Dear Fellow Shareholder,

The RSQ International Equity Fund (the "Fund") celebrated its three year anniversary on November 27, 2016. As many of you know, our process is based on an international equity strategy that we created back in 1995 while working together at Julius Baer Investment Management. The team at R Squared utilizes both fundamental and macroeconomic analysis in our quest to correctly identify structural tailwinds and headwinds. Over the course of 20+ years, this has served us well.

For the period under review, November 1, 2015 to October 31, 2016, the RSQ International Equity Fund Institutional Shares returned -6.44%, underperforming the MSCI All Country World ex USA Index ("MSCI ACWI ex USA") benchmark return of +0.22%.

It was a challenging year, and one that was marked by extremes. Risk aversion was the main theme in late 2015/early 2016 which transitioned to a strong "risk on" environment thereafter. The Fund's performance was a tale of two regimes as well. We outperformed by +190 basis points during the downturn but significantly lagged during the "risk on" phase which saw equities and corporate bond prices move sharply higher. The table below details our performance over this period in greater detail.

Performance Regimes Over the Review Period*

	11/1/15 - 2/11/16	2/12/16 - 10/31/16
RSQ International Equity Institutional Shares	-13.50%	+8.05%
MSCI ACWI ex USA Index	-15.40%	+18.47%

* *2/11/16 represents the trough for benchmark performance for 2016*

While we do not like to lose money, our investment process led to some attractive risk characteristics relative to the benchmark. Over the course of the period, the Fund's volatility was significantly lower than the benchmark, coming in roughly 30% below the MSCI ACWI ex USA when looking at both standard deviation and beta. Additionally, we were able to provide some protection during down markets. Our down capture ratio versus the benchmark was about 92% and during the steep sell-off at the end of 2015 into February 2016, our max drawdown clocked in at -10.53% vs. -11.47% for the MSCI ACWI ex USA, saving roughly 100 basis points of performance.

Many of our performance challenges during the year had to do with our defensive positioning as we tended to favor safer, high quality names. We saw this as a way to improve the quality of the portfolio during what we perceived to be a risky period. Amid continued easy global monetary conditions and tepid but positive economic growth, we were clearly too defensive. We did, however, make adjustments throughout the year by increasing exposure to more cyclical firms and geographically, to some emerging markets. Large currency underweights to some of the more commodity-sensitive economies were also removed.

From a thematic perspective, the Fund is designed to harness structural tailwinds at the country, sector and company levels. Simply stated, we look for multi-year structural tailwinds and look to avoid structural headwinds. Currently, our overweight and underweight themes are as follows:

Overweight Themes	Underweight Themes
Financials	Utilities
Industrials	Pacific
Canada	Asia
EU	Real Estate

Heading into the New Year, we are proceeding with caution. On the macroeconomic front, U.S. economic data has been somewhat positive. The jobs data in particular began to point to a recovery, and we saw initial jobless claims fall to a level not seen since the 1970's. Obviously, strong U.S. economic growth is a positive for global growth as well. That said, the likelihood of a U.S. Federal Reserve (Fed) rate increase by the end of the year rose from a temporary 'Brexit' low to a nearly 100% probability after the election. The potential for rising U.S. interest rates and a strong U.S. dollar could reintroduce significant volatility across asset classes. Additionally, we believe the declining effectiveness of global central banks' actions represent a clear danger sign. Given the above risks, we must be pragmatic as there is, at least in the short-term, an increasingly likely chance of the rally continuing, and we want to be prepared to participate.

In conclusion, we want to thank our investors for the trust they have placed in us. We understand the challenges investors are facing with regards to their asset allocation decisions, and we believe we can help. Our investment process incorporates both rigorous fundamental research and macro perspectives as we seek to identify multi-year tailwinds and look to avoid structural headwinds. Additionally, our ability to tactically manage currency exposures and our background in fixed income could serve us well in the future. The portfolio represents our highest conviction ideas and incorporates a risk-managed and diversified approach to international equity investing. We strongly believe that time-tested principles will generate long-term results for our shareholders. Lastly, it is important for you to know that our personal assets are invested alongside yours, and we take the stewardship of that capital very seriously.

We appreciate your continued confidence, and we thank you for being our partners in the RSQ International Equity Fund.

Best Regards,

Richard Pell

Chairman

Mutual fund investing involves risk, including possible loss of principal. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, differences in generally accepted accounting principles, or from social, economic, or political instability in other nations. Emerging markets and small cap holdings involve heightened risk related to the same factors, as well as increased volatility and lower trading volume. REIT investments are subject to changes in economic conditions, credit risk and interest rate fluctuations. The fund may invest in derivatives, which are often more volatile than other investments and may magnify the Fund's gains or losses. The use of leverage by the fund managers may accelerate the velocity of potential losses.

RSQ Funds are distributed by SEI Investments Distribution Co., which is not affiliated with R Squared Capital Management or any other affiliate.

Definition of Comparative Index and Key Terms

The **MSCI All Country World ex USA Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI ex USA consists of 46 country indexes comprising 23 developed and 23 emerging market country indexes.

Beta: A measure of a fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

Standard Deviation: A statistical measure of the volatility of the fund's returns. It is a statistical measure of dispersion about an average and depicts how widely returns varied over a designated time period. The larger the standard deviation, the greater the volatility of return.

Up/Down Capture Ratio: Measures a fund's performance in up/down markets relative to the market/benchmark itself. It is calculated by taking the fund's upside/downside capture return and dividing it by the benchmark's upside/downside capture return.