Edgar Lomax Value Fund

Market Commentary

(through 09/30/19)

We are pleased to provide an update regarding the performance of the Edgar Lomax Value Fund through September 30, 2019. 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.

During 2019's third calendar quarter, the Fund ran well ahead of the benchmark indexes, rising 3.51% versus S&P 500 and S&P 500 Value Index respective returns of 1.70% and 2.83%. This performance maintains our already strong long-term performance against the "value" index and similar-style managers. Consequently, we are going to keep this commentary brief and let the numbers speak for themselves. Following is a summary of average annual total returns through September 30, 2019:

	Fund	**S&P 500 Value**	**S&P 500**	**Lipper Large Cap Value Average**
1-year	**5.13%**	**5.56%**	**4.25%**	**1.91%**
5-year	**9.16%**	**8.47%**	**10.84%**	**7.18%**
10-year	**12.23%**	**11.56%**	**13.24%**	**10.50%**

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 1.00%; 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 0.70% for the fiscal year ended October 31, 2018.*

Through the year's first half, "value" stocks in general were out of favor with investors. Market participants were more excited about higher-risk investments, such as "growth" stocks, whose prices have been bid up well in advance of commensurate future profits. In the latest quarter, the tables turned, and the Fund's holdings surged ahead. While this is certainly good news, remember that investing is a long-term endeavor; attempting to attribute a short-term market development to a particular cause—or, even, declaring it a new trend—is often inaccurate and rarely worthwhile.

Having said that, value stocks often enjoy more favor when markets waver and, needless to say, there are a number of reasonable concerns out there: namely, ongoing impacts from the trade dispute (and associated tariffs) with China, as well as slowing global economic growth that

* Figures are from the Fund's prospectus dated February 28, 2019. The Advisor has contractually agreed to waive its fees and/or absorb expenses of the Fund to ensure that Net Annual Fund Operating Expenses do not exceed 0.70% (excluding acquired funds fees and expenses, interest, taxes and extraordinary expenses) through at least February 27, 2020. 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, 2020, it has no current intention of doing so.

has resulted in aggressive monetary easing around the world (bringing negative interest rates to many developed countries). The bottom line, though, is that we purchase our stocks at what we believe are "bargain" prices and with reasonable expectations for future growth. If we are correct, they should perform well over long time frames and, perhaps, especially well as the aforementioned issues develop and, ultimately, resolve.

With respect to noteworthy performers in the third quarter, the Fund's strong showing has left us with no shortage of winners. Let's begin with the Fund's largest holding, Target, which has performed strongly all year and just tacked on a 24% gain in the latest quarter. Management has been executing exquisitely to capture a healthy share of a strong consumer spending trend. Another consumer stalwart, with a similarly strong management team (and, consequently, a solid balance sheet), is Walmart which rose 8% in the latest 3-month period. One more example, in the Utilities sector, is Southern Company (up 13%). This is a long-time Fund holding which appears to be benefitting recently from its healthy 4.0% dividend yield (backed by steady profits) in an environment in which investment income from bonds is paltry in comparison.

A diversified portfolio usually has its share of decliners, and ours is no exception. For example, Pfizer dropped 16% during the quarter, notably after the Senate advanced a bill that caps the annual out-of-pocket costs for medicines for Medicare beneficiaries. The bill would also require drug makers to rebate Medicare if they hike prices above inflation. This isn't the first time Pfizer has faced legislative or competitive threats. We expect it to navigate these challenges well and, due to its strong balance sheet and other fundamentals, we remain willing to buy additional shares when new funds become available. Specifically, it has solid profits with a trailing price-to-earnings ratio of just 17 and is paying a 4.0% dividend yield.

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 September 30, 2019, the Fund held the following: 6.27% in Target, 3.44% in Walmart, 9.42% in Utilities, 3.93% in Southern Co. and 3.50% 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 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.

Quasar Distributors, LLC, Distributor