

# Frost Credit Fund

Class A Shares Ticker: FCFBX CUSIP: 359246832  
June 30, 2020



★★★★

## Overall Morningstar Rating™

Overall rated 4 stars for the period ending 6/30/20 out of 639 High Yield 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
- \$4.3 billion in mutual fund assets and \$5.0 billion assets under management in the Investment Advisor as of 6/30/20
- 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 \$39.4 billion total financial assets as of 6/30/20

## Investment Objective

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

## Investment Philosophy

- Seeks to achieve its objective by investing in a diversified portfolio of fixed income securities, including corporate bonds, mortgage-backed and other securitized bonds and municipal bonds
- Seeks to achieve its objective through a combination of active portfolio management, a focus on relative value opportunities, sector weightings and individual asset selection
- Investment across the credit spectrum, including both Investment Grade and High Yield Securities
- Individual security selection plays an important role in portfolio construction
- Strategy is opportunistic, with overall portfolio allocations to specific credit sectors adjusted based on relative value

## Portfolio Characteristics as of 6/30/20

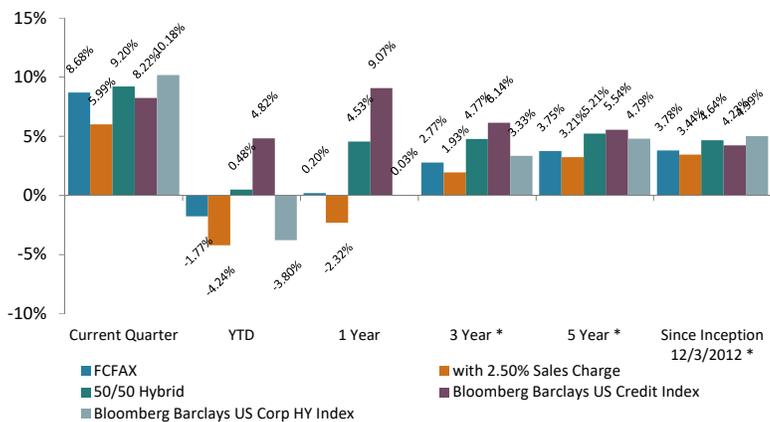
Effective Duration	2.4 years
Average Weighted Maturity	4.57 years
SEC 30-Day Yield	4.07%
Income Distribution per share (3 month)	0.09
Income Distribution per share (YTD)	0.18
Income Distribution per share (TTM)	0.40

## Mutual Fund Start Date

December 3, 2012

Total Fund Assets	\$198,837,296
Class Assets	\$617,847
Net Asset Value	\$9.33
Expense Ratio	1.11%
Minimum Investment	\$2,500

## Performance: Net Returns as of 6/30/20



\* Annualized

Calendar Year Returns	FCFAX	with 2.50% Sales Charge	50/50 Hybrid	Bloomberg Barclays US Credit Index	Bloomberg Barclays US Corp HY Index
2019	6.88%	4.24%	14.10%	13.80%	14.32%
2018	0.82%	-1.74%	-2.07%	-2.11%	-2.08%
2017	7.75%	5.05%	6.84%	6.18%	7.50%
2016	9.62%	6.90%	11.27%	5.63%	17.13%
2015	-2.52%	-4.98%	-2.58%	-0.77%	-4.47%
2014	3.34%	0.74%	4.97%	7.53%	2.45%
2013	5.56%	2.96%	2.62%	-2.01%	7.44%

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.

Performance shown for the new Class A prior to inception (6/1/2018) is based on the Fund's Investor Class adjusted for the fees and expenses and maximum sales charge of Class A. A Class Shares of the Fund would have substantially similar performance because the shares are invested in the same portfolio of securities. Investor Class Shares first became available on June 30, 2008. Prior to March 31, 2015, Investor Class Shares were called Class A Shares.

Maximum Sales Charges are 2.50% for the Frost Credit Fund.

## The Frost Credit Fund is managed by:

Jeffery Elswick, Director of Fixed Income, Managing Director, and Senior Fund Manager at Frost, has been a portfolio manager for the Fund since its inception in 2012.

Tim Tucker, Senior Fixed Income Research Analyst and Fund Co-Manager at Frost, has been a portfolio manager for the Fund since 2015.

Messrs. Elswick and Tucker are supported by a team of appropriately trained, qualified analysts and fixed income traders.

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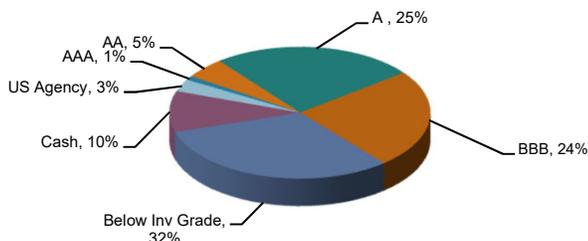


Top Ten Holdings as of 6/30/20 *	Maturity	%
Race point CLO, M+215%	10/15/30	1.86%
Subbury Mill CLO, M+475	1/17/26	1.52%
Madison Park Funding FRN, M+350%	7/20/26	1.50%
MCFL, M+1750%	7/18/30	1.38%
Golub Capital Partners, Var	1/25/31	1.37%
Vistajet Malta Finance, 10.50%	6/1/24	1.36%
American Credit Acceptance, 5.17	6/10/24	1.26%
Southwest Airlines, 3.45	11/16/27	1.23%
Owens Corning, 3.950%	8/15/29	1.10%
Mohawk Industries, Inc., 3.625	5/15/30	1.09%
<b>Total Percentage of Top Ten:</b>		<b>13.67%</b>
<b>Total Portfolio Holdings:</b>		<b>141</b>

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

## Bond Credit Quality as of 6/30/20

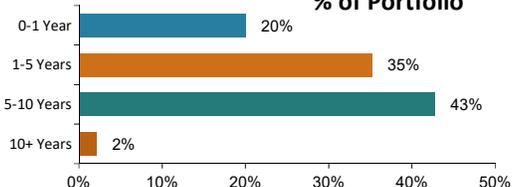
% of Portfolio



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 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.

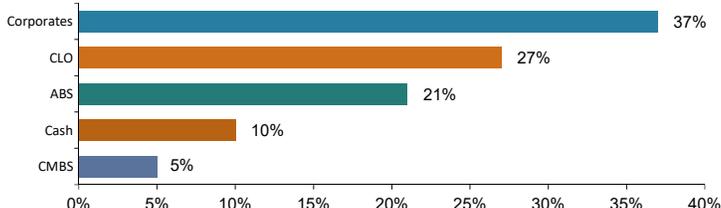
## Effective Maturity Schedule as of 6/30/20

% of Portfolio



## Portfolio Diversification as of 6/30/20

% of Portfolio



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 Fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. Mortgage-backed securities are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. High yield or "junk bonds" are highly speculative securities that are usually issued by smaller less credit worthy and/or highly leveraged (indebted) companies. Compared with investment-grade bonds, high yield bonds carry a greater degree of risk and are less likely to make payments of interest and principal.

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 6/30/20, FCFAX was rated against 639 High Yield Bond funds over a three-year period and 546 over a five-year period. With respect to these funds, FCFAX received a rating of 4 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. Beta is a measure of risk in relation to the market or benchmark.

The Bloomberg Barclays US Credit Index is designed to track the performance of a hypothetical buy-write strategy on the S&P 500 Index. The Bloomberg Barclays US Corporate High Yield Bond Index is a market-value weighted index consisting of 500 stocks chosen for market size, liquidity, and industry group representation, with each stock's weight in the Index proportionate to its market value. Investors cannot invest directly in an index. Bloomberg indices and its associated data, Copyright © 2020 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.

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FIA-FF-019-4800