DRIEHAUS
CAPITAL MANAGEMENT

DRIEHAUS EVENT DRIVEN FUND

To There and Back

JUNE 30, 2020

It seems nearly impossible that in a matter of months (weeks?) the financial markets experienced a round trip for the ages. While much remains unknown about the pandemic's lasting impact – both from a health and economic perspective– it appears that financial markets are willing to discount most of the effects as short-term in nature. Plenty has been written about the shape, cadence, timing, and magnitude of the economic contraction and subsequent recovery, so we will not rehash the key arguments here yet again. Suffice it to say that much can be captured in one simple word: unprecedented. The first half of the year was like none other on so many levels. Adding to the uniqueness of 2020 is the swift manner, and astounding magnitude, with which financial markets reversed course and rebounded from the depths. The first half of 2020 will certainly be remembered as historic on the way down, but perhaps just as historic on the way up.

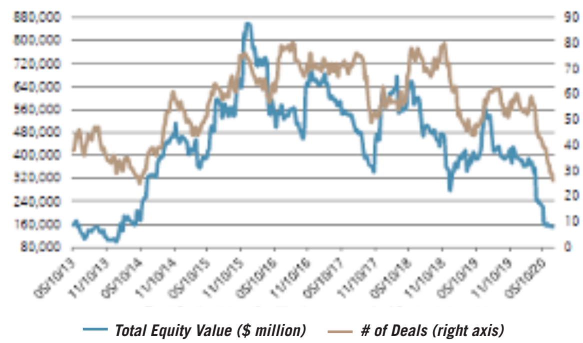
With that, we thought it would be insightful to compare the opportunity sets across our major investing classes as they have evolved throughout the year. Although it seems like ages ago, the quarter over quarter comparisons are quite revealing. While all asset classes have had commensurately significant price moves in the last 90 days, the landscape for each have unfolded quite differently, and currently present their own unique circumstances.

ARBITRAGE:

The headlines:

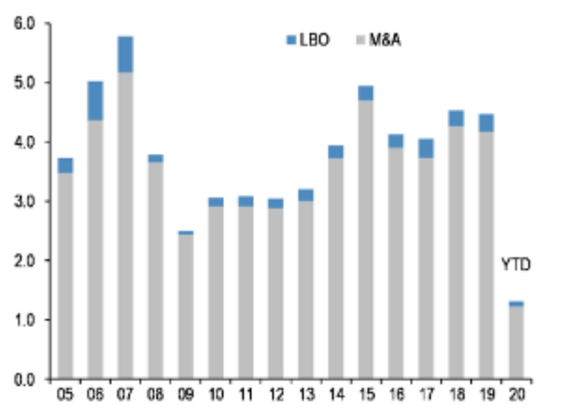
- Second quarter 2020 (2Q20) was the third lowest quarter in terms of deal value & lowest in number of new deals since the first quarter of 1998.
- Sponsors, sitting on a substantial pile of dry powder, remained largely on the sidelines.
- In definitive deals, there were no bumps, competing bids, or favorable terminations in 2Q20, while there were several adverse terminations and price reductions.

Exhibit 1: Deal Universe: Total Equity Value & Deal Count



Source: UBS Special Sits, Bloomberg

Exhibit 2: Global M&A on track for lowest tally in decades



Source: Dealogic, J.P. Morgan

The Changing Landscape:

- Merger Arbitrage:
  - Median breakeven probability at quarter end was 93% versus 61% reached in mid-March
  - Median non-annualized spreads at quarter end were 3.4% versus a peak of 14% in mid-March
- Special Purpose Acquisition Corporation (SPAC) Arbitrage:
  - Average yield to maturity to cash in trust (CIT) at quarter was -0.45% vs a peak of 7% in mid-March
  - May and June saw 9 new SPAC IPOs each versus only three new deals in March

The Verdict:

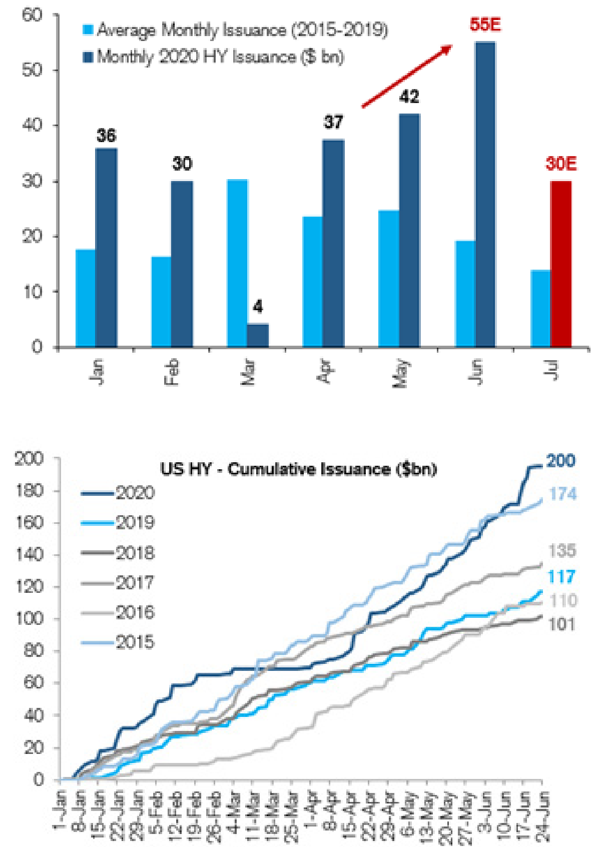
While the traditional merger arbitrage profit pool is vastly diminished, **equity capital markets have swung wide open** since seizing shut toward the latter part of the first quarter. SPAC arbitrage and deal optionality remain robust as a slew of recently announced deals have been well received in the market.

CREDIT:

The headlines:

- Investment Grade (IG) and High Yield (HY) cash had their second best quarterly spread performance.
- HY Issuance in June was the largest ever, and on track for record pace this year.
- Massive Federal Reserve stimulus has led investors further down & out on the risk spectrum.

Exhibit 3: Credit issuance in High Yield on track for record setting pace



Source: Credit Suisse

The Changing Landscape:

- Corporate credit spreads are generally in line with longer term averages, even as overall leverage metrics tick up, defaults increase, and recovery values decline.
- The outlier in the group is Investment Grade yields, which due to the decline in treasury yields, are now three standard deviations below the 10-year average.
- Convertible bonds continue to be a source of financing as corporates look to limit equity dilution, while reducing interest cost.

The Verdict:

The 'faculty has answered with vigor' and demand for credit has been met with plenty of supply. **Credit markets remain wide open**, as companies race to access financing. Corporates are tapping markets for a variety of reasons, including refinancing, shoring up liquidity, pushing up maturity walls, and raising capital for rainy days. Under this backdrop, a slew of wide-ranging events for credit special situations persist, as investors sift through the 'haves and have nots' of the credit cycle.

EQUITY:

The headlines:

- The top-heavy market rally has investors contending with a case of FOMO (Fear Of Missing Out) and scratching their heads.
  - Under the hood, many stocks still trading well off their highs
- Corporations that are overly exposed to COVID impacted industries or reliant on the credit cycle are feeling the brunt of the pain.
- Appetite for, and access to, equity capital markets are soaring high.

The Changing Landscape:

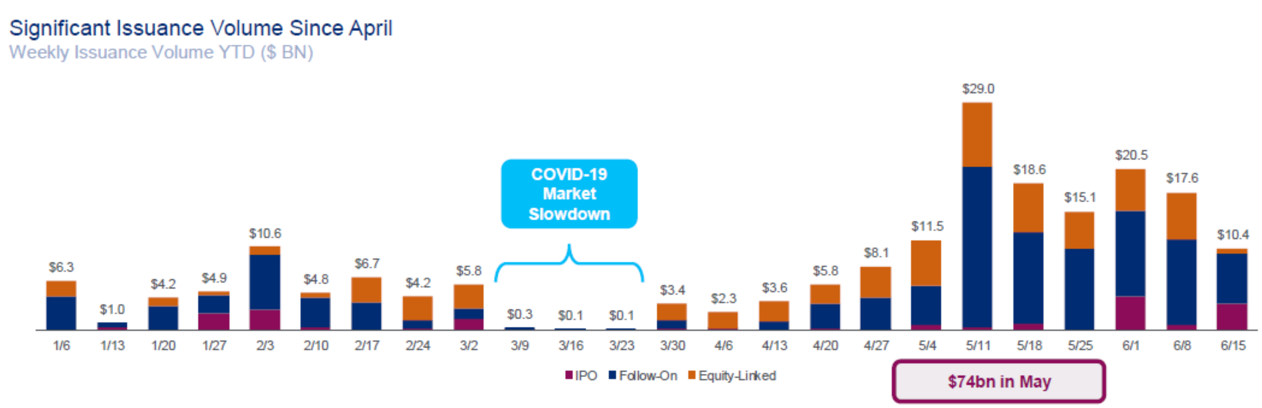
- After essentially disappearing toward the end of the first quarter, IPOs and follow on offerings saw robust growth in the second quarter.
  - Issuance volume reached $74B in May versus March's $9.7B
- Equity linked securities offerings accelerated in April and continued their momentum through the rest of the quarter.
- Private investment in public equity (PIPE) financings continue to proliferate, as corporates seek long term anchor investors as partners.

The Verdict:

While overall market levels may suggest full valuations with limited opportunity, the bifurcation across industries and market caps continues to remain pronounced. The desire for access to capital markets is being met with equally strong demand to deploy capital. In turn, the equity capital markets are in a period of robust corporate activity for the time being.

Halfway through a year that feels like it has compressed a decade's worth of market action into a matter of months, we remain encouraged

Exhibit 4: Issuance volume rebounded substantially in the second quarter



Source: Dealogic. Includes SEC registered follow-on offerings > $25MM and equity-linked offerings. Excludes BDCs, SPACs and MLPs by the heightened level of activity across our key investing classes. The ability to navigate across asset class in order to deploy capital to the most compelling risk adjusted return prospects, continues to bear fruit. While today's landscape and sentiment feel entirely different than the previous quarter, the opportunity set remains compelling nonetheless.

As always, we welcome your questions or comments, and look forward to continuing the dialog with our investors.

Performance Review

For the second quarter of 2020, the Driehaus Event Driven Fund returned 14.79% and the S&P 500 Index returned 20.54%[1]. The equity catalyst driven investment strategy was the fund's biggest contributor (15.24%), while the portfolio hedge investment strategy was the biggest detractor (-3.85%). The bond catalyst driven (+3.44%), risk arbitrage (-0.07%) and deep value (+0.45%) investment strategies accounted for the remainder of the fund's performance. The largest contributors for the quarter were a biotechnology company that announced the acquisition of a private company (+219 basis points) and two cardiovascular medicine companies (+213 basis points and +186 basis points). The largest detractors for the quarter included two industry exchange-traded fund portfolio hedges (-249 basis points and -97 basis points) and an infrastructure software company that had its leverage buyout sponsor seek to terminate the merger agreement (-98 basis points).

Stay well,

Mike, Tom and Yoav

[1]**Performance Disclosure**
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 for more current performance information.**

Driehaus Event Driven Fund

Investment Philosophy

- Corporate events and special situations – such as M&A, spin-offs, restructurings and complex business models – create market inefficiencies and provide a consistent source of attractively mispriced securities, across the capital structure.
- In-depth, fundamental research and the ability to invest globally and across companies' capital structures offers opportunities to identify superior risk-adjusted investments.
- Investing in highly liquid securities promotes nimbleness and helps mitigate risk.

% Month-End Performance (as of 6/30/20)

				Annualized			
	MTH	YTD	1 Year	3 Year	5 Year	10 Year	Inception[1]
Driehaus Event Driven Fund	**5.62**	**4.16**	**6.12**	**6.01**	**4.74**	**n/a**	**4.53**
S&P 500 Index[2]	1.99	-3.08	7.51	10.73	10.73	n/a	11.79
FTSE 3-Month T-Bill Index[3]	0.01	0.52	1.55	1.72	1.15	n/a	0.85

% Quarter-End Performance (as of 6/30/20)

				Annualized			
	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Inception[1]
Driehaus Event Driven Fund	**14.79**	**4.16**	**6.12**	**6.01**	**4.74**	**n/a**	**4.53**
S&P 500 Index[2]	20.54	-3.08	7.51	10.73	10.73	n/a	11.79
FTSE 3-Month T-Bill Index[3]	0.14	0.52	1.55	1.72	1.15	n/a	0.85

Morningstar Multi-Alternative Rankings[6] (as of 6/30/20)

	1 Year	3 Year	5 Year
Number of Funds in Category	99	83	66
Position - DEVDX	9	8	5
Percentile Ranking - DEVDX	**9%**	**10%**	**8%**

Source: Driehaus Capital Management, FactSet
Data as of 6/30/20

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 for more current performance information.

[1]The Driehaus Event Driven Fund has an inception date of August 26, 2013. [2]The Standard & Poor's ("S&P") 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group. It is a market-weighted index (stock price times number of shares outstanding), with each stock's weight in the index proportionate to its market value. [3]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. An investor cannot invest directly in an index. [4]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2020. 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. A shareholder may be required to pay a commission to their financial intermediary. [5]Since fund inception (8/26/13). [6]Morningstar peer group: Morningstar Multi Alternative Category (all share classes). Data based on monthly returns of 99, 83 and 66 mutual funds (all share classes) for the one, three and five year periods respectively. Net of fees. Past performance is no guarantee of future results.

Terms. **Beta**: A measure describing the relation of a portfolio's returns with that of the financial market as a whole. Effective Duration: 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. **Sharpe ratio**: Calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation.

Ticker
DEVDX

The Driehaus Event Driven Fund seeks to provide:

- Attractive risk-adjusted returns
- Low correlations to major asset classes
- Less than two-thirds the volatility of S&P 500 Index
- Idiosyncratic risk exposures

Facts

Inception Date	8/26/13
Fund Assets Under Management	$105M
Firm Assets Under Management	9.1B
Portfolio Concentration	Flexible, best ideas approach, historically 25-50 trades
Distributions	Quarterly dividends; annual capital gains

Annual Operating Expenses[5]

Gross Expenses	1.93%
Net Expenses	1.93%

Executive Summary

Long Exposure	$75,443,029
Short Exposure	$(12,005,230)
Net Exposure	$63,437,799
Net Exposure % of AUM	60.53%
Gross Exposure	$87,448,258
Gross Exposure % of AUM	83.44%

Portfolio Summary

100 Day Volatility	17.08%
S&P 500 Index 100 Day Volatility	51.24%
Beta versus S&P 500 Index[5]	0.31
Beta versus ICE BofA Merrill Lynch US High Yield Index[5]	0.79
Beta versus Bloomberg Barclays US Aggregate Bond Index[5]	(0.26)
Correlation versus S&P 500 Index[5]	0.62
Correlation versus ICE BofA Merrill Lynch US High Yield Index[5]	0.48
Correlation versus Bloomberg Barclays US Aggregate Bond Index[5]	(0.10)

Portfolio Management

Michael Caldwell, Portfolio Manager
13 years of industry experience

Tom McCauley, Portfolio Manager
14 years industry experience

Yoav Sharon, Portfolio Manager
15 years industry experience

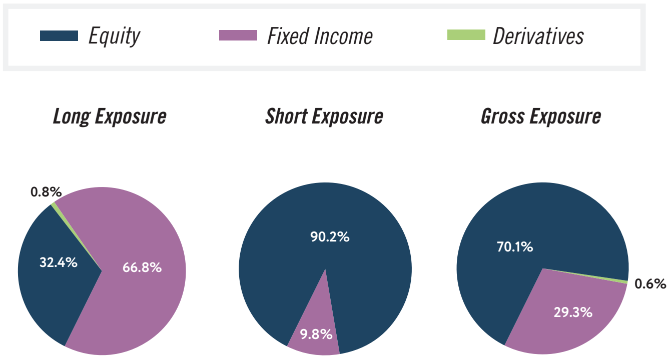
DEVDX Portfolio Characteristics*

Investment Strategy

	Gross Exposure	% of Gross Exposure	% Contribution to Total Return
Bond Catalyst Driven	21,706,181	24.8%	0.86%
Deep Value	1,277,309	1.5%	0.14%
Equity Catalyst Driven	44,832,148	51.3%	4.84%
Portfolio Hedge	10,205,563	11.7%	-0.48%
Risk Arbitrage	9,427,057	10.8%	0.34%
Cash and Expenses**			-0.11%
Total	**87,448,258**	**100.0%**	**5.59%**

Source: FactSet / Preliminary data. May differ from data shown by third-party providers because of rounding or for other reasons.

Exposure Breakdown by Asset Class



Product Type

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Bank Loan	722	0.0%	0	0.0%	722	0.0%
Corporate	22,477,187	29.8%	(1,176,403)	9.8%	23,653,590	27.0%
Preferred	1,968,691	2.6%	0	0.0%	1,968,691	2.3%
Fixed Income	**24,446,599**	**32.4%**	**(1,176,403)**	**9.8%**	**25,623,002**	**29.3%**
ADR/GDR	3,628,328	4.8%	0	0.0%	3,628,328	4.1%
Equity Common	45,252,243	60.0%	(623,264)	5.2%	45,875,507	52.5%
Exchange Traded Fund	0	0.0%	(10,205,563)	85.0%	10,205,563	11.7%
Private Equity	1,550,000	2.1%	0	0.0%	1,550,000	1.8%
Equity	**50,430,571**	**66.8%**	**(10,828,827)**	**90.2%**	**61,259,398**	**70.1%**
Warrants	565,858	0.8%	0	0.0%	565,858	0.6%
Derivatives	**565,858**	**0.8%**	**0**	**0.0%**	**565,858**	**0.6%**
Total	**75,443,029**	**100.0%**	**(12,005,230)**	**100.0%**	**87,448,258**	**100.0%**

Source: Driehaus Capital Management, FactSet

*Exposure: please note exposure may be different than market value. For equities, bonds, foreign exchange forwards and interest rate swap products, exposure is the same as market value. For options, exposure represents delta-adjusted underlying exposure. For credit default swap and credit default swap indices, exposure represents bond equivalent exposure.

**Estimated expenses for the month (not annualized) as a percentage of the fund's net assets for the month. Interest on cash balances are netted against fund expenses.

Note: A definition of key terms can be found on the last page of this document.

Driehaus Event Driven Fund

Sector

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
GICS[1]						
Communication Services	7,748,939	10.3%	(89,100)	0.7%	7,838,039	9.0%
Consumer Discretionary	5,150,828	6.8%	(410,935)	3.4%	5,561,764	6.4%
Consumer Staples	704,647	0.9%	(53,097)	0.4%	757,744	0.9%
Energy	1,334,751	1.8%	0	0.0%	1,334,751	1.5%
Financials	19,932,672	26.4%	(1,192,334)	9.9%	21,125,006	24.2%
Health Care	34,444,754	45.7%	(9,219,286)	76.8%	43,664,040	49.9%
Industrials	2,926,011	3.9%	(70,132)	0.6%	2,996,143	3.4%
Information Technology	0	0.0%	0	0.0%	0	0.0%
Materials	0	0.0%	0	0.0%	0	0.0%
Real Estate	2,412,781	3.2%	(970,347)	8.1%	3,383,128	3.9%
Utilities	787,645	1.0%	0	0.0%	787,645	0.9%
Other[2]	0	0.0%	0	0.0%	0	0.0%
Total	**75,443,029**	**100.0%**	**(12,005,230)**	**100.0%**	**87,448,258**	**100.0%**

Region*

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Developed	8,140,180	10.8%	(70,132)	0.6%	8,210,312	9.4%
Emerging	0	0.0%	0	0.0%	0	0.0%
United States	67,302,848	89.2%	(11,935,098)	99.4%	79,237,947	90.6%
Total	**75,443,029**	**100.0%**	**(12,005,230)**	**100.0%**	**87,448,258**	**100.0%**

Top Contributors/Detractors (by Investment Strategy)

Top 5	
Equity Catalyst Driven	2.02%
Equity Catalyst Driven	0.77%
Risk Arbitrage	0.52%
Equity Catalyst Driven	0.50%
Bond Catalyst Driven	0.44%
Total	**4.25%**

Bottom 5	
Portfolio Hedge	-0.40%
Equity Catalyst Driven	-0.35%
Risk Arbitrage	-0.23%
Equity Catalyst Driven	-0.22%
Equity Catalyst Driven	-0.19%
Total	**-1.40%**

Source: Driehaus Capital Management, FactSet
*Region exposure is based on country of domicile

Quarterly Contribution to Return (by Investment Strategy)

	Apr	May	Jun	2nd QTR
Bond Catalyst Driven	1.23%	1.22%	0.86%	3.44%
Deep Value	0.35%	-0.04%	0.14%	0.45%
Equity Catalyst Driven	5.00%	4.76%	4.84%	15.24%
Portfolio Hedge	-2.44%	-0.86%	-0.48%	-3.85%
Risk Arbitrage	0.77%	-1.16%	0.34%	-0.07%
Cash/Expenses[3]	-0.15%	-0.14%	-0.11%	-0.41%
Total	**4.75%**	**3.78%**	**5.59%**	**14.80%**

Preliminary data. May differ from data shown by third-party providers because of rounding or for other reasons.

[1]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.

[2]The Other Industry Sector data is not categorized within the GICS classification system. [3]Estimated expenses for the month (not annualized) as a percentage of the fund's net assets for the month. Interest on cash balances are netted against fund expenses.

Note: A definition of key terms can be found on the last page of this document.

Sector Breakout by Top Weighted Investment Strategy

Sector	Investment Strategy	Security Type	Average Weight	Contribution To Return
Communication Services			**7.94**	**0.07**
	Bond Catalyst Driven	Corporate	4.49	-0.14
	Risk Arbitrage	Corporate	1.74	-0.02
	Deep Value	Equity Common	1.19	0.14
	Equity Catalyst Driven	Equity Common	0.30	0.02
	Bond Catalyst Driven	Bank Loan	0.29	0.57
Consumer Discretionary			**5.70**	**0.21**
	Risk Arbitrage	Equity Common	2.76	0.16
	Bond Catalyst Driven	Corporate	1.54	0.32
	Risk Arbitrage	Equity Common	1.23	-0.23
	Bond Catalyst Driven	Bank Loan	0.71	0.17
	Risk Arbitrage	Equity Common	-0.43	-0.07
Consumer Staples			**0.65**	**-0.01**
	Bond Catalyst Driven	Corporate	0.71	-0.01
	Bond Catalyst Driven	Equity Common	-0.06	0.01
Energy			**1.71**	**-0.07**
	Bond Catalyst Driven	Corporate	1.40	-0.11
	Bond Catalyst Driven	Corporate	0.34	0.04
Financials			**20.06**	**1.31**
	Bond Catalyst Driven	Corporate	3.39	0.09
	Equity Catalyst Driven	Corporate	2.25	0.03
	Bond Catalyst Driven	Preferred	1.97	0.00
	Bond Catalyst Driven	Corporate	1.91	0.00
	Equity Catalyst Driven	Equity Common	1.89	0.14
Health Care			**23.28**	**3.99**
	Portfolio Hedge	Exchange Traded Fund	-4.89	-0.40
	Portfolio Hedge	Exchange Traded Fund	-3.78	-0.06
	Equity Catalyst Driven	Equity Common	3.72	0.50
	Equity Catalyst Driven	Equity Common	3.21	-0.19
	Equity Catalyst Driven	Equity Common	1.93	-0.01
Industrials			**2.87**	**0.28**
	Bond Catalyst Driven	Corporate	1.84	0.17
	Equity Catalyst Driven	Equity Common	0.43	0.06
	Bond Catalyst Driven	Corporate	0.38	0.00
	Equity Catalyst Driven	Equity Common	0.30	0.06
	Bond Catalyst Driven	Equity Common	-0.09	-0.02
Real Estate			**1.51**	**-0.01**
	Equity Catalyst Driven	Equity Common	1.65	-0.01
	Risk Arbitrage	Equity Common	0.88	-0.08
	Bond Catalyst Driven	Corporate	-1.02	0.07
Utilities			**0.83**	**-0.07**
	Catalyst Driven	Equity Common	0.83	-0.07

Notes
Investments in overseas markets can pose more risks than U.S. investments, and share prices are expected to be more volatile than that of a U.S.-only fund. The Driehaus Event Driven Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. In addition, returns of this Fund will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which this Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the prospectus for this Fund. At times, a significant portion of the Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow. Stocks of medium-sized companies tend to be more volatile in price than those of larger companies and may have underperformed the stocks of small and large companies during some periods. In addition, investments in medium-sized companies may be more susceptible to particular economic events or competitive factors than are larger, more broadly diversified companies. Growth stocks may involve special risks and their prices may be more volatile than the overall market. 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. 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. 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.

Market Turbulence Resulting from COVID-19. The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund.

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.

This snapshot is not intended to provide investment advice. Nothing herein should be construed as a solicitation or a recommendation to buy or sell securities or other investments. You should assess your own investment needs based on your individual financial circumstances and investment objectives. Driehaus does not guarantee the accuracy or completeness of this information. This data was prepared on July 10, 2020 and has not been updated since then. It may not reflect recent market activity. Driehaus assumes no obligation to update or supplement this information to reflect subsequent changes. This material is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable, are not necessarily all inclusive and are not guaranteed as to accuracy. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

Foreside Financial Services, LLC, Distributor

FUND INFORMATION

Types of events in which the fund frequently invests include:

Corporate action: Changes to the company's strategy or capital structure as a result of mergers, acquisitions, spin-offs, lawsuits, etc.

Earnings: A trade involving an upside or downside surprise to earnings versus market expectations.

Market dislocation: Any mispricing of a security for a non-fundamental reason.

Product cycle: A key change to the company's product/service offering, or a change in customer preferences for the company's product/service.

Restructuring: A change to the company's capital structure or business prospects as a result of bankruptcy, reorganization or corporate distress.

Types of trades in which the fund frequently invests include:

Bond catalyst driven: Event-driven trades that are expressed predominately through bond positions.

Deep value: Trade that attempts to capture the mispricing of an extremely undervalued security.

Equity catalyst driven: Event-driven trades that are expressed predominately through equity positions.

Portfolio hedge: A hedge to an unwanted factor exposure, such as equity, volatility, credit or interest rate risk.

Risk arbitrage: Trades that attempt to capture a valuation discrepancy between similar securities.

DEFINITIONS OF KEY TERMS

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 - A measure describing the relation of a portfolio's returns with that of the financial market as a whole. A portfolio with a beta of 0 means that its price is not at all correlated with the market. A positive beta means that the portfolio generally follows the market. A negative beta shows that the portfolio inversely follows the market; the portfolio generally decreases in value if the market goes up and vice versa.

Credit Default Swap (CDS) - A contract in which the buyer of the CDS makes a series of payments to the seller and, in exchange, receives a payoff if a credit instrument (typically a bond or loan) goes into default. In its simplest form, a credit default swap is a bilateral contract between the buyer and seller of protection.

Delta - The ratio that compares the change in the price of a derivative to the corresponding change in the price of an underlying asset.

Derivatives Premium – Value of a derivatives contract.

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.

Equity Gamma - The ratio that compares the rate of change for the delta with respect to the underlying asset's price.

Portfolio Coupon - The annualized interest earned for the portfolio.

Portfolio Current Yield - The annual income (interest or dividends) divided by the current price of the security, aggregated to the portfolio level.

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.

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.

Sharpe Ratio is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation.

Stock Vega - The change in the price of an option that results from a 1% change in volatility. Vega changes when there are large price movements in the underlying asset and Vega falls as the option gets closer to maturity. Vega can change even if there is no change in the price of the underlying asset (e.g., if there is a change in expected volatility).

Swap - A derivative in which two counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument.

Theta - A measure of the rate of decline in the value of an option due to the passage of time. Theta can also be referred to as the time decay on the value of an option.