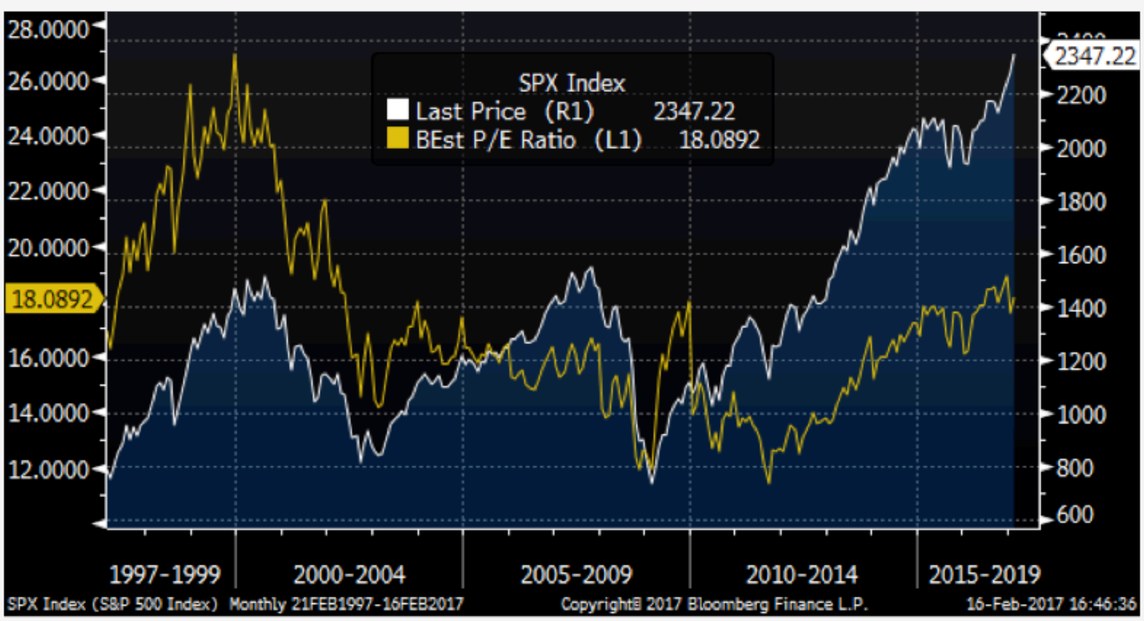
Don't Look Down, You Might Get Dizzy

I had a particularly difficult time writing this month's commentary. I feel like I'm suffering from signal overload as headlines fly in at a furious pace. Here's a sample of my daily stream of consciousness from the last month…

> *Why do futures open flat and then rise by the end of the day…every day…? I think the entire retail industry outside of Amazon may go down the drain… Why is Tom Brady now considered the greatest QB of all-time? Two years ago he was considered kind of a cheater with the Spygate & Deflategate scandals. Do we just pretend that didn't happen now? And we're still waiting for Montana to throw an interception in a Super Bowl...Odds of a March rate hike are only 25%? Really, what am I missing?! Whoa the VIX just closed at 10, don't see that often. TRUMP'S TAX PLAN OUTLINE TO BE RELEASED IN SEVERAL WEEKS…There sure are a lot of oil rigs coming back online, but oil isn't budging…What is it with the presidential administration & Russia??! Second year in a row we're off to a real slow start out of the blocks…Holy smokes credit is getting tight… Are there market environments where only being long the S&P doesn't work? If so, I can't remember how or when, it's been so long…Why do people want McGregor and Mayweather to fight? Isn't it obvious if it's a boxing match, then Mayweather wins easily, and if it's an MMA match, then McGregor wins easily? Is there an alternative scenario I'm not considering?*

Yes these are exciting times, and not for the faint of heart. While most of us wrinkle our foreheads and fret about positioning, the markets keep churning higher just to make the dilemma a bit more difficult. For example, here's a 20-year history of the S&P 500 (Exhibit 1). As you can see, we're bumping up against post-dot com highs on a forward P/E basis at 18x.

Exhibit 1: S&P 500 P/E nearing post-dot com highs

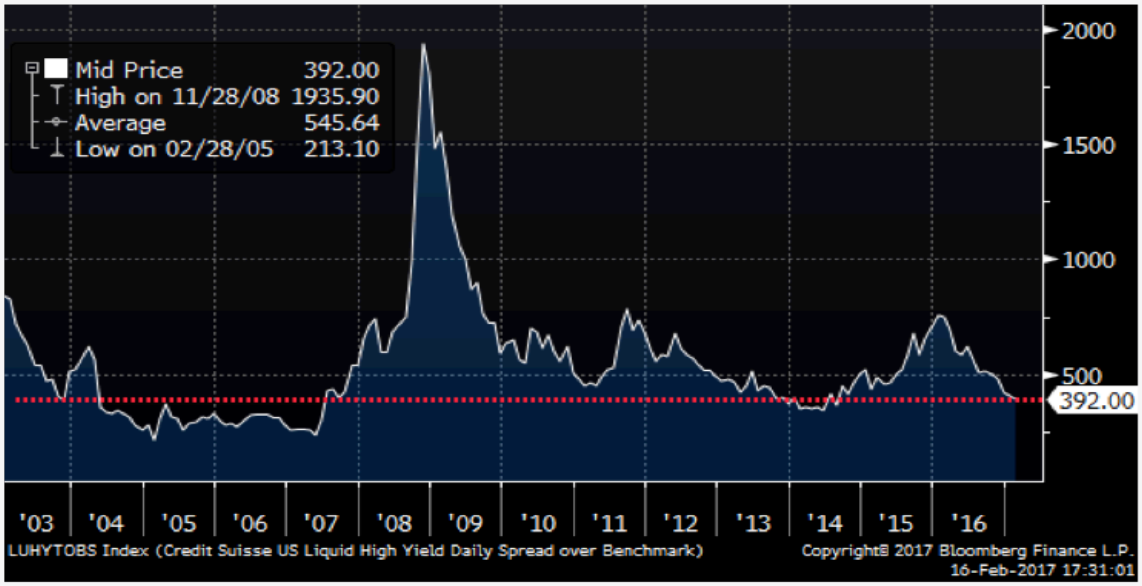


Source: Bloomberg

The situation in the credit markets isn't too drastically different. High yield credit now trades at a spread of roughly 390 basis points over US Treasurys (Exhibit 2). That's pretty tight by historical standards. As I tweeted out recently, spreads have spent very little time at these levels or tighter over the past 20 years (trust me on that—Bloomberg only goes back to 2003).

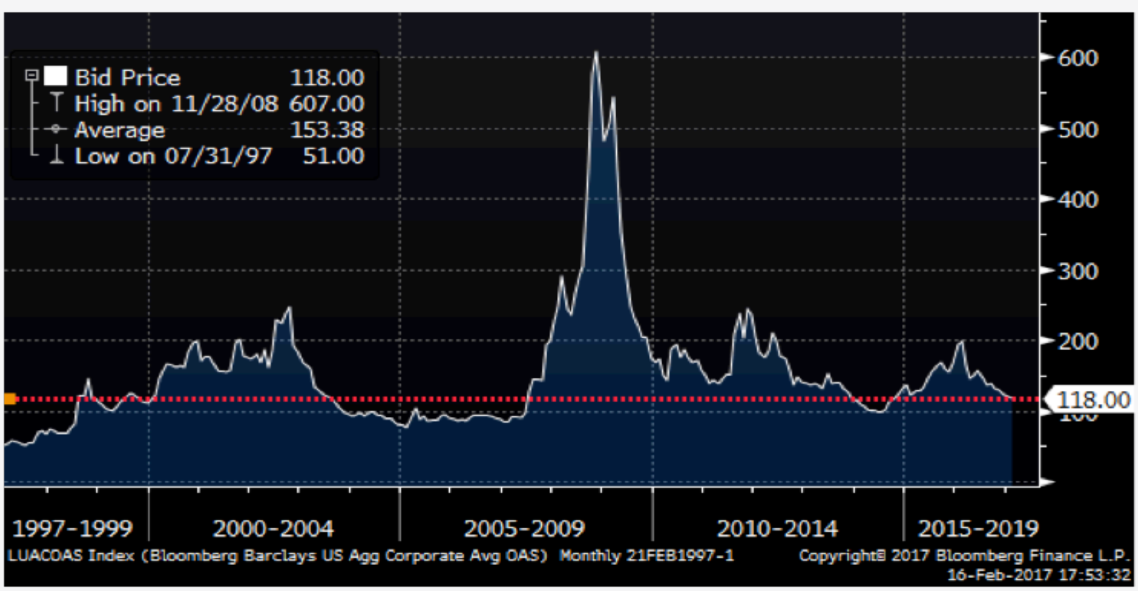
"Perhaps investment grade credit is better?" you may say. Sadly, the graphs look similar (Exhibit 3).

Exhibit 2: High yield spreads near 20-year lows



Source: Bloomberg

Exhibit 3: Investment grade spreads also low



Source: Bloomberg

Exhibit 4: CBOE Volatility Index (VIX) nearing all-time lows

Source: Bloomberg

Given these charts, the next one shouldn't surprise you. It's the rarest air of all—check out how often that the market has closed at a VIX of 11 or below over the past 20 years (Exhibit 4). Granted, this is monthly data, but still…

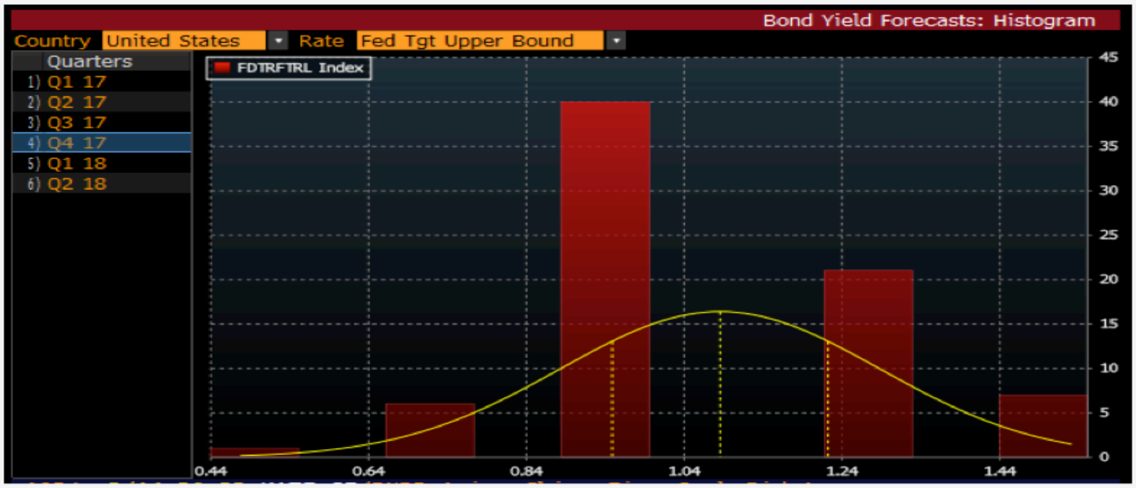
What to make of all this? I hear two different arguments, neither of which I find particularly compelling. One narrative is that Trump may kill us all, asset prices are on the verge of implosion, and the market is asleep at the wheel. The other narrative is that the media is overly alarmed about Trump's actions, and the market is telling you that he's doing a good job. Again, I wouldn't put much faith in either. My interpretation is that the market is in a sound place fundamentally at the moment. Earnings are rising, interest rate movements have been muted since the end of the year, and consumers are optimistic (ergo, earnings should continue to be strong).

Without getting too political, I'm not sure Trump is doing a great job. The probability of his impeachment within the next four years keeps rising on betting markets (it's currently a roughly 50% probability at Ladbrokes). Though I'm unsure of his job performance. I am pretty sure that the market doesn't care. Whether it's him, or Pence, or another Republican, all the market knows is that the probability of significant tax reform is rising while more regulations get stripped from the books with each passing day. Talk about impeachment, travel bans, appointees and fake news all you want, the market cares about cash flows and interest rates. Both of those look to be going higher at the moment, but the magnitude of the earnings increase is outweighing the increase in rates.

So the market's march higher does make sense to me, but I'm also getting a bit dizzy at these new heights. The farther we go up, the farther we have to fall. Additionally, I do think Trump is fattening the tails on the probability distribution. For those who didn't take a statistics class in college, that means the odds of really bad and really good outcomes are increasing. In other words, the range of what could happen, and the chances that more extreme events do happen, appear to be increasing to me.

Consider his tax reform. Thus far, we know that he expects it to be "phenomenal." We also know that he wants to drastically cut corporate tax rates (really good for the market). However, he's also spoken of getting rid of interest as a tax deductible expense (really bad for the market). But, let's not forget that he's mentioned making capital expenditures fully tax deductible in year one (good for the market). Unfortunately, he keeps tweeting about this border tax (anywhere from a non-event to unbelievably bad for the market). So, judging from the abbreviated list above, you can see how the range of outcomes can be anywhere from really bad to really good, and all points in between.

Exhibit 5: Year-end 2017 forecasts for fed funds target rate



Source: Bloomberg

Taxes aren't the only major issue facing the market with a wide array of potential outcomes. Fed policy is another big question mark. There are roughly the same number of economists on Bloomberg who believe the Federal Reserve will hike once this year as there are those who believe we'll see two or more hikes (Exhibit 5).

Needless to say, this is a world of broadening outcomes. On the positive side, I feel pretty confident that S&P 500 earnings are rising, and there have only been nine years over the past 60 where earnings have increased year over year and the market has recorded a negative total rate of return. On the negative side, investors will be forced to digest a continued barrage of conflicting signals from Fed policy, trade wars, tax reform and presidential scandal. Not easy. If it was, I'm told that it wouldn't be any fun.

Until next month,
K.C. & Cass

K.C. Nelson
Lead Portfolio Manager

Elizabeth Cassidy
Assistant Portfolio Manager

DRSLX Performance Review

Features:

- Multi-strategy credit approach
- Absolute return focused, long/short credit strategy
- Volatility managed, low correlation return objectives
- Hedging of interest rate exposure
- Liquid, transparent "hedged" mutual fund vehicle

Inception Date: September 30, 2010

Fund Assets Under Management: $67 million

Firm Assets Under Management: $8.1 billion

Portfolio Concentration: Flexible, best ideas approach, generally 40-60 trades

Duration Target: +/- 3 year

Volatility Target: Less than the BofA Merrill Lynch US High Yield Master II Index (about 8%, annually)

Distributions: Quarterly dividends; annual capital gains

Portfolio Managers:

K.C. Nelson, Portfolio Manager
18 years experience

Elizabeth Cassidy, Assistant Portfolio Manager
17 years experience

[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.

January

The Driehaus Select Credit Fund was flat for the month (0.00%).[1] High yield returned 1.34% as spreads contracted 0.22% and yields declined to 5.9%. Investment grade credit returned 0.41% as spreads and yield stayed relatively stable at 130 basis points and 3.35%, respectively. The leveraged loan market was also stable, but experienced near-record gross repricing activity of $67 billion.

The most significant contribution to performance in January came from the event driven and capital structure arbitrage strategies. The event strategy contributed 0.22% due to strong performance in gaming, cinema, European financial, and energy positions. The capital structure arbitrage strategy contributed 0.03% primarily due to the short-equity leg in a long-leaning position in a telecom carrier outperforming. The directional long strategy did not contribute to or detract from performance this month as strong contributions from positions in technology, ticket brokerage and Brazilian airlines were offset by losses from positions in a luxury retailer, pharmacy and health care.

On the negative side, the directional short strategy detracted 0.10% due to general credit spread tightening and equity market increases. Both hedging strategies detracted from performance. The volatility hedges, which are focused on the S&P 500 Index, detracted 0.06% as the S&P 500 returned 1.8% during the month. The interest rate hedge detracted 0.03% primarily due to losses on the five-year leg of a hedge where the five-year Treasury declined 0.05% during the month.

No other strategy contributed meaningfully to performance this month.

DRSLX Performance Review

Month-end Performance as of 1/31/17

				Average Annual Total Return		
Fund/Index	**MTH**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**Since Inception[1]**
Driehaus Select Credit Fund	**0.00%**	**0.00%**	**7.63%**	**-3.77%**	**-0.01%**	**0.56%**
Citigroup 3-Month T-Bill Index[2]	0.04%	0.04%	0.30%	0.12%	0.10%	0.10%
BofA Merrill Lynch US High Yield Index[3]	1.34%	1.34%	20.98%	4.93%	7.02%	7.21%

Calendar Quarter-end Performance as of 12/31/16

				Average Annual Total Return		
Fund/Index	**QTR**	**YTD**	**1 Year**	**3 Year**	**5 Year**	**Since Inception[1]**
Driehaus Select Credit Fund	**0.45%**	**2.59%**	**2.59%**	**-3.80%**	**0.57%**	**0.56%**
Citigroup 3-Month T-Bill Index[2]	0.08%	0.27%	0.27%	0.11%	0.09%	0.09%
BofA Merrill Lynch US High Yield Index[3]	1.88%	17.49%	17.49%	4.72%	7.35%	7.08%

Annual Fund Operating Expenses[4]

Management Fee	0.80%
Other Expenses Excluding Dividends and Interest on Short Sales	0.36%
Dividends and Interest on Short Sales	0.24%
Total Annual Fund Operating Expenses	**1.40%**

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.

[1]Inception Date: 9/30/2010. [2]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. [3]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. [4]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2016. 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.

The Driehaus Select Credit Fund (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. 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. 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.

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.

Driehaus Securities LLC, Distributor

DRSLX Portfolio Characteristics*

Executive Summary

		excluding cash
Assets Under Management (AUM)	$66,761,882	
Long Exposure	$77,251,804	$66,202,368
Short Exposure	$(34,844,094)	$(34,844,094)
Net Exposure	$42,407,711	$31,358,274
Net Exposure/AUM	63.52%	46.97%
Gross Exposure	$112,095,898	$101,046,462
Gross Exposure/AUM	1.68x	1.51x

Risk Summary

Effective Duration	-0.07 years
Spread Duration	2.06 years
30-day SEC Yield	1.53%
Portfolio Yield-To-Worst[1]	4.41%
Average % of Par Longs	96.89%
Average % of Par Shorts	97.30%
Beta vs. S&P 500	0.35
100-Day Volatility	2.93%

Trading Strategy Type

	Gross Exposure	% of Gross Exposure	% Contrib. to Total Return
Capital Structure Arbitrage[2]	28,423,123	25.4%	0.03%
Convertible Arbitrage[2]	0	0.0%	0.00%
Directional Long[2]	30,161,784	26.9%	0.00%
Directional Short[2]	4,949,084	4.4%	-0.10%
Event Driven[2]	22,292,744	19.9%	0.22%
Interest Rate Hedge[2]	13,717,880	12.2%	-0.03%
Pairs Trading[2]	0	0.0%	0.00%
Volatility Trading[2]	1,501,845	1.3%	-0.06%
Cash**	11,049,436	9.9%	0.00%
Expenses***			-0.10%
Total	**112,095,898**	**100.0%**	**-0.03%**

Preliminary data. May differ from data shown by third-party providers because of rounding or for other reasons.

Source: Bloomberg, Factset

[1] Refers to credit only
[2] A definition of this term can be found on page 14.

*Exposure: please note exposure may be different than market value. For equities, bonds, and interest rate swap products, exposure is the same as market value. For options and foreign exchange forwards exposure represents greek-adjusted underlying exposure. For credit default swap and credit default swap indices, exposure represents bond-equivalent exposure.

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

***Estimated expenses for the month (not annualized) as a percentage of the fund's net assets for the month.

Note: *A definition of key terms can be found on page 14*

Credit Rating*

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
AAA[1]	0	0.0%	0	0.0%	0	0.0%
AA	0	0.0%	0	0.0%	0	0.0%
A[2]	1,071,671	2.1%	0	0.0%	1,071,671	3.6%
BBB	15,192,248	29.4%	(11,911,332)	84.5%	27,103,579	91.3%
BB	0	0.0%	0	0.0%	0	0.0%
B	19,270,442	37.3%	(1,539,331)	10.9%	0	0.0%
CCC	14,649,325	28.3%	(651,647)	4.6%	0	0.0%
CC	0	0.0%	0	0.0%	0	0.0%
C	0	0.0%	0	0.0%	0	0.0%
D	0	0.0%	0	0.0%	0	0.0%
Not Rated	1,522,500	2.9%	0	0.0%	1,522,500	5.1%
Total	**51,706,186**	**100.0%**	**(14,102,310)**	**100.0%**	**29,697,750**	**100.0%**

Credit rating data is shown only for the following asset classes: Bank Loan, Corporate CDS, Corporate Credit, Convertible Bonds and Preferred Stocks. Data is ex-cash.

Industry Sector

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
GICS[3]						
Consumer Discretionary	13,854,402	17.9%	(2,380,255)	6.8%	16,234,658	14.5%
Consumer Staples	3,124,260	4.0%	0	0.0%	3,124,260	2.8%
Energy	1,502,103	1.9%	(2,094,558)	6.0%	3,596,662	3.2%
Financials	27,931,843	36.2%	(10,468,420)	30.0%	38,400,264	34.3%
Health Care	5,989,142	7.8%	0	0.0%	5,989,142	5.3%
Industrials	2,907,193	3.8%	0	0.0%	2,907,193	2.6%
Information Technology	8,814,874	11.4%	0	0.0%	8,814,874	7.9%
Materials	0	0.0%	0	0.0%	0	0.0%
Real Estate	0	0.0%	0	0.0%	0	0.0%
Telecommunication Services	0	0.0%	(1,894,770)	5.4%	1,894,770	1.7%
Utilities	847,695	1.1%	0	0.0%	847,695	0.8%
Other[4]	*12,280,292*	*15.9%*	*(18,006,090)*	*51.7%*	*30,286,381*	*27.0%*
Total	**77,251,804**	**100.0%**	**(34,844,094)**	**100.0%**	**112,095,898**	**100.0%**

Source: Bloomberg, Factset, Moody's, Standard & Poor's, Global Industry Classification Standard
Data is ex-cash.

*Credit ratings listed are subject to change. Credit quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used to classify securities for which a rating is not available. The Adviser receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies - Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P). When calculating the credit quality breakdown, the Adviser utilizes Moody's and if Moody's is not available the manager selects the lower rating of S&P and Fitch.

Note: *A definition of key terms can be found on page 14*

Credit Ratings:

AAA and AA:	High credit-quality investment grade
A and BBB:	Medium credit-quality investment grade
BB, B, CCC, CC, C:	Low credit-quality (non-investment grade), or "junk bonds"
Not Rated:	Bonds currently not rated

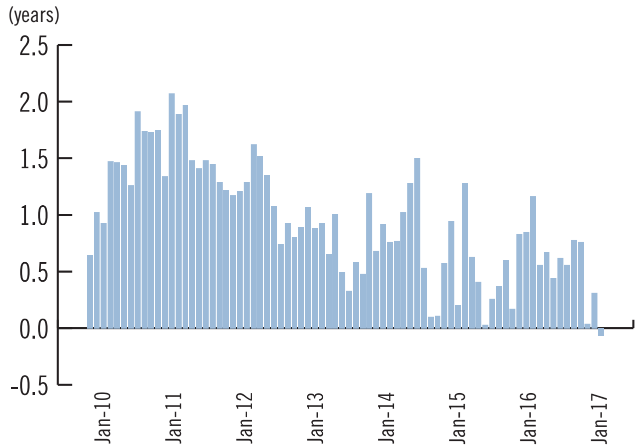
[1] All government bonds are rated AAA.
[2] All agency Mortgage Backed Securities (MBS) are rated A.
[3] The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity.
[4] The Other Industry Sector data is not categorized within the GICS classification system.

Product Type

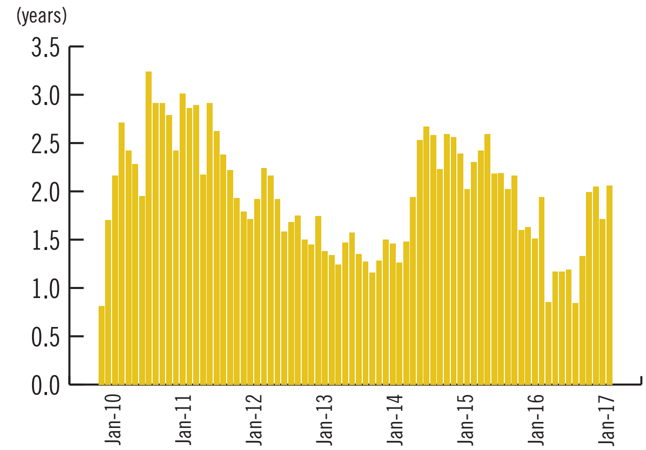
	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Bank Loan	9,952,768	12.9%	0	0.0%	9,952,768	8.9%
Convertible Bond	0	0.0%	0	0.0%	0	0.0%
Convertible Preferred	0	0.0%	0	0.0%	0	0.0%
Corporate	30,871,798	40.0%	(3,633,890)	10.4%	34,505,688	30.8%
Preferred	0	0.0%	0	0.0%	0	0.0%
Sovereign	0	0.0%	(2,854,526)	8.2%	2,854,526	2.5%
Fixed Income	***40,824,566***	***52.8%***	***(6,488,416)***	***18.6%***	***47,312,982***	***42.2%***
ADR/GDR	0	0.0%	0	0.0%	0	0.0%
Equity Common	13,265,327	17.2%	(2,735,694)	7.9%	16,001,021	14.3%
Exchange Traded Fund	0	0.0%	(1,501,845)	4.3%	1,501,845	1.3%
Equity	***13,265,327***	***17.2%***	***(4,237,539)***	***12.2%***	***17,502,866***	***15.6%***
Credit Default Swap	10,881,620	14.1%	(10,468,420)	30.0%	21,350,040	19.0%
Currency Forward	0	0.0%	0	0.0%	0	0.0%
Index Future	0	0.0%	0	0.0%	0	0.0%
Index Options	0	0.0%	0	0.0%	0	0.0%
Interest Rate Future	0	0.0%	(13,649,719)	39.2%	13,649,719	12.2%
Residential Mortgage Backed	0	0.0%	0	0.0%	0	0.0%
Securitized / Covered	0	0.0%	0	0.0%	0	0.0%
Swaptions	68,162	0.1%	0	0.0%	68,162	0.1%
Total Return Swap	1,162,694	1.5%	0	0.0%	1,162,694	1.0%
Derivatives	***12,112,475***	***15.7%***	***(24,118,139)***	***69.2%***	***36,230,614***	***32.3%***
Cash	***11,049,436***	***14.3%***	***0***	***0.0%***	***11,049,436***	***9.9%***
Total	**77,251,804**	**100.0%**	**(34,844,094)**	**100.0%**	**112,095,898**	**100.0%**

Note: *A definition of key terms can be found on page 14*

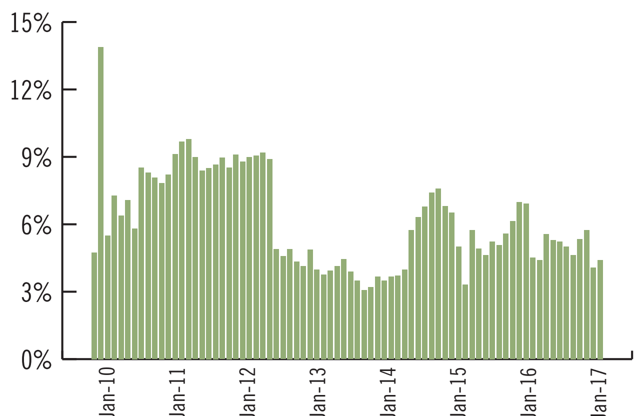
DRSLX Effective Duration



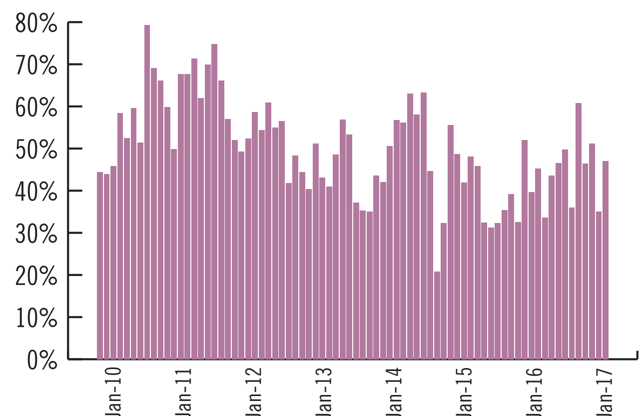
DRSLX Spread Duration



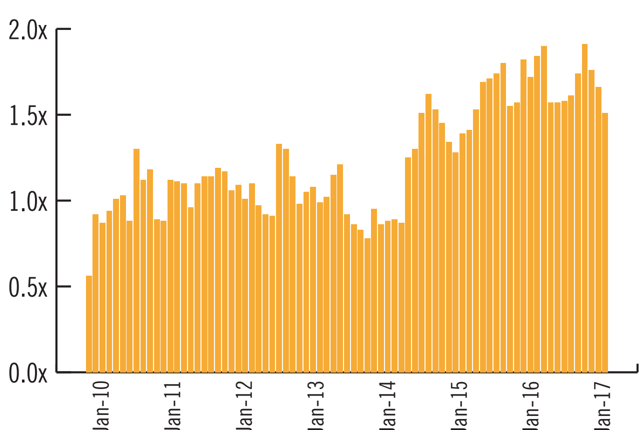
DRSLX Average Yield-to-Worst



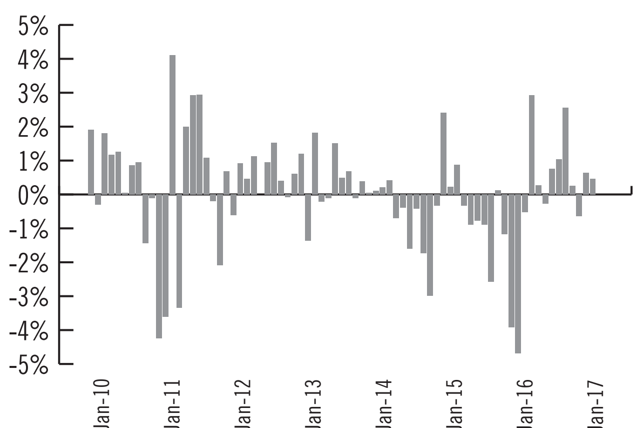
DRSLX Net Exposure / AUM (Excluding Cash)



DRSLX Gross Exposure / AUM (Excluding Cash)



DRSLX Monthly Return*



Sources: Driehaus Capital Management LLC, Bloomberg, Factset

***Note:** A definition of key terms can be found on page 14*

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Spread Distribution* ($M)

		0-300	300-600	600-1000	>1000	Total
Bank Loan	Long Exposure	0	0	9,952,768	0	9,952,768
	Short Exposure	0	0	0	0	0
	Net Exposure	0	0	9,952,768	0	9,952,768
	Gross Exposure	0	0	9,952,768	0	9,952,768
Convertible Bond	Long Exposure	0	0	0	0	0
	Short Exposure	0	0	0	0	0
	Net Exposure	0	0	0	0	0
	Gross Exposure	0	0	0	0	0
Convertible Preferred	Long Exposure	0	0	0	0	0
	Short Exposure	0	0	0	0	0
	Net Exposure	0	0	0	0	0
	Gross Exposure	0	0	0	0	0
Corp Credit	Long Exposure	11,803,651	6,046,389	8,403,223	4,618,535	30,871,798
	Short Exposure	(2,982,243)	(651,647)	0	0	(3,633,890)
	Net Exposure	8,821,409	5,394,742	8,403,223	4,618,535	27,237,908
	Gross Exposure	11,803,651	6,046,389	8,403,223	4,618,535	30,871,798
Credit Default Swap	Long Exposure	10,881,620	0	0	0	10,881,620
	Short Exposure	(10,468,420)	0	0	0	(10,468,420)
	Net Exposure	413,200	0	0	0	413,200
	Gross Exposure	10,881,620	0	0	0	10,881,620
Total	Long Exposure	22,685,271	6,046,389	18,355,991	4,618,535	51,706,186
	Short Exposure	(13,450,663)	(651,647)	0	0	(14,102,310)
	Net Exposure	9,234,608	5,394,742	18,355,991	4,618,535	37,603,876
	Gross Exposure	22,685,271	6,046,389	18,355,991	4,618,535	51,706,186
	Net Exposure %	**24.6%**	**14.3%**	**48.8%**	**12.3%**	**100.0%**
	Gross Exposure %	**43.9%**	**11.7%**	**35.5%**	**8.9%**	**100.0%**

Spread distribution data is shown only for the following asset classes: Bank Loan, Corporate CDS, Corporate Credit, Convertible Bonds and Preferred Stocks.

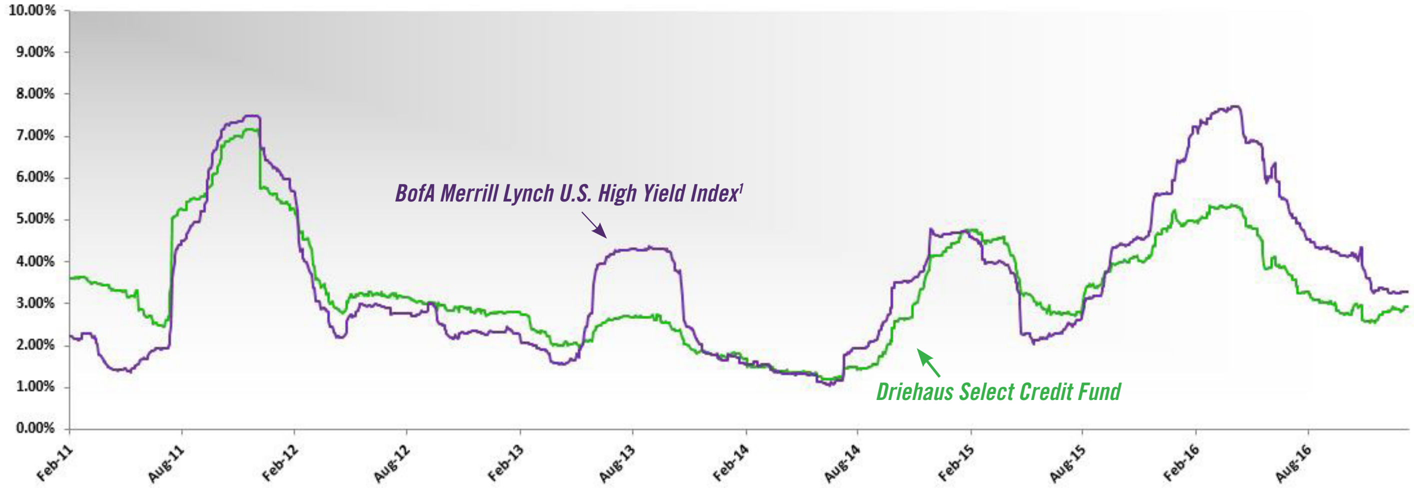
Regional Allocation

	Long Exposure ($)	% of Long Exposure	Short Exposure ($)	% of Short Exposure	Gross Exposure ($)	% of Gross Exposure
Developed	14,331,968	18.6%	(10,468,420)	30.0%	24,800,389	22.1%
Emerging	1,372,193	1.8%	(2,854,526)	8.2%	4,226,719	3.8%
United States	61,547,643	79.7%	(21,521,147)	61.8%	83,068,791	74.1%
Total	**77,251,804**	**100.0%**	**(34,844,094)**	**100.0%**	**112,095,898**	**100.0%**

Source: Bloomberg, Factset *Spread Distributions are shown only for the following asset classes: Bank Loan, Corporate CDS, Corporate Credit, Convertible Bonds and Preferred Stocks. Spread differential between the underlying securities and Treasury bonds in basis points. The chart above measures the excess yield (in basis points) that these securities provide over the yield offered by U.S. treasuries of comparable maturities according to market prices at the end of the month. We then define the security type, as well as the Fund's long and short exposure, and plot these exposures based on current market values to show a more accurate view of where the Fund's capital is allocated than can be depicted by simply defining exposures by credit rating or security type.

Note: *A definition of key terms can be found on page 14*

100-Day Volatility



Sources: Driehaus Capital Management LLC, Bloomberg

[1]BofA Merrill Lynch U.S. 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.

The Driehaus Select Credit Fund (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. 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. 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.

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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.

Driehaus Securities LLC, Distributor

FUND INFORMATION

The Fund invests primarily in U.S. fixed income and floating rate securities, of both investment and non-investment grade credit quality, as well as equities and derivative instruments. The Fund intends to pursue its fundamental opportunistic "bottom-up" trading approach using the following investment strategies:

Capital Structure Arbitrage – attempt to exploit pricing inefficiencies between two securities of the same company. Example: buying a debt instrument that is believed to be undervalued while simultaneously shorting a subordinated debt instrument of the same issuer that is believed to be overvalued.

Convertible Arbitrage – attempt to profit from changes in a company's equity volatility or credit quality by purchasing a convertible bond and simultaneously shorting the same issuer's common stock.

Directional Trading – taking long or short positions in equity or corporate debt instruments in anticipation of profiting from movements in the prices of these assets.

Event Driven – attempt to profit from the consummation of a given event, e.g. a takeover, merger, reorganization or conclusion of material litigation, or based upon the perceptions of a potential pending corporate event.

Pairs Trading – attempt to exploit pricing inefficiencies between the securities of two similar companies by buying the security of one company and shorting the security of the other.

Interest Rate Hedging – attempt to reduce the performance impact of rising or falling interest rates.

Volatility Hedging – attempt to profit from extreme market volatility.

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.

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.

Equity 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.

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.

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 - A measure of return per unit of risk, it 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.