Blue Current

BLUE CURRENT GLOBAL DIVIDEND

2018 – Q4 Quarterly Letter

Prepared by:

EDGE CAPITAL GROUP

Blue Current Global Dividend Fund
Ticker: BCGDX

December 31, 2018

Dear Investors:

The Blue Current Global Dividend Strategy returned -11.91% (net) during the fourth quarter of 2018, underperforming the primary benchmark (MSCI World High Dividend Yield Index) return of -8.71%. 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	Q4-18	1 Year	Since Inception* Annualized
BCGDX (net)	-11.91%	-12.15%	2.18%
MSCI World High Dividend Yield Index (Net)	-8.71%	-7.56%	2.38%
MSCI World Index (Net)	-13.42%	-8.71%	3.80%
* Since inception: 9/18/2014			
Expense Ratio	**BCGDX**		
Gross Expense Ratio	1.39%		
Net Expense Ratio	0.99%		

AN OFFICIAL TRANSITION TO THE LATE CYCLE

Investor sentiment soured quickly during the fourth quarter, wiping out earlier 2018 gains and pushing global equity markets soundly into negative territory for the full year. In a year characterized by above 3% economic growth and 20% earnings growth, cash turned out to be the best-performing asset class. Who would have thought? The negative shift in sentiment is the culmination of investor concerns over the length of the cycle, the future role of the Fed after a decade of easy policy, and the durability of corporate earnings. In our opinion, the economy and business cycle are officially transitioning to what investors dub late cycle.

Index Performance	Q4
Dow Jones Ind Average	-11.3%
S&P 500 Index	-13.5%
Nasdaq Index	-17.3%
Russell 1000 Growth Index	-15.9%
Russell 1000 Value Index	-11.1%
MSCI World Index	-13.3%
MSCI World ex-US Index	-12.8%
MSCI ACWI Index	-12.7%
MSCI ACWI ex-US Index	-11.5%

Source: Bloomberg

The fourth-quarter softening of both US and international economies, combined with a new Federal Reserve chairman who is still learning the importance of word choice, has investors uttering the word “recession” for the first time in many years. Credit conditions are broadly tighter, and we are seeing signs of real stress in some obvious areas (e.g. energy and retail). Our view is that conditions will be more challenged over the next two to three years but that it is still too early to make the recession call on the US economy. It would be incredibly unusual for the current backdrop, which includes benign inflation, robust economic growth, low interest rates, and a healthy US consumer, to unravel in less than a year and tip the US economy over.

Our base case remains for slower economic growth in 2019, albeit positive, as we believe there is enough momentum in the consumer and corporate sectors of the economy. We cannot overstate that volatility may continue, especially as we move later into the cycle and bears call for the next recession around every soft economic number. Historically against this backdrop, there are a number of factors that typically shine as the economy and market cycle transitions into its later stages, these include companies with high free cash flow, those with lower valuations, and those that pay dividends!

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

It is an understatement to say we are disappointed in the fourth-quarter and full-year performance of the fund. On both a relative and an absolute measurement, 2018 was a difficult period, and we believe it imperative to review the challenges at both the macro and micro levels. Meaningful drawdowns are rarely the result of a single factor, especially in a diversified portfolio designed to balance risk; rather, it is a number of risk factors that, when combined, lead to extreme reversals.

Across capital markets, very little worked in 2018, as bonds faced rising rate headwinds through the balance of the year, and positive equity returns were wiped out in the last quarter with all major global equity indexes finishing the year in the red. While the market backdrop was formidable, several of our portfolio companies experienced unique regulatory and legislative challenges in 2018. Five of our portfolio companies - British American Tobacco, Dominion Midstream, Bayer, ING, and Johnson & Johnson - all suffered from headline risks during the year related to existing or new regulatory and legal headwinds that created pressure on valuation multiples. Three of the five companies still face unknown legal and regulatory pressures (British American Tobacco, Bayer, and Johnson & Johnson), and we exited all but Johnson & Johnson.

While we are disappointed in 2018 performance, we are extremely pleased that the fund generated income growth of approximately 20% for the year (adjusted to exclude the impact of asset flows and FX hedging profit and loss), meaningfully better than the global dividend growth rate of 14% estimated by IHS Markit for 2018. As we always detail in our investor letters, our first priority is to maximize and grow our investors' dividend income each year, regardless of the market environment. The sharp increase in 2018 dividends can be attributed to the strength of the global economy, the benefits of a lower US corporate tax rate, repatriation of offshore cash, and a second year of international developed earnings growth fueling management confidence. The last contributor to the portfolio's 2018 dividend growth rate is the management of the fund -- specifically adding to or initiating a new position prior to the ex-dividend date and trimming or selling a position immediately after the ex-dividend date. In the circumstances when we can adjust portfolio trading to align with the company's ex-dividend date, our investors can receive significant incremental portfolio cash flow during the year.

Aside from the level of income growth generated, the tax efficiency of the strategy in 2018 was high as the fund did not distribute short or long-term capital gains during the year. We believe efficient tax management is often overlooked as investors focus almost exclusively on printed performance returns and do not always consider the negative impact from tax drag due to realized short- and long-term capital gains on overall "take-home" performance.

During the fourth quarter, the US large-cap allocation represented approximately 52% of the portfolio and declined 11.8%, commensurate with the Russell 1000 Value Index but outperforming the S&P 500 and the Russell 1000 Growth Index. In a deep market drawdown (we would consider a 20% correction as such), we expect that value as a style should outperform its counterpart, growth, largely because the construction of a value index emphasizes more defensive sectors of the broad market. Our US allocation performed as we would have expected in this environment, capturing less of the downside relative to the S&P 500 and approximately 70% of the downside in the growth index. Our defensive positions such as Abbott Labs, Clorox, and Procter & Gamble performed well, while businesses with more cyclical earnings or exposure to US/China tariffs performed poorly.

Outside of the US, the fund's international investments represented approximately 44% of the portfolio and declined 12.1% during the quarter, slightly outperforming the MSCI World ex-US Index return of -12.8%. The MSCI World ex-US Index did outperform the S&P 500 during the fourth quarter but still finished the year -14.1% when reported in US dollars. International markets spent nearly the entire calendar year 2018 in negative territory after a very strong 2017. There were a number of macro headwinds, including the strengthening of the US dollar. Euro and sterling began the year at $1.21 and $1.35 and finished the year at $1.15 and $1.28, each devaluing by approximately 5%. We estimate that currency volatility negatively impacted the portfolio by 2%. Currency weakness and political uncertainty overshadowed decent corporate fundamentals across the regions. Within the eurozone, EPS expectations call for 6.2% earnings growth in 2018 and approximately 8.0% in 2019, a level that is similar to the forecasted growth rate for US earnings in 2019. After a difficult year for international equities, many investors are understandably skittish over non-US markets, however, we remind our readers that Blue Current is attempting to identify the best 20 or so companies based outside of the US to complement our US-based holdings. As we like to say, the US has most of the world's greatest businesses, but not all of them, and our flexible mandate allows us to go outside US borders to find them, especially when they are cheap.

We had a number of successes in the international portfolio, including Diageo, Novartis, Nestle, Sanofi, and Publicis, all of which declined less than 5% during the quarter. Unfortunately, these investments were more than offset by our exposure to cyclical businesses such as Bayer, British Petroleum, and LVMH.

Top 5 Contributors (Security / Contribution)*

Procter & Gamble: +23bps
Clorox: +5bps
Diageo: +0bps
Abbott Labs: -1bps
Novartis: -1bps

Bottom 5 Contributors

United Technologies: -79bps
Deutsche Post: -68bps
British American Tobacco: -58bps
Bayer: -50bps
Hasbro: -48bps

**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 took a few actions during the quarter to eliminate investments that we felt had downside earnings potential due to the economic backdrop or unquantifiable risk potential due to litigation or other regulatory headwinds. We sold Vodafone, SwissRe, British American Tobacco, Bayer, and PNC. As we addressed earlier, we believe both British American and Bayer have regulatory and legal liabilities that are difficult to quantify at the present time and we will remain on the sidelines until there is additional clarity. We initiated new positions in Prudential Plc, Anheuser Busch Inbev, and Air Liquide. We believe Prudential and Anheuser Busch are presently undervalued at 9x and 15x forward earnings, respectively, and both have three year catalysts. Prudential divested a major business segment in 2018 to focus on its fast growing life and health insurance business across emerging Asia and China, a region that is expected to grow mid-teens for the next several years. The company has been growing its dividend for well over a decade and yields 3.8%. We concede that Inbev has a long way to go to unwind its massive balance sheet after the acquisition of SABMiller in 2016, but ultimately believe its current multiple (5 points below its historical average / 25% below the sector average) is too pessimistic given its strong global portfolio. Beer may be losing share to wine and spirits in the US, but across emerging markets volumes continue to grow, input costs are starting to fall (aluminum and barley), and we think the debt burden is manageable, especially with little due until 2021. Lastly nearly 95% of the debt is at fixed rates.

The following companies announced dividend increases during the fourth quarter:

- Abbott Labs: 14%
- CoreSite: 12%
- Crown Castle: 7%
- Leggett & Platt: 5.6%
- International Paper: 5.3%
- ONEOK: 4%
- British Petroleum: 2.5%
- None of our portfolio companies announced a reduction in the dividend

For 2018, 25 of our portfolio companies announced an increase in shareholder dividend, of which four companies announced two dividend increases during the calendar year. As a reminder, our list only includes companies that announced during the quarter or year, and not those that may have announced an increase during the prior period.

INVESTMENT OUTLOOK

We encourage investors to focus on Blue Current's first priority, which is to grow the dividend income stream each year for our clients. Unfortunately, the growth in income coincided with a difficult total return, but we enter the new year with a portfolio that is as attractively valued as we have witnessed in at least eight years. As we have outlined in this letter, dividend growth, especially high dividend growth, as a factor was one of the worst performers in 2018, and we felt that pressure during the year. We do not know what the future holds, but as the economy and business cycle transitions to the next stage, we expect dividends and business models with high recurring cash flow will be appreciated more than in the recent past. In tougher periods, dividends do tend to represent a larger portion of an investor's total return. We believe the fourth quarter may have marked one of those transitions.

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 Capital Group (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 12-31-2018, the holding percentages of the stocks mentioned in this commentary are as follows: BP (2.89%), , OKE (1.97%), MSFT (3.92%), PNC (0.0%), ING (2.15%), SREN SW (0.0%), COR (2.79%), DPW (2.03%), VOD (0.0%), LEG (2.32%), CCI (3.25%), UL (3.26%), PG (2.77%), CLX (0.0%), NOVN (3.64%), ABT (2.58%), DEO (2.79%), UTX (3.14%), BTI (0.0%), BAYRY (0.0%), HAS (2.05%), IP (2.99%), BUD (2.51%), PUK (1.05%), AI FP (1.61%).