



NUANCE CONCENTRATED VALUE LONG-SHORT FUND

INSTITUTIONAL CLASS SHARES – NCLSX
INVESTOR CLASS SHARES – NCLIX

ANNUAL REPORT

NUANCE CONCENTRATED VALUE LONG-SHORT FUND (UNAUDITED)

April 30, 2016

Dear Fellow Shareholders:

We are pleased to write our 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 0-50 short positions.

Rates of Return as of April 30, 2016:

Institutional Class	<u>Since Inception⁽¹⁾</u>
S&P 500 Index ⁽²⁾	10.20%
	1.74%
Investor Class	<u>Since Inception⁽¹⁾</u>
S&P 500 Index ⁽²⁾	10.10%
	1.74%

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 Adviser contractually agreed to waive fees and reimburse expenses through August 27, 2017.

Institutional Class Gross Expense Ratio – 3.70%	Net Expense Ratio – 1.62%
Investor Class Gross Expense Ratio – 3.95%	Net Expense Ratio – 1.87%

(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.

In terms of performance, since its inception on December 31, 2015 thru April 30, 2016, the Institutional Class is up 10.20 percent versus its primary index – the S&P 500 Index – up 1.74 percent. Given the very short history of the fund, we do not read much into our since inception performance.

On the long side of the Nuance Concentrated Value Long-Short Fund (the Fund) investment portfolio, the Nuance Investment Team (the Investment Team) is looking for industry leading businesses with strong and stable competitive positions. Generally, these businesses have leading market shares within their various areas of expertise, have strong balance sheets and exhibit rational capital allocation policies. The Investment Team is seeking to buy these businesses when we believe they are under-earning their long-term potential due to cyclical and/or transitory issues, and when security valuations offer what we believe to be meaningful upside potential and reasonable support on the downside.

On the short side of the Fund investment portfolio, the Investment Team is looking for large businesses with more commoditized or structurally challenged competitive positions. These businesses may or may not be industry leaders. The Investment Team is seeking to sell these businesses when we believe they are over-earning their long-term potential due to cyclical and/or transitory issues, and when security valuations offer what we believe to be reasonable support on the upside and meaningful downside potential.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND (UNAUDITED)

Nuance employs a bottom-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 may 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 could also be true and certain sectors or industries can become overvalued at the same time. During those periods we would aim to be underweight. Those decisions are made as a direct result of the process of studying valuations for leading business franchises one stock at a time as opposed to a top-down view of a space.

We are continuing to find what we consider attractive risk-rewards on the long side of the investment portfolio but believe the opportunity set is narrowing. The Fund has recently been adding to its weighting in the Financial sector as a retreat in interest rates has led these stocks back to what we believe to be attractive levels. However, the Fund continues to be underweight the Financial sector as a whole, but this underweight positioning is driven by the Real Estate Investment Trust (REIT) industry, which appears overvalued, in our opinion. As the market rallied over the last six weeks of the first quarter, some of our Industrial investments started to move closer to our internal view of fair value. As a result, our weighting in the Industrial sector went from overweight to more in-line with the benchmark, as we captured outperformance. The portfolio continues to be overweight Energy, Utilities, and Materials as it has been over the last several months. The Fund is also underweight the Consumer Discretionary, Healthcare, and Technology sectors primarily due to valuation concerns.

Over the past several months, the Fund has been able to add meaningfully to its short exposure. We are seeing opportunities across a number of sector including the Financials, Consumer Discretionary and Consumer Staples sectors. Within the Financial Sector, the Real Estate Investment Trust (REIT) industry appears overvalued due to what we have termed the chase for yield, and we are able to find what we believe to be attractive risk-rewards in names like Public Storage (PSA) and Simon Property Group Inc. (SPG). Additionally, we believe we are finding some attractive shorts in the Consumer Staples sector, with names like Altria Group, Inc. and Coca-Cola Company and Consumer Discretionary sector, with names like The Home Depot, Inc. and Ross Stores Inc., as we believe low energy prices have driven many of those businesses to peak returns on capital. Much of that appeared to be due to low input costs for plastics and other packaging as well as consumers spending more due to lower fuel prices.

Please visit our website at 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 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. The Fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested.

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.

Return on capital measures how effectively a company uses the money (borrowed or owned) invested in its operations.

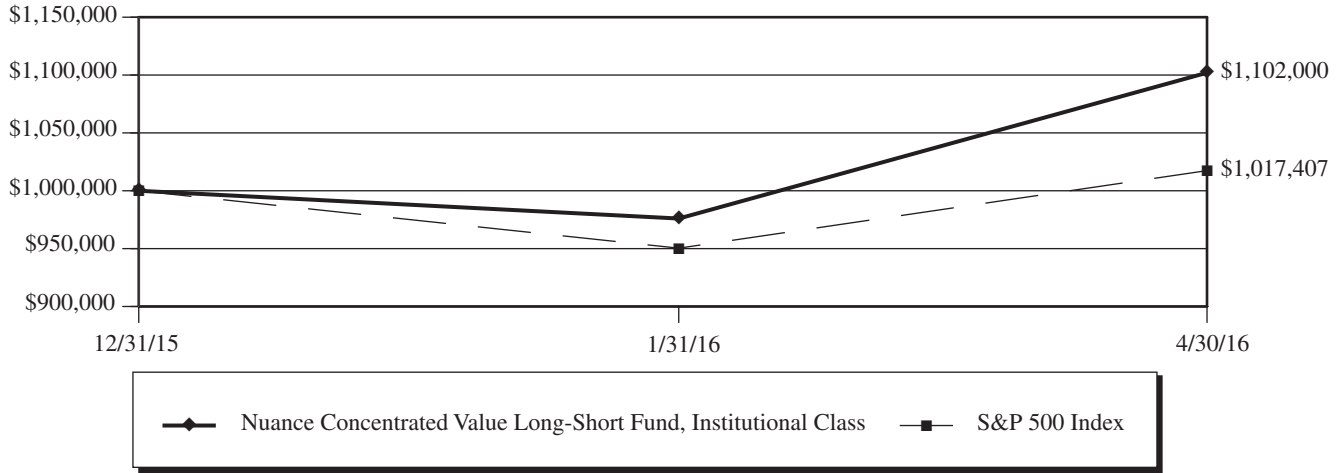
Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

For a complete list of fund holdings, please see the Schedule of Investments included in this report. 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 April 30, 2016

	<u>Since Inception⁽¹⁾</u>
Institutional Class	10.20%
Investor Class	10.10%
S&P 500 Index⁽²⁾	1.74%

(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

EXPENSE EXAMPLE (UNAUDITED) APRIL 30, 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 (December 31, 2015 – April 30, 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.

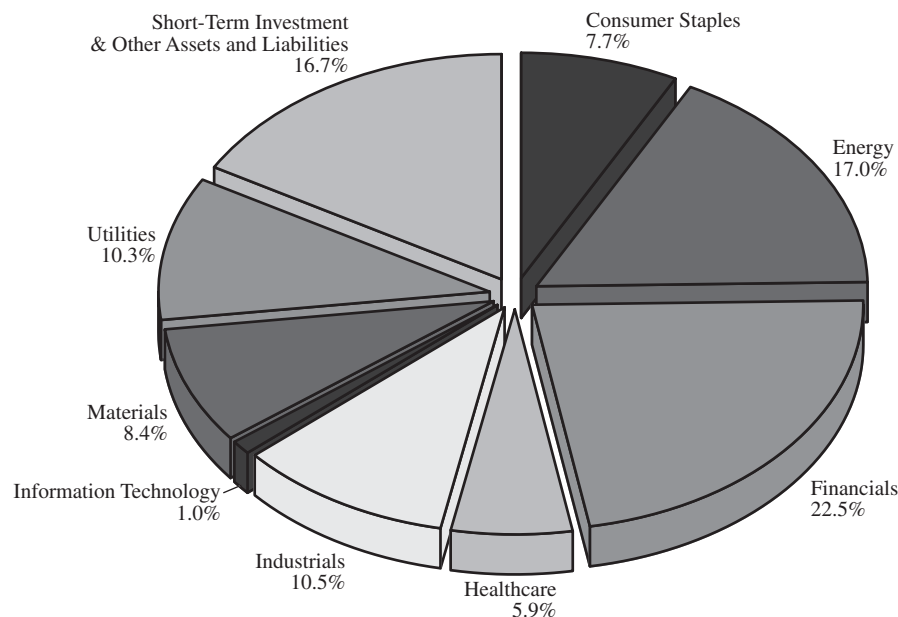
Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.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

	<u>Beginning Account Value (12/31/15)</u>	<u>Ending Account Value (4/30/2016)</u>	<u>Expenses Paid During Period⁽¹⁾ (12/31/15 to 4/30/2016)</u>
Investor Class			
Actual ⁽²⁾⁽³⁾	\$1,000.00	\$1,101.00	\$7.15
Hypothetical ⁽⁴⁾ (5% return before expenses)	\$1,000.00	\$1,009.72	\$6.84
Institutional Class			
Actual ⁽²⁾⁽³⁾	\$1,000.00	\$1,102.00	\$7.57
Hypothetical ⁽⁴⁾ (5% return before expenses)	\$1,000.00	\$1,009.32	\$7.24

- (1) Expenses are equal to the Fund’s annualized expense ratio for the period since inception of 2.06% and 2.18% for the Investor Class and Institutional Class, respectively, multiplied by the average account value over the period, multiplied by 121/366 to reflect the since inception period.
- (2) Based on the actual returns for the period from inception through April 30, 2016 of 10.10% and 10.20% for the Investor Class and Institutional Class, respectively.
- (3) Excluding dividends and interest on short positions, the actual expenses would be \$5.38 and \$4.52 for the Investor Class and Institutional Class, respectively.
- (4) Excluding dividends and interest on short positions, the hypothetical expenses would be \$5.15 and \$4.32 for the Investor Class and Institutional Class, respectively.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

ALLOCATION OF PORTFOLIO⁽¹⁾ (% OF NET ASSETS) (UNAUDITED) APRIL 30, 2016



TOP TEN LONG POSITIONS⁽²⁾ (UNAUDITED) AS OF APRIL 30, 2016 (% OF NET ASSETS)

National Fuel Gas Co.	10.3%
Frank's International N.V.	9.7%
BOK Financial Corp.	7.9%
Diageo PLC – ADR	5.8%
Schlumberger Ltd.	5.3%
H.B. Fuller Co.	4.7%
Patterson Companies, Inc.	4.0%
Deere & Co.	3.8%
Praxair, Inc.	3.7%
Northern Trust Corp.	3.6%

TOP FIVE SHORT POSITIONS⁽²⁾ (UNAUDITED) AS OF APRIL 30, 2016 (% OF NET ASSETS)

Altria Group, Inc.	-3.4%
Coca Cola Co.	-3.4%
Ross Stores, Inc.	-3.4%
Home Depot, Inc.	-3.3%
Simon Property Group, Inc.	-3.3%

(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 APRIL 30, 2016

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS – 83.3%		
Consumer Staples – 7.7%		
Diageo PLC – ADR (a)	9,440	\$ 1,022,635
Wal-Mart Stores, Inc.	4,984	<u>333,280</u>
		<u>1,355,915</u>
Energy – 17.0%		
FMC Technologies, Inc.*	11,772	358,928
Frank’s International N.V. (a)	102,506	1,706,725
Schlumberger Ltd. (a)	11,604	<u>932,265</u>
		<u>2,997,918</u>
Financials – 22.5%		
BOK Financial Corp. (a)	23,061	1,387,811
Commerce Bancshares, Inc. (a)	11,149	521,996
Corrections Corporation of America – REIT	8,085	245,946
M&T Bank Corp.	2,672	316,151
MetLife, Inc.	7,581	341,903
National Western Life Group, Inc. – Class A	848	183,762
Northern Trust Corp. (a)	8,957	636,663
State Street Corp.	5,417	<u>337,479</u>
		<u>3,971,711</u>
Healthcare – 5.9%		
Johnson & Johnson	3,068	343,861
Patterson Companies, Inc.	16,153	<u>700,233</u>
		<u>1,044,094</u>
Industrials – 10.5%		
Deere & Co. (a)	8,052	677,254
Emerson Electric Co.	5,558	303,633
Hub Group, Inc. – Class A*	8,965	345,332
Lindsay Corp.	2,937	224,563
United Parcel Service, Inc. – Class B	2,903	<u>305,018</u>
		<u>1,855,800</u>
Information Technology – 1.0%		
Cabot Microelectronics Corp.	4,142	<u>173,509</u>
Materials – 8.4%		
H.B. Fuller Co. (a)	18,405	823,072
Praxair, Inc. (a)	5,634	<u>661,770</u>
		<u>1,484,842</u>

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

SCHEDULE OF INVESTMENTS – CONTINUED APRIL 30, 2016

	<u>Shares</u>	<u>Value</u>
Utilities – 10.3%		
National Fuel Gas Co. (a)	32,927	\$ 1,827,449
Total Common Stocks (Cost \$13,211,404)		<u>14,711,238</u>
SHORT-TERM INVESTMENT – 15.2%		
Fidelity Institutional Government Portfolio, Class I, 0.23%^ (Cost \$2,680,963)	2,680,963	<u>2,680,963</u>
Total Investments – 98.5% (Cost \$15,892,367)		17,392,201
Other Assets and Liabilities, Net – 1.5%		<u>272,631</u>
Total Net Assets – 100.0%		<u>\$17,664,832</u>

(a) All or a portion of this security is designated as collateral for securities sold short. As of April 30, 2016, the value of the collateral was \$5,601,205.

* Non-income producing security.

^ The rate shown is the annualized seven day effective yield as of April 30, 2016.

ADR – American Depositary Receipt

REIT – Real Estate Investment Trust

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

SCHEDULE OF SECURITIES SOLD SHORT APRIL 30, 2016

	<u>Shares</u>	<u>Value</u>
COMMON STOCKS – 43.5%		
Consumer Discretionary – 13.0%		
Dollar General Corp.	3,240	\$ 265,389
Home Depot, Inc.	4,418	591,526
McDonalds Corp.	4,629	585,522
Ross Stores, Inc.	10,431	592,272
TJX Companies, Inc.	3,455	261,958
		<u>2,296,667</u>
Consumer Staples – 8.8%		
Altria Group, Inc.	9,674	606,657
Coca Cola Co.	13,388	599,782
Kraft Heinz Co.	3,391	264,735
Tyson Foods, Inc. – Class A	1,348	88,725
		<u>1,559,899</u>
Financials – 13.1%		
Boston Properties, Inc. – REIT	1,983	255,529
Equity Residential – REIT	3,649	248,388
Public Storage – REIT	2,274	556,698
Realty Income Corp. – REIT	9,610	568,912
Simon Property Group, Inc. – REIT	2,930	589,428
Synchrony Financial*	2,841	86,849
		<u>2,305,804</u>
Industrials – 4.2%		
Delta Air Lines, Inc.	5,462	227,602
Southwest Airlines Co.	5,442	242,768
Waste Management, Inc.	4,688	275,607
		<u>745,977</u>
Utilities – 4.4%		
Consolidated Edison, Inc.	3,442	256,773
Edison International	3,649	258,021
Xcel Energy, Inc.	6,362	254,671
		<u>769,465</u>
Total Securities Sold Short		
(Proceeds \$7,657,349)		<u><u>\$7,677,812</u></u>

* Non-income producing security.
REIT – Real Estate Investment Trust

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

STATEMENT OF ASSETS AND LIABILITIES APRIL 30, 2016

ASSETS:

Investments, at value (cost \$15,892,367)	\$17,392,201
Cash ⁽¹⁾	115,667
Deposits at broker ⁽¹⁾	7,772,010
Receivable for investment securities sold	489,790
Receivable for capital shares sold	2,500
Dividends & interest receivable	9,916
Prepaid expenses	28,543
Total assets	<u>25,810,627</u>

LIABILITIES:

Securities sold short, at value (proceeds \$7,657,349)	7,677,812
Dividends payable	1,912
Payable for investment securities purchased	410,904
Payable to investment adviser	2,327
Payable for fund administration & accounting fees	14,206
Payable for transfer agent fees & expenses	4,568
Payable for custody fees	1,373
Payable for trustee fees	2,536
Payable for compliance fees	1,640
Accrued distribution fees	31
Accrued expenses	28,486
Total liabilities	<u>8,145,795</u>

NET ASSETS \$17,664,832

NET ASSETS CONSIST OF:

Paid-in capital	\$16,138,948
Accumulated undistributed net realized gain on investments	46,513
Net unrealized appreciation (depreciation) on:	
Investments	1,499,834
Securities sold short	<u>(20,463)</u>
Net Assets	<u><u>\$17,664,832</u></u>

	Investor Class	Institutional Class
Net Assets	\$239,164	\$17,425,668
Shares issued and outstanding ⁽²⁾	21,721	1,581,206
Net asset value, redemption price and offering price per share	\$11.01	\$11.02

(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

STATEMENT OF OPERATIONS FOR THE PERIOD INCEPTION THROUGH APRIL 30, 2016⁽¹⁾

INVESTMENT INCOME:	
Dividend income	\$ 100,583
Less: Foreign taxes withheld	(2,654)
Interest income	911
Total investment income	<u>98,840</u>
EXPENSES:	
Investment adviser fees (See Note 4)	48,586
Dividend & broker interest on short positions	42,957
Fund administration & accounting fees (See Note 4)	33,935
Audit fees	16,859
Federal & state registration fees	10,429
Transfer agent fees & expenses (See Note 4)	9,207
Legal fees	3,792
Other	3,687
Compliance fees (See Note 4)	3,307
Custody fees (See Note 4)	3,173
Trustee fees (See Note 4)	2,969
Postage & printing fees	2,491
Distribution fees – Investor Class (See Note 5)	31
Total expenses before waiver/reimbursement	181,423
Less: waiver/reimbursement from investment adviser (See Note 4)	(75,414)
Net expenses	<u>106,009</u>
NET INVESTMENT LOSS	<u>(7,169)</u>
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS	
Net realized gain (loss) on transactions from:	
Investments	(28,057)
Securities sold short	81,739
Net change in unrealized appreciation (depreciation) on:	
Investments	1,499,834
Securities sold short	(20,463)
Net realized and unrealized gain on investments	<u>1,533,053</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$1,525,884</u>

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

See Notes to the Financial Statements

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

STATEMENT OF CHANGES IN NET ASSETS

	<u>For the Period Inception⁽¹⁾ through April 30, 2016</u>
OPERATIONS:	
Net investment loss	\$ (7,169)
Net realized gain (loss) on transactions from:	
Investments	(28,057)
Securities sold short	81,739
Net change in unrealized appreciation (depreciation) on:	
Investments	1,499,834
Securities sold short	(20,463)
Net increase in net assets resulting from operations	<u>1,525,884</u>
CAPITAL SHARE TRANSACTIONS:	
Investor Class:	
Proceeds from shares sold	228,744
Proceeds from reinvestment of distributions	—
Payments for shares redeemed	—
Increase in net assets resulting from Investor Class transactions	<u>228,744</u>
Institutional Class:	
Proceeds from shares sold	15,910,501
Proceeds from reinvestment of distributions	—
Payments for shares redeemed	(297)
Increase in net assets resulting from Institutional Class transactions	<u>15,910,204</u>
Net increase in net assets resulting from capital share transactions	<u>16,138,948</u>
DISTRIBUTIONS TO SHAREHOLDERS:	
From net investment income:	
Investor Class	—
Institutional Class	—
From net realized gains:	
Investor Class	—
Institutional Class	—
Total distributions to shareholders	<u>—</u>
TOTAL INCREASE IN NET ASSETS	<u>17,664,832</u>
NET ASSETS:	
Beginning of period	—
End of period (including accumulated undistributed net investment income of \$0)	<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.

**For the Period
Inception⁽¹⁾
Through
April 30, 2016**

Investor Class

PER SHARE DATA:

Net asset value, beginning of period	<u>\$10.00</u>
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INVESTMENT OPERATIONS:

Net investment loss	(0.00) ⁽²⁾
Net realized and unrealized gain on investments	<u>1.01</u>
Total from investment operations	<u>1.01</u>

LESS DISTRIBUTIONS:

Distributions from net investment income	—
Distributions from net realized gains	<u>—</u>
Total distributions	<u>—</u>

Net asset value, end of period	<u>\$11.01</u>
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TOTAL RETURN⁽³⁾	10.10%
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SUPPLEMENTAL DATA AND RATIOS:

Net assets, end of period (in millions)	\$0.2
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Ratio of expenses to average net assets ⁽⁴⁾ :	
Before expense reimbursement	3.61%
After expense reimbursement	2.06%

Ratio of expenses excluding dividends & interest on short positions to average net assets ⁽⁴⁾ :	
Before expense reimbursement	3.10%
After expense reimbursement	1.55%

Ratio of net investment income loss to average net assets ⁽⁴⁾ :	
Before expense reimbursement/waiver	(1.58)%
After expense reimbursement/waiver	(0.03)%

Portfolio turnover rate ⁽³⁾	51%
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(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

FINANCIAL HIGHLIGHTS

For a Fund share outstanding throughout the period.

**For the Period
Inception⁽¹⁾
Through
April 30, 2016**

Institutional Class

PER SHARE DATA:

Net asset value, beginning of period	<u>\$10.00</u>
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INVESTMENT OPERATIONS:

Net investment loss	(0.00) ⁽²⁾
Net realized and unrealized gain on investments	<u>1.02</u>
Total from investment operations	<u>1.02</u>

LESS DISTRIBUTIONS:

Distributions from net investment income	—
Distributions from net realized gains	<u>—</u>
Total distributions	<u>—</u>

Net asset value, end of period	<u>\$11.02</u>
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TOTAL RETURN ⁽³⁾	10.20%
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SUPPLEMENTAL DATA AND RATIOS:

Net assets, end of period (in millions)	\$17.4
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Ratio of expenses to average net assets ⁽⁴⁾ :	
Before expense reimbursement	3.73%
After expense reimbursement	2.18%

Ratio of expenses excluding dividends & interest on short positions to average net assets ⁽⁴⁾ :	
Before expense reimbursement	2.85%
After expense reimbursement	1.30%

Ratio of net investment loss to average net assets ⁽⁴⁾ :	
Before expense reimbursement	(1.70)%
After expense reimbursement	(0.15)%

Portfolio turnover rate ⁽³⁾	51%
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(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

NOTES TO THE FINANCIAL STATEMENTS APRIL 30, 2016

1. ORGANIZATION

Managed Portfolio Series (the “Trust”) was organized as a Delaware statutory trust under a Declaration of Trust dated 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% distribution 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 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 April 30, 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 April 30, 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 characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

net asset values per share of the Fund. For the period ended April 30, 2016, the Fund increased accumulated undistributed net investment loss by \$7,169, and decreased accumulated undistributed net realized gain by \$(7,169).

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 – CONTINUED APRIL 30, 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 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 April 30, 2016:

	Level 1	Level 2	Level 3	Total
Common Stocks	\$14,711,238	\$ —	\$ —	\$14,711,238
Short-Term Investment	2,680,963	—	—	2,680,963
Total Investments in Securities	<u>\$17,392,201</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$17,392,201</u>
Securities Sold Short				
Common Stocks	\$(7,677,812)	\$ —	\$ —	\$(7,677,812)
Total Securities Sold Short	<u>\$(7,677,812)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$(7,677,812)</u>

Transfers between levels are recognized at the end of the reporting period. During the period ended April 30, 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.

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,

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

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

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 and 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 chief compliance officer services for the period ended April 30, 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 April 30, 2016, the Investor Class incurred expenses of \$31 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 shareholders 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

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 2016

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 April 30, 2016, the Fund did not incur any shareholder servicing fees under the Agreement.

6. CAPITAL SHARE TRANSACTIONS

Transactions in shares of the Fund were as follows:

	For the Period Inception ⁽¹⁾ through April 30, 2016
Investor Class:	
Shares sold	21,721
Shares issued to holders in reinvestment of distributions	—
Shares redeemed	—
Net increase in Investor Class shares	21,721
Institutional Class:	
Shares sold	1,581,233
Shares issued to holders in reinvestment of distributions	—
Shares redeemed	(27)
Net increase in Institutional Class shares	1,581,206
Net increase in shares outstanding	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 April 30, 2016, were as follows:

	Purchases	Sales
U.S. Government	\$ —	\$ —
Other	\$19,186,454	\$5,796,709

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

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED APRIL 30, 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:

Undistributed Ordinary Income	Undistributed Long-Term Capital Gains	Other Accumulated Losses	Unrealized Appreciation	Total Accumulated Earnings
\$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 April 30, 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 April 30, 2016, National Financial Services, LLC, for the benefit of its customers, and Gene Bicknell, owned 68.30% and 27.19% of the Fund, respectively.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Nuance Concentrated Value Long-Short Fund and
Board of Trustees of Managed Portfolio Series

We have audited the accompanying statement of assets and liabilities, including the schedule of investments and schedule of securities sold short, of Nuance Concentrated Value Long-Short Fund (the “Fund”), a series of Managed Portfolio Series, as of April 30, 2016, and the related statements of operations and changes in net assets and the financial highlights for the period December 31, 2015 (commencement of operations) through April 30, 2016. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of April 30, 2016, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Nuance Concentrated Value Long-Short Fund as of April 30, 2016, and the results of its operations, the changes in its net assets, and the financial highlights for the period December 31, 2015 (commencement of operations) through April 30, 2016, in conformity with accounting principles generally accepted in the United States of America.



COHEN FUND AUDIT SERVICES, LTD.

Cleveland, Ohio

June 28, 2016

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

ADDITIONAL INFORMATION (UNAUDITED) APRIL 30, 2016

TRUSTEES AND OFFICERS

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
INDEPENDENT TRUSTEES					
Leonard M. Rush, CPA 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1946	Lead Trustee and Audit Committee Chairman	Indefinite Term; Since April 2011	36	Retired; Chief Financial Officer, Robert W. Baird & Co. Incorporated, (2000-2011).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present); Director, Anchor Bancorp Wisconsin, Inc. (2011-2013).
David A. Massart 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1967	Trustee and Valuation Committee Chairman	Indefinite Term; Since April 2011	36	Co-Founder and Chief Investment Strategist, Next Generation Wealth Management, Inc. (2005-Present).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present).
David M. Swanson 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	Trustee	Indefinite Term; Since April 2011	36	Founder and Managing Principal, SwanDog Strategic Marketing, LLC (2006-Present); Executive Vice President, Calamos Investments (2004-2006).	Independent Trustee, ALPS Variable Insurance Trust (8 Portfolios) (2006-Present); Independent Trustee, RiverNorth Opportunities Closed-End Fund (2015-Present).
INTERESTED TRUSTEE					
Robert J. Kern* 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1958	Chairman, and Trustee	Indefinite Term; Since January 2011	36	Executive Vice President, U.S. Bancorp Fund Services, LLC (1994-Present).	None

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

ADDITIONAL INFORMATION (UNAUDITED) – CONTINUED APRIL 30, 2016

Name, Address and Age	Position(s) Held with the Trust	Term of Office and Length of Time Served	Number of Portfolios in Trust Overseen by Trustee	Principal Occupation(s) During the Past Five Years	Other Directorships Held by Trustee During the Past Five Years
OFFICERS					
James R. Arnold 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	President and Principal Executive Officer	Indefinite Term; Since January 2011	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2002-Present).	N/A
Deborah Ward 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1966	Vice President, Chief Compliance Officer and Anti-Money Laundering Officer	Indefinite Term; Since April 2013	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2004-Present).	N/A
Brian R. Wiedmeyer 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Treasurer and Principal Financial Officer	Indefinite Term; Since January 2011	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2005-Present).	N/A
Jeanine M. Bajczyk, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1965	Secretary	Indefinite Term; Since August 2015	N/A	Senior Vice President and Counsel, U.S. Bancorp Fund Services, LLC (May 2006-Present).	N/A
Mark Quade, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1982	Assistant Secretary	Indefinite Term; Since June 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2013-Present); Law Clerk, U.S. Bancorp (2012-2013); Graduate, University of Minnesota Law School (2010-2013).	N/A
Ryan L. Roell 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Assistant Treasurer	Indefinite Term; Since September 2012	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2005-Present).	N/A

* Mr. Kern is an “interested person” of the Trust as defined by the 1940 Act by virtue of the fact that he is an interested person of Quasar Distributors, LLC, the Fund’s principal underwriter.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

ADDITIONAL INFORMATION (UNAUDITED) – CONTINUED APRIL 30, 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. 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.

QUALIFIED DIVIDEND INCOME/DIVIDENDS RECEIVED DEDUCTION

For the fiscal period ended April 30, 2016, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the American Taxpayer Relief Act of 2012. The percentage of dividends declared from ordinary income designated as qualified dividend income was 0.00% for the Fund.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended April 30, 2016 was 0.00% for the Fund.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871 (k)(2)(c) was 0.00%.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED)

At the regular meeting of the Board of Trustees of Managed Portfolio Series (“Trust”) on November 17-18, 2015, the Trust’s Board of Trustees (“Board”), including all of the Trustees who are not “interested persons” of the Trust, as that term is defined in Section 2(a)(19) of the Investment Company Act of 1940, as amended, (“Independent Trustees”) considered and approved the Investment Advisory Agreement between the Trust and Nuance Investments, LLC (“Nuance” or the “Adviser”) regarding the Nuance Concentrated Value Long-Short Fund (the “Fund”) (the “Investment Advisory Agreement”) for another annual term.

Prior to this meeting, the Trustees received and considered information from Nuance and the Trust’s administrator designed to provide the Trustees with the information necessary to evaluate the Investment Advisory Agreement (“Support Materials”). Before voting to approve the Investment Advisory Agreement, the Trustees reviewed the Support Materials with Trust management and with counsel to the Independent Trustees, and received a memorandum from such counsel discussing the legal standards for their consideration of the renewal of the Investment Advisory Agreement. This information, together with the information provided to the Board throughout the course of the year, formed the primary (but not exclusive) basis for the Board’s determinations.

In determining whether to approve the Investment Advisory Agreement, the Trustees considered all factors they believed relevant, including the following: (1) the nature, extent, and quality of the services to be provided by Nuance with respect to the Fund; (2) the cost of the services to be provided and the profits to be realized by Nuance from services rendered to the Trust with respect to the Fund; (3) comparative fee and expense data for the Fund and other investment companies with similar investment objectives; (4) the extent to which economies of scale may be realized as the Fund grows, and whether the proposed advisory fee for the Fund reflects such economies of scale for the fund’s benefit; and (5) other financial benefits to Nuance resulting from services rendered to the Fund. In their deliberations, the Trustees did not identify any particular information that was all-important or controlling.

Based upon the information provided to the Board in the Support Materials, the Board concluded that the overall arrangements between the Trust and Nuance set forth in the Investment Advisory Agreement, as it relates to the Fund, continue to be fair and reasonable in light of the services that Nuance performs, the investment advisory fees that the Fund will pay, and such other matters as the Trustees considered relevant in the exercise of their reasonable business judgment. The material factors and conclusions that formed the basis of the Trustees’ determination to approve the continuation of the Investment Advisory Agreement are summarized below.

Nature, Extent and Quality of Services Provided. The Trustees considered the scope of services that Nuance will provide under the Investment Advisory Agreement with respect to the Fund, noting that such services include but are not limited to the following: (1) investing the Fund’s assets consistent with the Fund’s investment objective and investment policies; (2) determining the portfolio securities to be purchased, sold, or otherwise disposed of and the timing of such transactions; (3) voting all proxies with respect to the Fund’s portfolio securities; (4) maintaining the required books and records for transactions effected by Nuance on behalf of the Fund; and (5) selecting broker-dealers to execute orders on behalf of the Fund. The Trustees noted Nuance’s assets under management, including other existing series of the Trust that Nuance advises. The Trustees considered Nuance’s capitalization, as well as Nuance’s affiliation with Montage Investments, LLC, an SEC-registered investment adviser which, through itself and its numerous advisory subsidiaries, oversees approximately \$20 billion in assets. The Trustees also considered the equity portfolio management experience of the portfolio managers that Nuance would utilize to manage the Fund’s assets, and noted the extent of the portfolio managers’ experience with analysis and management of investment strategies similar to those that will be implemented by the Fund. The Trustees

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED) – CONTINUED

noted that Nuance currently manages one separate account with investment strategies similar to those of the Fund, and further noted that this account had underperformed its benchmark index since inception less than six months ago. The Trustees then determined that it is difficult to make meaningful comparisons with these short-term results. The Trustees concluded that they were satisfied with the nature, extent, and quality of services that Nuance proposes to provide to the Fund under the Investment Advisory Agreement.

Cost of Advisory Services and Profitability. The Trustees considered the proposed annual management fee that the Fund will pay to Nuance under the Investment Advisory Agreement in the amount of 1.00% of the Fund's average annual daily net assets. They also considered Nuance's profitability analysis (12 month pro-forma) for services that Nuance will render to the Fund. In that regard, the Trustees noted that Nuance expects to subsidize the cost of all shareholder (other than transfer agency fees) and distribution services rendered to the Fund which exceed the projected Rule 12b-1 and shareholder servicing fees paid by the Fund. The Trustees observed that the Fund would pay a higher advisory fee than Nuance's sole separate account which is managed using a similar strategy to that of the Fund. The Trustees also took into account, however, that Nuance has additional responsibilities with respect to the Fund, including additional compliance obligations and the preparation of Board and shareholder materials, which justify a higher fee. The Trustees also noted that Nuance had contractually agreed, for a period of at least one year from the effective date of the Fund's prospectus, to reduce its management fees and reimburse the Fund for its operating expenses to the extent necessary to ensure that Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, brokerage commissions, leverage, interest, dividend and interest expense on short sales, taxes and extraordinary expenses) do not exceed 1.55% of the average daily net assets of the Fund's Investor Class and 1.30% of the average daily net assets of the Fund's Institutional Class. The Trustees concluded that Nuance's service relationship with the Fund will not initially be profitable.

Comparative Fee and Expense Data. The Trustees considered an analysis that the Trust's administrator had prepared, comparing the contractual expenses that the Fund will bear to those of funds in the same Morningstar benchmark category. The Trustees noted that the Fund's proposed management fee of 1.00% was below the average and median management fee reported for the benchmark category. They also noted that the projected total expenses of the Fund's Institutional Class and Investor Class shares were lower than the average and median total expenses (after management fee waivers and fund expense reimbursements) reported for the benchmark category. While recognizing that it is difficult to compare advisory fees because the scope of advisory services provided may vary from one investment adviser to another, the Trustees concluded that Nuance's proposed advisory fee is reasonable.

Economies of Scale. The Trustees then considered whether the Fund would benefit from any economies of scale, noting that the proposed investment advisory fee for the Fund did not contain breakpoints. The Trustees took into account the fact that Nuance had expressed reservations about incorporating breakpoints into the Fund's advisory fee because of concerns about capacity constraints associated with the Fund's strategy. The Trustees noted that the Fund is newly organized and that, given projected asset levels, an increase in assets would most likely not lead to a correspondingly proportionate decrease in the level of advisory services that Nuance would need to provide to the Fund for the foreseeable future. The Trustees concluded that it is not necessary to consider the implementation of fee breakpoints at this time, but committed to revisit this issue in the future as circumstances change and asset levels increase.

NUANCE CONCENTRATED VALUE LONG-SHORT FUND

APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED) – CONTINUED

Other Benefits. The Trustees considered the extent to which Nuance expects to utilize soft dollar arrangements with respect to the Fund's portfolio transactions, and noted that affiliated brokers will not be used to execute the Fund's portfolio transactions. While the Trustees noted that Rule 12b-1 and shareholder servicing fees may be paid to Nuance and its affiliates as compensation and reimbursement for distribution and shareholder services performed on behalf of the Fund, the Trustees also observed that the distribution and shareholder servicing expenses that Nuance and its affiliates expect to incur would likely significantly exceed any Rule 12b-1 payments and shareholder servicing reimbursements from the Fund. The Trustees concluded that Nuance will not receive any additional material financial benefits from services rendered to the Fund.

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NUANCE CONCENTRATED VALUE LONG-SHORT FUND

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 Fund Audit Services, Ltd.
1350 Euclid Avenue, Suite 800
Cleveland, OH 44115

LEGAL COUNSEL

Bernstein, Shur, Sawyer & Nelson, P.A.
100 Middle Street
Portland, ME 04104

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.