BLUE CURRENT GLOBAL DIVIDEND

2018 – Q2 Quarterly Letter

Prepared by:

EDGE ADVISORS

Blue Current Global Dividend Fund
Ticker: BCGDX

June 30, 2018

Dear Investors:

The Blue Current Global Dividend Strategy returned +0.86% (net) during the second quarter of 2018, outperforming the primary benchmark (MSCI World High Dividend Yield Index) return of -0.21%. We remind investors that our strategy is not managed to any specific equity index, instead, we focus on identifying companies that will pay a stable and increasing dividend and generate an attractive total return for our investors.

Performance	Q2-18	1 Year	Since Inception* Annualized
BCGDX (net)	0.86%	3.19%	5.08%
MSCI World High Dividend Yield Index (Net)	-0.21%	4.44%	3.91%
MSCI World Index (Net)	1.80%	11.09%	6.98%
* Since inception: 9/18/2014			
Expense Ratio	**BCGDX**		
Gross Expense Ratio	1.45%		
Net Expense Ratio	0.99%		

MORE THAN MEETS THE EYE

Exiting the first quarter, trade tariffs had just emerged as front-page news, and our view at that time was that the threats would slowly moderate and eventually result in negotiated deals on a number of fronts. Our concerns were also partially mitigated because the sizes of the tariffs were modest relative to global growth and trade. Since that time, however, the rhetoric has escalated considerably and has spread to include other trading partners such as Canada and many of our European counterparts. President Trump recently ratcheted up the bravado by threatening to tax all China-based imports, a claim that has tipped Congress into passing legislation aimed at reducing tariffs on a number of China imports, undermining recent efforts and further dividing the government. Meanwhile, several US companies, including Coca-Cola, have announced price increases to offset the new pressure on import costs, and Trump recently announced a $12bn aid or subsidy program for the farmers negatively impacted by China's retaliated efforts to tax soybeans and other US agriculture exports. US commodity suppliers, mainly aluminum and steel producers, have also been steadily raising prices to match imports.

Where does it all end? At the surface, the levy of taxes to correct imbalances is intended to create a fairer relationship between transactional partners. In reality, the process of rebalancing trade across dozens, perhaps hundreds, of industries will expose cracks in individual economies and supply chains that will not be easily remedied. Like water that finds its natural level, decades of "free trade" has created a web of exchanges between trading partners that have invested decades of capital to improve ROEs, scale, and efficiency, letting others take the lead when it makes more economic sense. Small disruptions to this ecosystem could have the potential to elevate consumer prices and create intense pressure on local governments to band-aid solutions (i.e. $12bn farm aid) until the water can find a new level – however long that might take. At this stage, it is difficult to determine whether the trumped-up protectionism is here to stay or all sides are simply playing the part until someone folds. Even if many of the tariffs are implemented, the possibility for dilution via local legislation or other offsets exist, challenging the ability to forecast the financial impact at the corporate level.

Behind the threats, the media headlines, and the grandstanding, there is another issue that promises to be even more impactful than the tariff pressures on consumer and farmers, and it involves China's adoption of US technology, which in the new era of cybersecurity warfare and hacking has greater implications than any of us private citizens really know. Is it not difficult to imagine that the escalating tariff threats are simply a façade to address a much deeper issue - protecting US intellectual property from falling into the wrong hands. The world's second largest economy has attracted the best and brightest of US technology minds and products, much of which is now produced in China, Hong Kong, or Taiwan. The status of China/US relations, particularly surrounding Taiwan, promises to be an increasingly delicate and sensitive topic in the years ahead given the importance of the small island as a manufacturer of high-end semiconductors.

Against this backdrop, it is not surprising that investors have lost some interest in the strong economic showing, especially within the US and other developed markets. Within the US, fiscal stimulus is only beginning to flow through the consumer economy, offsetting a federal reserve that continues to tighten interest rates, placing pressure on yields and fixed income returns. We believe the crosscurrents will be enough to hold the bears back and enable equities to grind higher through the year, albeit with uncomfortable volatility. Across the pond, European economic data softened during the first quarter, but we believe the economies will stabilize and remain in growth mode through the second half. Developed market unemployment continues to improve, especially across the eurozone, an area where growth had remained stubborn in the face of global stimulus. We find the juxtaposition of the escalating global trade tension and the strong corporate backdrop makes a compelling case for sensibly valued investments that distribute regularly occurring cash flow to investors.

BLUE CURRENT PHILOSOPHY AND OBJECTIVES

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 to deliver attractive, long-term capital appreciation to investors.

The portfolio is concentrated and invests in 25 to 50 companies across developed markets that meet our stringent quality requirements. 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.

PORTFOLIO COMMENTARY

Through the second quarter value and dividend investing have taken a backseat to technology and growth, extrapolating a trend that started several years ago. With their wide competitive moats, high returns on invested capital, and unabated earnings growth, we understand the attractiveness of the FANG (and similar) stocks to investors, but at this juncture the differences in valuation and expectations between the haves and the rest of the market feel extreme. This is not to say we are calling for the death of growth but we believe that given the magnitude of performance discrepancy this year it may be the right time to revisit diversification. Recent share price weakness in Netflix and Facebook could be the initial cracks in the plaster, providing evidence that a gaudy valuation multiple really does require accountability and performance expectations. Not all of the FANG stocks have disappointed – Amazon and Google have been

able to meet or exceed expectations, which may continue to carry the momentum – but it is increasingly hard to turn a blind eye to other pockets of the market.

Of course, we hope that our portfolio is the “other pocket” that investors revisit for lower valuations, high cash flow, and dividends – specifically, dividend growth. Our strategy’s price-to-earnings ratio for 2018 is 13.2x and we expect earnings growth in the mid-teens. The portfolio remains fairly balanced between US and international opportunities. Lastly, since the beginning of the year we have witnessed dividend growth announcements from 22 portfolio companies, with an average dividend increase of 11%.

The portfolio showed a modest rebound in performance during the second quarter, gaining approximately 0.9% versus the strategy’s benchmark (MSCI World High Dividend Yield), elevating Blue Current ahead of the benchmark for the year through the second quarter.

While the fund has never held a significant stake in the energy sector, our allocation (~11% of capital) was the largest contributor to performance during the quarter. Led by Oneok, four of our energy investments increased by double-digits. Oneok is a great example of a company that consolidated its partnership interests in 2017 into a single C-corporation and dramatically simplified its structure for the benefit of shareholders – in other words, the company exited the MLP home-improvement market. The company’s infrastructure footprint consisting of West Texas (Permian) and Oklahoma pipelines is well positioned to take advantage of NGL production and exportation. Oneok yields 4.7% and has a three-year dividend growth rate of 8.3%. BP and Royal Dutch were also material contributors during the quarter. Energy remains a compelling investment story due to years of underinvestment, recently enacted Iranian sanctions further curtailing supply, and rising geo-political threats.

Second to energy, technology was a material contributor to second quarter performance. The strategy’s largest and oldest position, Microsoft, continues to surpass investor expectations. Given the company’s size (revenue or marketcap) and historical capital dependence on the personal computing market, it is unthinkable that Microsoft could reposition itself into new growth channels that have the ability to materially influence the company’s growth profile, but that is exactly what has occurred over the past decade. Microsoft’s latest financial release to close out FY 2018 highlighted 14% annual revenue growth (to $110 billion) and 21% annual income growth (to $35 billion). The company has been a continuous dividend grower with a three-year dividend growth rate of 10.9%. Despite the year-to-date advance, we believe the company’s valuation is reasonable relative to its growth rate and dominant position in cloud computing, a technology that should outgrow the broader economy for the next decade. Also within the sector and a longstanding position, Texas Instruments (TXN) was a material contributor. TXN has a strong history of dividend growth (three-year rate of 22.2%) and is an incredible producer of free cash flow - $5.7bn over the trailing year, of which $2.3bn is consumed by the dividend. The company continues to benefit from the adoption of microcontrollers to automate industrial and automotive processes. While Google, Amazon, and Netflix do not qualify for our universe, we are fortunate to have invested in a handful of technology companies that do meet our stringent requirements, which include historical dividend growth, a yield above 2%, and a valuation that offers double-digit upside without compromising our process and beliefs. To add further context, there are approximately 40 technology companies within our entire investment universe that we believe are candidates for the portfolio. Exiting the quarter, technology represented 14% of the strategy, approximately half of the technology sector representation in the S&P 500.

While the energy and technology sectors supported the quarter, our financial investments battled a steepening yield curve in the US and broader concerns of a global economic slowdown. ING Groep, our sole European banking position, was the top decliner, followed by PNC Financial, and Swiss Re. Despite the second quarter challenges, we remain optimistic on the broader sector as many of our financial investments, including SunTrust, PNC Financial, and BB&T delivered the highest dividend growth announcements this year, up 25%, 26%, and 10%, respectively. Within the US, the flattening yield curve will limit the ability for interest margins to expand, but we continue to find value in our super regionals for a number of reasons: we are bullish on their respective footprints, largely mid-Atlantic and the Southeast - regions that have growing economies and populations. Valuations, whether employing price-to-earnings or price-to-book, are also compelling.

Aside from rebalancing and adjustments to model weights, turnover in the portfolio was light during the second quarter, but we did take advantage of several opportunities within the consumer sectors. Over the past year, increasing commodity prices, higher transportation costs, and tighter pricing have all combined to pressure share prices, sending many company stock prices lower by 20% to 30% this year. Entering the year we were underweight the consumer staples sector, but share price weakness has us spending an increasing amount of time analyzing a small group of companies. When we think through the pressure points, we believe that some are secular (tougher pricing) while others are cyclical and will dissipate over time. As is typical on Wall Street, analysts extrapolate recent trends as if they are running in a vacuum, and we believe that mentality is providing us the opportunity today to initiate a few smaller positions across the sector. Our initial investments are made in anticipation of a future change in the underlying fundamentals of these businesses; hence, we are early and have provided ourselves enough “room” in the portfolio to grow these smaller positions over time. Investor appetite for these stable business models should return over the next several years, and we believe Blue Current will benefit from the sentiment reversal.

Top 5 Contributors (Security / Contribution)*

Oneok: +60bps
Microsoft Corp: +38bps
Royal Dutch Shell: +36bps
BP: +36bps
CoreSite: +30bps

Bottom 5 Contributors

Deutsche Post: -60bps
PNC Financial: -28bps
ING: -28bps
Swiss Re: -26bps
Vodafone: -23bps

**Please contact Blue Current to obtain the calculation’s methodology and a list of all holdings contributions to the overall performance during the period.*

We hope that the details provided above explain the quarterly performance, and we invite investors to contact us with any additional questions.

The following companies have announced dividend increases during the second quarter:

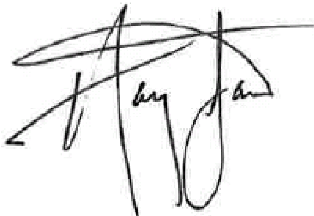
- PNC Financial: 26%
- SunTrust: 25%
- Crown Castle: 11%
- BB&T: 10%
- Unilever: 8%
- Leggett & Platt: 5.6%
- Oneok: 3%
- Vodafone: 2%
- None of our portfolio companies announced a reduction in the dividend

INVESTMENT OUTLOOK

We have written extensively about our view that 2018 would be a strong year for dividend growth and share buybacks, trends that we believe will accelerate during the second half of the year. To date, 22 of our portfolio companies have announced dividend increases - an extremely high number given our experience. We believe our investors will begin to benefit from the increases in cash flow during the second half of 2018. Investors have largely ignored value and dividend investing this year, behavior that is not unfamiliar to us and that allows the Blue Current portfolio to internally compound value and dividend yield until investors become reacquainted with cash flow. At some point, either the alternatives become too risky due to valuation or heightened investor expectations, or the dividend yield becomes too significant to ignore. Until then, we expect to continue to compound value.

For more information on our strategy, please visit www.bluecurrentfunds.com.

Sincerely,



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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 views 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 Distributors, 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.

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, 2019.

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 Net 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.

As of 6-30-2018, the holding percentages of the stocks mentioned in this commentary are as follows: BP (3.51%), RDS/B (3.64%), OKE (2.57%), MSFT (4.20%), TXN (2.70%), PNC (2.46%), STI (2.43%), BBT (2.44%), ING (2.45%), SREN SW (2.14%), COR (2.73%), DPW (2.36%), VOD (2.57%), LEG (2.17%), CCI (2.71%), UL (2.14%).