First

Quarter

2011

VULCAN
VALUE
PARTNERS

Portfolio Review

General

We are pleased to report Vulcan Value Partners is off to a solid start in 2011; however, progress was uneven between the funds. Vulcan Value Partners Small Cap Fund continued to lead with a 8.88% gain for the quarter. Vulcan Value Partners Fund was the laggard with a 3.38% gain for the quarter. With these results in mind, we repeat what we said in our fourth quarter letter:

As we have said many times before, we place no weight on short term results, good or bad, and neither should you. We are focused on producing superior real rates of return over our five year time horizon. Everything we do is with that goal in mind, even if it hurts our results in the short run. We encourage you to place more weight on our longer term historical results and a great deal of weight on our long-term prospects. Performance is detailed below.

Directory

		As of March 31, 2011		
			Annualized	
	Inception Date	QTD	1 Year	Since Inception
Vulcan Value Partners Fund (VVPLX)	**12/31/2009**	**3.38%**	**8.51%**	**10.84%**
Russell 1000 Value Index		6.46%	15.15%	17.10%
S&P 500 Index		5.92%	15.65%	16.21%
Vulcan Value Partners Small Cap Fund (VVPSX)	**12/31/2009**	**8.88%**	**24.88%**	**30.06%**
Russell 2000 Value Index		6.60%	20.63%	24.00%
Russell 2000 Index		7.94%	25.79%	27.30%

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. Total expense ratio is 1.50%. 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.

There are several quantifiable reasons why Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund's first quarter results diverged, both on absolute level and relative to their respective benchmarks. We view these reasons as short term noise as explained in the following paragraph.

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VULCAN VALUE PARTNERS

Portfolio Review (Cont.)

First, we have very little exposure to energy related businesses in Vulcan Value Partners Small Cap Fund and no exposure in Vulcan Value Partners Fund. Energy was by far and away the best performing group within the broader market with a 16.8% return. Why didn't we own energy stocks? Simply put, we found more compelling long term investments outside of the energy sector. Second, in Vulcan Value Partners Fund we purchased new positions and added to existing positions at the end of last year and during the first quarter of this year that hurt our results on both a relative and, more important, an absolute basis. Third, we had one position (out of twenty four) in Vulcan Value Partners Fund that reported results below our expectations, which hurt our estimated value and its stock price. Last, we simply had better recognition of values in the Vulcan Value Partners Small Cap Fund with one of our companies taken away from us through merger & acquisition activity. As we discussed in our fourth quarter letter, as credit markets continue to improve, it is not surprising that initially Small Caps would benefit more than Large Caps.

Now the important point: We buy fantastic businesses that produce ample amounts of free cash flow and we buy them at discounts to our estimate of fair value. The better the business and the larger the discount to our estimate of fair value, the more we like it and the more we buy. Right now the higher quality companies that we prefer to own are often the most discounted and this is especially true in Large Cap. What we are concerned about is the underlying value growth of the businesses we own. Every quarter, and sometimes more often than quarterly, if there is significant news, we update the value of our businesses. On average, our companies are growing their values well in excess of our long term expectations. Our estimated values are distinct from quoted stock prices. In the short run, price and value can deviate substantially. When our values are rising and stock prices are falling we buy more. This investment activity, which is fundamental to our philosophy of producing superior long term results, hurts our short term results. Over our five year time horizon, price and the ever increasing value of the businesses we own should converge, resulting in outsized long term gains while simultaneously helping to reduce risk. By taking advantage of short term price declines and adding to companies with improving price to value ratios, we set the stage for long term compounding. The cost of creating this pleasant long term outcome is quarterly or short term results that can deviate, sometimes substantially, from benchmarks. We think the cost is modest because it should enable us to deviate substantially from the benchmarks in the long run as well…in a positive direction.

Because we are able to find sufficient numbers of exceptional businesses at equally exceptional discounts, to our estimate of fair value, across all market caps, we are feeling very good about our long term prospects. We have no idea what will happen to our portfolios or the market over the balance of the year. We are willingly to sacrifice short term performance if we can improve our prospects for long term compounding. Regardless of quarterly, or even annual, market price derived performance, know that we, together, own a collection of outstanding businesses with stable, steadily rising values. We own them at a substantial discount to any reasonable estimate of their intrinsic worth. When their results are properly weighed, as they inevitably will be, we should be rewarded as price rises to reflect value.

Please note in the commentary that follows regarding each fund, we generally define material contributors and detractors as having a greater than 1% impact on the fund portfolio.

Vulcan Value Partners Fund Review

As of March 31, 2011				
			Annualized	
Investment Strategy	Inception Date	QTD	1 Year	Since Inception
VVP Fund (VVPLX)	12/30/2009	3.38%	8.51%	10.84%
Russell 1000 Value Index		6.46%	15.15%	17.10%
S&P 500 Index		5.92%	15.65%	16.21%

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. *Total expense ratio is 1.50%.* 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.

There were no material contributors and detractors to performance in the first quarter of 2011. However, our results were held back by a heavy weighting in technology companies which, in the aggregate, delivered negative returns in the quarter. We added to our positions in this part of the portfolio, which had a furthered negative effect on our short term results. If our assessments of these businesses are close to accurate, then adding to the size of our investments should deliver outstanding long term returns. We believe all of our companies have very strong balance sheets, produce ample free cash flow, and have sustainable competitive advantages in the markets they serve. Several of them are aggressively buying in their stock at large discounts, according to our estimate of intrinsic worth, further improving our growth in value per share.

As an example, Microsoft is one of our largest positions. Microsoft's stock price declined during the first quarter resulting in a high single digit negative return. In contrast, our estimate of value has grown consistently through the production of free cash flow, all of which has been used to repurchase stock at large discounts, to our estimate of fair value, and solid bottom line growth. Microsoft's stock price seems to be depressed because of fears that laptops and PCs will be displaced by new, smaller devices resulting in a waning demand for Microsoft's PC centric products. Our belief is that the long term global demand for PCs and laptops will remain robust. We also believe that PCs and laptops will remain the anchor for work related tasks and Microsoft will continue to dominate this business. Tablets and, to a lesser extent, smart phones, should continue to grow and will access data from "anchor" PCs through the cloud. Moreover, Microsoft is well positioned in the cloud based services that will provide the bulk of software used by tablets and smart phones. While Microsoft may or may not have success with consumer functions on tablets and smart

Vulcan Value Partners Fund Review (Cont.)

phones, its anchor products will most likely continue to be important applications for these devices. Our value for Microsoft is not dependent on the company being successful outside of its existing business lines.

Our media investments, including Direct TV, Comcast, Walt Disney, and Time Warner Cable, performed well in the first quarter. We believe they, like Microsoft, are all growing their values steadily, producing ample free cash flow, and allocating capital wisely.

We exited Harley Davidson and Dr. Pepper Snapple during the first quarter. Both companies were very successful investments for us. Harley Davidson deserves special mention. We started buying Harley Davidson in the Vulcan Value Partners Fund during February 2010. Despite cyclically depressed results, the company continued to produce free cash flow and did a fantastic job protecting their brand and managing margins during the recession. With a 52.6% gain in the stock since we purchased it, the price rose to reflect value, our margin of safety eroded and we sold it to buy more discounted names including Microsoft and Cisco Systems.

At March 31, 2011 the Vulcan Value Partners Fund is fully invested.

As of March 31, 2011				
			Annualized	
Investment Strategy	Inception Date	QTD	1 Year	Since Inception
VVP Small Cap Fund (VVPSX)	12/30/2009	8.88%	24.88%	30.06%
Russell 2000 Value Index		6.60%	20.63%	24.00%
Russell 2000 Index		7.94%	25.79%	27.30%

Vulcan Value Partners Small Cap Fund Review

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. ***Total expense ratio is 1.50%.*** **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.**

I applaud our research team for their fine work in Small Cap. I do not mean to complement them on our good performance in the quarter – short term performance is a function of the timing of value recognition that we cannot control and for which we should not take credit. Instead, I am pleased with our research productivity. We exited three companies in the first quarter but also purchased four new names at attractive discounts to our estimate of fair value. As a result, our price to value ratio has been amazingly constant, despite an extended period of double digit returns.

There were no material detractors to performance. The only material contributor to performance in the first quarter of 2011 was Fair Isaac. Fair Isaac provides sophisticated financial analytics and software products to the financial services industry and is best known for its FICO scores. Their customer base has been severely affected by the credit crisis but they are recovering. Unlike their customers, Fair Isaac has a strong balance sheet and continued to produce strong free cash flow throughout the financial crisis to the present. They recently announced a cost cutting plan and the stock has risen as a result.

We exited three positions in the first quarter:

Genoptix was taken away from us in a buyout.

Vulcan Value Partners Small Cap Fund Review (Cont.)

We sold Harley Davidson. We started buying Harley, in our separate accounts, during the 2008 downturn at absurdly low prices. When we opened Vulcan Value Partners Small Cap Fund, it was one of our initial holdings. Despite cyclically depressed results, the company continued to produce free cash flow and did a fantastic job protecting their brand and managing margins during the recession. With a 55.3% gain in the stock since we purchased it in Vulcan Value Partners Small Cap Fund, the price rose to reflect value, our margin of safety eroded and we sold it to buy more discounted names. When we started buying Harley Davison, it was a small cap. The position became a “small” large cap as its price rose from extremely discounted levels, but it was still too discounted to sell. When it approached our estimate of fair value, we exited the position, and it was a large cap stock. We used the proceeds from Harley Davidson to purchase new small cap stocks. Depending on their value growth and the timing of the recognition of value, these new small caps may or may not be small when we sell them. We will always look for small caps when we sell a position but we will not sell a high quality, discounted company just because it is no longer technically a small cap.

We sold Global Payments. Global Payments is an interesting story. It is a credit card processor and was a solid investment for us. When we bought it, we were not only aware of, but we quantified a meaningful pension fund deficit. We deducted this deficit from our value. We are only able to get detailed information on the pension and other hidden assets and liabilities once a year in the annual 10-K. Allen Cox, a fine analyst who joined us in 2007, had just received the 10-K and discovered that the pension deficit had gotten materially worse compared to previous disclosures. Our estimated value dropped, which always sets off alarm bells. By contrast, stock price declines, in and of themselves, do not bother us in the least. Almost simultaneously with our revised valuation, an unnamed Wall Street firm came out with a strong buy on Global Payments, sending the stock price materially higher. One of the rationales for their recommendation was that because the stock had performed well, Global Payments would be able to issue shares for acquisitions. Thanks to Allen’s timely work and our friends on Wall Street, we were able to exit this position at fair value with a substantial gain.

We are very pleased with the new companies we purchased this quarter. Cash levels at quarter end were approximately 5.0%. This cash is frictional. We are using limit orders and hope to have orders completely filled soon. We are also doing due diligence on several companies that could take our frictional cash at quarter end to zero quickly. We always expect to be fully invested but frictional cash levels will fluctuate when value recognition is high, as it has been recently.

Closing

Regardless if you are in one or both of our funds, they are managed the same way. We can control what we invest in and what we pay. We cannot control the timing of when we will get paid. If we focus on the former, the latter will take care of itself. So, at the risk of being repetitive, we caution you that we do not place importance on short term results and will willingly move against the crowd for the opportunity to generate superior long term returns. Our time horizon is five years and yours should be as well as our investment partners.

We thank you for the confidence you have placed in us and look forward to updating you again in our next report.

Sincerely,

C.T. Fitzpatrick

Chief Investment Officer

VULCAN
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Disclosures

Vulcan Value Partners Fund:

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

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. 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. The price to earnings ratio is a calculation that compares the company's stock price to the company's earnings per share. The return on capital is a measure of efficiently a business employs its assets to generate operating returns. 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. All publically traded companies are required to file a 10-K report. This report contains detailed information about the company's business, finances, management, bylaws, and information about any lawsuits in which the company is involved. Foreign securities, specially emerging or frontier markets, will involve additional risks including exchange rate fluctuations, social and political instability, less liquidity, greater volatility, and less regulations.

This letter reflects our views, opinions, and portfolio holdings as of March 31, 2011. 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.

For more complete information, please download the fund's prospectus available on 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 1.50% 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, 2011 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 1.50% 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.

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.

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.

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Reference Holdings as of March 31, 2011	% of Net Assets
Directv	6.28%
Microsoft Corp	5.82%
Comcast Corp	4.56%
Time Warner Cable	4.45%
Walt Disney Co	2.53%
Harley Davidson	Sold
Dr. Pepper Snapple	Sold

Disclosures (Cont.)

Vulcan Value Partners Small Cap Fund:

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 of March 31, 2011. 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.

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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.

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

Referenced Holdings as of March 31, 2011	% of Net Assets
Fair Isaac Corp	4.61%
Genoptix	Sold
Harley-Davidson Inc	Sold
Global Payments	Sold

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Expires July 15, 2011