DRIEHAUS ACTIVE INCOME FUND

Fund Summary — October 2010

DRIEHAUS CAPITAL MANAGEMENT LLC

DRIEHAUS ACTIVE INCOME FUND

25 East Erie Street, Chicago, Illinois 60611 (877) 779-0079 www.driehaus.com

FUND OVERVIEW

The **Driehaus Active Income Fund** (the "Fund") is an absolute return fixed income fund seeking to provide current income and capital appreciation by investing primarily in U.S. fixed income and floating rate securities, of both investment and non-investment grade credit quality, and by engaging in a variety of short-term trading strategies (involving both fixed income and equity securities). The Fund is actively managed by taking both long and short positions and the Fund may invest in derivatives as well as foreign securities.

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:

Inception Date: November 8, 2005*

Assets Under Management as of 10/31/2010:
$2.0 Billion

Portfolio Manager:
K.C. Nelson, 12 years experience

Assistant Portfolio Managers:
Mirsada Durakovic, 11 years experience
Elizabeth Cassidy, 11 years experience

Ticker: LCMAX

Minimum Investment: $25,000

IRA Minimum Investment: $2,000

Liquidity: Daily

Assets: Generally liquid bonds, derivatives and equities

Capital Structure Arbitrage, where the Fund attempts to exploit a pricing inefficiency between two securities of the same company. Often times, the Fund may buy a debt instrument that it believes is undervalued, while simultaneously shorting a subordinated debt instrument of the same issuer that is believed to be overvalued.

Convertible Arbitrage, where the Fund attempts 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, where the Fund takes long or short positions in equity or corporate debt instruments in anticipation of profiting from movements in the prices of these assets.

Event Driven, where the Fund invests in positions intending 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, where the Fund seeks 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. In these trades, the Fund anticipates the relationship between these securities will diverge or converge to an expected level where it may profit from the long and short positions.

*The Driehaus Active Income Fund commenced operations on June 1, 2009 following the receipt of the assets and liabilities of the Lotsoff Capital Management Active Income Fund (the "Predecessor Fund") through a reorganization into the Driehaus Active Income Fund.

The Driehaus Active Income 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.

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

Market Recap

The Driehaus Active Income Fund (the "Fund") returned 1.44% for the month of October and outperformed its benchmark, the Citigroup 3-Month Treasury Bill Index (the "Benchmark"), which returned 0.01% for the same period. The Fund also outperformed the Barclays Capital U.S. Aggregate Bond Index (the "Index"), which returned 0.36% for the same period. The Fund's return year-to-date is 3.98%, during the same period the Benchmark's return is 0.11% and the Index's return is 8.33%.[1]

The Fund's outperformance in October was aided by stronger fundamental macroeconomic data and firming expectations for Quantitative Easing 2 (QE2), which increased appetite for risk across global markets. The S&P 500 Index increased 3.8%, high yield spreads compressed 33 basis points, and the spot price of gold increased 3.9%.

In October, our directional long strategy continued to be the largest contributor to our returns adding 0.62%, as high yield spreads continued to tighten. Our capital structure arbitrage strategy contributed 0.47% to returns as some of the risk premium built into the trade structures over the summer contracted. For the second month in a row, our interest rate hedge contributed positively to returns, adding 0.20%. In anticipation of a definitive announcement about QE2 in November, the yield curve steepened as the yield on the 10 and 30 year Treasuries increased 9 and 27 basis points respectively, while the yield on the 5-year Treasury declined 9 basis points. The event driven strategy contributed 0.11% due to new information about an upcoming catalyst for one of our larger investments. Pairs trading contributed 0.11% to return as positive fundamental macro data as well as company-specific news affected relative valuations. Our convertible arbitrage strategy lagged some of the other strategy returns and modestly contributed to performance as falling equity volatility caused some of our trades to lag the market move higher. Directional shorts detracted 0.17% from returns as credit spreads tightened.

In terms of significant portfolio changes, we spent approximately 40 basis points to get long volatility through the remainder of the year during October. As in the past, we concluded that getting long volatility through the equity markets provided a better opportunity as compared to getting long credit volatility. Additionally, with the Chicago Board Options Exchange (CBOE) Volatility Index (the "VIX") below 20 we believed we were buying volatility at a reasonable price. But in contrast to some of our prior volatility trades where we only wanted downside protection, in this case, we wanted to participate in an upside market move as well. Consequently, we purchased a basket of straddles and strangles on approximately 10 firms in the S&P 100. We did this on a single company basis because generally speaking, single name volatility is currently much cheaper to purchase than volatility through ETFs or major market indices.

[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.

Market Outlook

For this month, we wanted to expand upon comments made in the September Fund Summary commentary during which we urged investors to take note of recent U.S. Federal Reserve Board's commentary/action. Our take was that investors should be buying riskier assets (equities, high yield, commodities and preferreds) and decrease exposure to those that may be hurt by inflation (U.S. Treasuries, investment grade fixed income, and cash). Recent market events have given us more conviction in this call. So for this month, we are simply listing (in our interpretation of order of importance) reasons why the markets for riskier assets will be substantially higher than current levels at this time next year.

1. THE FUNDAMENTALS — Contrary to what a lot of market pundits would have led you to believe earlier this year, the global economy is not that bad. If you would like proof, look no further than the earnings of the S&P 500 Index this quarter. Yardeni Research (a consulting firm that provides global investment strategy and asset allocation recommendations) reports that through November 3rd, 81% of S&P 500 companies have reported third quarter results. Of those reporting, year-over-year revenue growth stands at 7.3%, while year-over-year earnings growth stands at 44.8%. If you exclude financial companies, revenue growth stands at 8.9% and earnings growth at 27.7%. So how are all those companies managing to grow at a high single digit clip while nominal U.S. GDP can not even grow at 4%? The answer is global exposure. In fact, more than a 1/3 of the S&P 500 Index's revenue comes from overseas. Exposure to emerging economies in many cases, where GDP is often growing near 10% per annum, is certainly a driver. This is not a short term trend. Globalization and continued development of these economies will lead to higher growth rates than developed counterparts for years to come. If you concede us that point, then we would further argue that corporate earnings are here to stay. Looking at the S&P 500 Index, a modest earnings per share (EPS) estimate for 2011 is $90 per share. That equates to a "whopping" earnings multiple of 13.4x. We would argue that 15x is far more appropriate, which would place the S&P at 1350. Similarly in high yield, the spread to U.S. Treasuries over the Merrill High Yield Master Index is roughly 575 basis points. Given expected default rates and current leverage metrics, we believe a spread of 450-500 basis points is closer to fair value. All else being equal, a 100 basis points move tighter in spreads would result in an annual total return of approximately 11.2% in the high yield index.

2. THE TIDE OF FLOWS — Since the financial crisis began to take hold of the markets at the end of 2007, there has been a well reported and consistent outflow of money from equities into fixed income assets. The numbers below are actually quite breathtaking when the cumulative impact is observed.

	2008	2009	2010*	Total
US Equities:	$3.5B	$6.0B	$1.8B	$11.3B
US Fixed Income:	-$3.3B	$172.0B	$141.4B	$310.1B
US Money Market:	$608.0B	$-280.2B	-$411.3B	-$83.5B

Source: AMG **through October 31, 2010*

Since 2008, net inflows from U.S. equities has totaled $11.3 billion and fixed income has totaled net inflows of $310.1 billion. Now we believe there is some credence to the argument that the financial crisis has "changed everything," so investors may permanently have a lower allocation to equities in the future. But one can argue that this tide will reverse in the coming years. And when it does, we believe the ramifications will be dramatic. One of those ramifications will be a "melt up" in the valuation of riskier assets at the expense of the valuation of the "safer" ones. What could serve as the catalyst to make the tide of flows come in to riskier assets, as opposed to keep going out? That leads us to Point #3.

3. THE OPPORTUNITY COST OF RISK AVERSE INVESTING — Much of the reason for this outflow of assets from riskier investments into safe ones was the result of prudent investment analysis. For the past few years, safe assets held tremendous value and could help an investor achieve a return similar to, or in some cases, better than, the return offered in the riskier ones. Further, you often experienced a fraction of the volatility in the safe ones as compared to the riskier ones. This was a great move by many investors – similar or superior returns with less risk (just what everyone wants). Below is a chart illustrating this point, where we have listed recent returns in a couple of safe assets (U.S. Treasury Index and an exchanged traded fund that corresponds generally to the price and yield performance, before fees and expenses, of the Liquid Investment Grade Index – LQD) and compared them to the results of some riskier ones (JNK - an exchange traded fund that corresponds generally to the price and yield performance, before fees and expenses, of the Lehman Brothers High Yield Very Liquid Index) and the S&P 500 Index.

	2008		2009		2010*	
	Ret.	Vol.	Ret.	Vol.	Ret.	Vol.
UST Index:	14.03%	7.17%	-3.85%	6.50%	8.69%	4.45%
LQD:	2.40%	20.74%	8.46%	9.28%	11.96%	5.56%
JNK:	-32.34%	29.85%	19.82%	21.19%	5.32%	11.38%
S&P 500:	-38.49%	40.89%	23.45%	27.26%	6.11%	19.03

Source: Driehaus Capital Management LLC

**through October 31, 2010*

The point is, investors have not been "penalized" for taking less risk with lower returns over the past several years. In other words, there was no opportunity cost (the cost of not doing the next best option) to risk averse investing. The safe investments performed well and investors never had that feeling that they were missing out on returns offered elsewhere. Now though, we have a far different story.

"Safe" options now give you a low positive, or modestly negative, expected rate of return. One could buy an investment grade bond portfolio and get a yield of 3 to 4%, or one could buy a laddered Treasury portfolio and get a yield of 1 to 2%. Each of these options will leave you exposed to rising interest rates and inflation. If either of those risks become a reality, these safe assets will most likely earn a negative real rate of return. Equally important, even under the best case scenario for these investments where yields remain stable or drop, one should expect only a mid single-digit return given current levels in rates. Certainly, there are no longer "equity-like" returns available in these assets.

On the other hand, we believe riskier assets could achieve returns ranging from high single digits in the lower end of the risk spectrum (high yield and preferreds) and mid double digits at the upper end of the spectrum (equities, commodities and currencies). If we are right regarding our market prediction, then the investors in the safe assets will look at low/negative returns trailing other assets by 5, 10 or 20%. Based on three years of flow data and our regular discussions with our institutional investors, we are pretty confident that an under-exposure to risk, specifically equities, is a prevalent theme in client portfolios.

4. THE COST OF DOING NOTHING — Similar to the prior point, doing nothing over the past few years has been a widely adopted investment strategy. Preservation of capital has been at the top of many investors' wish lists, and one way to accomplish that objective has been to sit in cash. While not as profitable as investing in safe assets, holding cash has not been a bad strategy for several years. An investor could have saved him/herself a considerable amount of sleepless nights by not participating in the market lately. Importantly, that strategy has not cost you anything. Now, though, the story is different.

Depending on what you measure, over the past several years we have experienced a minimal amount of inflation or a slight amount of deflation. So in plain speak, your cash is worth just as much as it was a few years ago, even though it has earned nothing in the interim. But the signs of inflation are all around us, and in our opinion, investors are not paying those signs proper attention yet. The prices of oil, wheat, cotton, steel, soybeans, and copper have all been rising at a dramatic clip over the past several months. These are all critical inputs into goods consumed on a global basis. How is it that soaring input prices do not make their way into end products? The answer is they will, and whether it's 3, 6 or 12 months from now we are not sure, but make no mistake, inflation is on its way (though the Consumer Price Index may mislead you for a while as it tends to exclude everything that can increase in price). Simply listening to what companies are saying supports this view. Just this week we have heard UPS and Kraft (the Driehaus Active Income Fund and the Driehaus Select Credit Fund have no position in either) talk about price increases to offset higher input costs. Generally speaking, companies like these have pretty good knowledge on economic trends and activity.

So inflation should be a real concern to investors at this point. Those sitting in cash will no longer be able to just watch the rest of us scramble for returns while they feel secure that their dollar next year will be worth just as much as it is today. The pain of inflation will force these assets into action, and again, we would be willing to guess some of it finds its way into risky assets.

As we have said to many clients over the past few weeks, the U.S. Federal Reserve Board has beat the drum on three objectives. First, they want to increase the level of economic activity. Second, they want to increase the level of employment in the economy. Third, they want to increase the rate of inflation. If you had to bet which one of these objectives they could most likely accomplish, which would you choose?

5. THE FED WANTS IT THAT WAY — The advice "don't fight the Fed" is way overused in the world of investing, but it's quite appropriate given the current backdrop. As mentioned above, the U.S. Federal Reserve has three objectives that they are hell-bent on accomplishing: increased economic growth, more employment, and higher inflation. They have demonstrated that they plan on doing all they can to reach these goals and are not terribly concerned with causing a little havoc along the way. So if the dollar gets crushed over the next few years, that is fine. If they double or triple the size of their balance sheet with Treasuries and make the inevitable exit plan all the more challenging, so be it. If savers get punished with an overshoot to the upside on inflation, that is too bad.

Not all of these consequences are unintended. The dollar depreciating is going to give a boost to our inflation, GDP and corporate profits next year. If you do not believe us, check out what happened in Germany this year following the Euro's pummeling. And what about savers getting punished? Well, inflation compels them to spend and invest. Both will aid economic activity and aggregate employment. As for the glut of Treasuries that sit on the Fed's balance sheet, we do not have a pretty tale to spin around that one.

A common misconception held in the market is that quantitative easing (QE) is not accomplishing anything. Even though we are not supporters of the QE programs, we must concede that Bernanke in many ways is getting what he wants. He has artificially suppressed rates to virtually zero. Fortune 500 CFOs then say, "Ok if I can find someone to lend to me at 75 basis points over Treasuries for 5 years, then I can lock in debt at a rate below 2% for five years – sign me up!" Said CFO then goes and uses these debt proceeds to buy back his stock at 12x earnings or raise his/her dividend yield from 3% to 4%. They know that either action will aid his company's stock price. Importantly, they and everyone else on their executive team is largely compensated with stock. This is a tale that has been playing out over the past two months and we expect will be in full force in 2011. Reduced to its simplest form, the company is borrowing cheap money

from bondholders and using it to aid equity holders – good for stocks, bad for bonds.
You can apply this tale to the increased amount of merger and acquisition (M&A) and leverage buy out (LBO) activity too. Both activities will be prevalent in 2011, and both are positive for equity valuations.

6. FLIP-FLOPPING DOESN'T HAVE TO BE BAD — Flip-flopping got a bad name a few years ago when the Republican party accused Senator John Kerry of being in favor for the war before he was against it. That negative connotation with the word has stuck over the years, and we think unjustly so. For instance, we believe President Obama is in the process of flip-flopping on some issues that will be stimulative for the economy and positive for risk assets. We listened to his speech following the midterm elections and it had a far different tone towards the business community than those during the first two years of his presidency. He stated that America's greatness is largely attributed to a thriving business community. In evaluating his own performance over the first two years, he said that he should have let the business community know that he was more supportive of their efforts. And instead of regulation or healthcare, all he talks about these days are jobs and the economy.

In general, we do not get too involved in the politics of America. For us, the investing environment is easier to navigate if you do not have a large vested interest in the political process. Whether you love or hate this change of course towards the business community from the President, we would suggest that it is most likely positive for corporate profits and investors' willingness to put money into risky assets.

Further, we think fiscal stimulus is coming to a home near you in short order in an effort to boost growth. Without it, the President just got a pretty clear look into the future. Republicans know that gridlock for two years will most likely just get them a one way ticket out of their newly-won office. It is not as if voters have suddenly come to love their elected Republican officials or social views. They want jobs and bigger pay-checks, it is that simple. So that being said, we were not surprised when CNBC reported on November 4, 2010 that the White House is open to extending the Bush era tax cuts for all income brackets. We believe there's more pro-business flip flopping policies to come, most likely in the form of a tax holiday for small businesses.

In Summary…

We still think this is a good time to add risky assets to your portfolio and be wary of those that may suffer from higher interest rates or inflation. As always, we thank you for your interest in our funds and wish you the best in November.

K.C. Nelson
Portfolio Manager, Driehaus Credit Strategy

DRIEHAUS ACTIVE INCOME FUND

October 2010

Performance Disclosure

The performance data shown below 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.

MONTH-END PERFORMANCE AS OF 10/31/10

				Average Annual Total Return			
Fund/Index	October	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception (11/8/05)
Driehaus Active Income Fund*	**1.44%**	**3.98%**	**6.00%**	**8.93%**	----	----	**6.32%**
Citigroup 3-Month T-Bill Index[1]	0.01%	0.11%	0.12%	0.90%	----	----	2.43%
Barclays Capital U.S. Aggregate Bond Index[2]	0.36%	8.33%	8.02%	7.23%	----	----	6.55%

CALENDAR QUARTER-END PERFORMANCE AS OF 9/30/10

				Average Annual Total Return			
Fund/Index	3rd QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception (11/8/05)
Driehaus Active Income Fund*	**2.31%**	**2.50%**	**5.44%**	**8.01%**	----	----	**6.12%**
Citigroup 3-Month T-Bill Index[1]	0.04%	0.09%	0.12%	1.01%	----	----	2.47%
Barclays Capital U.S. Aggregate Bond Index[2]	2.48%	7.95%	8.16%	7.42%	----	----	6.59%

*The Driehaus Active Income Fund commenced operations on June 1, 2009 following the receipt of the assets and liabilities of the Lotsoff Capital Management Active Income Fund (the "Predecessor Fund") through a reorganization into the Driehaus Active Income Fund (the "Fund"). Lotsoff Capital Management was the investment adviser from inception through April 2, 2009. Driehaus Capital Management LLC (the "Adviser") became the interim investment adviser to the Predecessor Fund on April 3, 2009.

ANNUAL FUND OPERATING EXPENSES** (expenses that you pay each year as a percentage of the value of your investment)

Driehaus Active Income Fund	
Management Fee	0.55%
Other Expenses	
Other Expenses Excluding Dividends and Interest on Short Sales	0.51%
Dividends and Interest on Short Sales	1.03%
Total Annual Fund Operating Expenses	**2.09%**

**Represents the Annual Fund Operating Expenses for the year ended December 31, 2009 as disclosed in the current prospectus dated April 30, 2010. 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. As disclosed in the current prospectus, the information in the table has been restated to reflect a change in the shareholder services fee (from 0.15% to 0.25%) for the Fund, which is effective June 1, 2010.

The Driehaus Active Income 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.

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

[1] 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.

[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.

Driehaus Securities LLC, Distributor

DRIEHAUS ACTIVE INCOME FUND

Portfolio Characteristics — October 31, 2010

PORTFOLIO SNAPSHOT (as of 10/31/10)

		excluding cash
Assets Under Management (AUM)	$2,018,558,148	
Long Market Value (LMV)	$2,038,502,038	$1,594,400,830
Short Market Value (SMV)	$(908,207,498)	
Net Market Value	$1,130,294,540	$686,193,331
Net Exposure	56.00%	33.99%
Gross Market Value (GMV)	$2,946,709,536	$2,502,608,328
GMV/AUM	1.46x	1.24x

RISK SUMMARY (as of 10/31/10)

Modified Duration	0.15Y
Spread Duration	2.16Y
Stock Vega/+1%	0.02%
Average Coupon	3.57%
Average Yield	2.74%
Equity Beta	0.13%
Average % of Par-Longs	101.32%
Average % of Par-Shorts	105.59%

TRADING STRATEGY TYPE (as of 10/31/10)

	GMV	% of GMV	% Contrib. to Total Return	% of GMV Change vs. Previous Month End
Capital Structure Arbitrage[1]	422,773,207	14.35%	0.47%	0.69%
Cash Equivalent	507,281,176	17.22%	0.01%	-0.32%
Convertible Arbitrage[1]	222,519,088	7.55%	0.03%	-0.80%
Directional Long[1]	925,977,426	31.42%	0.62%	0.26%
Directional Short[1]	124,062,664	4.21%	-0.17%	0.71%
Event Driven[1]	119,157,637	4.04%	0.11%	0.74%
Interest Rate Hedge	538,461,058	18.27%	0.20%	-0.76%
Pairs Trading[1]	78,697,037	2.67%	0.11%	-0.79%
Volatility Trading	7,780,243	0.26%	-0.01%	0.26%
Total	**2,946,709,536**	**100.00%**	**1.37%**	

MARKET CAPITALIZATION (as of 10/31/10)

BILLION	LMV ($)	% of LMV	SMV ($)	% of SMV
$0-500mm	92,674,191	4.55%	(20,923,308)	2.30%
$500mm - 2bn	202,205,947	9.92%	(58,663,192)	6.46%
$2bn -10bn	299,723,667	14.70%	(143,101,850)	15.76%
$10bn - 20bn	121,017,870	5.94%	(85,185,709)	9.38%
>$20bn	311,354,769	15.27%	(51,253,346)	5.64%
ABS/MBS (Excluded)[2]	*88,157,083*	*4.32%*	-	*0.00%*
Private Companies (Excluded)[3]	*416,087,336*	*20.41%*	*(10,619,034)*	*1.17%*
Treasuries (Excluded)[4]	*63,179,967*	*3.10%*	*(538,461,058)*	*59.29%*
Cash (Excluded)	*444,101,209*	*22.00%*		
Total	**2,038,502,038**	**100.00%**	**(908,207,498)**	**100.00%**

[1] A definition of this term can be found on page 2.
[2] Market capitalization information is unavailable for Asset Backed Securities (ABS)/ Mortgage Backed Securities (MBS).
[3] Market capitalization information is unavailable for Private Companies.
[4] Market capitalization information is unavailable for Treasuries.
Credit Ratings and market capitalization information for Credit Default Swaps (CDS) and Interest Rate Swaps are from underlying securities.

Source: Bloomberg

Note: A definition of key terms can be found on page 15

STANDARD & POOR'S CREDIT RATING* (as of 10/31/10)

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV	% of GMV Change vs. Previous Month End
AAA[1]	527,407,616	25.87%	(538,461,058)	59.29%	1,065,868,674	36.17%	-1.10%
AA	4,601,286	0.23%	-	0.00%	4,601,286	0.16%	-0.01%
A[2]	159,099,864	7.80%	(34,536,853)	3.80%	193,636,718	6.57%	-0.03%
BBB	346,918,964	17.02%	(81,334,585)	8.96%	428,253,549	14.53%	-0.70%
BB	203,543,339	9.98%	(95,955,581)	10.57%	299,498,920	10.16%	1.37%
B	263,830,525	12.94%	(109,893,735)	12.10%	373,724,260	12.68%	-0.34%
CCC	218,970,933	10.74%	(30,427,012)	3.35%	249,397,945	8.46%	1.75%
CC	-	0.00%	-	0.00%	-	0.00%	0.00%
Not Rated	314,129,512	15.41%	(17,598,674)	1.94%	331,728,186	11.26%	11.26%
Total	**2,038,502,038**	**100.00%**	**(908,207,498)**	**100.00%**	**2,946,709,536**	**100.00%**	

PRODUCT TYPE (as of 10/31/10)

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV	% of GMV Change vs. Previous Month End
ABS	7,742,538	0.38%	-	0.00%	7,742,538	0.26%	-0.02%
Agency MBS	72,508,983	3.56%	-	0.00%	72,508,983	2.46%	-0.13%
Bank Loan	28,435,694	1.39%	-	0.00%	28,435,694	0.96%	-0.30%
CDS	15,463,631	0.76%	(244,286,649)	26.90%	259,750,280	8.81%	-0.32%
Convertible Bonds	334,526,165	16.41%	-	0.00%	334,526,165	11.35%	-0.32%
Convertible Preferred	191,137,883	9.38%	-	0.00%	191,137,883	6.49%	0.96%
Corp. Bonds	853,682,968	41.88%	(6,511,750)	0.72%	860,194,718	29.19%	1.01%
Equity	11,544,261	0.57%	(118,948,041)	13.10%	130,492,302	4.43%	-0.04%
Equity Option	8,273,176	0.41%	-	0.00%	8,273,176	0.28%	0.26%
Govt Bonds	63,179,967	3.10%	(519,286,058)	57.18%	582,466,025	19.77%	-0.80%
MBS	7,905,563	0.39%	-	0.00%	7,905,563	0.27%	-0.01%
Money Market	444,101,209	21.79%	-	0.00%	444,101,209	15.07%	-0.25%
Treasury Futures	-	0.00%	(19,175,000)	2.11%	19,175,000	0.65%	-0.02%
Total	**2,038,502,038**	**100.00%**	**(908,207,498)**	**100.00%**	**2,946,709,536**	**100.00%**	

*Credit ratings listed are subject to change.

[1] All government bonds are rated AAA.

[2] All agency Mortgage Backed Securities (MBS) are rated A.

Note: A definition of key terms can be found on page 15

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

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

SPREAD DISTRIBUTION* ($M) (as of 10/31/10)

		0-100	100-200	200-300	300-400	400-500	500-600	600-700	700-800	800-900	900-1000	>1000	Total
Money Market	LMV	444,101,209	-	-	-	-	-	-	-	-	-	-	444,101,209
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	444,101,209	-	-	-	-	-	-	-	-	-	-	444,101,209
Govt Bonds	LMV	63,179,967	-	-	-	-	-	-	-	-	-	-	63,179,967
	SMV	(519,286,058)	-	-	-	-	-	-	-	-	-	-	(519,286,058)
	Total	(456,106,091)	-	-	-	-	-	-	-	-	-	-	(456,106,091)
Treasury Futures	LMV	-	-	-	-	-	-	-	-	-	-	-	-
	SMV	(19,175,000)	-	-	-	-	-	-	-	-	-	-	(19,175,000)
	Total	(19,175,000)	-	-	-	-	-	-	-	-	-	-	(19,175,000)
Corp. Credit	LMV	54,367,660	5,070,480	131,612,333	237,904,437	140,308,568	80,344,875	88,824,473	26,530,938	31,219,913	39,271,110	18,228,183	853,682,968
	SMV	-	-	-	-	-	-	-	(6,511,750)	-	-	-	(6,511,750)
	Total	54,367,660	5,070,480	131,612,333	237,904,437	140,308,568	80,344,875	88,824,473	20,019,188	31,219,913	39,271,110	18,228,183	847,171,218
Convertible Bond	LMV	-	-	38,336,500	37,791,615	57,401,838	40,338,875	-	61,901,475	23,721,738	47,280,000	27,754,125	334,526,165
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	38,336,500	37,791,615	57,401,838	40,338,875	-	61,901,475	23,721,738	47,280,000	27,754,125	334,526,165
Preferred	LMV	1,643,938	5,559,300	10,410,000	31,207,500	41,458,713	29,404,334	-	-	71,454,099	-	-	191,137,883
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	1,643,938	5,559,300	10,410,000	31,207,500	41,458,713	29,404,334	-	-	71,454,099	-	-	191,137,883
Equity	LMV	-	-	-	10,756,689	-	-	-	-	-	-	787,572	11,544,261
	SMV	-	-	(3,135,432)	(15,415,517)	(10,262,368)	(32,821,828)	-	(11,172,259)	(2,058,210)	(35,340,071)	(8,742,357)	(118,948,041)
	Total	-	-	(3,135,432)	(4,658,828)	(10,262,368)	(32,821,828)	-	(11,172,259)	(2,058,210)	(35,340,071)	(7,954,785)	(107,403,780)
Equity Option	LMV	3,624,107	693,660	819,500	954,896	-	-	1,173,620	1,007,393	-	-	-	8,273,176
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	3,624,107	693,660	819,500	954,896	-	-	1,173,620	1,007,393	-	-	-	8,273,176
Bank Loan	LMV	-	-	-	-	-	7,486,256	13,702,500	-	1,844,563	-	5,402,375	28,435,694
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	7,486,256	13,702,500	-	1,844,563	-	5,402,375	28,435,694
Agency MBS	LMV	72,508,983	-	-	-	-	-	-	-	-	-	-	72,508,983
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	72,508,983	-	-	-	-	-	-	-	-	-	-	72,508,983
ABS	LMV	-	-	145,380	100,944	-	-	-	-	-	-	7,496,215	7,742,538
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	145,380	100,944	-	-	-	-	-	-	7,496,215	7,742,538
MBS	LMV	-	-	24,794	-	-	-	-	-	-	-	7,880,769	7,905,563
	SMV	-	-	-	-	-	-	-	-	-	-	-	-
	Total	-	-	24,794	-	-	-	-	-	-	-	7,880,769	7,905,563
CDS	LMV	2,406,274	-	-	4,340,542	501,461	1,986,110	-	-	6,229,245	-	-	15,463,631
	SMV	(57,471,944)	(79,079,259)	(51,456,326)	(8,223,748)	-	-	(28,256,573)	-	-	-	(19,798,799)	(244,286,649)
	Total	(55,065,670)	(79,079,259)	(51,456,326)	(3,883,206)	501,461	1,986,110	(28,256,573)	-	6,229,245	-	(19,798,799)	(228,823,017)
Combined	LMV	641,832,137	11,323,440	181,348,506	323,056,622	239,670,580	159,560,450	103,700,593	89,439,806	134,469,557	86,551,110	67,549,239	2,038,502,038
	SMV	(595,933,002)	(79,079,259)	(54,591,758)	(23,639,264)	(10,262,368)	(32,821,828)	(28,256,573)	(17,684,009)	(2,058,210)	(35,340,071)	(28,541,155)	(908,207,498)
	Total	45,899,135	-67,755,819	126,756,748	299,417,358	229,408,212	126,738,622	75,444,019	71,755,797	132,411,347	51,211,039	39,008,083	1,130,294,540
	%	**4.06%**	**-5.99%**	**11.21%**	**26.49%**	**20.30%**	**11.21%**	**6.67%**	**6.35%**	**11.71%**	**4.53%**	**3.45%**	**100.00%**

*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.

Source: Bloomberg

Note: A definition of key terms can be found on page 15

INDUSTRY GROUP (as of 10/31/10)

GICS[1]

	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV
Automobiles & Components	102,367,392	5.02%	(41,579,224)	4.58%	143,946,616	4.88%
Banks	14,242,500	0.70%	-	0.00%	14,242,500	0.48%
Capital Goods	135,737,785	6.66%	-	0.00%	135,737,785	4.61%
Consumer Durables & Apparel	26,686,975	1.31%	(85,114,360)	9.37%	111,801,334	3.79%
Consumer Services	101,441,849	4.98%	(22,085,957)	2.43%	123,527,806	4.19%
Diversified Financials	194,621,900	9.55%	-	0.00%	194,621,900	6.60%
Energy	70,342,943	3.45%	(9,936,646)	1.09%	80,279,589	2.72%
Food & Staples Retailing	50,133,925	2.46%	(10,207,770)	1.12%	60,341,695	2.05%
Food Beverage & Tobacco	79,796,188	3.91%	(16,510,782)	1.82%	96,306,970	3.27%
Health Care Equipment & Services	26,468,750	1.30%	-	0.00%	26,468,750	0.90%
Household & Personal Products	14,297,375	0.70%	-	0.00%	14,297,375	0.49%
Insurance	52,178,677	2.56%	(20,434,945)	2.25%	72,613,622	2.46%
Materials	65,072,236	3.19%	-	0.00%	65,072,236	2.21%
Media	86,950,940	4.27%	(41,851,821)	4.61%	128,802,761	4.37%
Pharmaceuticals, Biotechnology	31,464,338	1.54%	(49,830)	0.01%	31,514,168	1.07%
Real Estate	31,691,875	1.55%	(46,563,053)	5.13%	78,254,928	2.66%
Retailing	64,069,620	3.14%	(32,885,651)	3.62%	96,955,271	3.29%
Semiconductors & Semiconductor Equip.	98,186,178	4.82%	(12,334,284)	1.36%	110,520,462	3.75%
Software & Services	12,027,850	0.59%	(4,107,284)	0.45%	16,135,134	0.55%
Technology Hardware & Equipment	4,729,500	0.23%	(15,802,874)	1.74%	20,532,374	0.70%
Telecomm. Services	103,406,305	5.07%	-	0.00%	103,406,305	3.51%
Transportation	39,738,509	1.95%	(2,058,210)	0.23%	41,796,719	1.42%
Other[2]						
Agency Collateral CMO*	71,054,297	3.49%	-	0.00%	71,054,297	2.41%
CDS FI Index**	2,406,274	0.12%	(8,223,748)	0.91%	10,630,022	0.36%
Commercial MBS	4,601,286	0.23%	-	0.00%	4,601,286	0.16%
FHLMC Collateral***	1,454,686	0.07%	-	0.00%	1,454,686	0.05%
Holding Companies-Divers	9,800,000	0.48%	-	0.00%	9,800,000	0.33%
Home Equity ABS	340,163	0.02%	-	0.00%	340,163	0.01%
Money Market	444,101,209	21.79%	-	0.00%	444,101,209	15.07%
Other ABS	7,402,375	0.36%	-	0.00%	7,402,375	0.25%
Sovereign	83,306,407	4.09%	(538,461,058)	59.29%	621,767,465	21.10%
Utilities	5,077,459	0.25%	-	0.00%	5,077,459	0.17%
WL Collateral CMO****	3,304,277	0.16%	-	0.00%	3,304,277	0.11%
Total	**2,038,502,038**	**100.00%**	**(908,207,498)**	**100.00%**	**2,946,709,536**	**100.00%**

Sources: Bloomberg, Global Industry Classification Standard

[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.

*Agency Collateral Collateralized Mortgage Obligation
**Credit Default Swaps Fixed Income Index
***Federal Home Loan Mortgage Corporation Collateral
****Whole Loan Collateral Collateralized Mortgage Obligations
Industry group information for Credit Default Swaps and Interest Rate Swaps is from underlying securities.

Note: A definition of key terms can be found on page 15

INDUSTRY SECTOR (as of 10/31/10)

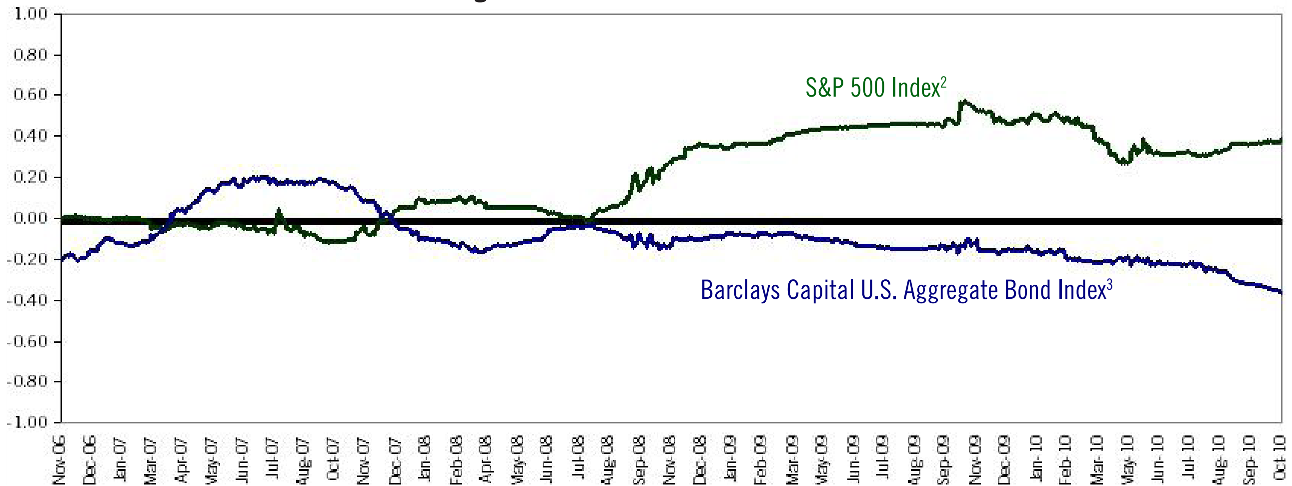
	LMV ($)	% of LMV	SMV ($)	% of SMV	GMV ($)	% of GMV
GICS[1]						
Consumer Discretionary	381,516,775	18.72%	(223,517,013)	24.61%	605,033,788	20.53%
Consumer Staples	157,929,988	7.75%	(26,718,552)	2.94%	184,648,540	6.27%
Diversified	9,800,000	0.48%	-	0.00%	9,800,000	0.33%
Energy	70,342,943	3.45%	(9,936,646)	1.09%	80,279,589	2.72%
Financials	292,734,952	14.36%	(66,997,998)	7.38%	359,732,950	12.21%
Health Care	57,933,088	2.84%	(49,830)	0.01%	57,982,918	1.97%
Industrials	161,773,793	7.94%	(2,058,210)	0.23%	163,832,003	5.56%
Information Technology	114,943,528	5.64%	(32,244,442)	3.55%	147,187,970	4.99%
Materials	65,072,236	3.19%	-	0.00%	65,072,236	2.21%
Telecommunication Services	103,406,305	5.07%	-	0.00%	103,406,305	3.51%
Other[2]						
ABS	7,742,538	0.38%	-	0.00%	7,742,538	0.26%
CDS FI Index	2,406,274	0.12%	(8,223,748)	0.91%	10,630,022	0.36%
Government	83,306,407	4.09%	(538,461,058)	59.29%	621,767,465	21.10%
Money Market	444,101,209	21.79%	-	0.00%	444,101,209	15.07%
Mortgage Securities	80,414,545	3.94%	-	0.00%	80,414,545	2.73%
Utilities	5,077,459	0.25%	-	0.00%	5,077,459	0.17%
Total	**2,038,502,038**	**100.00%**	**(908,207,498)**	**100.00%**	**2,946,709,536**	**100.00%**

Sources: Bloomberg, Global Industry Classification Standard
Industry sector information for CDS and Interest Rate Swaps is from underlying securities.

[1] The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is 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.

CORRELATION[1] COMPARISON (as of 10/31/10)



Source: Standards & Poor's ("S&P") 500 Index total return data from Bloomberg. Barclays Capital U.S. Aggregate Bond Index data from Barclays Capital

The benchmarks for the Driehaus Active Income Fund are the Citigroup 3-Month T-Bill and the Barclays Capital U.S. Aggregate Bond Index. The S&P 500 Index is shown for illustrative purposes only.

[1] Correlation is a statistical measure of how return sets move in relation to each other. Correlation is computed into what is known as the correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (a correlation co-efficient of +1) implies that as one security moves, either up or down, the other security will move in lockstep, in the same direction. Alternatively, perfect negative correlation means that if one security moves in either direction the security that is perfectly negatively correlated will move by an equal amount in the opposite direction. If the correlation is 0, the movements of the securities are said to have no correlation; they are completely random. The S&P 500 Index and the Barclays Capital U.S. Aggregate Bond Index are recognized proxies for the U.S. fixed income market.

[2] The 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.

[3] The Barclays Capital U.S. Aggregate Bond Index is a broad base index, maintained by Barclays Capital, used to represent investment grade bonds being traded in the United States.

The Driehaus Active Income 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.

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

This snapshot is not intended to provide investment advice. Nothing herein should be construed as a solicitation or a recommendation to buy or sell securities or other investments. You should assess your own investment needs based on your individual financial circumstances and investment objectives. Driehaus does not guarantee the accuracy or completeness of this information. This data was prepared on November 9, 2010 and has not been updated since then. It may not reflect recent market activity. Driehaus assumes no obligation to update or supplement this information to reflect subsequent changes. This material is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable, are not necessarily all inclusive and are not guaranteed as to accuracy. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

Driehaus Securities LLC, Distributor

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.

AVERAGE COUPON
The weighted-average gross interest rates of the pool of mortgages that underlie a mortgage-backed security (MBS) at the time the securities were issued.

AVERAGE YIELD
The average yield on an investment or a portfolio that results from adding all interest, dividends or other income generated from the investment, divided by the average of the investments for the year.

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.

MODIFIED DURATION
A formula that expresses the measurable change in the value of a security in response to a change in interest rates.

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.

NET EXPOSURE
Calculated by subtracting the percentage of the Fund's capital invested in short sales from the percentage of its capital used for long positions. It measures the Fund's exposure to the market value of the positions.

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.

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.