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**PORTFOLIO REVIEW**  
GENERAL

We will go into more detail below, but the summary of the first quarter is that the market rewarded businesses that we had no desire owning and punished the outstanding businesses that we were happy to own as long-term investors. Our businesses continued to compound their estimated intrinsic values and their prices fell. As a result, we improved our margin of safety and mitigated risk in the portfolios. The cost was poor short-term performance. It is a cost we have paid in the past (2007) and will happily pay again for the opportunity to improve long-term risk adjusted returns. **Vulcan Value Partners Fund and Vulcan Value Partners Small Cap Fund received a 5-Star Overall Morningstar Rating™. (As of March 31, 2014 out of 1,491 Large Growth, and 612 Small Blend Funds, respectively, derived from a weighted average of the Fund's three-, five- and ten- year (if applicable) Morningstar metrics, which are based on risk-adjusted return performance.)\***

Directory		Inception Date	QTD	As of March 31, 2014			
				1 Year	3 Year	Since Inception	
Introduction	1						
Portfolio Review	1	Vulcan Value Partners Fund (VPLX)	12/31/2009	-1.15%	22.41%	19.02%	16.56%
VVP Fund Review	4	Russell 1000 Value Index		3.02%	21.57%	14.80%	15.46%
		S&P 500 Index		1.81%	21.86%	14.66%	15.10%
VVP Small Cap Fund Review	6	Vulcan Value Partners Small Cap Fund (VPSX)	12/31/2009	-2.26%	18.17%	16.84%	20.58%
Closing	8	Russell 2000 Value Index		1.78%	22.65%	12.74%	15.93%
Disclosures	9	Russell 2000 Index		1.12%	24.90%	13.18%	17.15%

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 expense ratio is 1.25%. Vulcan Value Partners Fund's total expense ratio is 1.18% 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.**

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.

www.vulcanvaluepartners.com

PERFORMANCE THROUGH DISCIPLINE



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## PORTFOLIO REVIEW (CONT.)

Our results are detailed in the table on the previous page. You will note that we continue to outperform our benchmarks on a long-term basis, which indicates long-term outperformance can only be achieved by executing a consistent investment philosophy even when it is at odds with “what is working” in the short run.

We are more concerned with risk than we are with returns. We mitigate risk by limiting our investments to what we believe are extremely high quality companies whose estimated values are inherently stable. We further mitigate risk by demanding a discount to those stable values. When prices fall and estimated values rise, as occurred during the first quarter, our margin of safety improves and risk is mitigated.

Our preference is to mitigate risk by lowering our weighted average price to value ratios and thereby improving our portfolios’ margin of safety. When larger discounts are not available, we hold smaller positions in the deepest discounts we can find. That is, we will acknowledge reality and hold smaller stakes in admittedly less discounted companies. As a result, we will mitigate risk through increased diversification. In either case, we are managing risk.

In the first quarter, our estimated values rose and prices fell, which improved our margin of safety. In addition, we became more diversified as we sold more fully valued companies and redeployed capital into companies with larger discounts than those we sold. The deepest discounts available to us today are not as great as they have been in recent years as markets have recovered from the financial crisis. Consequently, we took smaller position sizes, which also mitigated risk through greater diversification. This process was more pronounced in Small Cap than in Large Cap.

So, what was working in the first quarter that we are glad we did not own? Utilities were one of the best performing groups among both large caps and small caps. We are not aware of a single utility that would qualify for investment at Vulcan Value Partners. In our opinion, the outlook for the industry going forward is relatively poor with stagnant demand, high leverage, and record high valuations. Financials, driven by commercial banks and investment banks, did well while our financials declined. We do not like commercial banks or investment banks because their values are inherently unstable. Instead, we bought what we believe are three new outstanding financials (one in Large Cap and two in Small Cap) as they were declining in price, which hurt our short-term returns. Energy did well. We are not aware of any energy companies we would like to own at today’s prices and there are very few we would like to own at any price! Lastly, many of the top performing names in the market during the first quarter were biotechs with negative free cash flow and “new technology” companies with absurd valuations, negative free cash flow, and largely unproven business models. Obviously, we have no interest in either. We prefer to own deeply discounted, dominant businesses with strong balance sheets that produce ample amounts of free cash flow. If their prices continue to decline and their estimated values continue to grow as we expect they will, we will keep buying more, even if it continues to hurt our short-term performance.

As we write our letters, we always feel like we are “preaching to the choir.” We are extremely fortunate to be in partnership with intelligent, long-term investors. You make our jobs easier and much more enjoyable. We could not execute our investment philosophy as effectively if we worked for a different kind of client base. We are grateful for you and take our fiduciary duty to you very seriously. We are pleased that we were able to mitigate risk and improve our prospective long-term returns during the first quarter.

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 March 31, 2014					
Investment Strategy	Inception Date	QTD	Annualized		
			1 Year	3 Year	Since Inception
VVP Fund (VPLX)	12/30/2009	-1.15%	22.41%	19.02%	16.56%
Russell 1000 Value Index		3.02%	21.57%	14.80%	15.46%
S&P 500 Index		1.81%	21.86%	14.66%	15.10%

**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 1.18%. 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 bought three new positions and sold one position during the first quarter.

There were no material contributors or detractors to performance in the first quarter.

We sold United Technologies during the first quarter at a price very close to our estimate of fair value. United Technologies was an outstanding investment for us with both its price and estimated value compounding at double digit rates while we held it. We like the company, but at our estimate of fair value there is no margin of safety and our investment discipline requires us to sell. We redeployed capital into what we believe are three outstanding businesses with larger margins of safety and mitigated risk in the portfolio as a result.

New purchases included UK based Aberdeen Asset Management, Verizon Communications, and Wellpoint. Aberdeen Asset Management became attractive to us due to fears that declines in emerging markets would adversely impact its short-term results since it invests a portion of its clients' assets in emerging markets. Verizon Communications' estimated value has compounded steadily while its stock price has declined. We believe Verizon has the best cellular network in the U.S. and recently gained full control of Verizon Wireless from Vodaphone. Wellpoint's stock price stagnated over the last twelve months due to concerns about the Affordable Care Act impacting its short-term results. Meanwhile, its estimated value has grown steadily.



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VULCAN VALUE PARTNERS FUND REVIEW (CONT.)

Vulcan Value Partners Fund (VVPLX)			
1Q 2014 Top 5 Performers		1Q 2014 Bottom 5 Performers	
Security	Return %	Security	Return %
Marriott International Inc	14.01%	Tesco PLC	-11.24%
Wellpoint Inc	9.88%	Mastercard Inc	-10.41%
Oracle Corp	7.37%	Parker Hannifin Corp	-8.50%
Qualcomm Inc	6.71%	Discovery Communications	-8.06%
Express Scripts Holding Comp	6.49%	Chubb Corp	-7.08%

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.



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## VULCAN VALUE PARTNERS SMALL CAP FUND REVIEW

As of March 31, 2014					
Investment Strategy	Inception Date	QTD	Annualized		
			1 Year	3 Year	Since Inception
VVP Small Cap Fund (VPSX)	12/30/2009	-2.26%	18.17%	16.84%	20.58%
Russell 2000 Value Index		1.78%	22.65%	12.74%	15.93%
Russell 2000 Index		1.12%	24.90%	13.18%	17.15%

**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 1.25%. 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 had a lot of activity during the first quarter as we mitigated risk by lowering our weighted average price to value ratio and through increased diversification. We sold four positions at or very close to our estimate of fair value and purchased eleven new positions with larger margins of safety.

We sold John Wiley, Newmarket Corp., Perkin-Elmer and Omnicell. All were sold at or near our estimate of fair value and all were good investments for us.

Notable new purchases include Knowles Corp. and GenPact. Knowles was spun out of Dover Corp., which we own in our Large Cap program. Several years ago GenPact was spun out of GE, which we do not own but follow in our Large Cap program. These purchases are examples of how both programs support and reinforce each other.

There was one material contributor to performance in the first quarter and one detractor.

Conversant was our top contributor with a gain of 20.4%. Conversant provides online marketing services that are difficult to duplicate because it is uniquely able to combine online and offline data to create value added marketing campaigns. We applaud Conversant's management team for what we believe are outstanding capital allocation decisions and for delivering solid bottom-line results. During 2013, the company strengthened its competitive position by selling a non-core business to focus its resources on its higher margin, higher-growth businesses. Moreover, Conversant's management team used proceeds from the sale





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

plus ample free cash flow to repurchase approximately 10% of the company's outstanding shares at a steep discount to our estimate of intrinsic worth. We believe the company is well positioned to continue compounding our estimate of intrinsic value in 2014 and beyond as demand for its online marketing and analytics products continues to grow.

Neustar was our largest detractor with a loss of 34.9%. We have owned Neustar for over two years and it has been a good investment for us until this quarter. In fact, we sold some of our position and reduced its weight in 2013 as its price rose faster than its estimated value last year. Neustar has three main businesses. Its largest business segment manages all phone number portability in the U.S. and has done so successfully since the mid-1990's. Its contract with the Federal Communications Commission (FCC) is up for renewal and the timing of announcing the winner has been delayed, fueling speculation that Neustar has lost the contract. We have always valued the contract at a discount to their other businesses, but thought that the risk of losing the contract was extremely low. Without the contract, Neustar is trading at our estimate of the value of its remaining businesses. We will follow our investment discipline with regard to Neustar and with all of our investments.

<b>Vulcan Value Partners Small Cap Fund (VVPSX)</b>			
<b>1Q 2014 Top 5 Performers</b>		<b>1Q 2014 Bottom 5 Performers</b>	
<b>Security</b>	<b>Return %</b>	<b>Security</b>	<b>Return %</b>
Conversant Inc	20.22%	Neustar Inc	-34.80%
Chemed Corp	17.19%	Heartland Pmt Sys	-16.63%
Ituran Location & Control	16.87%	Ashmore Group PLC	-15.59%
Perkin-Elmer Inc	10.22%	Insperty Inc	-13.71%
Live Nation Entertainment Inc	10.07%	Fair Isaac Corp	-11.93%

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.



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## CLOSING

With prices down and estimated values up we are feeling better about our long-term prospects today than we were at the end of our last letter which detailed a strong fourth quarter and strong 2013. In that letter we warned that our results were “unsustainable” but that we were confident we would be able to continue to produce above average results with below average risk over our five-year time horizon. We added to the building blocks of that goal in the first quarter, but we paid for it with poor short-term performance. We will continue to execute our investment philosophy regardless of short-term impacts to our portfolios. We would not be able to do so without outstanding clients who provide stable capital and allow us to make intelligent investment decisions based upon our five year time horizon. We are grateful for you and are working hard to continue to earn your confidence in us.

We look forward to updating you again this summer.

Thank you for the confidence you have placed in us.

Sincerely,

C.T. Fitzpatrick  
**Chief Investment Officer**



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## DISCLOSURES

### Vulcan Value Partners Fund:

\*Investment performance reflects fee waivers and in the absence of waivers returns would be reduced and ratings may have been lower. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics, as of March 31, 2014. Morningstar Rating is for the retail share class only; other classes may have different performance characteristics. © 2014 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Vulcan Value Partners Fund (VVPLX) was rated 5 Stars out of 1491 for the 3-year period against Large Growth Funds. Vulcan Value Partners Small Cap Fund (VVPSX) was rated 5 Stars out of 612 for the 3-year period against Small Blend Funds. All information in this report is as of the date shown in the upper right hand corner unless otherwise indicated.

**This letter reflects our views, opinions, and portfolio holdings as of March 31, 2014. 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. 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. Macro factors encompass the general economic and business environment.

### Vulcan Value Partners Fund:

Reference Holdings as of March 31, 2014*	% of Total Portfolio
Oracle Corporation	7.7%
Aberdeen Asset Mgmt	5.1%
Tesco PLC	4.5%
Qualcomm Inc	4.4%
Mastercard Inc	4.0%
Wellpoint Inc	3.5%
Discovery Communications	3.5%
Chubb Corp	2.9%
Marriott Intl	2.9%
Verizon Communications Inc	2.4%
Express Scripts Holding	1.4%
Parker Hannifin Corp	0.9%
United Technologies	SOLD

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, 2014 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.**

\*The referenced holdings are subject to change.

**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.

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





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**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 March 31, 2014. 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. Past Performance does not guarantee future results.**

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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.**

Reference Holdings as of March 31, 2014*	% of Total Portfolio
Conversant Inc	8.5%
Ashmore Group PLC	5.0%
Insperty Inc	4.09%
Chemed Corp	2.8%
Heartland Payment	2.8%
Ituran Location	2.6%
Fair Isaac Corp	2.5%
Neustar Inc	2.3%
Knowles Corp	2.2%
Genpact Ltd	1.6%
Live Nation Entertainment Inc	0.9%
John Wiley	SOLD
Newmarket Corp	SOLD
Perkin-Elmer	SOLD
Omincell	SOLD

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.**

Leighton DeBray is a registered representative of ALPS Distributors, Inc.  
Bill Hjorth is a registered representative of ALPS Distributors, Inc.

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

\*The referenced holdings are subject to change.