POPLAR FOREST OUTLIERS FUND COMMENTARY

March 31, 2018

Stephen A. Burlingame, *Portfolio Manager*

Dear Partner,

In today's financial services environment, it's hard to make a small mutual fund a viable business. With our contrarian value style of investing enduring a multi-year period of unpopularity, we've failed to meet the internal asset raising goals we set for our midcap strategy. Another fund, for which we serve as a subadvisor, has expressed interest in merging with the Outliers Fund. We believe the merger is good for shareholders and plan to pursue it with an estimated completion in April - May 2018. As currently proposed, the merged fund's shareholder fees for the Institutional class shares will be identical to those of the Outliers Fund. The merged fund will pursue a similar investment strategy as the Outliers Fund, including a specific requirement that 80% of the fund be invested in midcaps, which the fund currently exceeds. Simply put, the merger doesn't change our investment approach and we will all continue investing on the same financial terms that existed pre-merger. Regarding taxes, the transaction will be structured as a tax-free combination. While the Outliers fund has some embedded gains, the larger fund into which we are merging has only minimal gains. A dividend related to realized capital gains will be paid prior to the merger. Post-merger, the business case for the fund is improved since the merged fund will have higher assets under management and greater economies of scale. A higher level of sales and marketing resources will also be available to support and grow the merged fund which, if successful, may allow for break points to be achieved and management fees to be reduced. As major shareholders of the fund, we believe the merger is advantageous and respectfully request your support. A more detailed discussion of the merger can be found in the proxy statement, which you will receive shortly. To join us in voting for the merger you will simply need to call the phone number or log into the website listed in the proxy voting instructions and input the control number from your proxy card. Thank you for your continued support. We look forward to further discussing the potential benefits of the merger with all of you in the coming weeks.

Turning to the current investment landscape, we continue to see signs of improving economic growth and inflation, which are encouraging the new Chairman of the Federal Reserve Bank, Jerome Powell, to move forward with raising interest rates above the generational lows of the last decade. Stocks tend to be worth their discounted future free cash flows which usually results in higher valuation multiples during periods of low interest rates and lower valuation multiples when rates are high. With interest rates still near historic lows, it's not surprising that, on a price to earnings (P/E) basis, the stock market is near the higher end of its historical valuation range. One of the many debates underway among investors is whether we are transitioning to a multi-year period of rising rates and what the impact will be on stock market valuation ratios, business confidence, and corporate earnings. Deciphering these future relationships are challenging enough but, when also factoring in unpredictable trade policies and tax reform, the analysis becomes highly error prone. The stock market volatility we've seen thus far in 2018 likely reflects evolving investor views on these topics.

As bottom-up investors, we spend our time deeply analyzing individual companies, identifying key questions, evaluating the risk of a permanent loss, and establishing a range of intrinsic values based on various simulations of the future. While not actively making forecasts around top-down factors such as interest rates or economic growth, we do attempt to evaluate how our portfolio companies are likely to perform if future divergences emerge in interest rates, economic growth, commodity prices, and other macroeconomic factors. Following a relatively long period of positive (albeit anemic) economic growth and favorable stock market returns, it's easy for investors to become complacent and assume the current environment will persist indefinitely. To help us avoid complacency and facilitate scenario analysis, we are incorporating a 2019 recession into the 3-5 year forecasts we evaluate for all of our portfolio holdings. One of the possible benefits of this approach is to clarify which businesses will face the most recessionary pressure and whether we believe we are being adequately compensated for such risks. While 2019 is an admittedly arbitrary assumption for a recession, we'd rather be a little early than a little late in mitigating potential cyclical economic risks.

The current facts suggest that earnings growth is accelerating in corporate America and stock market valuations reflect expectations for this favorable growth trend to persist for at least the next few years. While consensus views may very well prove correct, at this point in the economic and valuation cycle, we believe it's prudent to begin gradually tilting the portfolio toward companies with potential lower downside risks should there be negative surprises in economic growth. Accordingly, during the next 12-18 months, we are likely to continue "high-grading" the portfolio in order to lower potential recessionary risks when they aren't justified by significant upside return potential.

Healthcare continues to screen well for us as a sector offering recession resistant earnings growth that, in select cases, can be bought at an attractive discount to the broader stock market. We also continue to see attractive values in certain parts of the consumer and energy sectors. There are opportunities in both of these sectors that still combine cheap valuations, already depressed fundamentals, and self-help plans that are well underway. While there could be more downside potential in a recession for some of these businesses, it may be lower than expected since it's hard to fall off the floor. More importantly, we believe we are being adequately compensated given the above average returns we estimate these businesses can generate after their restructuring initiatives are complete. We continue to reduce our exposure to the Information Technology sector where investor enthusiasm seems to be closer to a peak than a trough.

Our portfolio looks cheap at 11x our estimates of normalized earnings power. While our style of value investing has been out of favor lately, history suggests investing is cyclical. Dale and I look forward to continuing the discussion with all of you about the great values we believe exist within our fund.

Thank you for your interest and continued support!

Cordially,

Stephen A. Burlingame, CFA
April 1, 2018

Performance (%)

Average Annual Total Returns as of March 31, 2018						
	QTR	YTD	1 YR	3YR	5 YR	Since Inception*
I Shares	-1.87	-1.87	3.52	0.23	7.78	11.70
Russell Midcap Index	-0.46	-0.46	12.20	8.01	12.09	14.60

*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. Performance data current to the most recent month end may be obtained by calling 877-522-8860. Expense Ratio Net of fee waiver reflects contractual fee waiver in effect through at least 1/27/2019. The Outliers Fund expense ratio is 1.11% net and 3.66% gross for the I Shares. Investment performance reflects fee waivers. In the absence of such waivers, total returns would be reduced. *Inception date is 12/31/2011*

The Outliers performance shown prior to December 31, 2014 is that of the Predecessor Partnership and includes expenses of the Predecessor Partnership. Simultaneous with the commencement of the Fund's investment operations on December 31, 2014, the Predecessor Partnership converted into the Institutional Class shares of the Fund. The Predecessor Partnership maintained an investment objective and investment policies that were, in all material respects, equivalent to those of the Fund. The performance returns of the Predecessor Partnership are unaudited and are calculated by the Adviser on a total return basis. The Predecessor Partnership was not a registered mutual fund and was not subject to the same investment and tax restrictions as the Fund, which, if applicable, may have adversely affected its performance.

Outliers Fund Review

During the quarter, the Fund's Institutional Class shares generated a return of -1.87% which lagged the Russell Midcap Index return of -0.46%. Our goal is not to outperform every quarter or even every year but rather to generate market-beating annualized returns over a full market cycle. Since inception on December 31, 2011, the Fund has generated an annualized return of 11.70% which compares to a 14.60% return for the Russell Midcap Index.

Compared to the Russell Midcap Index, investments in the Information Technology and Consumer Discretionary sectors contributed the most to the Fund's relative returns, whereas investments in the Energy and Healthcare sectors detracted the most. Within Information Technology, our returns were broad based and bolstered by the proposed acquisition of CSRA by General Dynamics. The proposed offer price for CSRA was near our estimate of intrinsic value and we exited our position. Returns in the Consumer Discretionary sector were driven primarily by better than expected business fundamentals at Strayer Education (STRA), Advance Auto Parts (AAP), and Tapestry (TPR) which helped offset weaker than expected results at Signet Jewelers (SIG). We further reduced our position in Signet during the quarter. Weatherford International (WFT) was the primary driver of our poor results in the Energy sector. Following weaker than expected results across the oil services sector, Weatherford's ability to improve pricing and maximize value from asset sales is likely to take longer than originally expected and we've chosen to reduce our position size. DaVita (DVA) and Zimmer Biomet (ZBH) were the primary drivers of weak quarterly results in the healthcare sector. DaVita's stock price lagged primarily due to fears that their previously announced sale of DaVita Medical Group to UnitedHealth Group would get blocked following a second information request from the government. Given some overlap between the two businesses in a few cities, we aren't surprised by the additional information request. Furthermore, multiple parties were interested in DaVita Medical Group so divesting some physician practices to third parties shouldn't be a challenge if that is required to satisfy regulators. Relative to other proposed healthcare deals, such as CVS merging with Aetna and Cigna merging with Express Scripts, we believe the DaVita Medical Group sale has a much cleaner profile. Zimmer Biomet's stock was weak primarily due to the company's new CEO, Bryan Hanson, setting conservative guidance in order to position the company to be able to start exceeding investor expectations as opposed to missing them. While the turnaround is taking longer than we originally expected, we believe Hanson is making the right changes to improve the company's long-term growth prospects.

The Fund continues to have no exposure to Utilities or Real Estate Investment Trusts (REITs). Many of these companies have paid investors high dividend yields and are often viewed as fixed income equivalents. Over the next three to five years, investors may become less interested in Utilities and REITs if interest rates on competing fixed income assets rise.

Quarterly Changes

During the quarter, we initiated investments in Mylan N.V. (MYL) and Newell Brands (NWL). Mylan is a leading global generic drug company, poised for improving business fundamentals driven by multiple new product launches of hard to formulate, complex drugs. We believe a dramatic cyclical decline in generic industry sales and profits has caused investors to undervalue Mylan relative to its normalized earnings power. Newell Brands is a leading global consumer goods company with a diverse set of brands such as Sharpie, Elmer's, and Rubbermaid. The stock price declined significantly after the acquisition of Jarden failed to generate favorable results. Although the self-help initiatives underway could take time to "bear fruit", we believe investors are underestimating Newell's long-term earnings power. While not central to our investment thesis, we are encouraged by the involvement of multiple activist investors engaged in accelerating Newell's ability to create value for shareholders.

Recent sales include exiting our investments in Aetna (AET) and CSRA Inc. (CSRA), both of which achieved our price targets, and exiting Mattel (MAT), which failed to rise to our expected target price due to worse than expected business fundamentals.

The Fund continues to look quite different from the Russell Midcap® Index with notably higher allocations to the Healthcare and Energy sectors, notably lower allocations to the Consumer Staples sector, and no exposure to the Real Estate, Utilities, and Telecom sectors. We ended the quarter with a cash balance of less than 5%.

Disclosures

The Funds' objectives, risks, charges and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information and can be obtained by calling (626) 304-6000 or by visiting www.poplarforestfunds.com. Read it carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The fund may invest in debt securities which typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. The fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater in emerging markets.

Investing in small and medium sized companies may involve greater risk than investing in larger, more established companies because small and medium capitalization companies can be subject to greater share price volatility. The fund may invest in options, which may be subject to greater fluctuations in value than an investment in the underlying securities. Diversification does not assure a profit, nor does it protect against a loss in a declining market.

Earnings growth is not a measure of the Fund's future performance.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

Poplar Forest Capital LLC is the advisor to the Poplar Forest Partners Fund which is distributed by Quasar Distributors, LLC.

As of March 31, 2018, the Poplar Forest Outliers Fund's 10 largest holdings accounted for 45.83% of total fund assets. The Fund's 10 largest holdings at March 31, 2018:

AMERISOURCEBERGEN CORP	6.24
KEYSIGHT TECHNOLOGIES INC	5.48
DAVITA INC	4.87
STRAYER EDUCATION INC	4.45
AECOM	4.32
LINCOLN NATIONAL CORP	4.23
ALLY FINANCIAL INC	4.15
PERRIGO CO PLC	4.05
ZIMMER BIOMET HOLDINGS INC	4.05
RELIANCE STEEL & ALUMINUM CO	4.00

Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security.

Dividend Yield Represents the trailing 12-month dividend yield aggregating all income distributions per share over the past year, divided by the period ending fund or stock share price. It does not reflect capital gains distributions.

Free cash flow is equal to the after-tax net income of a company plus depreciation and amortization less capital expenditures.

Normalized earnings are adjusted to remove the effects of seasonality, revenue and expenses that are unusual or one-time influences. Normalized earnings help business owners, financial analysts and other stakeholders understand a company's true earnings from its normal operations.
Price/Earnings (P/E) Ratio is a common tool for comparing the prices of different common stocks and is calculated by dividing the earnings per share into the current market price of a stock.

Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell Midcap Index is a subset of the Russell 1000® Index. It includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The Russell Midcap Index represents approximately 31% of the total market capitalization of the Russell 1000 companies. It is not possible to invest directly in an index.