstanding	1,044,190	1,602,927

(1) Inception date of the Fund was December 31, 2015.

### 7. INVESTMENT TRANSACTIONS

The aggregate purchases and sales, excluding short-term investments and short positions, by the Fund for the period ended October 31, 2016, were as follows:

	Purchases	Sales
U.S. Government	\$ —	\$ —
Other	\$13,840,855	\$6,248,637

### 8. FEDERAL TAX INFORMATION

The aggregate gross unrealized appreciation and depreciation of securities (excluding short positions) held by the Fund and the total cost of securities for federal income tax purposes at April 30, 2016, the Fund's most recent fiscal year end, were as follows:

Aggregate Gross Appreciation	Aggregate Gross Depreciation	Net	Federal Income Tax Cost
\$1,701,700	\$(223,541)	\$1,478,159	\$15,914,042

## NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) – CONTINUED OCTOBER 31, 2016

The difference between book-basis and tax-basis unrealized appreciation is attributable primarily to the deferral of wash sale losses. At April 30, 2016, components of accumulated earnings on a tax-basis were as follows:

<b>Undistributed Ordinary Income</b>	<b>Undistributed Long-Term Capital Gains</b>	<b>Other Accumulated Losses</b>	<b>Unrealized Appreciation</b>	<b>Total Accumulated Earnings</b>
\$68,188	\$ —	\$(20,463)	\$1,478,159	\$1,525,884

As of April 30, 2016, the Fund did not have any capital loss carryovers. A regulated investment company may elect for any taxable year to treat any portion of any qualified late year loss as arising on the first day of the next taxable year. Qualified late year losses are certain capital, and ordinary losses which occur during the portion of the Fund's taxable year subsequent to October 31. For the taxable period ended April 30, 2016, the Fund does not plan to defer any qualified late year losses.

There were no distributions made by the Fund for the period ended October 31, 2016.

#### **9. CONTROL OWNERSHIP**

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the fund, under Section 2(a)(9) of the Investment Company Act of 1940. As of October 31, 2016, National Financial Services, LLC, for the benefit of its customers, owned 44.05% of the Fund.

#### **10. SUBSEQUENT EVENT**

On December 22, 2016, the Institutional Class paid a short-term capital gain distribution in the amount of \$811,584, or \$0.27153 per share, and the Investor Class in the amount of \$175,087, or \$0.27153 per share.

Management has performed an evaluation of subsequent events through the date the financial statements were issued and has determined that no additional items require recognition or disclosure.

# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## ADDITIONAL INFORMATION (UNAUDITED) OCTOBER 31, 2016

### AVAILABILITY OF FUND PORTFOLIO INFORMATION

The Fund files complete schedules of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q, which is available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's Form N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. For information on the Public Reference Room call 1-800-SEC-0330. In addition, the Fund's Form N-Q is available without charge upon request by calling 1-855-682-6233.

### AVAILABILITY OF PROXY VOTING INFORMATION

A description of the Fund's Proxy Voting Policies and Procedures is available without charge, upon request, by calling 1-855-682-6233. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12 month period ended June 30, is available (1) without charge, upon request, by calling 1-888-621-9258, or (2) on the SEC's website at [www.sec.gov](http://www.sec.gov).

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# NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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## PRIVACY NOTICE (UNAUDITED)

The Fund collects only relevant information about you that the law allows or requires it to have in order to conduct its business and properly service you. The Fund collects financial and personal information about you (“Personal Information”) directly (e.g., information on account applications and other forms, such as your name, address, and social security number, and information provided to access account information or conduct account transactions online, such as password, account number, e-mail address, and alternate telephone number), and indirectly (e.g., information about your transactions with us, such as transaction amounts, account balance and account holdings).

**The Fund does not disclose any non-public personal information about its shareholders or former shareholders other than for everyday business purposes such as to process a transaction, service an account, respond to court orders and legal investigations or as otherwise permitted by law. Third parties that may receive this information include companies that provide transfer agency, technology and administrative services to the Fund, as well as the Fund’s investment adviser who is an affiliate of the Fund. If you maintain a retirement/educational custodial account directly with the Fund, we may also disclose your Personal Information to the custodian for that account for shareholder servicing purposes. The Fund limits access to your Personal Information provided to unaffiliated third parties to information necessary to carry out their assigned responsibilities to the Fund. All shareholder records will be disposed of in accordance with applicable law. The Fund maintains physical, electronic and procedural safeguards to protect your Personal Information and requires its third party service providers with access to such information to treat your Personal Information with the same high degree of confidentiality.**

**In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, credit union, bank or trust company, the privacy policy of your financial intermediary governs how your non-public personal information is shared with unaffiliated third parties.**

**INVESTMENT ADVISER**

Nuance Investments, LLC  
4900 Main Street, Suite 220  
Kansas City, MO 64112

**DISTRIBUTOR**

Quasar Distributors, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

**CUSTODIAN**

U.S. Bank, N.A.  
1555 North Rivercenter Drive  
Milwaukee, WI 53212

**ADMINISTRATOR, FUND ACCOUNTANT  
AND TRANSFER AGENT**

U.S. Bancorp Fund Services, LLC  
615 E. Michigan Street  
Milwaukee, WI 53202

**INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Cohen & Company, Ltd.  
1350 Euclid Avenue, Suite 800  
Cleveland, OH 44115

**LEGAL COUNSEL**

Stradley Ronon Stevens & Young, LLP  
2005 Market Street, Suite 2600  
Philadelphia, PA 19103-7098

*This report should be accompanied or preceded by a prospectus.*

*The Fund's Statement of Additional Information contains additional information about the Fund's trustees and is available without charge upon request by calling 1-855-682-6233.*