Edgar Lomax Value Fund

Market Commentary
(through 06/30/17)

We are pleased to provide an update regarding the performance of the Edgar Lomax Value Fund through June 30, 2017. The Edgar Lomax Company is the Fund's investment advisor. We are considered a traditional large-cap value manager, and seek to achieve above-average long-term results by participating fully in rising markets while limiting "bear market" losses.

2017's second calendar quarter saw a near repeat of the first quarter's robust rally on the part of higher risk issues—namely large "growth" stocks. Specifically, the S&P 500 Growth Index rose 4.42% while the S&P 500 Value rose 1.51% (and the S&P 500 fell between them with a return of 3.09%). In this environment, the Edgar Lomax Value Fund was in line with its value benchmark with a gain of 1.50%. Following is a summary of average annual total returns through June 30, 2017:

	Fund	**S&P 500 Value**	**S&P 500**	**Lipper Large Cap Value Average**
1-year	**12.38%**	**15.86%**	**17.90%**	**17.93%**
5-year	**12.47%**	**13.82%**	**14.63%**	**12.90%**
10-year	**5.66%**	**5.25%**	**7.17%**	**4.84%**

30-day SEC yield: 2.52% (subsidized) and 1.98% (unsubsidized)

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling (866) 205-0524 or visiting www.edgarlomax.com*. Before deducting fees that the Advisor contractually waived or expenses of the Fund that the Advisor absorbed, the gross expense ratio is 1.02%*; however, after such waivers or absorptions, the Fund's maximum net expense ratio is 0.70%. Including the voluntary performance-based waiver arrangement, actual Total Annual Fund Operating Expenses (the net expenses that investors paid) were 0.64% for the fiscal year ended October 31, 2016.*

Growth stocks, particularly "tech" names, have surged this year (after sharply underperforming the Fund's holdings in 2016). In fact, *The Wall Street Journal* reported in its June 10-11 weekend edition that five large technology names (Alphabet, Amazon, Apple, Facebook and Microsoft) had accounted for 41% of the S&P 500's calendar year-to-date price rise through June 8. However, a sudden reversal began June 9 that left investors in those companies rattled at quarter end. For example, Alphabet fell -7.4% from June 9 through June 30. Such action simply confirms, we believe, the degree of overvaluation in these, and other, high-flying growth stocks and how rapidly the market can turn against them when investors perceive their recent price rises as having far surpassed what is reasonably justified by their fundamentals.

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* Figures are from the Fund's prospectus dated February 28, 2017. The Advisor has contractually agreed to waive its fees and/or absorb expenses of the Fund to ensure that the Fund's Total Annual Fund Operating Expenses After Fee Waiver and Expense Reimbursement (excluding acquired fund fees and expenses, interest, taxes and extraordinary expenses) do not exceed 0.70% through at least February 27, 2018. In addition, the Advisor has voluntarily agreed to waive a portion of its investment advisory fee contingent upon the Fund's performance versus the S&P 500 Value Index. While the Advisor may discontinue its voluntary waiver any time after February 27, 2018, it has no intention of doing so.

The Fund performed well during the quarter and, if stock prices follow fundamental financial facts in the long-run, as we believe they must, then the Fund remains well positioned. For instance, the Fund's price-to-earnings ratio of 19.1 compares to S&P 500 and S&P Value respective ratios of 24.3 and 21.8. Further, the Fund has the added advantage of a significantly higher dividend yield of 2.9% (as of June 30, 2017), compared to S&P 500 and S&P Value yields of 1.9% and 2.4%.

We will conclude by discussing the Fund's holdings, specifically those that had a substantial impact on the Fund's overall performance during the second quarter. Our Industrials sector had the largest positive impact on the Fund's overall performance, rising 6.9% as a group. Within the group, Caterpillar gained 16.8% on the back of a first quarter earnings report that saw the company shatter Wall Street's earnings expectations. Consumer Staples was another standout contributor to the Fund's return this past quarter, rising 3.3% as a group. Wal-Mart, our largest holding in the sector, rose 5.7% as it continues to grow its footprint in ecommerce. It acquired online fashion retailer, Bonobos, and reported an astounding 63% growth in its first quarter online sales. These solid growth opportunities, combined with Wal-Mart's strong balance sheet and reasonably priced earnings (its current P/E is just 18), will hopefully continue to translate into solid returns for the Fund.

Meanwhile, Pfizer, one of our larger individual holdings, declined slightly during the quarter (down 0.9%). The company reported that some of its competitors were increasingly marketing generic versions of Pfizer's most well-known drugs (i.e., Lipitor and Viagra). Let's not forget that Pfizer has always faced stiff competition, so this does not meaningfully change our outlook. The company has an incredible history of profitable operations and a proven ability to create new, life-changing pharmaceuticals. We fully expect future profitable innovations from the company. In addition, we believe that Pfizer's hefty dividend yield of 3.8% tells us that its management is also confident in the firm's ongoing profitability.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk; principal loss is possible. "Value" investing as a strategy may be out of favor in the market for an extended period. Value stocks can perform differently from the market as a whole and from other types of stocks. Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Investment performance reflects expense waivers in effect. In the absence of such waivers, total return would be reduced.

The opinions expressed are those of the investment advisor, are subject to change, and forecasts made cannot be guaranteed. Fund holdings and sector allocations are subject to change and should not be considered recommendations to buy or sell any security. As of June 30, 2017 the Fund held 21.72% in the Industrials sector, 2.52% in Caterpillar, 17.62% in the Consumer Staples sector, 5.33% in Wal-Mart, and 3.48% in Pfizer.

The price-to-earnings ratio is calculated by dividing the current price of a stock by the company's trailing 12 months' earnings per share.

The Dividend Yield is calculated by dividing a company's per-share projected annual dividend payment by the company's stock price per share.

The S&P 500 Growth Index is a capitalization-weighted index of stocks in the S&P 500 Index which exhibit strong growth characteristics. The S&P 500 Value Index is a capitalization-weighted index of stocks in the S&P 500 Index which exhibit strong value characteristics. The S&P 500 Index is an unmanaged capitalization-weighted index of 500 stocks designed to represent the broad domestic economy. Lipper Averages are compiled by Lipper, Inc., an independent mutual fund research and rating service. Each Lipper average represents a universe of funds with similar investment objectives. You cannot invest directly in an index.

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