

Penn Capital Managed Alpha SMID Cap Equity Fund

Effective October 31, 2017 the Penn Capital Small/Mid Cap Equity Fund was renamed the Penn Capital Managed Alpha SMID Cap Equity Fund. The fund's investment objective and strategy did not change.

Overview

The Penn Capital Managed Alpha SMID Cap Equity ("Fund") seeks to provide capital appreciation. The Fund generally intends to invest in 50 to 90 securities identified by the Penn Capital's fundamental, bottom-up value driven research. The portfolio construction process involves both quantitative and qualitative fundamental analysis.

Performance summary (% as of 3/31/2018)

Share Class	1 Month	QTD	1 Year	Since Inception (12/01/15)	2016	2017
Institutional	0.69	-0.15	15.02	12.94	17.01	19.97
Russell 2500 Index	0.96	-0.24	12.31	12.44	19.54	16.81

*Performance is annualized for multi-year periods. Sources: US Bancorp Fund Services, LLC and Russell

Performance data quoted represents past performance and is no guarantee of future results. Investment returns and principal values may fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown. All returns assume reinvestment of all dividend and capital gain distributions. To obtain performance current to the most recent month-end please call 844-302-PENN (7366) or visit www.penncapitalfunds.com.

A redemption fee of 2.00% will be imposed on redemptions or exchanges of shares owned for 90 days or less. The total annual operating expenses of the Fund are 2.63% and net expenses are 1.06% for the Institutional Class.

The Fund's advisor has contractually agreed to waive its fees and/or pay for operating expenses of the Fund to ensure that total annual fund operating expenses (excluding any acquired fund fees and expenses, taxes, interest, brokerage fees, certain insurance costs, and extraordinary and other non-routine expenses) do not exceed 1.06% of the average daily net assets for the Institutional shares of the Fund. This agreement is in effect until October 30, 2018.

The Fund's advisor is permitted to seek reimbursement from the Fund of fees waived for a period of three years from the date of the waiver or payment to the extent it does not exceed expense limits.

Portfolio management team

Eric J. Green, CFA
Director of Research
Senior Managing Partner

Joseph C. Maguire, CFA
Senior Portfolio Manager
Senior Partner

Richard A. Hocker
Founder, Chief Investment Officer

Specialists in capital structure investing

At Penn Capital, we believe that understanding a company's entire capital structure is the best way to identify investment opportunities with the most value. We select stocks or high yield debt securities that we believe have the greatest potential to provide the risk-adjusted returns our clients expect.

Our fully integrated credit and equity research process focuses on primarily non-investment grade companies in the micro- to mid-capitalization range, where we can take advantage of inefficient security pricing. We serve institutional and individual investors with strategies that reflect institutional-quality rigor and insight and stay true to our philosophy.

We are an independent, employee-owned boutique investment management firm based in Philadelphia. We forge our own ideas, we respect hard work, and we are committed to our clients, our staff and our community.

Ticker (Institutional)

PSMPX

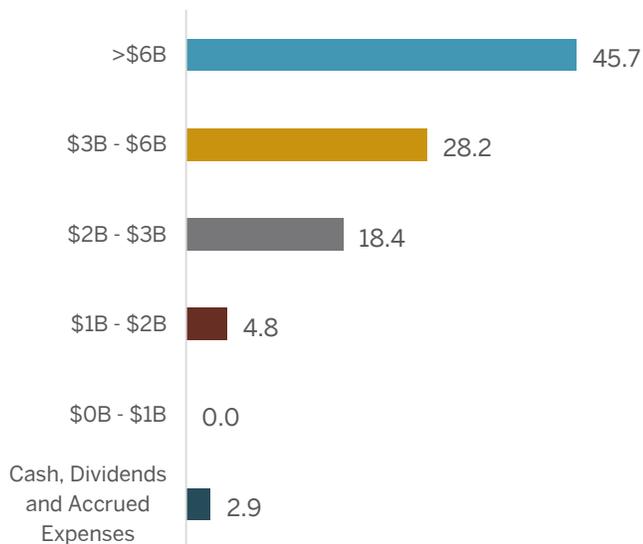
www.penncapitalfunds.com

Characteristics (as of 3/31/2018)

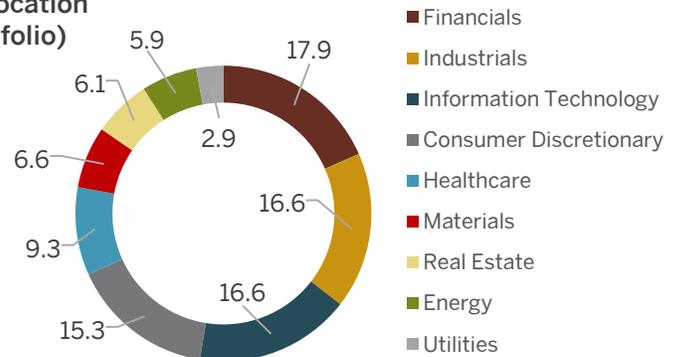
Number of Holdings	72
Weighted Avg. Market Cap (\$m)	\$6,241
Weighted Median Market Cap (\$m)	\$5,723
Price/Cash flow	19.2
EPS Growth - 5 Yr. (forecasted)**	20.5
Top 10 Holdings (%)	19.4

** Forecasts are inherently limited and cannot be relied upon. Sources: Penn Capital, Inc., FactSet

Market Capitalization (% of portfolio)



Sector Allocation (% of portfolio)



Top 10 Holdings (% of portfolio)

TransUnion	2.0
Voya Financial	2.0
Arch Capital Group Ltd.	2.0
Burlington Stores, Inc.	2.0
Oshkosh Corp.	2.0
XPO Logistics, Inc.	1.9
GoDaddy, Inc.	1.9
Teradyne, Inc.	1.9
United Rentals, Inc.	1.9
CommScope	1.8

Allocations and holdings are subject to change at any time.

Fund Facts (Institutional Share Class)

Ticker	PSMPX
Minimum investment	\$100,000
Distribution frequency	Monthly
Inception date	12/1/2015

BEFORE INVESTING YOU SHOULD CAREFULLY CONSIDER THE FUND'S INVESTMENT OBJECTIVES, RISKS, CHARGES AND EXPENSES. THIS AND OTHER RELEVANT INFORMATION CAN BE FOUND IN THE [PROSPECTUS](#) AND STATEMENT OF ADDITIONAL INFORMATION, COPIES OF WHICH MAY BE OBTAINED BY CALLING (844) 302-PENN (7366) OR BY VISITING WWW.PENNCAPITALFUNDS.COM. PLEASE READ THE [PROSPECTUS](#) CAREFULLY BEFORE YOU INVEST.

Description of Indices and Terms

EPS (Earnings Per Share) Growth: Illustrates the growth of earnings per share over time. EPS growth rates help investors identify stocks that are increasing or decreasing in profitability.

Price/Cash Flow Ratio: The ratio of a stock's price to its cash flow per share. The price-to-cash-flow ratio is an indicator of a stock's valuation. Although there is no single figure to indicate an optimal price-to-cash-flow ratio, a ratio in the low single digits may indicate the stock is undervalued, while a higher ratio may suggest potential overvaluation. The ratio takes into consideration a stock's operating cash flow, which adds non-cash earnings such as depreciation and amortization to net income. It is especially useful for valuing stocks that have positive cash flow but are not profitable because of large non-cash charges.

Weighted Average Market Cap: A stock market index weighted by the market capitalization of each stock in the index. In such a weighting scheme, larger companies account for a greater portion of the index. Most indexes are constructed in this manner, with the best example being the S&P 500.

Weighted Median Market Cap: The median market capitalization of a fund's equity portfolio gives you a measure of the size of the companies in which an equity fund invests. It is the trimmed mean of the market capitalizations of the stocks in the fund's portfolio.

The Russell 2500™ Index is composed of the bottom 500 stocks in the Russell 1000® Index and all the stocks in the Russell 2000® Index. The Russell 2500™ Index return reflect adjustments for income dividends and capital gains distributions reinvested as of the ex-dividend dates. Investors cannot directly invest in an index.

Fund Risks

The Fund is subject to the following risks, among others: ETF risk, which is the risk that the fund is subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly; foreign securities and ADRs, which involve certain risks such as currency volatility, political and social instability and reduced market liquidity. Investments in REITs may be more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments. The fund may invest in convertible securities, which tend to decline as interest rates rise and, because of the conversion feature, tend to vary with fluctuations in the market value of the underlying securities. Small- and mid-capitalization companies may be subject to greater market risks and fluctuations in value than large capitalization companies. Leveraged companies tend to be more sensitive to issuer, political, market and economic developments than the market as a whole.

Foreside Fund Services, LLC, Distributor.

PCF_SMDFS_09302017 ©2018 Penn Capital. All rights reserved.

Navy Yard Corporate Center, 1200 Intrepid Avenue, Suite 400, Philadelphia, PA 19112 www.penncapitalfunds.com