The Sandbox Is Getting Bigger

As we sift through a pile of year-end recaps, we are somewhat taken aback by the transformation we've witnessed in the event-driven space. What once consisted primarily of merger-arbitrage trades has grown into a sizable variety of catalyst-driven opportunities, including pre-event trades, special situations, spins, cross-asset event ideas, post-M&A execution, roll-ups (not to mention actual definitive deals!), on and on the list goes. The characterization of event-driven has evolved quite dramatically, and that's our point: **the playing field is decidedly larger.** On our team, we've come around to using the analogy "the sandbox is getting bigger," as there are just that many more ways to express views, play events and protect exposures.

Said differently, and in homage to "Jaws" fans everywhere, for these days in event-driven investing, "we're gonna need a bigger boat." This past year, we have written about several favorable market conditions: supply-demand dynamics, the sheer size and pace of deals occurring, the increasing number of securities to express trades, and the resetting of risk-adjusted spreads to competitive—and attractive—levels. These are a few of the factors that lead us to find the 2016 opportunity set as compelling as we do, and why we think the traditional rules of the game have been turned upside down.

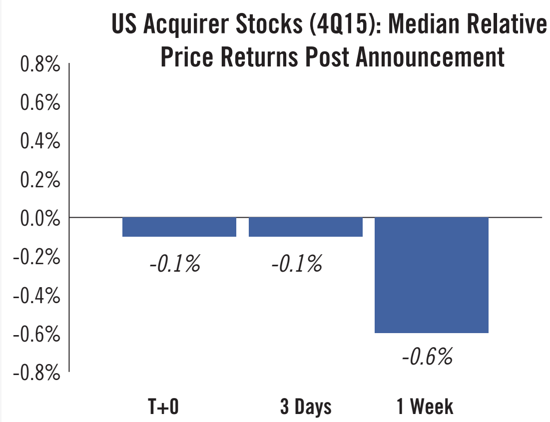
A tale of two halves

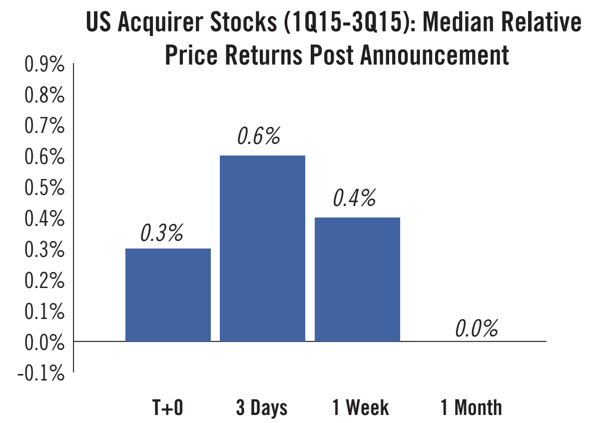
Before we turn to 2016, let's quickly highlight what has transpired in 2015. Deal activity was exceptionally robust this past year. For example, consider the number of spin-offs consummated in 2015. Year to date, the market is on track to achieve nearly 40 spins of greater than $500 million, a level roughly four times what typically occurs in any given year.

The first half of 2015 was characterized by acquirer stock appreciation on deal announcement, record cheap financing, underplaying of synergy benefits, and the rewarding of highly active roll-up stories. Throughout the second part of the year, we have seen a formative shift in investor reaction and assessment of events. Bogged down by a handful of crowded unwinds, deal breaks, and intensified regulatory risk, the market is more heavily discounting potential value creation and benefits resulting from corporate actions. As shown in Exhibit 1, the stock of acquiring companies post-deal announcement has underperformed in the final quarter of the year as compared to the first three quarters of 2015.

EXHIBIT 1:

Median Relative Returns for Announced Deals Has Been Negative in the Fourth Quarter as Compared to the Previous Three Quarters





Source: Morgan Stanley

Further, stock-only deals have comprised 18% of deal activity quarter to date, a significant jump versus the first three quarters of the year (Exhibit 2). Generally, all-stock deals tend to underperform on announcement, and during the fourth quarter, cash-only deals have continued to perform much as they did during the rest of the year. As we have seen with roll-up stories, levered companies and sponsor mergers, the market is now requiring a higher risk premium for exposure to these events, thereby affecting the performance of such strategies.

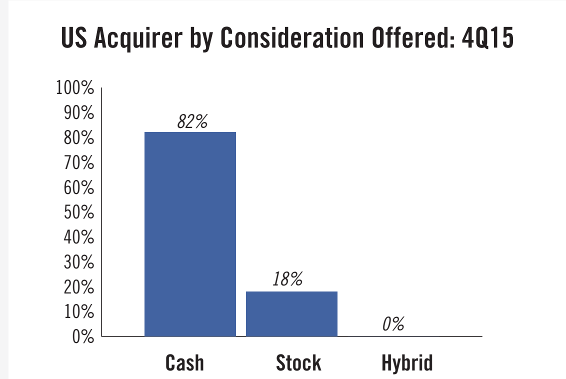
So where does that leave the event-driven space going forward?

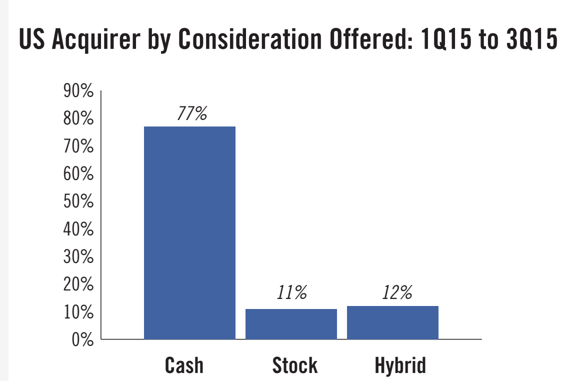
As we stated, the sandbox is getting bigger. More opportunities, especially among companies with fuller capital structures, is a welcome development for teams like ours that conduct capital structure analysis and have expertise across asset classes. Further, the ability to move across the credit spectrum is becoming increasingly appealing, compared to a year ago when credit spreads were just starting to retreat from near all-time tights.

The growing size of the event universe is illustrated in Exhibit 3, which lists current outstanding definitive deals of $3 billion or more. That there are 41 deals of such size points to the **breadth and magnitude of deal activity**. The top 17 deals are all above $10 billion. No wonder 2015 is on pace to be the largest M&A year on record with $3.2 trillion in announced transactions through the end of November. Event-driven investors are finding not only a significant number of deals occurring but the deals are frequently of an exceptional size.

EXHIBIT 2:

All-cash and All-stock Deal Activity for Q4 versus Q1 – Q3





Source: Morgan Stanley

EXHIBIT 3:
Morgan Stanley Desk List of Definitive Deals That Are >$3B in Value, as of December 11, 2015

				Consideration			Returns		
Target	Acquiror	Value	Closing	Stock	Cash	D/U	Dollar	Gross	Annualized
ANNOUNCED	**DEFINITIVE**	**687,034**							
AGN	PFE	123,495	08/31/16	11.3000	$0.00	1.2	53.29	14.0%	19.2%
TWC	CHTR	51,372	06/10/16	0.5409	$100.00	0.7	16.40	9.8%	19.8%
EMC	VMW	49,599	06/30/16	0.1110	$24.05	0.3	5.03	20.7%	38.7%
CI	ANTM	35,433	09/30/16	0.5152	$103.40	0.7	32.50	22.7%	28.0%
BRCM	AVGO	34,710	12/31/15	0.2004	$29.55	5.7	1.50	2.5%	37.5%
PCP	BRK/B	31.875	01/15/16	0.0000	$235.00	12.2	3.33	1.5%	13.0%
CB	ACE	29,497	03/31/16	0.6019	$62.93	14.9	1.50	1.4%	4.5%
HUM	AET	24,951	09/30/16	0.8375	$125.00	0.1	41.66	25.1%	31.0%
WMB	ETE	24,870	05/31/16	1.5274	$8.00	12.7	0.45	2.7%	5.6%
BHI	HAL	22,899	02/28/16	1.1200	$19.00	0.6	9.04	17.4%	96.1%
ALTR	INTC	16,008	01/31/16	0.0000	$54.00	13.9	1.15	2.5%	16.8%
SNDK	WDC	15,038	09/30/16	0.0176	$85.10	1.5	11.29	16.3%	20.0%
CAM	SLB	12,681	02/28/16	0.7160	$14.44	26.1	1.56	1.3%	5.4%
FSL	NXPI	11,803	12/07/15	0.3521	$6.25	NM	(0.01)	0.0%	-2.3%
HOT	MAR	11,640	06/30/16	0.9200	$8.20	2.2	2.57	4.7%	8.3%
ALU	NOK	11,366	03/14/16	0.5500	$0.00	NM	0.05	-0.7%	-2.3%
KLAC	LRCX	10,390	06/30/16	0.5000	$32.00	2.0	3.58	7.0%	12.5%
ARG	AI.FP	9,915	06/30/16	0.0000	$143.00	4.3	5.43	5.3%	9.4%
TW	WSH	9,183	12/16/15	2.6490	$10.00	3.6	(1.81)	-1.4%	-32.0%
MWE	MPLX	8,622	12/04/15	1.0900	$6.20	234.1	0.11	0.2%	128.9%
PCL	WY	8,576	04/15/16	1.6000	$0.00	8.9	0.91	1.7%	4.8%
RAD	WBA	8,265	08/31/16	0.0000	$9.00	1.7	1.10	13.9%	19.1%
CVC	ATC.NA	8,248	05/31/16	0.0000	$34.90	0.1	5.09	17.1%	37.7%
GAS	SO	7,492	09/30/16	0.0000	$66.00	2.6	3.70	8.5%	10.3%
PRE	EXO.IM	6,658	01/31/16	0.0000	$137.50	17.9	(1.47)	1.1%	7.0%
POM	EXC	6,609	12/18/15	0.0000	$27.25	3.5	1.19	4.6%	196.4%
SIRO	XRAY	6,255	02/15/16	1.8142	$0.00	NM	1.59	1.3%	6.6%
TE	EMA.CN	6,188	06/30/16	0.0000	$27.55	2.2	1.25	7.3%	13.0%
KING	ATVI	5,604	03/31/16	0.0000	$18.00	11.2	0.24	1.4%	4.2%
DYAX	SHPG	5,497	02/15/16	0.0000	$37.30	NM	(0.06)	-0.2%	-0.8%
CYT	SOLB BB	5,377	12/31/15	0.0000	$75.25	77.0	0.11	0.3%	4.2%
YOKU	BABA	5,282	02/28/16	0.0000	$27.60	NM	0.64	2.4%	10.3%
HNT	CNC	4,853	01/31/16	0.6220	$28.25	16.5	0.78	1.2%	7.9%
SFG	Meiji Yasuda Life	4,812	02/01/16	0.0000	$115.00	23.4	1.37	2.3%	15.2%
PNY	DUK	4,582	12/15/16	0.0000	$60.00	4.6	2.15	6.0%	5.8%
NGLS	TRGP	3,951	03/15/16	0.6200	$0.00	2.3	1.39	7.8%	30.3%
FNFG	KEY	3,810	09/15/16	0.6800	$2.30	4.3	0.37	4.1%	5.3%
ODP	SPLS	3,652	03/09/16	0.2188	$7.25	0.1	3.21	47.8%	334.8%
SYA	Sumitomo Life	3,677	03/31/16	0.0000	$32.00	11.3	0.34	2.1%	6.7%
ATML	DLG.GY	3,602	02/29/16	0.1120	$4.65	6.5	0.28	3.7%	16.2%
AWAY	EXPE	3,384	01/15/16	0.2065	$10.15	33.2	0.22	0.5%	4.2%

Source: Morgan Stanley

The number of different areas of the market that we believe offer attractive rates of return has increased significantly. As is often the case, the opportunity has arisen from a period of pain. Event-driven investors have contended with their fair share of landmines this year, which resulted in a broad based rerating and reassessment of risk.

Specifically, now that risk-arb spreads have reset 50%-100% in many cases (see our discussion of risk arb in last month's commentary for more details), we believe there are compelling risk arbitrage opportunities to achieve double-digit annualized rates of return.

EXHIBIT 4: Prospective Annualized Returns:
October 15 versus December 8, 2015

Target	Acquirer	Deal Announced	Expected Close	Prospective Annualized Return, 10/15/2015	Prospective Annualized Return, 12/8/2015	Prospective Increase/(Decrease), Annualized Return
Baker Hughes	Halliburton	11/17/2014	5/1/2016	23.6%	61.7%	**38.1%**
Time Warner Cable	Charter	5/26/2015	5/30/2016	12.1%	21.0%	**8.9%**
Humana	Aetna	7/3/2015	8/15/2016	23.8%	37.9%	**14.1%**
Cablevision	Altice N.V.	9/17/2015	6/30/2016	8.5%	35.2%	**26.7%**
EMC	Dell	10/12/2015	6/1/2016	20.0%	37.2%	**17.2%**

Source: Driehaus Capital Management, Bloomberg
Some securities are current holdings and current holdings are subject to change.

Within the risk-arb space, 'riskier' merger-arbitrage spreads—those with either potential regulatory or financing risk—have seen prospective annualized returns balloon. For an idea of how much such spreads have widened, Exhibit 4 compares prospective annualized returns as of October 15 to those implied as of December 8 for five of the most popular 'high-return' merger arbitrage spreads.

Why the dramatic increase in spreads? In large part because investor concerns have reduced risk budgets, plus the huge inflow of supply via the supercharged M&A environment. The result has been a significant widening in deal spreads and a commensurate increase in the annualized returns offered.

Outside of risk arb, cross-asset opportunities continue to pop up as not all parts of the capital markets are disseminating the same message—just look at the disparate outcomes of the S&P 500 and high yield this past quarter. Additionally, within the equity markets we continue to see sectors faced with diverging fundamentals and changing landscapes. While the energy space is first to come to mind given the carnage experienced over the last 18 months, health care, retail, semiconductors and legacy technology are a few additional examples of industries that are dealing with seminal changes. As corporations are faced with a shifting Federal Reserve backdrop and minimal organic growth, we anticipate that the trend of corporate actions established over the last two years will continue.

Until next year, we wish you a happy holiday season spent with friends and family,

K.C., Michael, Yoav & Matthew

K.C. Nelson
Portfolio Manager

Michael Caldwell
Assistant Portfolio Manager

Yoav Sharon
Assistant Portfolio Manager

Matthew Schoenfeld
Assistant Portfolio Manager

DEVDX Performance Review

In November, the fund returned -1.70% with 7.8% volatility versus the S&P 500 Index return of 0.30% with 13.0% volatility.[1] There were 54 event trades in the fund during the month with 35 contributors and 19 detractors. Risk arbitrage trades contributed 45 basis points to returns for the month, while equity catalyst-driven trades detracted 164 basis points.

Our largest contributor on the month was an equity investment in a merger target that we have previously written about, contributing 88 bps. Additionally, some of our idiosyncratic biotech exposure contributed to performance on the month (+112 bps), as investors sentiment warmed up ahead of nearing data readouts. By comparison, a hedge on these exposures detracted 69 bps. Lastly, we had an equity-catalyst trade in retail that detracted 130 bps on the month after the company reported disappointing earnings and did not provide the strategic plan the market was hoping for.

PERFORMANCE

MONTH-END (%) – 11/30/15

	MTD	YTD	1 Year	Since Inception[2]
Driehaus Event Driven Fund	-1.70%	-1.29%	-4.25%	0.88%
S&P 500 Index[3]	0.30%	3.01%	2.75%	12.69%
Citigroup 3-Month T-Bill Index[4]	0.00%	0.02%	0.02%	0.03%

CALENDAR QUARTER-END (%) – 9/30/15

	QTR	YTD	1 Year	Since Inception[2]
Driehaus Event Driven Fund	-5.12%	-1.39%	-4.63%	0.90%
S&P 500 Index[3]	-6.44%	-5.29%	-0.61%	9.31%
Citigroup 3-Month T-Bill Index[4]	0.01%	0.02%	0.02%	0.03%

ANNUAL FUND OPERATING EXPENSES[5]

Management Fee 1.00%
Other Expenses Excluding Dividends & Interest on Short Sales 0.35%
Dividends and Interest on Short Sales 0.45%
Total Annual Fund Operating Expenses 1.80%

[1]**Performance Disclosure**
The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. **Since Fund performance is subject to change after the month-end, please call (877) 779-0079 or visit www.driehaus.com for more current performance information.**

[2]The Driehaus Event Driven Fund has an inception date of August 26, 2013. [3]The Standard & Poor's ("S&P") 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group. It is a market-weighted index (stock price times number of shares outstanding), with each stock's weight in the index proportionate to its market value. [4]The Citigroup 3-Month T-Bill Index is designed to mirror the performance of the 3-Month U.S. Treasury Bill. The Citigroup 3-Month T-Bill Index is unmanaged and its returns include reinvested dividends. [5]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2015. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented.

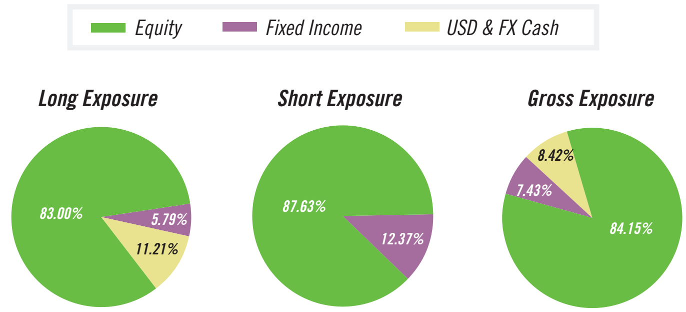
Investments in overseas markets can pose more risks than U.S. investments, and share prices are expected to be more volatile than that of a U.S.-only fund. The Driehaus Event Driven Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. In addition, returns of this Fund will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which this Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the prospectus for this Fund. At times, a significant portion of the Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow. Stocks of medium-sized companies tend to be more volatile in price than those of larger companies and may have underperformed the stocks of small and large companies during some periods. In addition, investments in medium-sized companies may be more susceptible to particular economic events or competitive factors than are larger, more broadly diversified companies. Growth stocks may involve special risks and their prices may be more volatile than the overall market. The Fund, in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile. It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. This is a nondiversified fund compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds.

DEVDX Portfolio Characteristics*

Executive Summary

		excluding cash
Assets Under Management (AUM)	$240,283,007	
Long Exposure	$256,988,044	$228,187,199
Short Exposure	$(85,161,250)	$(85,161,250)
Net Exposure	$171,826,793	$143,025,948
Net Exposure/AUM	71.51%	59.52%
Gross Exposure	$342,149,294	$313,348,449
Gross Exposure/AUM	1.42x	1.30x

Exposure Breakdown by Asset Class



Trade Type

	Gross Exposure	% of Gross Exposure	% Contribution to Total Return
Bond catalyst-driven	25,421,833	7.4%	0.02%
Equity catalyst-driven	187,656,132	54.8%	-1.64%
Portfolio hedges	8,192,771	2.4%	-0.61%
Risk arbitrage	86,724,125	25.3%	0.45%
Deep value	5,353,587	1.6%	0.08%
USD Cash	28,800,845	8.4%	-0.01%
Total	**342,149,294**	**100.0%**	**-1.70%**

Portfolio Summary

Portfolio Volatility (100 day, based on historical daily returns)	9.27%
S&P 500 Index Volatility (100 day, based on historical daily returns)	18.71%
Beta vs. S&P 500 Index[1] (since inception)	0.40
Beta vs. Barclays Agg[2] (since inception)	(0.43)
Beta vs. Merrill Lynch High Yield Index[3] (since inception)	0.85
DEVDX and S&P 500 Index Correlation (since inception)	0.69
DEVDX and Barclays Agg Correlation (since inception)	(0.18)
DEVDX and Merrill Lynch High Yield Index Correlation (since inception)	0.36

Characteristics

FIXED INCOME	
Effective Duration/100 bps	0.62%
Effective Spread Duration/100 bps	-0.24%
Long Exposure Mark-to-market Value/Par Value (ex IR hedge)	99.25%
Short Exposure Mark-to-market Value/Par Value (ex IR hedge)	0.00%
EQUITY	
Weighted Average Market Capitalization (USD in billion)	$32.22
Weighted Harmonic Average P/E using FY1 Estimation	21.1

Source: Bloomberg
*Exposure: please note exposure may be different than market value. For equities, bonds, foreign exchange forwards and interest rate swap products, exposure is the same as market value.
For options, exposure represents delta-adjusted underlying exposure. For credit default swap and credit default swap indices, exposure represents bond-equivalent exposure.
[1] The Standard & Poor's ("S&P") 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group. It is a market-weighted index (stock price times number of shares outstanding), with each stock's weight in the index proportionate to its market value.
[2] The Barclays Capital U.S. Aggregate Bond Index, an unmanaged index, represents securities that are SEC-registered, taxable and dollar denominated. This index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.
[3] The BofA Merrill Lynch US High Yield Index is an unmanaged index that tracks the performance of below-investment-grade, U.S.-dollar-denominated corporate bonds publicly issued in the U.S. domestic market.
Note: *A definition of key terms can be found on page 11*

Product Type

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure	% of Gross Exposure Change vs. Previous Month End
USD and FX Cash	**28,800,845**	**11.2%**	0	**0.0%**	**28,800,845**	**8.4%**	**1.2%**
USD Cash*	28,800,845	11.2%	0	0.0%	28,800,845	8.4%	1.2%
FX Cash**	0	0.0%	0	0.0%	0	0.0%	0.0%
Credit Products	**14,887,787**	**5.8%**	**0**	**0.0%**	**14,887,787**	**4.4%**	**-3.2%**
Bank Loan	0	0.0%	0	0.0%	0	0.0%	0.0%
Corp Credit	14,887,787	5.8%	0	0.0%	14,887,787	4.4%	4.4%
Corp CDS	0	0.0%	0	0.0%	0	0.0%	0.0%
CDS Index	0	0.0%	0	0.0%	0	0.0%	-5.5%
Sovereign CDS	0	0.0%	0	0.0%	0	0.0%	0.0%
Convertible	0	0.0%	0	0.0%	0	0.0%	0.0%
Pfd	0	0.0%	0	0.0%	0	0.0%	-2.0%
Rates Products	**0**	**0.0%**	**(10,534,046)**	**12.4%**	**10,534,046**	**3.1%**	**0.1%**
Govt Bonds	0	0.0%	(10,534,046)	12.4%	10,534,046	3.1%	0.1%
Treasury Future	0	0.0%	0	0.0%	0	0.0%	0.0%
IR Swaption	0	0.0%	0	0.0%	0	0.0%	0.0%
Equity Products	**213,299,412**	**83.0%**	**(74,627,204)**	**87.6%**	**287,926,616**	**84.2%**	**1.8%**
Equity	200,465,942	78.0%	(29,824,411)	35.0%	230,290,353	67.3%	6.2%
Equity Option	12,833,470	5.0%	(36,610,022)	43.0%	49,443,492	14.5%	14.5%
Equity Index Future	0	0.0%	0	0.0%	0	0.0%	-12.6%
Equity Index Option	0	0.0%	0	0.0%	0	0.0%	-3.9%
Equity Warrant	0	0.0%	0	0.0%	0	0.0%	-4.7%
ETF	0	0.0%	(7,561,260)	8.9%	7,561,260	2.2%	2.2%
Volatility Index Option	0	0.0%	0	0.0%	0	0.0%	-0.1%
REIT	0	0.0%	0	0.0%	0	0.0%	0.0%
Equity Index Swap	0	0.0%	(631,511)	0.7%	631,511	0.2%	0.2%
Commodity Products	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0.0%**
Commodity Option	0	0.0%	0	0.0%	0	0.0%	0.0%
Commodity Future	0	0.0%	0	0.0%	0	0.0%	0.0%
Foreign Exchange Products	**0**	**0.0%**	**0**	**0.0%**	**0**	**0.0%**	**0.0%**
FX Forward	0	0.0%	0	0.0%	0	0.0%	0.0%
FX Option	0	0.0%	0	0.0%	0	0.0%	0.0%
Total	**256,988,044**	**100.0%**	**(85,161,250)**	**100.0%**	**342,149,294**	**100.0%**	

Source: Bloomberg

***Note:** A definition of key terms can be found on page 11*

*This figure represents the fund's operating cash plus receivables for investments sold and minus payables for investments purchased.

**FX cash is cash denominated in foreign currency and generally is a residual position from recently sold securities that has not yet been assigned to another trade or the cash equivalent bucket. In some instances, this may represent a trade in the fund.

Exposure by Country of Risk

Country Of Risk	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Brazil	2,566,875	1.0%	0	0.0%	2,566,875	0.8%
United States	254,421,169	99.0%	(85,161,250)	100.0%	339,582,419	99.2%
Total	**256,988,044**	**100.0%**	**(85,161,250)**	**100.0%**	**342,149,294**	**100.0%**

Sector

GICS[1]	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Consumer Discretionary	53,086,010	23.3%	(49,861,202)	75.1%	102,947,212	34.9%
Consumer Staples	20,478,673	9.0%	0	0.0%	20,478,673	7.0%
Energy	17,651,451	7.7%	(7,587,440)	11.4%	25,238,891	8.6%
Financials	8,880,305	3.9%	(6,597,788)	9.9%	15,478,093	5.3%
Health Care	42,732,805	18.7%	(2,388,003)	3.6%	45,120,809	15.3%
Industrials	46,936,919	20.6%	0	0.0%	46,936,919	15.9%
Information Technology	26,036,580	11.4%	0	0.0%	26,036,580	8.8%
Materials	0	0.0%	0	0.0%	0	0.0%
Telecommunication Services	5,218,725	2.3%	0	0.0%	5,218,725	1.8%
Utilities	7,165,730	3.1%	0	0.0%	7,165,730	2.4%
GICS Total	**228,187,199**	**100.0%**	**(66,434,433)**	**100.0%**	**294,621,632**	**100.0%**
Other[2]						
Equity Index	0	0.0%	(631,511)	3.4%	631,511	1.3%
ETF	0	0.0%	(7,561,260)	40.4%	7,561,260	15.9%
US Government	0	0.0%	(10,534,046)	56.3%	10,534,046	22.2%
USD Currency	28,800,845	100.0%	0	0.0%	28,800,845	60.6%
Other Total	**28,800,845**	**100.0%**	**(18,726,817)**	**100.0%**	**47,527,662**	**100.0%**

Source: Bloomberg, Moody's, Standard & Poor's

[1] The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity.

[2] The Other Industry Group data is not categorized within the GICS classification system.

Note: *A definition of key terms can be found on page 11*

Industry Group

GICS[1]	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Capital Goods	13,082,010	5.7%	0	0.0%	13,082,010	4.4%
Commercial & Professional Services	28,396,810	12.4%	0	0.0%	28,396,810	9.6%
Consumer Services	13,482,936	5.9%	(36,120,656)	54.4%	49,603,592	16.8%
Diversified Financials	2,566,875	1.1%	0	0.0%	2,566,875	0.9%
Energy	17,651,451	7.7%	(7,587,440)	11.4%	25,238,891	8.6%
Food & Staples Retailing	4,634,386	2.0%	0	0.0%	4,634,386	1.6%
Food Beverage & Tobacco	15,844,288	6.9%	0	0.0%	15,844,288	5.4%
Health Care Equipment & Services	6,279,150	2.8%	(2,388,003)	3.6%	8,667,153	2.9%
Insurance	0	0.0%	(6,597,788)	9.9%	6,597,788	2.2%
Media	31,166,144	13.7%	(8,527,856)	12.8%	39,694,000	13.5%
Pharmaceuticals, Biotechnology	36,453,655	16.0%	0	0.0%	36,453,655	12.4%
Real Estate	6,313,430	2.8%	0	0.0%	6,313,430	2.1%
Retailing	8,436,930	3.7%	(5,212,690)	7.8%	13,649,620	4.6%
Semiconductors & Semiconductor	4,382,400	1.9%	0	0.0%	4,382,400	1.5%
Software & Services	8,186,260	3.6%	0	0.0%	8,186,260	2.8%
Technology Hardware & Equipment	13,467,920	5.9%	0	0.0%	13,467,920	4.6%
Telecommunication Services	5,218,725	2.3%	0	0.0%	5,218,725	1.8%
Transportation	5,458,099	2.4%	0	0.0%	5,458,099	1.9%
Utilities	7,165,730	3.1%	0	0.0%	7,165,730	2.4%
GICS Group Total	**228,187,199**	**100.00%**	**(66,434,433)**	**100.00%**	**294,621,632**	**100.00%**
Other[2]						
Equity Index	0	0.0%	(631,511)	3.4%	631,511	1.3%
ETF	0	0.0%	(7,561,260)	40.4%	7,561,260	15.9%
US Government	0	0.0%	(10,534,046)	56.3%	10,534,046	22.2%
USD Currency	28,800,845	100.0%	0	0.0%	28,800,845	60.6%
Other Total	**28,800,845**	**100.0%**	**(18,726,817)**	**100.0%**	**47,527,662**	**100.0%**

Derivatives Characteristics

Derivatives Premium (% of AUM) (Excluding Fixed-Income Derivatives)	1.51%
Equity Delta (% of AUM) per 1% underlying move	0.60%
Equity Gamma (% of AUM) per 1% underlying move	0.02%
Vega (% of AUM) per 1 point vol move	0.07%
Theta (% of AUM) per 1 day change	-0.02%
Currency Delta (% of AUM) per 1% underlying move	0.00%

Source: Bloomberg, Moody's, Standard & Poor's

[1] The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity.

Contributors (by Trade Type)

TOP 5	
Risk Arbitrage	0.88%
Equity Catalyst Drive	0.37%
Equity Catalyst Driven	0.30%
Equity Catalyst Driven	0.24%
Equity Catalyst Driven	0.21%
Total	**1.11%**

BOTTOM 5	
Equity Catalyst Driven	-1.30%
Portfolio Hedge	-0.69%
Risk Arbitrage	-0.44%
Equity Catalyst Driven	-0.42%
Equity Catalyst Driven	-0.37%
Total	**-1.92%**

[2] The Other Industry Group data is not categorized within the GICS classification system.

Note: *A definition of key terms can be found on page 11*

Notes

Investments in overseas markets can pose more risks than U.S. investments, and share prices are expected to be more volatile than that of a U.S.-only fund. The Driehaus Event Driven Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. In addition, returns of this Fund will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which this Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the prospectus for this Fund. At times, a significant portion of the Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow. Stocks of medium-sized companies tend to be more volatile in price than those of larger companies and may have underperformed the stocks of small and large companies during some periods. In addition, investments in medium-sized companies may be more susceptible to particular economic events or competitive factors than are larger, more broadly diversified companies. Growth stocks may involve special risks and their prices may be more volatile than the overall market. The Fund, in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales. Short sales expose the Fund to the risk of loss. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile. It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. This is a nondiversified fund compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds.

Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (877) 779-0079. Please read the prospectus and summary prospectus carefully before investing.

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Driehaus Securities LLC, Distributor

FUND INFORMATION

Types of events in which the fund frequently invests include:

Earnings: A trade involving an upside or downside surprise to earnings versus market expectations.

Product cycle: A key change to the company's product/service offering, or a change in customer preferences for the company's product/service.

Restructuring: A change to the company's capital structure or business prospects as a result of bankruptcy, reorganization or corporate distress.

Corporate action: Changes to the company's strategy or capital structure as a result of mergers, acquisitions, spin-offs, lawsuits, etc.

Market dislocation: Any mispricing of a security for a non-fundamental reason.

Portfolio hedges: A hedge to an unwanted factor exposure, such as equity, volatility, credit or interest rate risk.

Types of trades in which the fund frequently invests include:

Equity catalyst-driven: Event-driven trades that are expressed predominately through equity positions.

Bond catalyst-driven: Event-driven trades that are expressed predominately through bond positions.

Risk arbitrage: Trades that attempt to capture a valuation discrepancy between similar securities.

Deep value: rade that attempts to capture the mispricing of an extremely undervalued security.

Portfolio hedges: A hedge to an unwanted factor exposure, such as equity, volatility, credit or interest rate risk.

DEFINITIONS OF KEY TERMS

Agency Mortgage-Backed Security - A mortgage-backed security issued and guaranteed by a government agency such as the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or Government National Mortgage Association.

Asset-Backed Security (ABS) - A security whose value and income payments are derived from and collateralized (or "backed") by a specified pool of underlying assets.

Average % of Par-Longs - The average dollar price of a bond the Fund is long as a percentage of par.

Average % of Par-Shorts - The average dollar price of a bond the Fund is short as a percentage of par.

Beta - A measure describing the relation of a portfolio's returns with that of the financial market as a whole. A portfolio with a beta of 0 means that its price is not at all correlated with the market. A positive beta means that the portfolio generally follows the market. A negative beta shows that the portfolio inversely follows the market; the portfolio generally decreases in value if the market goes up and vice versa.

Credit Default Swap (CDS) - A contract in which the buyer of the CDS makes a series of payments to the seller and, in exchange, receives a payoff if a credit instrument (typically a bond or loan) goes into default. In its simplest form, a credit default swap is a bilateral contract between the buyer and seller of protection.

Delta - The ratio that compares the change in the price of a derivative to the corresponding change in the price of an underlying asset.

Derivatives Premium – Value of a derivatives contract.

Effective Duration - A duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

Equity Gamma - The ratio that compares the rate of change for the delta with respect to the underlying asset's price.

Effective Spread Duration - The sensitivity of the price of a bond to a 100 basis point change to its option-adjusted spread. As the rate of the Treasury security in the option-adjusted spread increases, the rate of the option-adjusted spread also increases.

Mortgage-Backed Security (MBS) - An asset-backed security or debt obligation that represents a claim on the cash flows from mortgage loans, most commonly on residential property.

Portfolio Coupon - The annualized interest earned for the portfolio.

Portfolio Current Yield - The annual income (interest or dividends) divided by the current price of the security, aggregated to the portfolio level.

Portfolio Yield-to-Worst - The lowest potential yield that can be received on a bond without the issuer actually defaulting, aggregated to the portfolio level. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

Sharpe Ratio is calculated by finding the portfolio's excess return and then dividing by the portfolio's standard deviation.

Stock Vega - The change in the price of an option that results from a 1% change in volatility. Vega changes when there are large price movements in the underlying asset and Vega falls as the option gets closer to maturity. Vega can change even if there is no change in the price of the underlying asset (e.g., if there is a change in expected volatility).

Swap - A derivative in which two counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument.

Theta - A measure of the rate of decline in the value of an option due to the passage of time. Theta can also be referred to as the time decay on the value of an option.