

# Waycross Long/Short Equity Fund (WAYEX)

June 30, 2020

Waycross  
FUNDS

## Investment Adviser

Waycross Partners, LLC

**Total Waycross Partners AUA** \$1.0 billion  
(As of December 31, 2019; includes approximately \$106 million of discretionary assets under management)

## Portfolio Managers

**Benjamin H. Thomas, CFA**



21 years of experience

University of Kentucky, BS  
Indiana University, MBA

**John W. Ferreby, CFA**



29 years of experience

Dartmouth College, BS

## Investment Objective

The Waycross Long/Short Equity Fund seeks long-term capital appreciation with a secondary emphasis on capital preservation.

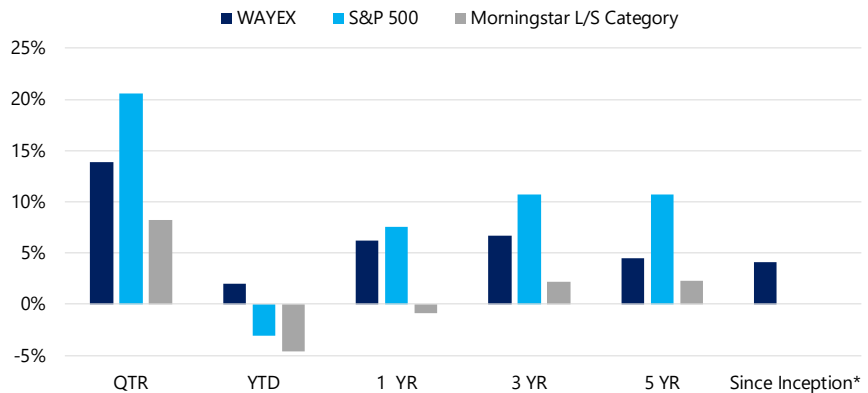
## Fund Facts

<b>Ticker</b>	WAYEX
<b>CUSIP</b>	90386H784
<b>Fund Assets</b>	\$68 million
<b>Fund Inception Date</b>	April 29, 2015
<b>Primary Benchmark</b>	S&P 500
<b>Overall Morningstar Rating</b>	★★★★
<b>Morningstar Category</b>	Long-Short Equity
<b>Turnover</b> (as of 4/30/2020)	37%
<b>Minimum Investment</b>	\$5,000

## Investment Strategy

Fundamental analysis using the Waycross Key Factor approach, combined with bottom-up company research with a comprehensive examination of stock valuation and market sentiment. Invests in long and short equity positions from a universe of approximately 300 U.S. publicly traded companies with a market cap above \$1 billion. Risk controls include liquidity requirements, periodic stress testing, and borrowing cost analysis. Sell discipline based on an analysis of Key Factors, valuation, and technical patterns.

## Performance: Net Returns through June 30, 2020



Total Returns	QTR	YTD	1 YR	3 YR	5 YR	Since Inception*
<b>WAYEX</b>	13.91%	2.03%	6.26%	6.72%	4.46%	4.07%
S&P 500	20.54%	-3.08%	7.51%	10.73%	10.73%	N/A
Morningstar L/S Category	8.19%	-4.57%	-0.87%	2.17%	2.33%	N/A
<b>+ / - Morningstar L/S Category</b>	<b>5.72%</b>	<b>6.60%</b>	<b>7.13%</b>	<b>4.55%</b>	<b>2.13%</b>	<b>N/A</b>

Morningstar L/S Category Rank**	19	13	25
Number of Funds in Category	196	172	136

Calendar Year Returns	2016	2017	2018	2019	YTD 2020
<b>WAYEX</b>	1.26%	13.06%	-8.80%	21.18%	2.03%
S&P 500	11.96%	21.83%	-4.38%	31.49%	-3.08%
Morningstar L/S Category	2.34%	11.18%	-6.29%	11.90%	-4.57%

\*Inception date is 04/29/2015

\*\*Rank in Category is the fund's total-return percentile rank relative to all funds that have the same Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1. The ranking may reflect the waiver of all or a portion of the fund's fees. Without such waiver, the fund's ranking may have been lower.

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 less than the original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end is available by calling 877-213-6570 or visiting [www.WaycrossFunds.com](http://www.WaycrossFunds.com).

Fund returns are annualized for periods longer than one year. The NAV does not take into account any sales charges that may apply when shares are purchased or redeemed; if sales charges were reflected, the Fund's quoted performance would be lower.

### Expenses

(as of May 31, 2020)

Management Fee: 1.25%, Expense Ratio (Net): 2.65%, Expense Ratio (Gross): 2.65%

Expense ratios include non-operating costs that are not paid directly from the Fund's net assets. Short dividend and interest expenses are examples of non-operating costs that are derived from the fact that a long-short fund borrows shares of a stock and does not own them.

Waycross Partners, LLC (the "Adviser") has contractually agreed, until June 30, 2021, to reduce Management Fees and reimburse Other Expenses to an amount not to exceed 1.75% of the Fund's average daily net assets. These expenses are exclusive of brokerage costs, taxes, interest borrowing costs such as interest expenses, extraordinary expenses such as litigation and merger reorganization costs and other expenses not incurred in the ordinary course of the Fund's business, and amounts, if any, payable pursuant to a plan adopted in accordance with Rule 12b-1 under the Investment Company Act of 1940, as amended (the "1940 Act").

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June 30, 2020

WAYCROSS  
FUNDS

## 5 YR Risk/Return Analysis (as of June 30, 2020)

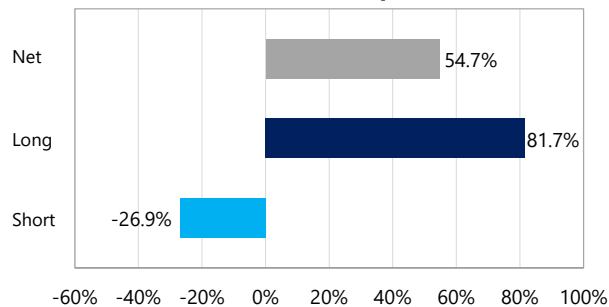
	WAYEX	S&P 500
Standard Deviation	10.59%	14.76%
Max Drawdown	-14.43%	-19.60%
Downside Capture	76%	100%
Upside Capture	62%	100%
Worst Month	-9.04%	-16.80%
	October 2018	October 2008
Worst Quarter	-14.43%	-19.60%
	Q4 2018	Q1 2020
Beta (vs S&P 500)	0.66	1.00
Sharpe Ratio	0.36	0.69
R <sup>2</sup>	84.74	100

## Holdings Profile (as of June 30, 2020)

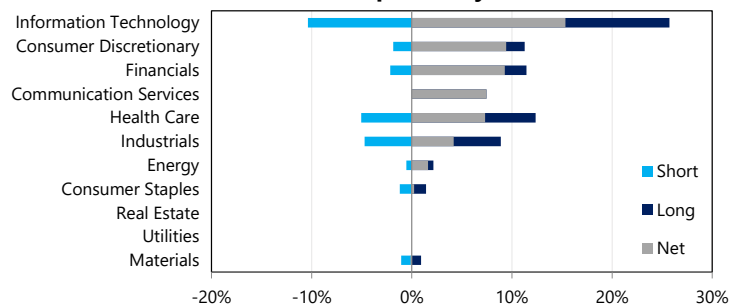
	Long Positions (% of Port)	Short Positions (% of Port)
Largest Five Positions	18.26%	-7.31%
Largest Ten Positions	31.74%	-13.47%
Number of Holdings	45	25

## Market Exposure (as of June 30, 2020)

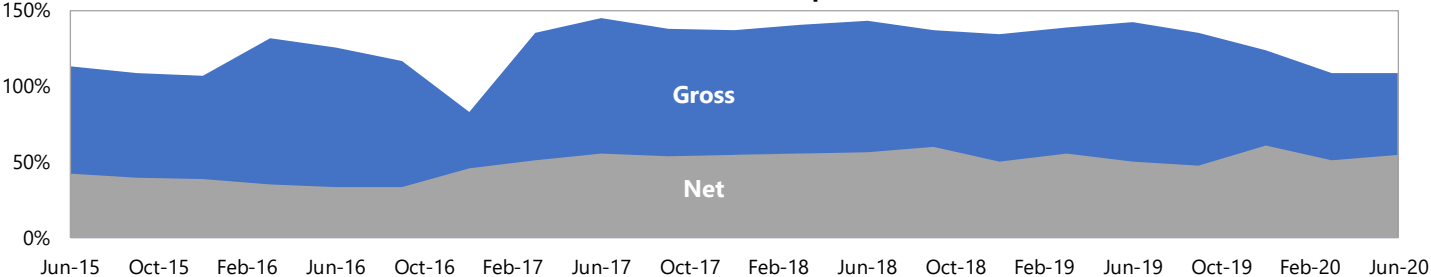
### Total Portfolio Exposures



### Exposure By Sector



### Historical Net Market Exposure



## Largest Holdings (as of June 30, 2020)

Long Positions			Ending Weight
Ticker	Security Name	Sector	
AAPL	Apple, Inc.	Information Technology	4.1%
MSFT	Microsoft Corporation	Information Technology	4.0%
AMZN	Amazon.com, Inc.	Consumer Discretionary	3.8%
MA	Mastercard, Inc.	Information Technology	3.2%
NVDA	NVIDIA Corporation	Information Technology	3.1%

Short Positions			Ending Weight
Ticker	Security Name	Sector	
ACN	Accenture Plc	Information Technology	-1.6%
TXN	Texas Instruments, Inc.	Information Technology	-1.5%
TROW	T Rowe Price Group, Inc.	Financials	-1.4%
CSCO	Cisco Systems, Inc.	Information Technology	-1.4%
IBM	International Business Machines Corp.	Information Technology	-1.4%

## Portfolio Contribution (as of June 30, 2020)

Top Contributors			
Ticker	Security Name	Average Weight	Contribution
AAPL	Apple Inc.	4.1%	1.6%
PYPL	PayPal Holdings Inc	2.3%	1.4%
AMZN	Amazon.com, Inc.	3.5%	1.3%
MSFT	Microsoft Corporation	4.1%	1.1%
NVDA	NVIDIA Corporation	2.8%	1.1%

Bottom Contributors			
Ticker	Security Name	Average Weight	Contribution
WDAY	Workday, Inc. Class A	-1.1%	-0.4%
TROW	T. Rowe Price Group	-1.4%	-0.4%
ACN	Accenture Plc Class A	-1.3%	-0.4%
ORLY	O'Reilly Automotive, Inc.	-0.7%	-0.4%
TXN	Texas Instruments Incorporated	-1.2%	-0.3%

Holdings in the Fund are subject to change. There is no guarantee the Fund continues to invest in the securities listed. Reference to specific holdings should not be a recommendation of such companies by the Fund's investment advisor. This report may reflect unsettled trades which would impact money market balances. Current and future portfolio holdings are subject to risk.

## Definitions and Important Information

**Beta** is a measure of the volatility of a fund relative to its benchmark index. A beta greater (less) than 1 is more (less) volatile than the index. **Sharpe Ratio** is a risk-adjusted measure calculated using standard deviation and excess return to determine reward per unit of risk. The higher the ratio, the better the fund's return per unit of risk. **Standard Deviation** measures the historical volatility of a fund. The greater the standard deviation, the greater the fund's volatility. **Turnover Rate** is the lesser of amounts of purchases or sales of long-term portfolio securities divided by the monthly average value of long-term securities owned by the fund. **R<sup>2</sup>** is the percentage of a portfolio's performance explainable by the performance of a benchmark index.

**Expense Cap** represents a voluntary cap on the expenses borne by the fund, which indicates the maximum level of expenses (with certain exceptions) that the fund would pay. Voluntary expense caps are not reflected in the fund's net expense ratio and may be discontinued or revised at any time. Without the cap, fund returns may be lower. **Gross Expense Ratio** is the total annual fund or class operating expense ratio from the most recent prospectus (before waivers or reimbursements) and generally is based on amounts incurred during the most recent fiscal year. **Management Fee** is the fee paid by the fund to Waycross Partners, LLC for managing its investments and business affairs. **Net Expense Ratio** is the total annual fund or class operating expense ratio from the most recent prospectus, after any fee waiver and/or expense reimbursements that will reduce any fund operating expenses for no less than one year from the effective date of the fund's registration statement. This number does not include any fee waiver arrangement or expense reimbursement that may be terminated without agreement of the fund's board of trustees during the one-year period.

**Morningstar Averages** represent the average return of all funds within their respective fund investment category. The number of funds in each category periodically changes. Each Morningstar Average reflects the performance (excluding sales charges) of funds with similar objectives.

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## Disclosures

**Before you invest in the Waycross Long/Short Equity Fund, please refer to the prospectus for important information about the investment company, including investment objectives, risks, charges and expenses. You may also obtain a hard copy of the prospectus by calling (866) 267-4304 or visiting [www.Waycrossfunds.com](http://www.Waycrossfunds.com). The prospectus should be read carefully before you invest or send money.**

The Fund is offered only to United States residents, and the information on this site is intended only for such persons. Nothing on this web site should be considered a solicitation to buy or an offer to sell shares of any fund in any jurisdiction where the offer or solicitation would be unlawful under the securities laws of such jurisdiction.

The **S&P 500 Index** is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance. You cannot invest directly in an index. All market indices are unmanaged.

The Waycross Long Short Equity Fund ("the Fund") is not sponsored, endorsed, sold or promoted by Morningstar, Inc. or any of its affiliates (all such entities, collectively, "Morningstar Entities"). The Morningstar Entities make no representation or warranty, express or implied, to individuals who invest in the Fund or any member of the public regarding the advisability of investing in equity securities generally or in the Fund in particular or the ability of the Fund to track the Morningstar L/S Index or general equity market performance. THE MORNINGSTAR ENTITIES DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF WAYCROSS LONG/SHORT EQUITY OR ANY DATA INCLUDED THEREIN AND MORNINGSTAR ENTITIES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. One cannot invest directly in an index.

The Fund is actively managed and its investment holdings will vary. Overall equity market risks may affect the value of your investment. This fund is not suitable for all investors and there are special risks associated with Long/Short investing. There is risk that the fund's long or short positions will not perform as expected. Losses on one type of position could more than offset gains on the other, or both long and short positions may suffer losses. A short position will lose value as the security's price increases. Theoretically, the loss on a short sale can be unlimited.

The Waycross Long/Short Equity Fund is distributed by Ultimus Distributors, LLC. Mutual fund investing involves risk. Principal loss is possible.

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