

# Muzinich Credit Opportunities Fund

Muzinich & Co

Supra Institutional: MZCSX Institutional: MZCIX Class A: MZCRX

June 30, 2018

## Why Muzinich Credit Opportunities Fund?

### Principal Investment Strategies

- Seeks to find attractive opportunities in the credit markets through active top-down assessment of relative value across the rating, duration and geographic spectrum
- Disciplined investment approach with a focus on bottom-up fundamental analysis
- Particular emphasis on financial creditworthiness
- Targets capital protection in weak markets

### Portfolio

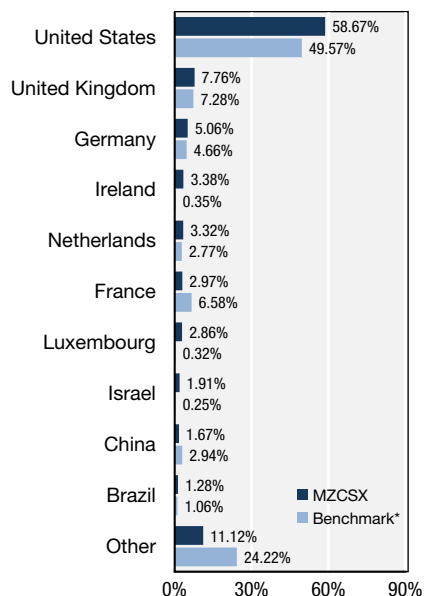
- The fund typically invests in global investment grade corporate bonds, high yield corporate bonds, and senior loans
- Able to take advantage of return variations across global credit as sectors move in and out of favor

## Research Process

### Our process is designed around our relative value lending philosophy and is based on 5 principles

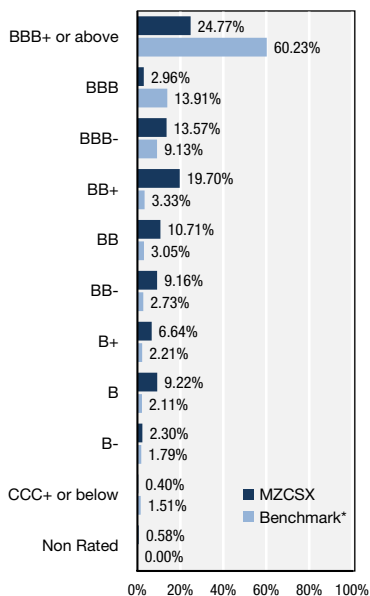
- Build a deep understanding of the business models of the companies to which we lend
- Conduct proprietary quantitative analysis and stress test our investment assumptions for difficult environments
- Carefully review credit contracts and covenants, and evaluate company management
- Perform cross-asset class analysis
- Attempt to construct highly liquid portfolios to achieve attractive risk-return characteristics

## Country Diversification



\*ICE BofA ML Global Corporate and High Yield Index

## Credit Breakdown



Rating Agency: Standard and Poor's  
\*Includes U.S. T-Bills.

## Morningstar Ratings™

Time Period	Rating	# of Funds
5 Year	★★★★	208
3 Year	★★★	267
Overall	★★★★	267

(MZCSX) Multisector Bond funds as of 06/30/18. The Overall Morningstar Rating™ for a fund is derived from a weighted average of the fund's three-, five- and ten-year Morningstar Ratings™ metrics, which are based on risk-adjusted return performance.

## Fund Objective

Seeks to provide a high level of income and capital appreciation.

## Fund Description

A tactically managed portfolio that typically invests in global corporate bonds and banks loans that have attractive risk/reward characteristics.

## Strategy Highlights

- A long-only, multi sector credit strategy with the flexibility to dynamically allocate to sectors that have the potential to experience positive returns
- Absolute return objective through tactical allocations across regional and sector credit markets
- May utilize portfolio overlays (hedges) to seek to protect the portfolio from rising interest rates and/or periods of corporate spread widening
- Industry and issue exposure limits
- Up to 70% net exposure to foreign securities, including up to 40% in Emerging Markets

## About Muzinich

- Founded in 1988
- Focus on corporate credit
- Disciplined global investment approach with seasoned investment professionals working together across our U.S. and U.K. offices

## Portfolio Characteristics

Number of Issuers/Issues	165/200
30-Day SEC Yield subsidized	2.45%
30-Day SEC Yield unsubsidized	2.25%
Gross Expense (MZCSX)	0.83
Net Expense (MZCSX)	0.60
Average Life	5.28 years
Duration to Worst	3.06 years
% of Top 10 Issuers	27.66%
Total Fund Net Assets	\$406.5 million

## Performance

	as of June 30, 2018				as of June 30, 2018				
	1 Month	Year to Date	1 Year	3 Year	5 Year	Since Inception	1 Year	5 Year	Since Inception
Muzinich Credit Opportunities Fund - Supra Inst.	0.07%	-0.96%	0.97%	3.39%	4.27%	4.14%	0.97%	4.27%	4.14%
ICE BofA Merrill Lynch Global Corp and High Yield Index	-0.31%	-1.95%	0.27%	3.37%	3.97%	3.39%	0.27%	3.97%	3.39%

All return figures over one year are annualized. The Muzinich Credit Opportunities Fund's inception date is 1/3/13.

The Advisor has contractually agreed to waive its fees and reimburse certain expenses through April 30, 2019.

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate, and when sold, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Fund performance to the most recent month-end can be obtained by calling 1-855-Muzinich (689-4642) and pressing "0" to speak to a customer service representative. The Fund imposes a 1.00% redemption fee on shares held for less than 90 days. Performance data does not reflect the redemption fee. If reflected, total returns would be reduced. Muzinich Credit Opportunities Fund performance data: USD. ICE BofA ML Global Corp and High Yield Index performance data: Local Currency.

The ICE BofA Merrill Lynch Global Corporate & High Yield Index (GI00) tracks the performance of investment grade and below investment grade corporate debt publicly issued in the major domestic and eurobond markets. Qualifying securities must be rated by either Moody's, S&P or Fitch. You cannot invest directly in an index.

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## Investment Values

- We commit to rigorous credit analysis. We believe that in-depth credit research, rather than credit engineering, is the long-term driver of attractive risk-adjusted returns
- We respect risk. We invest with an understanding of the asymmetric risk posed by credit investments
- We perform our own bottom-up research. We do not rely solely on ratings agencies or the views of other external providers
- We are results-focused. Our process is time-tested and repeatable

## Firm Values

- Muzinich is privately owned and independent. We believe independence allows integrity in thought and action
- We take our fiduciary responsibilities seriously. Trust is the foundation on which the firm is built
- We are transparent. We seek transparency in our investments and we offer transparency to our investors
- We are team-oriented. We adhere to a flat structure to encourage idea generation and debate

## Maturity Breakdown %

### Duration to Worst

< 1	35.95%
>1 &lt;= 3	31.77%
>3 &lt;= 5	18.62%
>5 &lt;= 7	2.24%
>7 &lt;= 10	7.15%
>10	4.27%
Total	100.00%

## Asset Allocation %

Governments / T- Bills	16.70%
IG Bonds	21.47%
HY Bonds	43.00%
Senior Loans	13.31%
Cash	5.52%
Total	100.00%

## Important Disclosure

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The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product 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. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The ratings are specific to MZCSX and do not apply to other share classes of the Fund.

Fund country, sector, and ratings diversification data are excluding cash and cash equivalents and are subject to change and are not recommendations to buy or sell any security. Duration is a measure of the expected life of a fixed income security that is used to determine the sensitivity of a security's price to changes in interest rates. Duration to Worst is the duration of a bond using the bond's call date or maturity, whichever is more advantageous for the company.

The fund invests in high yield debt instruments which tend to be less liquid than higher quality debt instruments. Diversification does not assure a profit nor protect against loss in a declining market. Mutual fund investing involves risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for emerging markets. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. These risks are fully disclosed in the prospectus. Floating rate loans may not be fully collateralized and therefore may decline significantly in value. The fund will bear its share of the fees and expenses of investments in underlying funds or ETFs. Shareholders will pay higher expenses than would be the case if making direct investments in underlying funds or ETFs. Because the fund invests in ETFs, it is subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a discount to its net asset value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. The fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested. Please note that while the fund's prospectus states that the fund may use leverage, and that it may make short sales of securities, which involves the risk that losses may exceed the original amount invested, the Fund's portfolio managers do not anticipate engaging in either practice.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The Summary Prospectus and Statutory Prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-855-Muzinich, or visiting [www.MuzinichUSfunds.com](http://www.MuzinichUSfunds.com). Read it carefully before investing.

The Muzinich Mutual Funds are distributed by Quasar Distributors, LLC.

## Fund Management

Mike McEachern, CFA — Portfolio Manager  
34 years of corporate credit experience

Anthony DeMeo - Portfolio Manager  
18 years of corporate credit experience

Warren Hyland, CFA - Portfolio Manager  
22 years of corporate credit experience

Thomas Samson, CFA - Portfolio Manager  
20 years of corporate credit experience

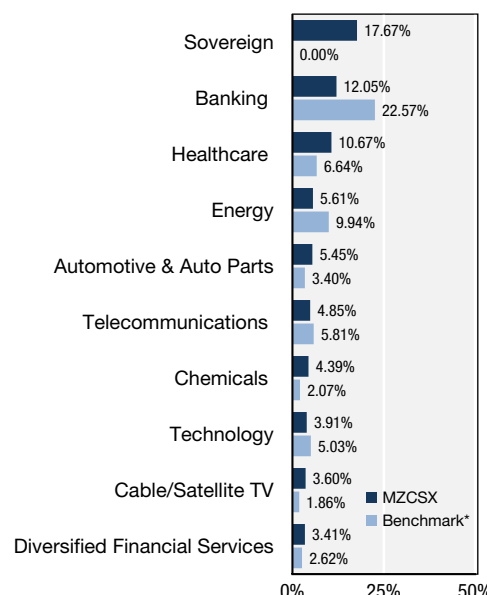
Joseph Galzerano - Portfolio Manager  
31 years of corporate credit experience

Torben Ronberg - Portfolio Manager  
31 years of corporate credit experience

## Fund Information

Inception Date: January 3, 2013  
Supra Institutional Ticker: MZCSX  
Institutional Ticker: MZCIX  
Class A Ticker: MZCRX  
Dividend Payment: Quarterly

## Top 10 Sectors



\*ICE BofA ML Global Corporate and High Yield Index