



Pacific Income Advisers PIA BBB BOND FUND

AS OF DECEMBER 31, 2011

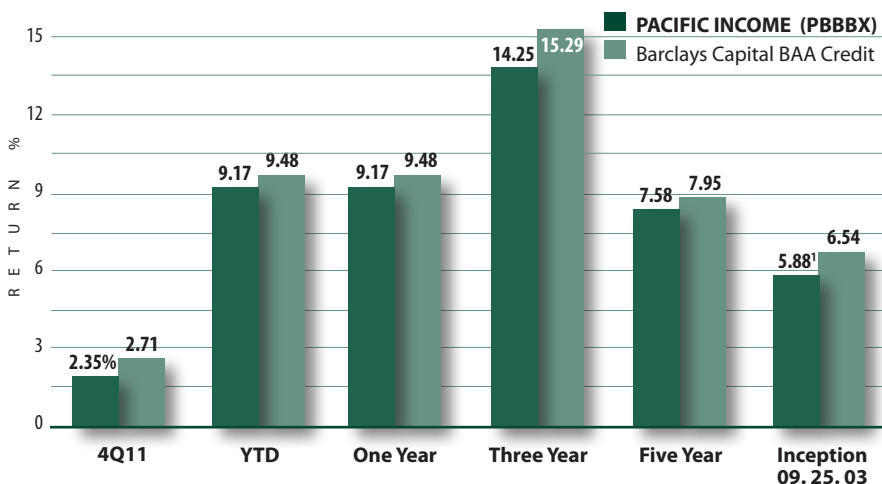
INVESTMENT PHILOSOPHY

We Know that the various yield curve sectors within the bond market are periodically torqued by cyclical, monetary or market pressures, which can lead to mispricings and create opportunities to produce excess return. **We Intend** to exploit these periodic opportunities by risk-adjusting the various yield curve sectors utilizing yield curve and sector analysis. **We Seek** to capitalize on these opportunities to earn above-average risk-adjusted yields, while creating the potential for capital gains as these sectors return to their fair value.

INVESTMENT PROCESS

- » **Yield Curve Analysis** PIA deconstructs the Barclays Capital Baa Credit Index into the major maturity sectors. Bonds are then selected to approximate the same maturity sector weightings as the benchmark index.
- » **Security Research** We employ outside credit research services in addition to internal analysis for selected securities to help determine the weighting of the various issuers compared to the benchmark index.
- » **Portfolio Construction** The Fund primarily invests in BBB rated bonds in the following industries: Industrial, Finance, Utilities and Foreign Sovereign debt. After having determined the target sector, maturity and issuer weighting that helps approximate the index, the Adviser looks for what he believes are the most attractive issues. The Adviser may attempt to take advantage of the yield differentials among industries.
- » **Portfolio Management** The Fund's portfolio management team follows the Macro Strategy Group's overall outlook for the bond market and adheres to the investment guidelines contained within the prospectus.

ANNUALIZED PERFORMANCE as of 12.31.11



*The Adviser has agreed to voluntarily reimburse the Fund to the extent necessary to limit the Net Expense Ratio for the BBB Bond Fund to an annual rate of 0.00%. The Adviser may discontinue reimbursing the Fund at any time.

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. Performance data current to the most recent month end may be obtained by calling 1-800-251-1970. Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced.

**For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ (based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. The PIA BBB Bond Fund was rated against the following numbers of U.S. domiciled Long Term funds over the following time periods: 47 funds in the last three years and 42 funds in the last five years. With respect to these Long Term funds, the PIA BBB Bond Fund received a Morningstar Rating of 4 stars and 3 stars for the three- and five-year period respectively. Past performance is not guarantee of future results. Morningstar, Inc., is an independent mutual fund research and rating service. Each Morningstar category represents a universe of funds with similar investment objectives. Rankings for the periods shown are based on fund total returns with dividends and distributions reinvested and do not reflect sales charges. The highest percentile rank is 1 and the lowest is 100. © 2012 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

INVESTMENT OBJECTIVE

The **PIA BBB Bond Fund's** investment objective is to seek to provide a total rate of return that approximates that of the Barclays Capital Baa Credit Index.

THE FIRM

Ownership	Independent and Employee-owned
Inception	1986
Location	Santa Monica, California
Employees	39
Firm Assets	\$3.9 billion

FUND FACTS

Style Benchmark	Barclays Capital Baa Credit Index
Symbol	PBBBX
CUSIP	007989577
Net Asset Value (NAV)	\$9.80
Fund Assets	\$269 million
Fund Inception	09.25.03
Expense Ratio	0.12%
Net Expense Ratio*	0.00%



U.S.-domiciled Long Term Bond Fund Rating

as of 12.31.11	Overall ★★★ (out of 47 funds)
	3 Yr ★★★★ (out of 47 funds)
	5 Yr ★★★ (out of 42 funds)

Peer Group Ranking

as of 12.31.11	1 Yr	55th % (out of 61 funds)
	3 Yr	39th % (out of 47 funds)
	5 Yr	44th % (out of 42 funds)

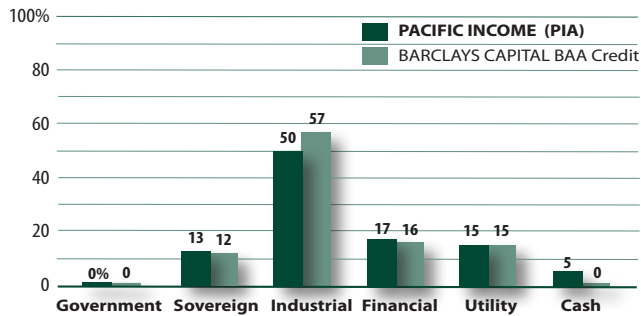
The Overall Morningstar Rating™ for a fund is derived from a weighted average of the risk-adjusted returns associated with its three-, five-, and ten-year Morningstar Rating™ metrics based on risk-adjusted performance.



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SECTOR ALLOCATION %



DURATION DISTRIBUTION

	PIA	BARCLAYS CAPITAL BAA
0-2 Year	6%	7%
2-4 Years	16%	18%
4-6 Years	30%	23%
6-8 Years	13%	18%
8-10 Years	2%	6%
10+ Years	33%	28%

BEST / WORST RETURNS

	BEST	WORST
Three Month	11.66%	-14.39%
<i>ended</i>	7.31.09	10.31.08
One Year	34.53%	-15.05%
<i>ended</i>	10.31.09	10.31.08
Three Year	17.55%	-2.23%
<i>ended</i>	10.31.11	10.31.08

QUALITY DISTRIBUTION²

	PIA	BARCLAYS CAPITAL BAA
Government	5%	0%
AAA	0%	0%
AA	0%	0%
A	0%	0%
BBB	94%	100%
Below BBB	1%	0%



Pacific Income Advisers

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PORTFOLIO CHARACTERISTICS

	PIA	BARCLAYS CAPITAL BAA
Duration	7.1	7.3
Weighted Avg. Life	11.0 yrs	11.7 yrs
30-day SEC Yield (subsidized/ unsubsidized)	4.4 / 4.3%	n/a
No. of Securities	176	2,044

Pacific Income Advisers, Inc. (PIA) is an autonomous investment management firm registered under the Investment Advisers Act of 1940. PIA manages a variety of fixed income, equity, and balanced assets for primarily United States clients. The information contained herein is based on internal research derived from various sources and does not purport to be statements of all material facts relating to the securities mentioned. Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and may be obtained by calling 800-251-1970 or visiting www.PIAMutualFunds.com. Read carefully before investing.

Mutual Fund investing involves risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. The fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. The Fund may also use options and future contracts, which have the risks of unlimited losses of the underlying holdings due to unanticipated market movements and failure to correctly predict the direction of securities prices, interest rates and currency exchange rates. The Fund may invest in swaps investment derivatives. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. These risks are fully disclosed in the Prospectus.

¹ The Fund was invested primarily in U.S. Treasury securities on the inception date in September 2003 following a \$200,000 investment by the Adviser (Pacific Income Advisers – PIA). The Fund remained invested primarily in U.S. Treasury securities until mid January 2004 when PIA clients commenced investing in the Fund. At that time, the Fund began investing in BBB rated bonds. U.S. Treasury securities held in the Fund provided a lower return than BBB rated bonds for the period from inception to January 13, 2004 (1.62% for the Fund compared to 3.95% for the Lehman Baa Credit Index) as Baa spreads over Treasuries narrowed from 166 basis points to 136 basis points.

Barclays Capital Baa Credit Index: an unmanaged index consisting of bonds rated Baa. The issues must be publicly traded and meet certain maturity and issue size requirements. Bonds are represented by the Industrial, Utility, Finance and non-corporate sectors. Non-corporate sectors include sovereign, supranational, foreign agency and foreign local government issuers. You can not invest directly in an index.

² Quality ratings displayed above use the same rating methodology as the Barclays Index. Securities that are rated by three rating agencies, (Moody's, S&P and Fitch) will receive the middle of the three ratings. Securities that are rated by only two agencies will receive the lower of the two ratings. Securities rated by only one agency will receive that rating while securities not covered by any of the three agencies will receive a non-rated (NR) rating. Bond ratings start at Aaa (denoting the highest investment quality) and usually end at D (meaning payment is in default).

Duration is a commonly used measure of the potential volatility of the price of a debt security, or the aggregate market value of a portfolio of debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

SEC Yield is a standardized yield computed by dividing the net investment income per share earned during the 30-day period prior to quarter-end. The SEC Yield was created to allow for fairer comparisons among bond funds. The SEC yield (subsidized) reflects the effects of the fee waiver in place and the (unsubsidized) yield does not reflect the effects of the fee waiver.

Basis Point: is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form.

The PIA Funds are distributed by Quasar Distributors, LLC