

## Driehaus Active Income Fund

Ticker: LCMAX

## KEY FEATURES

- Multi-strategy credit approach
- Absolute return, long/short credit strategy
- Volatility managed, low correlation return objectives
- Hedging of interest rate exposure
- Liquid, transparent “hedged” mutual fund vehicle

## INCEPTION DATE

November 8, 2005<sup>1</sup>

## FUND ASSETS UNDER MANAGEMENT

\$531 million

## FIRM ASSETS UNDER MANAGEMENT

\$7.7 billion

## PORTFOLIO CONCENTRATION

Flexible, best ideas approach, generally 60-80 trades

## DURATION TARGET

+/- 1 year

## VOLATILITY TARGET

Less than the Bloomberg Barclays Aggregate Index (about 5%, annually)

## DISTRIBUTIONS

Quarterly dividends; annual capital gains

## PORTFOLIO MANAGERS

## Tom McCauley, CFA

Portfolio Manager

14 years industry experience

## Yoav Sharon

Portfolio Manager

15 years industry experience

## John Khym, CFA

Assistant Portfolio Manager

17 years industry experience

## EXECUTIVE SUMMARY

Assets Under Management (AUM)	\$531,038,480
Long Exposure	\$498,020,159
Short Exposure	\$(142,990,184)
Net Exposure	\$355,029,975
Net Exposure % of AUM	66.86%
Gross Exposure	\$641,010,343
Gross Exposure % of AUM	120.71%

## RISK SUMMARY

Effective Duration	0.02 Years
Spread Duration	2.91 Years
30-day SEC Yield	4.79%
Portfolio Yield-to-Worst <sup>2</sup>	6.15%
Average % of Par – Long Credit	100.07%
Average % of Par – Short Credit	102.12%
Correlation vs. S&P 500	0.43
100 Day Volatility	2.18%

## MONTH-END PERFORMANCE (%) as of 4/30/19

	MTH	YTD	Average Annual Total Return					Inception <sup>1,5</sup>
			1 Year	3 Year	5 Year	10 Year		
Driehaus Active Income Fund <sup>1</sup>	0.96	3.30	0.25	2.45	1.12	3.00	3.31	
FTSE 3-Month T-Bill Index <sup>3</sup>	0.20	0.80	2.18	1.23	0.76	0.42	1.19	
Bloomberg Barclays Aggregate Index <sup>4</sup>	0.03	2.97	5.29	1.90	2.57	3.72	4.16	

## CALENDAR QUARTER-END PERFORMANCE (%) as of 3/31/19

	QTR	YTD	Average Annual Total Return					Inception <sup>1,5</sup>
			1 Year	3 Year	5 Year	10 Year		
Driehaus Active Income Fund <sup>1</sup>	2.31	2.31	0.21	2.33	0.94	3.38	3.25	
FTSE 3-Month T-Bill Index <sup>3</sup>	0.60	0.60	2.11	1.17	0.72	0.41	1.18	
Bloomberg Barclays Aggregate Index <sup>4</sup>	2.94	2.94	4.48	2.03	2.74	3.77	4.19	

## % CALENDAR YEAR RETURN (10-year period)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Driehaus Active Income Fund <sup>1</sup>	22.12	5.18	-5.61	9.34	2.99	-0.87	-1.07	5.63	0.59	-1.26
FTSE 3-Month T-Bill Index <sup>3</sup>	0.16	0.13	0.08	0.07	0.05	0.03	0.03	0.27	0.84	1.86
Bloomberg Barclays Aggregate Index <sup>4</sup>	5.93	6.55	7.85	4.22	-2.02	5.97	0.55	2.65	3.54	0.01

ANNUAL OPERATING EXPENSES<sup>6</sup>

Gross Expenses	1.10%
Net Expenses	1.10%

Source: Driehaus Capital Management  
Data as of 4/30/19.

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (877) 779-0079 or visit [www.driehaus.com](http://www.driehaus.com) for more current performance information.

<sup>1</sup>The Driehaus Active Income Fund commenced operations on June 1, 2009 following the receipt of the assets and liabilities of the Lotsoff Capital Management Active Income Fund (the “Predecessor Fund”) through a reorganization into the Driehaus Active Income Fund (the “Fund”). Lotsoff Capital Management was the investment adviser from inception through April 2, 2009. Driehaus Capital Management LLC (the “Adviser”) became the interim investment adviser to the Predecessor Fund on April 3, 2009. <sup>2</sup>Refers to credit only. <sup>3</sup>The FTSE 3-Month T-Bill Index is designed to mirror the performance of the 3-Month U.S. Treasury Bill. The FTSE 3-Month T-Bill Index is unmanaged and its returns include reinvested dividends. <sup>4</sup>The Bloomberg Barclays Aggregate Index, an unmanaged index, represents securities that are SEC-registered, taxable and dollar denominated. This index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. <sup>5</sup>Since inception of the Driehaus Active Income Fund (11/8/05), FTSE 3-Month T-Bill Index Performance for 2005 is from 11/1/05 - 12/31/05. <sup>6</sup>Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2019. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented.

**TERMS: Effective Duration** - A duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. **Spread Duration** - The sensitivity of the price of a bond to a 100 basis point change to its option-adjusted spread. As the rate of the Treasury security in the option-adjusted spread increases, the rate of the option-adjusted spread also increases. **SEC yield** is an annualization of the Fund's total net investment income per share for the 30-day period ended on the last day of the month. **Portfolio Yield-to-Worst** - The lowest potential yield that can be received on a bond without the issuer actually defaulting, aggregated to the portfolio level. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer. **Average % of Par – Long Credit** - The average dollar price of a bond the Fund is long as a percentage of par. **Average % of Par – Short Credit** - The average dollar price of a bond the Fund is short as a percentage of par. **Beta** is a measure of a portfolio's volatility. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower.

## FUND INFORMATION

The Fund invests primarily in U.S. fixed income and floating rate securities, of both investment and non-investment grade credit quality, as well as equities and derivative instruments. The Fund intends to pursue its fundamental opportunistic “bottom-up” trading approach using the following investment strategies:

**Capital Structure Arbitrage**

attempt to exploit pricing inefficiencies between two securities of the same company.

**Convertible Arbitrage**

attempt to profit from changes in a company's equity volatility or credit quality by purchasing a convertible bond and simultaneously shorting the same issuer's common stock.

**Directional Trading**

taking long or short positions in equity or corporate debt instruments in anticipation of profiting from movements in the prices of these assets.

**Event Driven**

attempt to profit from the consummation of a given event, e.g. a takeover, merger, reorganization or conclusion of material litigation, or based upon the perceptions of a potential pending corporate event.

**Interest Rate Hedge**

attempt to reduce the performance impact of rising or falling interest rates.

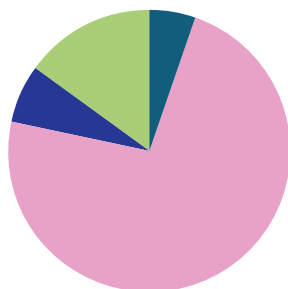
**Pairs Trading**

attempt to exploit pricing inefficiencies between the securities of two similar companies by buying the security of one company and shorting the security of the other.

**Volatility Trading**

attempt to profit from extreme market volatility.

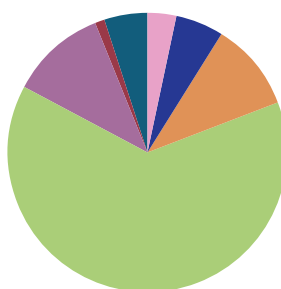
## TRADE TYPE



## % of Gross Exposure

Capital Structure Arbitrage	5.3%
Convertible Arbitrage	0.0%
Directional Long	73.1%
Directional Short	6.7%
Event Driven	0.0%
Interest Rate Hedge	14.8%
Pairs Trading	0.0%
Volatility Trading	0.0%
<b>Total</b>	<b>100.0%</b>

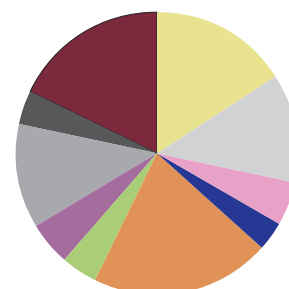
## CREDIT RATING\*



## % of Gross Exposure

AAA <sup>1</sup>	0.0%
AA	0.0%
A <sup>2</sup>	3.5%
BBB	5.4%
BB	10.4%
B	63.6%
CCC	11.1%
CC	0.0%
C	1.2%
D	0.0%
Not Rated	4.8%
<b>Total</b>	<b>100.0%</b>

## SECTOR

GICS<sup>3</sup>

Communication Services	16.1%
Consumer Discretionary	12.4%
Consumer Staples	5.0%
Energy	3.4%
Financials	20.5%
Health Care	4.0%
Industrials	5.1%
Information Technology	12.0%
Materials	3.9%
Real Estate	0.0%
Utilities	0.0%
Other <sup>4</sup>	17.6%
<b>Total</b>	<b>100.0%</b>

\*Credit ratings listed are subject to change. Credit quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). “NR” is used to classify securities for which a rating is not available. The Adviser receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies - Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P). When calculating the credit quality breakdown, the Adviser utilizes Moody's and if Moody's is not available the manager selects the lower rating of S&P and Fitch. <sup>1</sup> All government bonds are rated AAA. <sup>2</sup> All agency Mortgage Backed Securities (MBS) are rated A. **Credit Ratings:** AAA and AA: High credit-quality investment grade A and BBB: Medium credit-quality investment grade BB, B, CCC, CC, C: Low credit-quality (non-investment grade), or “junk bonds” Not Rated: Bonds currently not rated <sup>3</sup> The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity. <sup>4</sup> The Other Industry Group data is not categorized within the GICS classification system.

The Driehaus Active Income Fund (the “Fund”), in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. This is a nondiversified fund; compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile.

Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (877) 779-0079. Please read the prospectus and summary prospectus carefully before investing.