

# Frost Low Duration Bond Fund

Institutional Shares Ticker: FILDX CUSIP: 00766Y828  
March 31, 2019



★★★

## Overall Morningstar Rating™

Overall rated 3 stars for the period ending 3/31/19 out of 476 US-domiciled Short-Term Bond Funds. Morningstar rankings are based on risk adjusted returns, and 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 Morningstar Rating metrics.

## Firm Overview

- Frost Investment Advisors, LLC formed 2007
- \$4.4 billion in mutual fund assets and \$4.7 billion assets under management in the Investment Advisor as of 3/31/19
- A wholly owned non-banking subsidiary of Frost Bank ("Frost") which was founded in 1868
- Frost is one of the largest Texas based banks with \$31.7 billion total financial assets as of 3/31/19

## Investment Objective

- Seeks to maximize total return, consisting of both income generation and capital appreciation

## Investment Philosophy

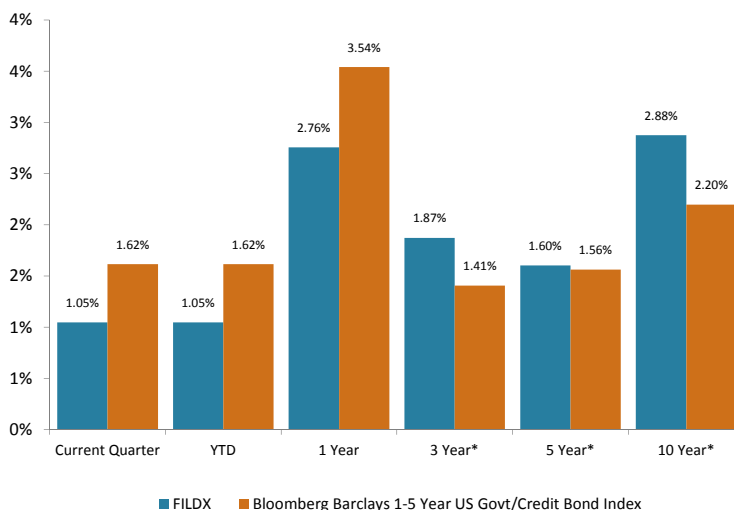
- The Fund's emphasis is on total return with low volatility by investing primarily in shorter-term investment grade securities.
- To achieve its objective, the Fund invests in a diversified mix of taxable fixed income securities
- The Adviser actively manages the maturity of the Fund and purchases securities which will, on average, mature in less than 5 years.
- The Adviser actively manages the duration of the Fund and purchases securities such that the average weighted duration of the Fund's portfolio will typically range within plus or minus one year of the Bloomberg Barclays U.S. 1-5 Year Government Credit Index duration.
- The Fund seeks to maintain a low duration but may lengthen or shorten its duration within that range to reflect changes in the overall composition of the short-term investment-grade debt markets.

## Portfolio Characteristics as of 3/31/19

Effective Duration	1.09 years
Average Weighted Maturity	2.16 years
SEC 30-Day Yield	2.57%
Income Distribution per share (3 month)	0.06
Income Distribution per share (YTD)	0.06
Income Distribution per share (TTM)	0.20

Mutual Fund Start Date	April 25, 2008
Total Fund Assets	\$326,388,586
Class Assets	\$298,957,590
Net Asset Value	\$10.24
Expense Ratio	0.45%
Minimum Investment	\$1,000,000

## Performance: Net Returns as of 3/31/19



Performance since inception of the Mutual Fund (4/25/2008) was 2.91% \*Annualized.

Calendar Year Returns	FILDX	Bloomberg Barclays 1-5 Year US Govt/Credit Bond Index
2018	1.83%	1.38%
2017	1.77%	1.27%
2016	1.69%	1.56%
2015	0.56%	0.97%
2014	1.71%	1.42%
2013	-0.09%	0.28%
2012	4.26%	2.24%
2011	2.74%	3.14%
2010	4.18%	4.08%
2009	12.03%	4.62%

Performance data quoted represents past performance and does not guarantee similar future results. The investment performance 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, and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 877.713.7678.

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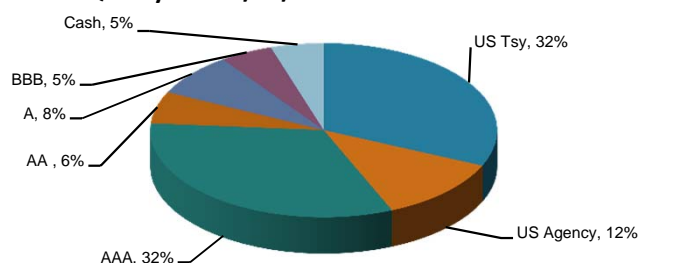
## The Frost Low Duration Bond Fund is managed by:

Jeffery Elswick, Senior Fund Manager, Director of Fixed Income and Managing Director at Frost, has been the portfolio manager for the Fund since its inception. Mr. Elswick is supported by a team of appropriately trained, qualified analysts and fixed income traders.

Top Ten Holdings as of 3/31/19 *	Maturity	%
US Treasury Bond, 1.5%	11/30/19	7.05%
US Treasury Bond, 1.25%	5/31/19	6.28%
US Treasury Bond, 1.375%	2/15/20	6.12%
US Treasury Bond, 1.125%	6/30/21	6.02%
KGS Alpha REPO, 2.6%	4/1/19	4.01%
FHLMC, 2.5%	12/27/22	3.08%
US Treasury Bond, 1.625%	7/31/20	3.05%
Capital One, 3.069%	7/15/27	2.94%
Citibank CCIT 2017-a5, 1.615%	4/22/26	2.17%
TN Valley Authority, 3.875%	2/15/21	1.58%
<b>Total Percentage of Top Ten:</b>		<b>42.31%</b>
<b>Total Portfolio Holdings:</b>		<b>91</b>

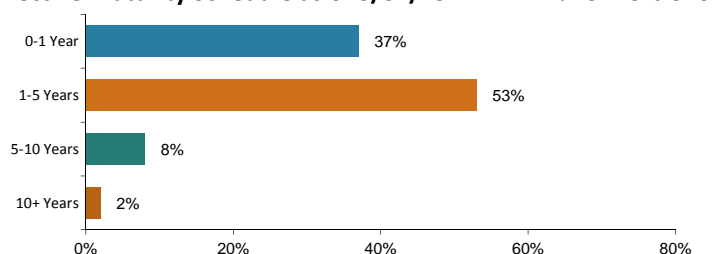
\*Holdings are subject to change. Current and future holdings are subject to risk.

## Bond Credit Quality as of 3/31/19



The credit quality breakdown depicts the credit quality ratings of the Fund's portfolio securities that are rated by one or more of the three major nationally recognized statistical rating organizations ("NRSRO") - Standard & Poor's, Moody's and Fitch. When a security is rated by more than one NRSRO, the highest rating is used. Credit ratings of A or better are considered to be high credit quality; credit ratings of BBB are good credit quality and the lowest category of investment grade; credit ratings of BB and below are lower-rated securities and credit ratings of CCC or below have high default risk. These credit quality ratings are shown without regard to gradations within a given rating category. For example, securities rated "AA-" or "AA+" have been included in the "AA" rated category. For all short-term money market securities we include all "A-1"/"P-1"/"F-1" in the "AAA" rated category and all "A-2"/"P-2"/"F-2" in the "A" category.

## Effective Maturity Schedule as of 3/31/19



To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and other information may be found in the Fund's prospectus, which may be obtained by calling 877.713.7678. Please read the prospectus carefully before investing.

Mutual fund investing involves risk including possible loss of principal. Bond and bond funds are subject to interest rate risk and will decline in value as interest rates rise. There can be no assurance that the Fund will achieve its stated objectives.

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 Morningstar Rating does not include any adjustment for sales loads. 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. As of 3/31/19, FILDX was rated against 476 US-domiciled Short-Term Bond funds over a three-year period, 415 over a five-year period and 266 over a ten-year period. With respect to these funds, FILDX received a rating of 3 stars for all periods. Past performance is no guarantee of future results.

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Effective Duration is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

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The Bloomberg Barclays 1-5 Year US Government/Credit Index is comprised of Treasuries, Government-related issues, US dollar corporate securities, and specified foreign debentures and secured notes that have remaining maturities of more than one year but less than five years. Investors cannot invest directly in an index. Bloomberg indices and its associated data, Copy Copyright © 2019 Bloomberg Index Services Limited. Bloomberg® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Barclays® is a trademark and service mark of Barclays Bank PLC (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.