

Investment Objective

The investment objective of the Westwood MLP and Strategic Energy Fund is to seek to provide total return through a combination of capital appreciation and current income.

Strategy Description

The Westwood MLP and Strategic Energy Fund pursues total return by investing in Master Limited Partnerships (MLPs), MLP-like securities, and energy related companies.

MLP-like securities and energy-related investments are securities with exposure to industries affiliated with the energy sector, such as midstream infrastructure (e.g. pipelines), distribution and production. Such holdings may include:

- Corporations that are general partners of MLPs
- Utilities
- Exploration and production companies
- Shipping Companies
- Yieldcos (utility companies that own renewable energy assets)

Market Commentary

The second quarter meeting of the Organization of Petroleum Exporting Countries (OPEC) did not deliver an oil price inflection. Instead, OPEC merely extended the pre-existing production cut an additional nine months. Notably, the original cut was announced in November but effective in January, giving OPEC members several weeks to increase production levels before tapering back to establish compliance. Altogether, the lack of deeper cuts or further extensions left the market incrementally more bearish on oil prices. The Alerian MLP Index broke a four-quarter rising streak with a negative total return of 6.4% as oil prices fell 9.0% and natural gas fell 4.9%. Energy sector optimism waned amid rising domestic rig counts and production that kept inventory storage levels stubbornly high. Pipeline construction delays as well as headline risk from regulation and permitting outweighed encouraging signs in Midstream of rising volume expectations. Potential risk of capacity overbuild resurfaced in several basins while new organic growth as well as acquisition activity could not ignite a lasting rally. The Philadelphia Utilities Index rose 3.1% including dividends, extending gains from earlier in the year as Treasury yields defied expectations and moved lower. The U.S. 10-year Treasury yield continued its descent to 2.30% by quarter-end as compared to 2.39% at March 31 and 2.45% at the end of 2016.

Performance Drivers

Relative portfolio performance was primarily driven by allocation effect. Selection effect was strong in Shipping and Utilities but weak in Natural Gas Pipelines and Gathering &

Processing. Allocation effect was strongest in Crude Oil & Refined Products and weakest in Natural Gas Pipelines. Although down in the quarter, our General Partner exposure was additive to relative performance.

The top contributor to performance was NextEra Energy Partners which benefited from a bright outlook and an announcement to improve corporate governance. Tesoro Corp. outperformed on an earnings beat and its own initiatives to use cash from MLP drop-downs as a means to return capital to shareholders in addition to a merger with Western Refining. TransCanada Corp. benefited from an earnings beat and dividend growth above the guided range. Pembina Pipeline Corp. was rewarded for identifying Canada's Veresen as an acquisition target that is immediately accretive. VTTI Energy Partners benefited from being acquired by Buckeye Partners during the quarter at an amended higher price than the original offer, \$19.50 versus \$18.75.

Energy Transfer Partners lagged due to potential project delays and the departure of the former CEO of Sunoco Logistics, which was acquired by the company. Targa was weighed down by a large equity offering needed to fund a new pipeline announced. Kinder Morgan struggled with lack of clarity in Trans Mountain permitting, dividend growth and de-levering. SemGroup struggled in the wake of an acquisition that is near-term dilutive and increases balance sheet leverage. Plains GP Holdings underperformed after a surprisingly disappointing quarter in the NGL segment.

2Q17 Largest Contributors and Detractors

Five Largest Contributors

NextEra Energy Partners L.P.
Tesoro Corp.
TransCanada Corp.
Pembina Pipeline Corp.
VTTI Energy Partners L.P.

Five Largest Detractors

Energy Transfer Partners L.P.
Targa Resources Corp.
Kinder Morgan Inc. Class P
SemGroup Corp. Class A
Plains GP Holdings L.P. Class A

Westwood MLP and Strategic Energy Fund Performance as of 6/30/17

			Annualized
	2 nd Quarter	1 Year	Since Inception*
Westwood MLP and Strategic Energy Fund	-5.83%	1.74%	-10.10%
Alerian MLP Index	-6.35%	0.402%	-9.92%

**Inception date is 12/29/14. The performance data quoted represents past performance. Past performance is not indicative of future results. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Total expense ratio for the Fund is 1.28% (gross) and 1.00% (net). The Adviser has contractually agreed to waive fees and reimburse expenses until February 28, 2018. In the absence of current fee waivers, performance would be reduced. For performance data current to the most recent month end, please call 1-877-FUND-WHG or visit our website at westwoodfunds.com.*

The Alerian MLP Index is the leading gauge of large- and mid-cap energy Master Limited Partnerships (MLPs). The float-adjusted, capitalization-weighted index, which includes 50 prominent companies and captures approximately 75% of available market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis (AMZX).

Top 10 Holdings as of 6/30/17*

Enbridge Inc.	Macquarie Infrastructure Corp.
Energy Transfer Partners L.P.	Dominion Energy Inc.
Kinder Morgan Inc. Class P	EQT Corp.
TransCanada Corp.	Enable Midstream Partners L.P.
Sempra Energy	EOG Resources Inc.

**Top 10 holdings represent 38.17% of the total portfolio. Holdings are subject to change. Current and future holdings are subject to risk.*

Philadelphia Utilities Index is an index composed of geographically diverse public U.S. utility stocks.

Mutual fund investing involves risk, including possible loss of principal. In addition to the normal risks associated with investing, bonds and bond funds are subject to interest rate risk and will decline in value as interest rates rise. High yield bond funds are speculative and carry a greater degree of risk. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from social, economic or political instability in other nations. . Investments in smaller companies typically exhibit higher volatility. The Funds may invest in derivatives, which are often more volatile than other investments and may magnify a Fund's gains or losses. Investments in securities of MLPs involves risk that differ from investments in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP. MLP common units and other equity securities can be affected by economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer. MLP investments in the energy industry entail significant risk and volatility. MLPs are subject to significant regulation and may be adversely affected by changes in the regulatory environment including the risk that an MLP could lose its tax status as a partnership. The Fund is not diversified. There is no guarantee that the Fund will achieve its stated objective, which can be found in the prospectus, or that of the strategy.

To determine if this Fund is an appropriate investment for you, carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and other information can be found in the Fund's summary or full prospectus, which may be obtained by calling 1.877.FUND.WHG (877-386-3944), or by visiting our website at westwoodfunds.com. Read the prospectus carefully before investing or sending money.

This material represents the manager's assessment of the market environment and should not be relied upon by the reader as research or investment advice regarding any security, nor is it intended to be a forecast of future events or a guarantee of future results.

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