



BLUE CURRENT GLOBAL DIVIDEND



**2015 – Q1
Quarterly
Letter**

Prepared by:

EDGE ADVISORS

Blue Current Global Dividend
(ticker: BCGDX)

March 30, 2015

Dear Investors:

The Blue Current Global Dividend Fund (BCGDY) returned +1.1% during the first quarter of 2015. Although we do not manage the strategy to a specific index, for comparison the MSCI World Index returned +2.5% over the same period.

Despite an average cash allocation of 5% and a 10% weighting towards the energy sector, the Fund generated positive performance thanks to an overweight allocation to the US consumer and solid stock selection with our European dividend payers. In particular, we took advantage of the dips to add to our highest conviction names and we initiated several new positions that we have been monitoring for some time. We expect these positions will benefit investors during the remaining quarters of 2015.

BLUE CURRENT PHILOSOPHY & OBJECTIVES

It is important to remind you of our philosophy and objectives. In the current environment, investors need to make every penny work for them. With yield in short supply and safe income streams providing little return, high quality companies with growing and sustainable cash flow from across the globe might be less risky than you think – and more fruitful.

The Blue Current investment team utilizes its expertise in growing cash flow to invest in what we believe is a niche universe of high quality, dividend-paying companies with sustainable business models and dividend policies. The primary objectives are to pay a stable and increasing dividend each quarter and deliver attractive long term capital appreciation to investors.

The portfolio is concentrated and invests in 25-50 companies across developed markets that meet our stringent qualities. We focus on companies that we believe have a strong history of rewarding shareholders and have the financial ability to continue to increase the dividend over time. We also focus on the future earnings potential of each company and strive to purchase those businesses when they are trading at a discount to their true value.

INVESTMENT ENVIRONMENT & CURRENT EXPOSURE

We believe the Fund performed well in the challenging first quarter environment which broadly appeared to penalize quality, US-based, multi-national companies with material FX exposure – especially to the Euro. Although we have incrementally shifted capital away from US-based multi-nationals, this segment of the market remains significant for the Strategy and we believe created weakness in the early months of 2015. We have been through this before and are not surprised that FX weakness (relative to a strengthening US dollar) surprised Wall Street analysts. The good news is that investors are now beginning to look through the translation impact and see what we see – these companies are executing well under the circumstances and taking advantage of strong global GDP growth.

That being said, it is not a surprise that one of our top contributors to Q1 performance was Cinemark (ticker: CNK), a Texas-based movie exhibitor that appreciated 28% during the quarter. Cinemark is currently the third largest US operator with theaters across 41 states and over 100 DMAs (designated market areas). Aside from the company's 2.8% dividend yield and strong balance sheet, we believe there are several catalysts capable of driving shares higher including: a strong 2015 movie slate, lower gas prices supporting the consumer and broadening economic growth across the US. Not unique to Cinemark, theater operators have been successful in increasing concessions per patron through loyalty discounting, expanding menu choices to include premium items and upselling patrons at the point of sale. Higher productivity at the concession register combined with expanded theater offerings such as 3D and IMAX have been major drivers for revenue and profit growth. We believe 2015 will be a record year for revenue and cash flow for Cinemark.

Another strong contributor during the quarter was Volkswagen AG which appreciated 18% and contributed 53bps to returns. We first invested in Volkswagen in April 2014 when the global automotive and truck manufacturer was valued at less than 9x earnings despite its ownership of impressive high-margin luxury brands such as Audi and Porsche. Volkswagen is an unusual brand in that its product is truly global and caters to both the value (VW Golf) and high-end luxury buyer (Porsche 911). The company has struggled with its core VW brand in the SUV and truck popular United States, however, we are more interested in the company's diverse product offering in Western Europe and broader Asia including China - two regions we expect will continue to grow. Aside from passenger vehicles, we are also excited about VW's exposure to the late-cycle commercial vehicle market which we believe still has upside in the US (unlike passenger autos) and even stronger upside in Europe and Asia. First quarter results support our opinion as Western Europe commercial truck deliveries edged up 11% and China deliveries increased 15% year over year. Because of its slight dividend reduction in 2009 prior to our purchase, VW is rated "AA" according to our Blue Current ranking standards and has a three-year dividend growth rate of 10%.

As our investors likely noted from our tabulation of winners during the quarter, consumer stories performed well and the Consumer Discretionary sector contributed 230bps to performance. Partly explainable by declining unemployment, lower energy prices have also been a strong tailwind for the global consumer story to date. For reference, West Texas Intermediate may have found its annual low at \$43 in mid-March, dampening returns across the energy complex. Not surprisingly, Alliance Resource Partners (ticker: ARLP) was our largest detractor. The Master Limited Partnership (MLP) declined 21% during Q1 and subtracted 50bps from the portfolio. Exiting the quarter, ARLP had a forward yield of 8% which is higher today after the company announced with its April Q1 earnings report that it is increasing its distribution by an additional 8%. ARLP remains one of the most unlevered and inexpensive MLPs in the broad universe. We continue to own 3 MLPs which collectively detracted 75bps from performance in Q1 but currently yield 3.4%, 4.4%, and 7.7%. These positions have been solid contributors to date in the second quarter.

During the quarter, we continued to increase our international exposure by exiting several US positions that we believe will face challenging headwinds in the year ahead, notably Qualcomm, McDonalds, and Baxter. We reinvested the proceeds in non-US consumer themes such as Kingfisher (UK), Michelin (France), Sky (UK) and WPP (UK).

With nearly 12mm subscribers across Britain and Ireland, Sky is one of the largest UK cable providers. The company has been increasing its dividend for over 10 years (rated "AAA" according to our Blue Current ranking standards) and at purchase had a dividend yield of 3.4%. Sky crossed our radar screen when it announced in 2014 that it was acquiring its remaining interest in Sky Italia and a controlling share in Sky Deutschland from 21st Century Fox. We applaud the move to consolidate its footprint into a single brand and capital structure, a rare transformation when one considers the myriad ownership structures that dominate the UK and Europe telecommunications markets. The consolidation is just one tenet of our thesis behind the purchase of Sky. The UK and Eurozone cable markets remain fragmented and under-penetrated in the adoption of pay-television, high definition, and on-demand services and we believe Sky has the brand and reach to grow its franchise. Aside from the strongest soccer lineup due to its Premier League rights auction wins earlier this year, Sky has exclusive agreements with content generators, like HBO, that we believe will diversify and strengthen its current platform. Lastly, in recent years, Sky has moved further into original content development and now has several highly-rated programs under ownership enhancing the company's ability to syndicate and collect ancillary revenue streams. Overall, we like the direction of Sky and believe the company has a strong opportunity in front of it.

Exiting the quarter, our non-US exposure is at the highest level since the Fund launched – 45% of capital is now invested outside the US. Following the US, our largest country exposure is United Kingdom (18%), Germany (8%), and Switzerland (6%). From a sector perspective, Consumer Discretionary and Staples represent 34% of capital.

INVESTMENT OUTLOOK

We are nearing the end of first quarter earnings announcements and we are excited about the performance and direction of our portfolio. Earlier in the year, the strengthening US dollar was a headwind to equity prices, however, as we have seen with Q1 announcements, multi-national companies are still able to take advantage of strong global growth to post results that are broadly ahead of investor expectations. The portfolio has responded well to results and we believe our emphasis on global consumers will support cash flow and dividends for our investors during the year ahead.

Sincerely,



Henry "Harry" M. T. Jones

Co-Portfolio Manager

Blue Current Global Dividend



Dennis Sabo, CFA

Co-Portfolio Manager

Blue Current Global Dividend

Disclosure and Risk Summary

The Letter to Shareholders seeks to describe some of the current opinions and views of the financial markets of Edge Advisors LLC (the "Adviser"). Although the Adviser believes it has a reasonable basis for any opinions or view expressed, actual results may differ, sometimes significantly so, from those expected or expressed. The securities held by the Fund that are discussed in the Letter to Shareholders were held during the period covered by this Report. They do not comprise the entire investment portfolio of the Fund, may be sold at any time and may no longer be held by the Fund. The opinions of the Adviser with respect to those securities may change at any time.

The opinions expressed herein are those of the Adviser, and the report is not meant as legal, tax, or financial advice. You should consult your own professional advisors as to the legal, tax, financial, or other matters relevant to the suitability of investing. The external data presented in this report have been obtained from independent sources (as noted) and are believed to be accurate, but no independent verification has been made and accuracy is not guaranteed. The information contained in this report is not intended to address the needs of any particular investor.

Mutual fund investing involves risk. Principal loss is possible. Index returns reflect the reinvestment of dividends. An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other important information. To obtain a copy of the Fund's prospectus please visit our website at www.bluecurrentfunds.com or call 1-800-514-3583 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Blue Current Global Dividend Fund is distributed by Ultimus Fund Solutions, LLC.

Performance data quoted represents past performance; past performance 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. The fund imposes a 2% redemption fee on shares held within 7 days after purchase. Performance data does reflect the redemption fee which, if reflected would reduce the performance quoted. Performance data current to the most recent month-end is available at 1-800-514-3583.

BLUE CURRENT GLOBAL DIVIDEND

The advisor has entered into an Expense limitation Agreement with the Fund that calls for the Advisor to reduce management fees and reimburse other expenses of the Fund, if necessary, to maintain Total Annual Fund Operating Expenses at 0.99% for Institutional Class Shares per annum. This agreement is in effect until January 1, 2018.

Investment in the Fund is subject to investment risks, including, without limitation, market risk, management style risk, investment style risk, large cap risk, mid cap risk, small cap risk, foreign security risk, ETF risk, MLP risk, MLP tax risk, and new fund risk. For more information about the Fund, including the Fund's objectives, charges, expenses and risks (including more information about the risks listed above), please read the prospectus. The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. You cannot invest directly in the index.