



VULCAN  
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**PORTFOLIO REVIEW**  
GENERAL

The Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund produced positive absolute returns for the quarter and outperformed their respective benchmarks on a quarter-to-date basis. As we have often said, we place no weight on short-term results, good or bad, and neither should you. In fact, we have made and will continue to make decisions that negatively impact short-term performance when we think we can improve our long-term returns and lower risk. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects.

		As of December 31, 2020							
		Annualized							
Directory		Inception Date	QTD	1 Year	3 Year	5 Year	10 Year	Since Inception	
Introduction	1	<b>Vulcan Value Partners Fund (VVPLX)</b>	12/30/09	17.09%	11.59%	14.15%	14.12%	13.37%	13.06%
Portfolio Review	1	Russell 1000 Value Index		16.25%	2.80%	6.06%	9.73%	10.49%	10.84%
VVP Fund Review	6	S&P 500 Index		12.15%	18.40%	14.17%	15.20%	13.87%	13.87%
VVP Small Cap Fund Review	9	<b>Vulcan Value Partners Small Cap Fund (VVP SX)</b>	12/30/09	39.75%	-3.33%	4.02%	8.31%	9.84%	11.34%
Closing	11	Russell 2000 Value Index		33.36%	4.63%	3.72%	9.64%	8.65%	9.86%
Disclosures	12	Russell 2000 Index		31.37%	19.96%	10.24%	13.24%	11.19%	12.40%

For more information please contact us at :

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**Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. Vulcan Value Partners Small Cap Fund's total gross expense ratio is 1.27%. Vulcan Value Partners Fund's total gross expense ratio is 1.09%. Neither fund imposes a sales charge. Index returns do not reflect deductions for fees or expenses. Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current month-end performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting [www.vulcanvaluepartners.com](http://www.vulcanvaluepartners.com).**

[www.vulcanvaluepartners.com](http://www.vulcanvaluepartners.com)

PERFORMANCE THROUGH DISCIPLINE



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## PORTFOLIO REVIEW (CONT.)

### DUAL DISCIPLINE

2020 is a year that will be remembered for a long time even though it is a year most of us would prefer to forget. Earlier this year, we described the COVID-19 crisis and the global economic impact it had as a greater than three standard deviation event. John Templeton, whose insights and values formed the basis for our Vulcan Values, said “the time of maximum pessimism is the best time to buy.” In March 2020, we believed if we were not there already, we are fast approaching the point of maximum pessimism. At that time, we felt it was a fantastic time for long-term, intelligent investors to allocate capital to Vulcan Value Partners.

As background for the year that just passed, we recommend that you re-read our First Quarter 2020 Mutual Fund Commentary available on our website. Here is an excerpt from our First Quarter 2020 Commentary:

We have thrived in times of market volatility like we are experiencing today because we follow a dual discipline. We are as disciplined about the quality of the businesses we own as we are about the price we pay for them. Our dual discipline allows us to take advantage of stock price volatility because, in our view, our values are stable. We do not define stock price volatility as risk. Our definition of risk is the probability of permanently losing capital over our five-year time horizon. We believe stock price volatility creates opportunities when you limit yourselves to companies with stable values. As a result, by improving our margin of safety, we have substantially reduced risk in our portfolios and enhanced our prospective long-term returns.

So, where are we today? Our dual discipline served us well. While 2020 performance varied across our Funds, both Funds improved its weighted average price to value ratio and, therefore, its margin of safety during 2020. How? Because the vast majority of our companies' values remained stable and actually grew on average during unprecedented economic upheaval. Extreme stock price volatility, especially in March and April, enabled us to do two things. First, we redeployed capital from higher price to value ratio companies into companies we believe are of equal or greater quality with larger margins of safety. Then, we redeployed capital into what we view as some of the best businesses in the world that are emerging from the COVID-19 crisis even more competitively entrenched than before at extreme discounts without impacting our weighted average price to value ratios. Stated differently, first we improved our margin of safety while holding quality constant. Then, we improved the quality of our portfolio while holding our margin of safety constant.

COVID-19 accelerated trends that have been in place for some time. A number of companies compressed years of compounding into several quarters and made material progress toward their business model objectives. We were fortunate to own a number of them and redeployed capital into others that we had been following but that had not qualified prior to the COVID-19 crisis.



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## PORTFOLIO REVIEW (CONT.)

### LESSONS LEARNED

We learned some things in 2020. Most importantly, the COVID-19 crisis reinforced the importance of following our investment philosophy. We follow principles, not rules. Rules are simplistic and static. Principles are unchanging but can be applied with flexibility. By following our principles, we were able to improve the execution of our investment process.

We bought companies that have not grown very fast and companies that have grown quite a lot. We avoided companies whose competitive positions were eroding but that appeared to be discounted based on historical multiples and other superficial analyses. The companies we did buy all have a history of stable values and a large margin of safety and that is why we bought them, not because of how fast they do or do not grow.

Our MVP process has always implicitly incorporated many environmental, social, and governance (ESG) factors into our evaluation of businesses that would qualify for investment. During 2020, we learned how to better incorporate ESG considerations into our analysis in a more explicit way. We have integrated a more complete ESG framework into our MVP process to further mitigate risk in our portfolios. We look forward to making additional progress in 2021 and beyond.

Last and not least, we continued to learn to be better sellers. With the benefit of hindsight, we can see that the assumptions we have used to value businesses have been conservatively biased. We only invest in what we believe are extraordinary businesses. They have proven to be more extraordinary than we were willing to quantify in our values. As a result, over the years we have sold a number of outstanding businesses too soon. Simply acknowledging our conservative bias is a step in the right direction. Our goal is to be more thoughtful sellers and to improve our portfolio management decision making process. Again, our principles are not changing but we constantly strive to improve upon the execution of our investment process.

### OUTLOOK

We enter 2021 fully invested in what we believe are outstanding businesses, many of which have become more competitively entrenched as a result of the COVID-19 crisis. As of December 31, 2020, our price to value ratios are at lower levels than a year ago and are at historically attractive levels. We are grateful for modern medicine and the free enterprise system that has enabled the development of several highly effective vaccines in less than a year after COVID-19 became a pandemic. Our base case economic forecast looks increasingly conservative, which means our values are conservative. A year from now we would expect the global economy to be in the beginning stages of a robust, multi-year recovery.

While we expect and actually hope for market volatility along the way, we are quite bullish about our long-term prospects. We believe our portfolio companies became more competitively entrenched during the COVID-19 crisis, recent economic headwinds should become tailwinds for many years to come, and our price to value ratios are more attractive today than a year ago.



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## PORTFOLIO REVIEW (CONT.)

### SUSTAINABILITY STRESS TEST

In last year's annual letter, we discussed sustainability at Vulcan Value Partners. We had no idea that we would be put to the test so quickly after writing those words. Not only did we stress test the businesses in our portfolios, we were put through a stress test of our own.

We could not be more pleased with how our entire organization responded to the challenges of working remotely, especially during the extreme market conditions in March and April. We operate with a margin of safety in all aspects of our business. For years we have invested heavily in information technology (IT) infrastructure and continued disaster planning including enhancing our remote work capabilities. The investments, practice, and most importantly, the human investments we made in our IT team paid off handsomely. Our systems worked flawlessly, and the entire organization innovated and leveraged the investments we made so that we were able to improve our productivity throughout 2020.

The research team worked hard and enthusiastically throughout the year. During March, April and into May most days started at 6 AM and lasted until midnight. Our client service team fielded calls from around the world at all hours, including a "virtual visit" to the U.K. Our operations team never skipped a beat and supported each other and the entire organization as several members of our team were dealing with COVID-19 directly and/or were helping family members. Candace Edwards, one of our operations team leaders and long-time partner worked from the hospital! Why do our team members work from 6 AM to midnight and from the hospital? It is because they embrace our Vulcan Values, which are the foundation of our firm. One of our Vulcan Values is to "Serve others before self." Everyone at Vulcan Value Partners takes our fiduciary duty to you, our client partners, to heart. Our team members do amazing things all the time, not out of obligation but out of commitment to our mission, which is to protect capital and achieve superior long-term results by executing our investment process with discipline.

Recently Vulcan Value Partners was recognized by Pensions & Investments as the Best Place to Work in Money Management for the third year in a row.<sup>1</sup> During a time of global economic stress, caused by COVID-19, when so many people were losing their jobs Vulcan Value Partners was hiring and continuing to invest for the future, just like the businesses we own in our portfolios. We have more depth in our research team than ever. Our substantial investments in artificial intelligence (AI) are paying off, and our research productivity has never been higher, both in terms of quantity and quality.

<sup>1</sup> Pensions & Investments Best Places to Work in Money Management in 2020 for managers with 50 to 99 employees. Article date: December 14, 2020.



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PORTFOLIO REVIEW (CONT.)

We thank you, our client-partners, for investing time to understand what we are trying to accomplish and how we are going about doing so. Your patient, thoughtful capital enables us to have a long time horizon and execute our investment philosophy with discipline.

Sincerely,

C.T. Fitzpatrick, CFA

**Chief Investment Officer**

In the discussion that follows, we generally define material contributors and detractors as companies having a greater than 1% impact on the portfolio.



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VULCAN VALUE PARTNERS FUND REVIEW

As of December 31, 2020							
Investment Strategy	Inception Date	QTD	Annualized				Since Inception
			1 Year	3 Year	5 Year	10 Year	
VVP Fund (VVPLX)	12/30/2009	17.09%	11.59%	14.15%	14.12%	13.37%	13.06%
Russell 1000 Value Index		16.25%	2.80%	6.06%	9.73%	10.49%	10.84%
S&P 500 Index		12.15%	18.40%	14.17%	15.20%	13.87%	13.87%

**Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. The Fund's total gross expense ratio is 1.09%. Neither fund imposes a sales charge. Index returns do not reflect deductions for fees or expenses. Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current month-end performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting [www.vulcanvaluepartners.com](http://www.vulcanvaluepartners.com).**

We purchased four new positions and exited one position during the quarter.

There were eight material contributors to performance and no material detractors.

HEICO Corp. is a leading manufacturer of FAA-approved jet engine and aircraft component Parts Manufacturer Approval (PMA) replacement parts. The company also produces various types of electronic equipment for the aviation, defense, space, medical, telecommunications, and electronics industries. HEICO differentiates itself from competitors by using its proprietary technology to redesign replacement parts and sell them for substantial discounts to OEM (original equipment manufacturer) replacement parts. The company represents a small but growing share of the market. HEICO has a long history of strong organic growth, expanding margins, and strong free cash flow generation. Additionally, its management team are exceptional capital allocators. The team seeks out smaller owner-run companies where the founder desires to sell yet stay involved in the business. In return, sellers are willing to transact with HEICO at lower prices than they would with other potential buyers. Through strategic acquisitions, HEICO has created a unique sustainable advantage in the industry that is difficult to replicate.

Compass Group plc is the largest multinational contract food service company in the world. It is one of three food service companies with global capabilities serving a variety of end markets including



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## VULCAN VALUE PARTNERS FUND REVIEW (CONT.)

healthcare, education, sports, defense, and corporate. Its branding and strategy allow the management teams of each geographic region and sub-region to operate like a local, regional business. Each region can create and maintain its own model which provides the flexibility to respond quickly as markets change. Its asset-light business model, scale, high switching costs, longer-term contracts, and customer satisfaction make Compass Group an attractive business to us. The food service industry is facing strong near-term headwinds amidst COVID-19. Compass Group is positioned to take advantage of growth opportunities presented during financial recessions. We believe the company will benefit as market share is reallocated from smaller businesses to multinational servicers and, as a result, we expect Compass Group will become more competitively entrenched.

SS&C Technologies Holdings Inc. is the leading provider of services to the financial sector. It owns several companies including ALPS Fund Services, Advent, GlobeOp, Intralinks, Eze, and DST. It operates an array of technology offerings for the financial services industry and provides mission-critical software. We like the company's track record of recurring revenue, high retention rates, strong free cash flow generation, and high rates of return on capital. Regulatory pressure, the need for greater transparency, and the growth of its core asset classes have led to greater demand for its services.

Wayfair Inc. is a premier ecommerce retailer for home goods and furnishings. Its platform connects buyers to sellers, offering customers over 18 million stock-keeping units (SKUs) from 12,000 suppliers. The company also provides fast delivery for all items, including large, bulky products. We think Wayfair's unique shopping experience, inventory-light model, scale, and excellent customer service platform make it an attractive business. The company has a small market share in this large and growing total addressable market (TAM) across North America and Europe. During 2020, consumer trends that would have normally taken years to accomplish were compressed into months, Wayfair's free cash flow production and margins improved dramatically. Wayfair's business hit an inflection point, and we expect the company to continue to grow steadily, gain market share, and generate free cash flow for years to come.

We sold Credit Acceptance Corp. during the quarter. Recent news surrounding Credit Acceptance caused us to reevaluate the company's value. After quantifying the variables and possibilities, we determined its value was negatively impacted. While we believe there is still a margin of safety, that margin has been reduced, so we sold our position to reallocate capital into more discounted names.

General Electric Company, Jones Lang LaSalle Inc., TransDigm Group Inc., Qorvo Inc., Whitbread plc, Hilton Worldwide Holdings Inc., Carlyle Group Inc., and KKR & Co. Inc. were all material contributors during the quarter. They all are wonderful businesses that are executing in line with our expectations and are benefitting from the announcement of effective COVID-19 vaccines during the quarter.



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FUND

VULCAN VALUE PARTNERS FUND REVIEW (CONT.)

Vulcan Value Partners Fund Large Cap Fund (VVPLX & VVILX)							
4Q 2020 Top 5 Performers		4Q 2020 Bottom 5 Performers		2020 Top 5 Performers		2020 Bottom 5 Performers	
Security	Return %	Security	Return %	Security	Return %	Security	Return %
General Electric Co.	73.52%	Facebook Inc.	4.30%	NVIDIA Corp.	123.75%	Everest Re Group	-34.43%
Jones Lang LaSalle Inc.	55.10%	Amazon.com Inc.	3.44%	Amazon.com Inc.	76.26%	Swiss Re AG	-38.17%
Whitbread plc	54.25%	Credit Acceptance Corp.	-4.88%	General Electric Co.	59.23%	National Oilwell Varco Inc.	-49.77%
HEICO Corp.	32.03%	Salesforce.com Inc.	-11.46%	HEICO Corp.	55.36%	Airbus SE	-54.44%
Compass Group plc	31.99%	Wayfair Inc.	-17.69%	Qorvo Inc.	43.05%	Marriott International Inc.	-57.69%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our fund for the time period indicated.





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VULCAN VALUE PARTNERS SMALL CAP FUND REVIEW

As of December 31, 2020							
Investment Strategy	Inception Date	QTD	Annualized				Since Inception
			1 Year	3 Year	5 Year	10 Year	
VVP Small Cap Fund (VPSX)	12/30/2009	39.75%	-3.33%	4.02%	8.31%	9.84%	11.34%
Russell 2000 Value Index		33.36%	4.63%	3.72%	9.64%	8.65%	9.86%
Russell 2000 Index		31.37%	19.96%	10.24%	13.24%	11.19%	12.40%

**Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund returns are net of fees and expenses and assume reinvestment of dividends and capital gains. The Fund's total gross expense ratio is 1.27%. Neither fund imposes a sales charge. Index returns do not reflect deductions for fees or expenses. Performance data quoted represents past performance. Past performance is not indicative of future results. Investment return and value of shares will fluctuate. Upon redemption, shares may be worth more or less than their original cost. The performance figures do not reflect the deduction of any taxes a shareholder might pay on distributions or redemptions. The current month-end performance may be higher or lower than the quoted performance and may be obtained by calling 877.421.5078 or visiting [www.vulcanvaluepartners.com](http://www.vulcanvaluepartners.com).**

We purchased three new positions and exited three positions during the quarter.

There were seventeen material contributors to performance and no material detractors.

PROG Holdings Inc., composed of Progressive Leasing and Vive Financial, was formerly a part of Aarons Holdings Company Inc. Progressive, the company's primary asset, partners with leading retailers such as Best Buy, Lowe's, Overstock, and Ashley Furniture HomeStore to provide lease-purchase solutions to retail customers. Progressive's lending options provide consumers the ability to buy products they otherwise could not purchase and offer the retailer the ability to make sales it otherwise would not have made. We believe that Progressive has a large total addressable market (TAM), unique product offering, high returns on capital, and ability to grow at high rates while still generating free cash flow, and it is well-positioned to take advantage of the recent exponential growth in ecommerce resulting from COVID-19.

Upstart Holdings Inc. is an artificial intelligence (AI) and cloud-based lending platform. The company uses AI models to underwrite prime loans with lower interest rates, lower default rates, higher approval rates, and increased underwriting automation. Consumers can access Upstart-powered loans through its banking partners' websites; however, most of its loans are underwritten on Upstart.com. Upstart has a fee-based revenue model and retains only a small portion of the loans, while the majority of the loans



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## VULCAN VALUE PARTNERS SMALL CAP FUND REVIEW (CONT.)

end up on the balance sheets of its partner banks or are sold into the capital markets. We believe Upstart's technology is superior to the FICO score, which is ubiquitous within the consumer credit markets. With an excellent product and a very large total addressable market, we believe that Upstart's prospects are very bright.

Meggitt plc is a U.K.-based aerospace manufacturer with four business segments: airframe systems, engine systems, energy and equipment, and services and support. Its products are essential to aviation safety and reliability. We like the aerospace industry given that the aftermarket business creates a long-term stream of revenue, and approximately 70% of Meggitt's business is sole-sourced life-of-program contracts. In 2018, the company, led by CEO Tony Wood, initiated the "Smart Support" program to proactively regain and win market share. We are encouraged by Meggitt's renewed focus on customer service and are pleased to own it in our portfolio.

During the quarter, we sold Crane Co., Timken Co., and ACI Worldwide Inc. Following our discipline, we redeployed capital into businesses with greater margins of safety, improving the weighted average price to value ratio of our portfolio.

Park Hotels & Resorts Inc., Cerence Inc., Cushman & Wakefield plc, Virtus Investment Partners Inc., Forterra plc, Jones Lang LaSalle Inc., ISS A/S, Littelfuse Inc., Colliers International Group Inc., Ibstock plc, EnerSys, Coherent Inc., Knoll Inc., Savills plc, ACI Worldwide Inc., Upstart Holdings Inc., and Ituran Location and Control Ltd. were all material contributors during the quarter. They all are wonderful businesses that are executing in line with our expectations and are benefitting from the announcement of effective COVID-19 vaccines during the quarter.

Vulcan Value Partners Small Cap Fund (VVPSX)							
4Q 2020 Top 5 Performers		4Q 2020 Bottom 5 Performers		2020 Top 5 Performers		2020 Bottom 5 Performers	
Security	Return %	Security	Return %	Security	Return %	Security	Return %
Cerence Inc.	105.61%	Meggitt plc	10.08%	Cerence Inc.	275.07%	Sabre Corp.	-41.62%
Park Hotels & Resorts Inc.	71.67%	Timken Co.	7.23%	Virtus Investment Partners Inc.	82.45%	Barnes Group Inc.	-44.50%
Virtus Investment Partners Inc.	57.32%	Crane Co.	4.79%	Timken Co.	60.31%	Sleep Number Corp.	-49.13%
Jones Lang LaSalle Inc.	55.10%	ABM Industries Inc.	3.22%	Colliers International Group	42.51%	Sleep Country Canada Holdings	-56.52%
ACI Worldwide Inc.	49.14%	PROG Holdings Inc.	-9.39%	Upstart Holdings Inc.	38.28%	Welbilt Inc.	-67.85%

It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this list. A company's relative contribution to return for the portfolio may not equal its absolute return and return for other portfolios for the relevant period because of differences in portfolio weights and holding periods. The returns shown above reflect the actual returns of the above securities in our fund for the time period indicated.



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## CLOSING

On so many levels 2020 will not be remembered fondly. Because of your stable capital and the way our team responded to the challenges of 2020, we have emerged stronger than ever. We took advantage of extreme stock price volatility and invested in some of the best businesses in the world with a large margin of safety. We believe this foundation should lay the groundwork for above average compounding over our shared long-term time horizon.

We look forward to being able to see you in person again, hopefully by the second half of the year. We wish you and your families a healthy, prosperous New Year.

The Vulcan Value Partners Investment Team

C.T. Fitzpatrick, CFA

McGavock Dunbar, CFA

James N. Falbe, CFA

F. Hampton McFadden, Jr., CFA

Stephen W. Simmons, CFA



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**DISCLOSURES**

**Vulcan Value Partners Funds:**

**This letter reflects our views, opinions, and portfolio holdings as of December 31, 2020. Our views may change at any time based upon market or other conditions and Vulcan Value Partners disclaims any responsibility to update our views. Our views should not be relied on as investment advice and, because investment decisions for the fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the fund. Certain statements that we make may constitute "forward-looking statements". Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Past Performance does not guarantee future results.**

The price to value ratio is a calculation that compares the price of a company's stock to our appraisal of the company's intrinsic value. Fair, or intrinsic, value is our estimate of the price a willing buyer would pay and a willing seller would accept, assuming neither was compelled to enter into a transaction. Margin of Safety is a favorable difference between the price of a company's shares and the estimated fair value of those shares. Total return percentages for an individual security is the performance of the security from price at initial purchase date to the price at final sale date. Actual returns for the funds holdings of those securities may differ from total return as the funds rebalance or changed weights in the individual securities. Free cash flow is the amount of cash that a company has left over after it has paid all of its expenses, including investments. Free cash flow yield is a security's free cash flow divided by its market price. Macro factors encompass the general economic and business environment. Vulcan defines risk reduction as reducing the portfolio's price to value ratio by either buying (or adding to existing positions) high quality companies which are trading well below fair value as estimated by Vulcan, or selling positions which are trading at or near their fair values. Standard deviation is a measure of the amount of variation or dispersion of a set of values. Competitive moat, or economic moat, refers to a business' ability to maintain competitive advantages over its competitors in order to protect its long-term profits and market share from competing firms. Total addressable market (TAM), also referred to as total available market, is the overall revenue. In accounting, the terms "sales" and opportunity that is available to a product or service if 100% market share was achieved.

Reference Holdings as of December 31, 2020*	% of Total Portfolio
TransDigm Group Inc.	7.25%
Amazon.com Inc.	5.96%
KKR & Co. Inc.	5.45%
Jones Lang LaSalle Inc.	5.20%
General Electric Co.	4.67%
Carlyle Group Inc.	4.45%
Qorvo Inc.	4.43%
Facebook Inc.	4.21%
Salesforce.com Inc.	4.02%
Hilton Worldwide Holdings Inc.	3.97%
Wayfair Inc.	3.81%
SS&C Technologies Holdings	3.40%
HEICO Corp.	2.89%
Compass Group plc	2.77%
Whitbread plc	2.35%
Credit Acceptance Corp.	SOLD
NVIDIA Corp.	SOLD
Everest Re Group	SOLD
Swiss Re AG	SOLD
National Oilwell Varco Inc	SOLD
Airbus SE	SOLD
Marriott International Inc.	SOLD

**Vulcan Value Partners Fund:**

The fund seeks to achieve long-term capital appreciation by investing primarily in medium and large-capitalization U.S. companies believed to be both undervalued and possessing a sustainable competitive advantage.

**For more complete information, please download the fund's prospectus available on [www.vulcanvaluepartners.com](http://www.vulcanvaluepartners.com) or call 877.421.5078 for copies. You should consider the fund's investment objectives, risks, charges, and expenses carefully before you invest. Information about these and other important subjects is in the fund's prospectus, which you should read carefully before investing.**

Vulcan Value Partners, LLC ("Vulcan" or the "Adviser") has given a contractual agreement to the Funds that to the extent the Total Annual Fund Operating Expenses (as defined in Item 3 of Form N-1A) with respect to either Fund (exclusive of Acquired Fund Fees and Expenses (if any), brokerage expenses, interest expense, taxes and extraordinary expenses) ("Designated Annual Fund Operating Expenses") exceed 1.25% of such Fund's average daily net assets for a particular fiscal year of the Fund, the Adviser will reduce the Management Fee and/or Other Expenses otherwise payable to the Adviser with respect to such Fund for such fiscal year by an amount equal to such excess, and/or the Adviser shall reimburse the Fund by the amount of such excess. This agreement is in effect through August 31, 2021 and will be reevaluated on an annual basis thereafter. Without this agreement, expenses could be higher. If the Adviser foregoes any fees and/or reimburses a Fund pursuant to this letter agreement with respect to a particular fiscal year, then the Adviser shall be entitled to recover from the Fund(s) the amount foregone or reimbursed to the extent Designated Annual Fund Operating Expenses are less than 1.25% of such Fund's average daily net assets during any fiscal year following such fiscal year.

**Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market or economic developments. Value stocks can perform differently from the market as a whole. They can remain undervalued by the market for long periods of time. Foreign securities, especially emerging or frontier markets, will involve additional risks including exchange rate fluctuations, social and political instability, less liquidity, greater volatility, and less regulations. It is possible that each Fund may invest in securities offered in certain types of transactions (such as private placements) that, because of that Fund's size, may have a disproportionate impact on that Fund's performance results. That Fund would not necessarily have achieved the same performance results if its aggregate net assets had been greater. Diversification does not eliminate the risk of experiencing investment losses.**

The S&P 500 Index is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation. It is a market-value weighted index. The S&P 500 Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index. The Russell 1000® Value Index measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000® companies with lower price-to-book ratios and lower expected growth values. An investment cannot be made directly into an index.

All information in this report is as of the date shown in the upper right hand corner unless otherwise indicated.

**ALPS Distributors, Inc. is the distributor for the Vulcan Value Partners Fund.**

\*The referenced holdings are subject to change.



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**DISCLOSURES (CONT.)**  
**Vulcan Value Partners Small Cap Fund:**

Reference Holdings as of December 31, 2020*	% of Total Portfolio
ISS A/S	6.63%
Forterra plc	6.27%
Cushman & Wakefield plc	6.26%
Cerence Inc.	5.70%
Virtus Investment Partners Inc.	5.08%
Upstart Holdings Inc.	4.98%
Park Hotels & Resorts Inc.	4.89%
Coherent Inc.	4.59%
Colliers International Group	4.41%
EnerSys	4.05%
Knoll Inc.	3.97%
PROG Holdings Inc.	3.92%
Jones Lang LaSalle Inc.	3.86%
ABM Industries Inc.	3.85%
Littelfuse Inc.	3.42%
Ibstock plc	3.17%
Savills plc	3.05%
Ituran Location & Control Ltd.	3.01%
Meggitt plc	2.33%
Stabilus SA	1.50%
Crane Co.	SOLD
Timken Co.	SOLD
ACI Worldwide Inc.	SOLD
Sabre Corp.	SOLD
Barnes Group Inc.	SOLD
Sleep Number Corp.	SOLD
Sleep Country Canada Holdings	SOLD
Welbilt Inc.	SOLD

\*The referenced holdings are subject to change.

The fund seeks to achieve long-term capital appreciation by investing primarily in small-capitalization U.S. companies believed to be both undervalued and possessing a sustainable competitive advantage.

**This letter reflects our views, opinions, and portfolio holdings as December 31, 2020. Our views may change at any time based upon market or other conditions and Vulcan Value Partners disclaims any responsibility to update our views. Our views should not be relied on as investment advice and, because investment decisions for the fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the fund. Certain statements that we make may constitute forward-looking statements. Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. Past performance does not guarantee future results.**

Vulcan Value Partners, LLC ("Vulcan" or the "Adviser") has given a contractual agreement to the Funds that to the extent the Total Annual Fund Operating Expenses (as defined in Item 3 of Form N-1A) with respect to either Fund (exclusive of Acquired Fund Fees and Expenses (if any), brokerage expenses, interest expense, taxes and extraordinary expenses) ("Designated Annual Fund Operating Expenses") exceed 1.25% of such Fund's average daily net assets for a particular fiscal year of the Fund, the Adviser will reduce the Management Fee and/or Other Expenses otherwise payable to the Adviser with respect to such Fund for such fiscal year by an amount equal to such excess, and/or the Adviser shall reimburse the Fund by the amount of such excess. This agreement is in effect through August 31, 2021 and will be reevaluated on an annual basis thereafter. Without this agreement, expenses could be higher. If the Adviser foregoes any fees and/or reimburses a Fund pursuant to this letter agreement with respect to a particular fiscal year, then the Adviser shall be entitled to recover from the Fund(s) the amount foregone or reimbursed to the extent Designated Annual Fund Operating Expenses are less than 1.25% of such Fund's average daily net assets during any fiscal year following such fiscal year.

**The Funds may invest in the securities of companies with small or medium market capitalizations. Small or medium-sized companies may have more limited product lines, markets, and financial resources than larger companies. In addition, their securities may trade less frequently and in more limited volume than those of larger companies. Small- or mid-cap stocks may be more volatile than those of larger companies and, where trading volume is thin, the ability to dispose of such securities may be more limited. Because the Vulcan Value Partners Small Cap Fund normally invests at least 80% of its equity assets in securities of smaller companies, these risks may be increased.**

The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 2000 Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index. The Russell 2000 Value Index measures the performance of those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Value Index figures do not reflect any fees, expenses, or taxes. Investors cannot invest directly in this index.

All information in this report is as of the date shown in the upper right hand corner unless otherwise indicated.

**It is possible that each Fund may invest in securities offered in certain types of transactions (such as private placements) that, because of that Fund's size, may have a disproportionate impact on that Fund's performance results. That Fund would not necessarily have achieved the same performance results if its aggregate net assets had been greater.**

John Collier is a registered representative of ALPS Distributors, Inc. Shelly Bridges is a registered representative of ALPS Distributors, Inc. Bill Hjorth is a registered representative of ALPS Distributors, Inc. Anne Jones is a registered representative of ALPS Distributors, Inc. Kelly Meadows is a registered representative of ALPS Distributors, Inc. Jeff St. Denis is a registered representative of ALPS Distributors, Inc. James Kelley is a registered representative of ALPS Distributors, Inc. Justin Mayfield is a registered representative of ALPS Distributors, Inc. Santi Hechart is a registered representative of ALPS Distributors, Inc.

**ALPS Distributors, Inc. is the distributor for the Vulcan Value Partners Small Cap Fund.**