



Annual Report

September 30, 2016

Fund Adviser:

Pekin Singer Strauss Asset Management
161 N. Clark Street, Suite 2200
Chicago, IL 60601

Toll Free (800) 470-1029
www.appleseedfund.com



September 30, 2016

*"It was a very difficult ten years
of very hard work."*

– Jeffrey Skilling, former CEO of Enron Corporation

Dear Appleseed Shareholder,

In one of the worst corporate accounting frauds of all-time, Enron shareholders lost \$74 billion after the company collapsed amid allegations of accounting fraud and deception. This infamous fraud was engineered by CEO Jeffrey Skilling, a former McKinsey & Company partner, who was eventually found guilty on 35 counts of conspiracy, fraud, and other crimes and sentenced to ten years in prison. The collateral damage of Enron's criminal activities resulted in the bankruptcy of a major accounting firm, Arthur Andersen, and ushered in a major piece of anti-fraud legislation, the Sarbanes-Oxley Act of 2002.

Skilling endeavored to artificially inflate the value of Enron's assets and, relatedly, its profits. Management used a number of off-balance sheet vehicles, called "Special Purpose Entities," to hide its liabilities from shareholders and improve its accounting profits. Many of Enron's executives sold Enron stock all along the way in their personal accounts, receiving \$1.1 billion in proceeds between 1999 and 2001 alone. After the company filed for bankruptcy and the scheme became more evident, Skilling and several other executives, including the former CFO, Andrew Fastow, were sentenced to many years in prison. In the process, thousands of Enron employees, many of whom surely knew nothing about the fraudulent activity, lost their jobs.

Of course, schemes, frauds, and swindles have been around as long as money itself. Going back more than a couple of thousand years, there are eight different passages in the Bible that specifically forbid tampering with weighing scales because swindlers have always stood ready, both then and now, to separate the gullible from their hard-earned capital. Enron's gigantic accounting scheme represented neither a beginning nor an end to corporate frauds.

To be successful, a prudent investor must do a lot of things well. Among them, one must endeavor to identify and avoid fraudulent investments. This was true in the Ancient World, and it is just as true today.



In hindsight, corporate scams are easy to identify; hindsight vision is always clearer at the bottom of an economic cycle or at the bottom of a Bear Market after the money has disappeared. Warren Buffett described this concept eloquently in Berkshire Hathaway's 2001 letter to shareholders when he said, "You only find out who is swimming naked when the tide goes out." During the 2000-2002 bear market, corporate frauds such as WorldCom, Tyco, and Enron were exposed. Similarly, during the 2008-2009 financial crisis, investors learned about widespread securities fraud and mortgage fraud. Several large financial services companies, including Lehman Brothers, Countrywide Financial, and Washington Mutual, failed during this period.

As we write this letter, the capital markets are neither in the midst of a financial crisis nor an economic crisis, and yet the waterfront already seems fairly crowded with naked swimmers. Listed below are a handful of corporate scandals that have been exposed in just the last year:

- **Valeant (VRX)**, a large Canadian pharmaceutical company, created a secret network of pharmacies to boost drug prices and its profits at the expense of patients, insurance companies, and Medicare/Medicaid. To execute its pricing scheme, Valeant management allegedly employed a combination of accounting manipulation, deceptive pricing practices, securities fraud, and Medicare fraud.
- The leading bank in Germany, **Deutsche Bank (DB)**, previously indicted for colluding with Banca Monte Dei Paschi di Siena SpA, a large Italian bank, to "window dress" its accounting statements, was recently found by German regulators to have been involved in 103 similar deals with 30 additional clients. Deutsche Bank has also been charged in recent years for manipulating interest rates, manipulating the price of gold and silver, defrauding mortgage companies, and laundering money.
- **Volkswagen (VOW-DE)** executives confessed that the German automotive giant rigged emissions tests on millions of "clean diesel" vehicles over a ten year period of time, defrauding consumers and illegally emitting between 10 and 40 times the allowable levels of

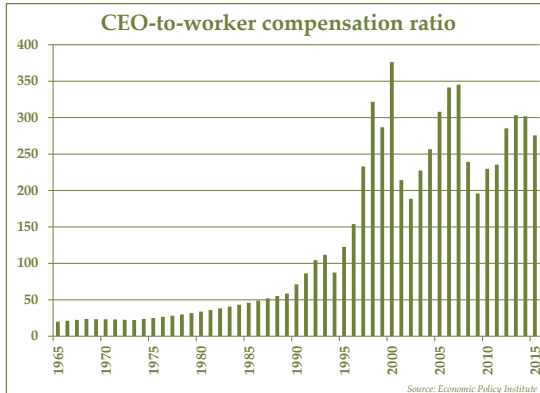


nitrogen oxide in the United States. Volkswagen's fraudulent business behavior has cost consumers and investors billions of dollars and resulted in 40,000 additional tons of annual nitrogen oxide emissions.

- One of the largest and oldest banks in the United States, **Wells Fargo (WFC)**, created more than one million sham customer accounts to generate additional fees and meet its aggressive sales targets, betraying the trust of its banking and credit card customers. The bank has subsequently been fined \$185 million by the Consumer Financial Protection Bureau, and CEO John Stumpf recently announced his forced retirement.
- **Theranos**, a relatively new private blood testing startup, which carried a private valuation of as much as \$9 billion, ran 890,000 tests per year that required just one drop of blood. These revolutionary diagnostic tests were promoted to be inexpensive, painless, and effective. It now appears that the company owns zero proprietary technology, its diagnostic tests had little medical value, and, in all likelihood, Theranos endangered the lives of thousands of patients who relied on its inaccurate test results.

We could go on. The list of companies discussed above is far from comprehensive; indeed, it is merely the tip of the iceberg.

Importantly, this list includes only companies that allegedly broke regulations or laws. Many more boards and management teams have been making perfectly legal yet ethically questionable decisions to pay themselves with compensation packages that are both egregious and unjustified. Over the past 35 years, the ratio of CEO pay to the average worker pay has increased exponentially to nearly 300x, ballooning by a whopping factor of *ten times*.



It almost goes without saying that corporate corruption is a major economic and social problem. The five examples provided on the previous page have resulted in billions of dollars of shareholder value destruction, consumer fraud, and/or taxpayer fraud, not to mention impossible-to-quantify social and environmental costs. Worryingly, corporate corruption seems to be getting worse, not better. As investors, we are finding ourselves having increasingly frequent conversations about companies that are simply not investable because the board's or management team's incentives are not aligned with shareholders. Moreover, corporate corruption has grown to the point where it is infecting the regulators responsible for preventing fraudulent activity. For many companies, hiring former regulators and politicians and settling multiple cases with regulators each and every year has become a key corporate strategy.

Active Management and Corporate Shenanigans

Avoiding corporate frauds requires high levels of vigilance and due diligence when we invest your capital. The increasing prevalence of corporate fraud is a great reason to be an active investor, and particularly so today when corporate frauds seem to be running rampant. As active managers, we can make a conscious attempt not to own untrustworthy companies with the goal of minimizing the probability of a permanent loss of capital.

Importantly, passive investors *by definition* own the entire market, or, depending on the index fund or ETF, entire sectors of the market, including companies that are rife with poor corporate governance controls. For example, passively



managed funds indexed to the S&P 500 owned Enron, WorldCom, and Tyco in addition to Lehman Brothers, Countrywide, and Washington Mutual. Such passive funds owned these companies and, importantly, were most exposed to these companies when their market values were at a peak. Today, with the S&P 500 Index trading at a high valuation, it is quite possible that passive investment ownership of the next wave of corporate frauds could be similarly near a peak.

However, as active investment managers, we have the freedom to step aside from investing in companies that we deem to be unsavory or questionable. By doing our homework, we not only endeavor to find outstanding long-term investments, but we also seek to steer clear of potential situations that could result in a capital loss due to management wrongdoing. We perform intense due diligence on prospective investments, and that homework helps us in our efforts to avoid corporate scandals.

Below are a few examples of the research we perform on prospective investments that helps us to avoid investing in potential frauds:

- *Avoid self-serving management teams*
We analyze management compensation and incentive systems, seeking to understand how well management teams and boards are aligned with other stakeholders. Our efforts are aimed at determining if management compensation is both reasonable and appropriate. In general, we would rather invest in companies whose management teams own a large stake in the company.
- *Examine corporate governance practices*
We also pay close attention to the structure, policies, and arrangements with the Board of Directors. For example, off-balance sheet arrangements that companies might form with management or members of the Board of Directors are often important red flags. We seek to invest in companies with independent directors that will hold management appropriately accountable for any wrongdoing.
- *Follow the cash, and watch out for debt*
We spend enormous effort understanding the financial business model of a prospective investment, including an extensive analysis of historical cash flow statements and balance sheets. Fraudulent companies often have weak balance sheets, negative free cash flow, or both.



- *Seek out transparent investments*

A company's financial statements should be understandable and transparent. Financial statements that are unnecessarily complex, excessively opaque, or contain egregious legalese are not only difficult to analyze; they are also red flags for potential management wrongdoing.

- *Understand the track record*

We seek to understand past indiscretions that have resulted in regulatory investigations and lawsuits. Sometimes past investigations and lawsuits are frivolous, in which case there might be a buying opportunity, but they are often good indicators of a management team that is short-term oriented and less inclined to play by the rules.

- *Avoid investing in excessively promotional management teams*

Management teams that over-promise, obfuscate problems, and try to purposefully talk up the share price are unreliable, at best. The same holds true for companies with poor governance practices. Overly promotional management teams and poorly governed boards are generally looking out for themselves, to the exclusion of other stakeholders.

- *Favor organic growth over acquired growth*

Companies that grow organically, without the need for constant acquisition activity, are far less likely to be frauds than companies that depend on acquisitions to grow revenues and earnings. Acquisition-driven "roll-ups" often use acquisitions to hide underlying weakness in the core business. The same holds true for companies that constantly report adjusted earnings figures, which can be far different from actual reported earnings.

- *Seek companies that are honest about pensions*

Companies that assume that their pension plans will generate an excessively high expected annual return are deluding their employees and their shareholders. Unrealistically high expected investment returns are often maintained because management and the board are afraid to properly account for a company's true liabilities. Sooner or later, a reckoning awaits.



After performing a proper level of due diligence up front, we try to follow Maya Angelou's suggestion: "*When someone shows you who they are, believe them the first time.*" For example, Enron would have easily failed at least five of the tests listed above. It was clear that Enron's management team was extremely aggressive in its accounting practices and, at the same time, executives were profiting immensely from the selling of their own shares of Enron stock to the general public.

With that said, sometimes red flags are not apparent until after making an investment. As a result, constant investment vigilance after making an investment is just as important as robust due diligence before committing capital. We are regularly analyzing recent developments in companies that are held in client portfolios in an effort to identify potential red flags that should cause us to reconsider our investment decisions. We meet multiple times a week as an investment group to discuss, review, and analyze prospective investments and existing investments.

In this letter we have been focused on avoiding mistakes. By applying a rigorous screening process to prospective investments, we hope to steer clear of corporate frauds, to be sure, but the same screening process also helps us in identifying outstanding companies for long-term investment. We believe those companies that are well-governed, that have significant inside ownership, and that have responsible management teams that are focused on building long-term value, tend to grow in intrinsic value over time.

By attempting to avoid corporate frauds through our decision making methodology, we hope to reduce investment mistakes that result in losses and allocate our clients' capital towards profitable investments. In doing so, we believe we improve our chances to generate attractive risk-adjusted returns. As it is with tennis or baseball, it is easier to win when you are minimizing unforced errors.

Performance and Portfolio Changes

Over the past twelve months ended 09/30/2016, Appleseed Fund Investor Class has generated an absolute return of 9.90%, compared with the MSCI World Index, which generated a total return of 11.36%. The Fund's relative



performance over the past twelve months was affected by losses in selected short positions and equities, partially offset by an overweight position in gold, commodity related companies and in stocks with emerging market exposure.

Within our equity portfolio, the biggest contributors to the Fund's performance over the past year were **Titan International (TWI)**, **Samsung Electronics (005930-Korea)**, and **United Natural Foods (UNFI)**. Titan's agricultural wheel and tire business has continued to struggle due to persistently weak corn prices. When corn prices are low, farmers purchase fewer tractors. We expect the cyclical weakness in demand for agricultural capital equipment to eventually reverse, but we were too early with Titan, and the wait has been painful. Titan International was one of our worst performers in 2015, and, a year ago, Mr. Market was certain that the company was going to go out of business. Titan's business continues to struggle, but Mr. Market has re-considered his dour view on the company, and the share price has more than tripled since January. Samsung Electronics has benefited from continued leadership and strong profitability from the company's cutting edge DRAM and NAND flash technologies. While the Galaxy Note has been a near-term challenge for the company, Samsung is generating improved profitability from its low and mid-range smart phones. United Natural Foods continues to grow with the natural foods industry, albeit at a reduced pace compared to previous years. Our returns from United Natural Foods were driven by our decision to add significantly to the Fund's position when the stock was trading in the low \$30s at the end of February.

Within our long equity portfolio, the most significant detractors to performance over the past year have been **Mosaic Company (MOS)**, **Rentech (RTK)**, and **LPL Financial (LPL)**. Rentech is in the midst of building several wood pellet manufacturing facilities in Canada, and the construction efforts have taken longer and been more costly than management anticipated. Mosaic continues to be hurt by weaker than expected demand for fertilizer. We expect fertilizer demand to firm up eventually, but not until corn prices strengthen. LPL Financial, which the Fund sold and no longer owns, was a mistake. Paraphrasing Maya Angelou, LPL's board showed us who they were from a corporate governance standpoint when they repurchased shares held by the private equity firm that took the company public several years ago. Unfortunately for LPL shareholders, they executed this buyback just before



announcing a surprisingly disappointing quarter. Having lost confidence in LPL's Board of Directors, we sold the stock at a loss. Fortunately, losses from these three stocks were more than overshadowed by gains made elsewhere within the portfolio.

During the recent quarter, we sold Appleseed's positions in **Adidas AG (ADS-Germany)** and **Female Health Company (FHC)**. We purchased Adidas at the end of 2014, and the company's share price has more than doubled since then. While the fundamentals of the company have been strong, we decided to sell the Fund's shares for a profit once the share price exceeded our intrinsic value estimate for the company. We sold Female Health Company due to a proposed merger with Aspen Park Pharmaceuticals which we do not support. We were not impressed with Aspen Park's management team, and we were not impressed with Female Health Company for seeking out this merger. Our investment in Female Health Company was modest, and we decided Appleseed Fund's capital could be better deployed elsewhere.

During the recent quarter, we also initiated new positions in **Cosco Pacific (1199-HK)** and **Herbalife (HLF)**. Cosco Pacific is one of the largest port operators in the world and should benefit from earnings growth when global trade begins to increase again. However, even without earnings growth, the company is trading at a steep discount to its port operator peers, providing us with an attractive margin of safety on our initial position. This is the second time we have invested in Herbalife. Our view is diametrically opposed to the view of Bill Ackman, who has run an extensive public relations campaign against the company in order to profit from his short sale investment in the company. We thought he was incorrect in his assessment in 2013, and we think he remains incorrect today. In Herbalife, we are making an impact investment in a company whose fundamental value proposition is a community-based, personal support network for people who want to improve their diet and transition to a healthier lifestyle. Herbalife's multilevel marketing model is uniquely suited to provide such a support network, which cannot be matched by either GNC or Weight Watchers. This unique value proposition has driven the long-term growth of the company, and we expect that growth to continue for years to come. In our recent investor webinar, we spoke extensively about Herbalife, and a transcript of that discussion can be found on the Appleseed Fund website (www.appleseedfund.com).



Our overall asset allocation remains roughly the same as it was on June 30. We are fairly diversified across asset classes, and we continue to have a fair amount of dry powder in the form of cash, bonds, and gold, which we hope to deploy when stock buying opportunities increase. Put more simply, we are trying to position the portfolio defensively.

* * * * *

As demonstrated in the annual report, we are continuing to make efforts to do the right things for our own shareholders. To that end, you will notice that the expense rate of the Investor share class has declined. The recent decline in the Fund's expenses was a purposeful decision on our part, taken a year ago, to make sure that Appleseed Fund is priced competitively. As portfolio managers, we remain deeply invested in Appleseed Fund, with our time and also with our own personal capital.

We are ever grateful for the loyalty and trust of Appleseed Fund shareholders. We believe to be a successful investor, a long-term perspective is required. To be a successful portfolio manager, shareholders with a long-term perspective are required. We are fortunate to have a shareholder base with wisdom and patience, which in turn allows us to invest with wisdom and patience. Thank you.

If you have any questions, please do not hesitate to reach out to Colin Rennich, our Director of Sales. His email address is colin@appleseedfund.com.

Thank you again for your continued support and your trust in our ability to manage your Appleseed Fund investment.

Sincerely,

Billy Pekin, CFA

Adam Strauss, CFA

Josh Strauss, CFA



Fund statistics from 12/08/06 until 09/30/2016. Source: Morningstar. Through 09/30/2016, the Appleseed Fund (APPLX) generated a one year return of 9.90%, a three year annualized return of 0.98%, a five year annualized return of 6.48% and an annualized return of 6.05% since the Fund's inception on 12/08/06.

You should consider the fund's investment objectives, risks, charges and expenses carefully before you invest. Performance data quoted above represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. The Fund's prospectus contains important information about the Fund's investment objectives, potential risks, management fees, charges and expenses, and other information and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus or performance data current to the most recent month by calling 1-800-470-1029.

There is no guarantee that this or any investment strategy will succeed; the strategy is not an indicator of future performance; and investment results may vary. There are no guarantees that dividend paying stocks will continue to pay dividends. Dividend paying stocks may not experience the same capital appreciation potential as non-dividend paying stocks. In addition such a strategy does not ensure profit or guarantee against loss.

Investments in international markets present special risks including currency fluctuation, the potential for diplomatic and political instability, regulatory and liquidity risks, foreign taxation and differences in auditing and other financial standards. Risks of foreign investing are generally intensified for investments in emerging markets. You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing.

The MSCI World Index is a widely followed, unmanaged group of stocks from 23 international markets and is not available for purchase. The Index returns do not reflect the deduction of expenses, which have been deducted from the Fund's returns. The Index return assumes reinvestment of all distributions and does not reflect the deduction of taxes and fees. Individuals cannot invest directly in the Index. However, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index. Investments in commodities may be affected by overall market movements, changes in interest rates, and other factors such as weather, disease, embargoes and international economic and political developments. Commodities are assets that have tangible properties, such as oil, metals, and agricultural products. These instruments may subject the Fund to greater volatility than investments in traditional securities.

The following holding percentages are for each equity mentioned in the presentation as of 09/30/2016 owned by Appleseed Fund; By Ticker Symbol; UNFI 5.61%, HLF 6.45%, TWI 1.99%, KR005930 1.97%, MOS 3.05%, RTK 0.74%, VRX 0.00%, DB 0.00%, VOW-DE 0.00%, WFC 0.00%, LPL 0.00%, ADS 0.00% FHC 0.00%, I199-HK 2.82%.

The Fund is managed by Pekin Singer Strauss Asset Management, an SEC registered investment firm dedicated to value investing.

For more information, visit www.appleseedfund.com.

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INVESTMENT RESULTS – (Unaudited)

Average Annual Total Returns ^(a) (For the periods ended September 30, 2016)				
	One Year	Five Years	Since Inception (12/8/06)	Since Inception (1/31/11)
Appleseed Fund				
Investor Class	9.90%	6.48%	6.05%	N/A
Institutional Class	10.18%	6.72%	N/A	5.54%
MSCI World Index ^(b)	11.36%	11.63%	3.82%	7.35%
Expense Ratios^(c)				
			Investor Class	Institutional Class
Gross			1.41%	1.22%
With Applicable Waivers			1.24%	1.05%

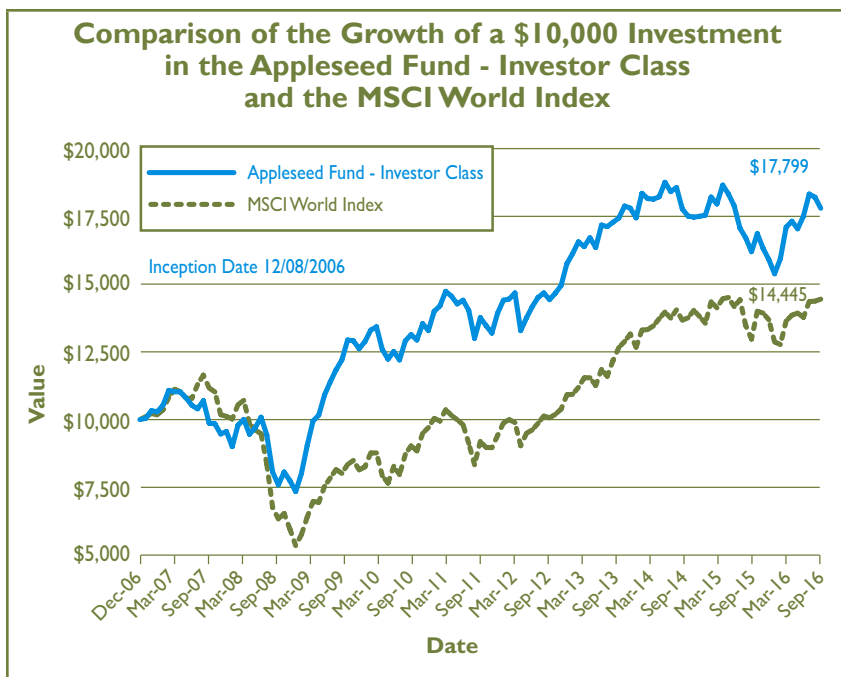
The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Current performance of the Fund may be lower or higher than the performance quoted. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. Performance data current to the most recent month end may be obtained by calling 1-800-470-1029.

- (a) Return figures reflect any change in price per share and assume the reinvestment of all distributions. The Fund's returns reflect any fee reductions during the applicable period. If such fee reductions had not occurred, the quoted performance would have been lower.
- (b) The MSCI World Index is a widely followed, unmanaged group of stocks from 23 international markets and is not available for purchase. The Index returns do not reflect the deduction of expenses, which have been deducted from the Fund's returns. The Index returns assume reinvestment of all distributions and do not reflect the deduction of taxes and fees. Individuals cannot invest directly in the Index. However, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.
- (c) The expense ratios are from the Fund's prospectus dated January 28, 2016. The Fund's Adviser contractually has agreed to waive its management fee and/or reimburse expenses so that total annual operating expenses (excluding brokerage fees and commissions; fees paid pursuant to the Administrative Services Plan (Investor Class only); borrowing costs, such as (a) interest and (b) dividend expenses on securities sold short; any 12b-1 fees; taxes; extraordinary expenses; and any indirect expenses, such as acquired fund fees and expenses) do not exceed 0.95% the Fund's average daily net assets through January 31, 2018. Any waiver or reimbursement by the Adviser is subject to repayment by the Fund within three fiscal years, provided that the Fund is able to make the repayment without exceeding the 0.95% limitation. The expense cap may not be terminated prior to this date except by the Board of Trustees. Additional information pertaining to the Fund's expense ratios as of September 30, 2016 can be found on the financial highlights.

You should consider the Fund's investment objectives, risks, charges and expenses carefully before you invest. The Fund's prospectus contain important information about the Fund's investment objectives, potential risks, management fees, charges and expenses, and other information and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus or performance data current to the most recent month by calling 1-800-470-1029.

The Fund is distributed by Unified Financial Securities, LLC, member FINRA/SIPC.

INVESTMENT RESULTS – continued (Unaudited)

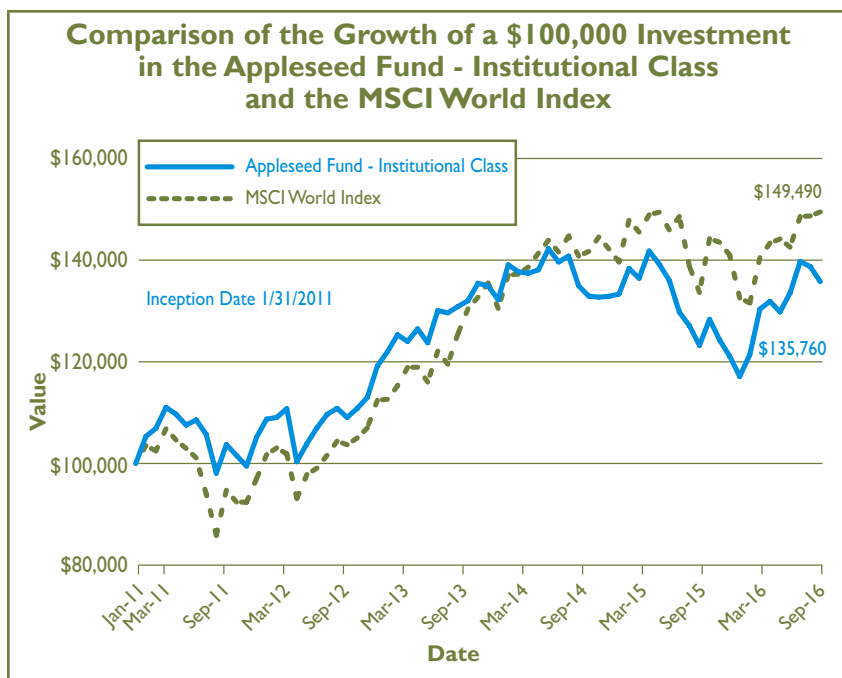


The chart above assumes an initial investment of \$10,000 made on December 8, 2006 (commencement of operations) for the Investor Class and held through September 30, 2016. The MSCI World Index is a widely followed, unmanaged group of stocks from 23 international markets and is representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in an index, however, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index. **THE FUND'S RETURN REPRESENTS PAST PERFORMANCE AND DOES NOT GUARANTEE FUTURE RESULTS.** The returns shown do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Investment returns and principal values will fluctuate so that your shares, when redeemed, may be worth more or less than their original purchase price.

Current performance of the Fund may be lower or higher than the performance quoted. For more information on the Fund, and to obtain performance data current to the most recent month end or to request a prospectus, please call 1-800-470-1029. The Fund's investment objectives, risks, charges and expenses should be considered carefully before investing. The prospectus contains this and other important information about the investment company and should be read carefully before investing.

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INVESTMENT RESULTS – continued (Unaudited)



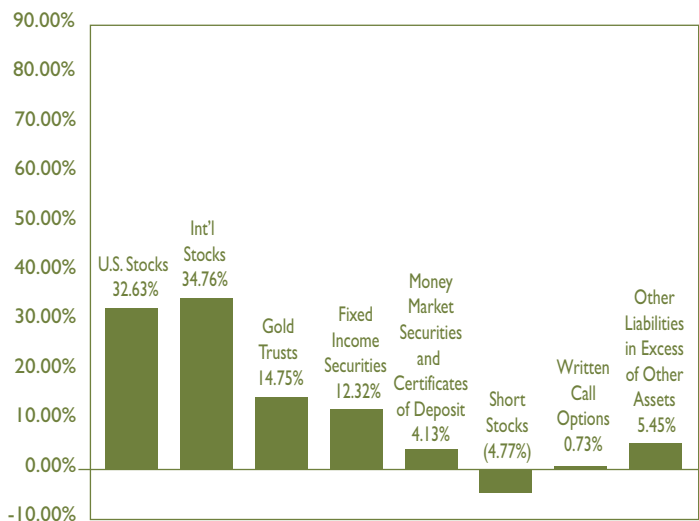
The chart above assumes an initial investment of \$100,000 made on January 31, 2011 (commencement of operations) for the Institutional Class and held through September 30, 2016. The MSCI World Index is a widely followed, unmanaged group of stocks from 23 international markets and is representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in an index, however, an individual can invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index. **THE FUND'S RETURN REPRESENTS PAST PERFORMANCE AND DOES NOT GUARANTEE FUTURE RESULTS.** The returns shown do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Investment returns and principal values will fluctuate so that your shares, when redeemed, may be worth more or less than their original purchase price.

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FUND HOLDINGS – (Unaudited)

Appleseed Fund Holdings as of September 30, 2016¹



¹ As a percentage of net assets.

The Appleseed Fund invests primarily in a portfolio of equity securities of companies that are undervalued in the opinion of the Fund's Adviser, Pekin Singer Strauss Asset Management. The investment objective of the Appleseed Fund is long-term capital appreciation. Portfolio holdings are subject to change.

Availability of Portfolio Schedule – (Unaudited)

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of each fiscal year on Form N-Q. The Fund's Forms N-Q are available at the SEC's website at www.sec.gov. The Fund's Forms N-Q may be reviewed and copied at the Public Reference Room in Washington DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

APPLESEED FUND

SCHEDULE OF INVESTMENTS

September 30, 2016

Common Stocks — 67.39%	Shares	Fair Value
Business Services — 1.62%		
Yusen Logistics Co. Ltd. (a)	322,600	\$ 3,109,244
Consumer Discretionary — 8.80%		
Bayerische Motoren Werke AG (a)	72,500	6,095,169
DSW, Inc., Class A	226,939	4,647,711
Hyundai Home Shopping Network Corp. (a)	55,933	6,195,874
		<u>16,938,754</u>
Consumer Staples — 11.95%		
Herbalife Ltd. (a) (b) *	198,600	12,311,214
United Natural Foods, Inc. (c) *	267,160	10,697,086
		<u>23,008,300</u>
Financials — 8.98%		
Jones Lang LaSalle, Inc.	48,165	5,480,695
Oaktree Capital Group LLC (c)	193,756	8,215,254
Sberbank of Russia PJSC ADR (a)	279,824	2,635,942
Willis Towers Watson PLC (a)	7,172	952,227
		<u>17,284,118</u>
Health Care — 0.04%		
Joint Corp./The *	30,000	<u>72,000</u>
Industrials — 13.88%		
Aggreko PLC (a)	291,354	3,608,714
Air Lease Corp.	202,116	5,776,475
COSCO SHIPPING Ports Ltd. (a)	5,248,000	5,379,302
OKUMA Corp. (a)	398,000	3,014,526
Titan International, Inc.	375,550	3,800,566
Toyo Tanso Co. Ltd. (a)	397,200	5,142,243
		<u>26,721,826</u>
Information Technology — 5.49%		
Samsung Electronics Co. Ltd. (a)	2,600	3,772,461
ScanSource, Inc. *	69,550	2,538,575
Syntel, Inc. *	101,655	4,260,361
		<u>10,571,397</u>
Materials — 3.76%		
Mosaic Co./The	238,378	5,830,726
Rentech, Inc. *	483,736	1,412,509
		<u>7,243,235</u>

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF INVESTMENTS – continued

September 30, 2016

Common Stocks — 67.39% – continued	Shares	Fair Value
<i>Pharmaceuticals — 1.51%</i>		
Novartis AG ADR (a) (c)	36,750	\$ 2,901,780
<i>Real Estate Investment Trusts — 2.40%</i>		
Equity Commonwealth *	153,099	4,626,652
<i>Telecommunication Services — 8.96%</i>		
China Mobile Ltd.ADR (a)	64,120	3,944,662
SK Telecom Co., Ltd.ADR (a)	346,729	7,836,075
Verizon Communications, Inc. (c)	105,065	5,461,279
		<u>17,242,016</u>
TOTAL COMMON STOCKS		
(Cost \$127,426,407)		<u>129,719,322</u>
Closed-End Trusts — 14.75%		
Sprott Physical Gold Trust (a) (d) *	2,593,032	28,393,701
TOTAL CLOSED-END TRUSTS		
(Cost \$25,997,937)		<u>28,393,701</u>
	Principal Amount	
U.S. Government Securities — 5.46%		
United States Treasury Note, 0.63%, 7/31/2017 ..	\$ 3,500,000	3,500,343
United States Treasury Note, 0.75%, 10/31/2017 ..	3,500,000	3,502,804
United States Treasury Note, 0.88%, 1/15/2018 ..	3,500,000	3,507,658
TOTAL U.S. GOVERNMENT SECURITIES		
(Cost \$10,506,557)		<u>10,510,805</u>

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF INVESTMENTS – continued

September 30, 2016

	<u>Principal Amount</u>	<u>Fair Value</u>
Corporate Bonds — 4.49%		
Financials — 1.56%		
Western Union Co./The, 5.93%, 10/1/2016	\$ 3,000,000	\$ 3,000,000
Pharmaceuticals — 2.93%		
Teva Pharmaceutical Finance IV BV, 2.88%, 4/15/2019 (a)	2,900,000	3,490,282
Teva Pharmaceutical Industries Ltd., 2.40%, 11/10/2016 (a)	2,145,000	2,147,945
		<u>5,638,227</u>
TOTAL CORPORATE BONDS		
(Cost \$8,567,138)		<u>8,638,227</u>
Foreign Government Bonds — 2.37%		
Singapore Government Bond, 2.50%, 6/1/2019 (e)	6,000,000	<u>4,571,785</u>
TOTAL FOREIGN GOVERNMENT BONDS		
(Cost \$4,945,321)		<u>4,571,785</u>
Certificates of Deposit — 1.44%		
Beneficial Bank, 0.20%, 10/18/2016	250,000	250,000
Community Bank, 0.45%, 3/8/2017	250,000	250,000
Community Bank, 0.75%, 9/21/2017 (f)	1,015,071	1,015,071
New Resource Bank, 0.05%, 11/18/2016	249,416	249,416
Self-Help Federal Credit Union, 0.25%, 11/4/2016 .	250,000	250,000
Self-Help Federal Credit Union, 0.25%, 11/28/2016 .	250,000	250,000
Spring Bank, 0.90%, 9/30/2017	250,000	250,000
Sunrise Bank, 0.12%, 10/3/2016	250,000	<u>250,000</u>
TOTAL CERTIFICATES OF DEPOSIT		
(Cost \$2,764,487)		<u>2,764,487</u>
	<u>Contracts</u>	
Options Purchased — 0.73%		
SPDR S&P 500 ETF Put @ \$211, Expiring November 2016	5,500	<u>1,408,000</u>
TOTAL OPTIONS PURCHASED		
(Cost \$1,964,469)		<u>1,408,000</u>

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF INVESTMENTS – continued

September 30, 2016

Money Market Securities — 2.69%	Shares	Fair Value
Federated Government Obligations Fund, Class Institutional, 0.26% (g)	5,186,324	\$ 5,186,324
TOTAL MONEY MARKET SECURITIES (Cost \$5,186,324)		<u>5,186,324</u>
TOTAL INVESTMENTS — 99.32% (Cost \$187,358,640)		<u>191,192,651</u>
Other Assets in Excess of Liabilities — 0.68% .		<u>1,303,666</u>
NET ASSETS — 100.00%		<u>\$ 192,496,317</u>

(a) Foreign security denominated in U.S. dollars.

(b) All or a portion of the security is held as collateral for written call options.

(c) All or a portion of the security is held as collateral for securities sold short. The total fair value of this collateral on September 30, 2016, was \$13,014,156.

(d) Passive Foreign Investment Company.

(e) Foreign-denominated security. Principal amount is reported in Singapore Dollars.

(f) Certificates of Deposit purchased through Certificate of Deposit Account Registry Service ("CDARS"). Deposits occur in increments below the standard Federal Deposit Insurance Corporation ("FDIC") insurance maximum so that both principal and interest are FDIC insured.

(g) Rate disclosed is the seven day effective yield as of September 30, 2016.

* Non-income producing security.

ADR - American Depositary Receipt

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF SECURITIES SOLD SHORT

September 30, 2016

Common Stocks - Short — (4.77%)	Shares	Fair Value
<i>Consumer Discretionary — (1.92%)</i>		
Finish Line, Inc., Class A	(40,320)	\$ (930,586)
Mobileye NV (a)	(19,200)	(817,344)
Planet Fitness, Inc.	(48,000)	(963,360)
Under Armour, Inc., Class A	(25,440)	(984,019)
		<u>(3,695,309)</u>
<i>Financials — (0.53%)</i>		
Primerica, Inc.	(19,200)	<u>(1,018,176)</u>
<i>Information Technology — (0.50%)</i>		
ViaSat, Inc.	(12,960)	<u>(967,464)</u>
<i>Telecommunication Services — (1.82%)</i>		
Sprint Corp.	(528,000)	<u>(3,500,640)</u>
TOTAL COMMON STOCKS - SHORT		
(Proceeds Received \$7,503,285)		\$ (9,181,589)

(a) Foreign security denominated in U.S. dollars.

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF FUTURES CONTRACTS

September 30, 2016

<u>Short Futures Contracts</u>	<u>Number of Contracts</u>	<u>Underlying Face Amount at Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Japanese Yen Currency Futures			
Contract December 2016	<u>(62)</u>	\$ (7,665,138)	\$ <u>(35,316)</u>
TOTAL SHORT FUTURES CONTRACTS	(62)		\$ <u>(35,316)</u>

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

SCHEDULE OF WRITTEN OPTIONS

September 30, 2016

<u>Call Options Written — (0.06%)</u>	<u>Outstanding Contracts</u>	<u>Fair Value</u>
Herballife Ltd/November 2016/ Strike Price \$70.00 (a)	(700)	\$ (106,400)
TOTAL CALL OPTIONS WRITTEN (Premiums Received \$165,280)		\$ (106,400)

(a) The call contract has a multiplier of 100 shares.

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

STATEMENT OF ASSETS AND LIABILITIES

September 30, 2016

Assets

Investments in securities at fair value (cost \$187,358,640)	\$ 191,192,651
Cash	188
Cash restricted at broker for securities sold short	6,170,846
Cash held at broker (a)	254,200
Receivable for fund shares sold	1,966,118
Receivable for investments sold	2,363,456
Dividends and interest receivable	475,761
Receivable for net variation margin on futures contracts	27,125
Prepaid expenses	11,505
Total Assets	202,461,850

Liabilities

Options written, at fair value (premium received \$165,280)	106,400
Investments in securities sold short, at fair value (proceeds received \$7,503,285)	9,181,589
Payable for fund shares redeemed	91,615
Payable for investments purchased	383,481
Payable to Adviser, net	109,373
Payable for administrative services plan fees, Investor Class, net	16,221
Payable to administrator, fund accountant, and transfer agent	17,106
Payable to custodian	7,640
Payable to trustees	2,750
Other accrued expenses	49,358
Total Liabilities	9,965,533

Net Assets	\$ 192,496,317
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Net Assets consist of:

Paid-in capital	\$ 193,917,510
Accumulated undistributed net investment income (loss)	(115,695)
Accumulated undistributed net realized loss from investments	(3,484,383)
Net unrealized appreciation (depreciation) on:	
Investment securities	3,834,011
Securities sold short	(1,678,304)
Written options	58,880
Foreign currency translations	(386)
Short futures contracts	(35,316)

Net Assets	\$ 192,496,317
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Net Assets: Investor Class	\$ 103,650,216
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Shares outstanding (unlimited number of shares authorized, no par value)	8,478,934
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Net asset value and offering price per share	\$ 12.22
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Redemption price per share (NAV * 98%) (b)	\$ 11.98
--	----------

Net Assets: Institutional Class	\$ 88,846,101
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Shares outstanding (unlimited number of shares authorized, no par value)	7,217,058
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Net asset value and offering price per share	\$ 12.31
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Redemption price per share (NAV * 98%) (b)	\$ 12.06
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(a) Cash used as collateral for futures contract transactions.

(b) The Fund charges a 2.00% redemption fee on shares redeemed within 90 calendar days of purchase.

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

STATEMENT OF OPERATIONS

For the year ended September 30, 2016

Investment Income

Dividend income (net of foreign taxes withheld of \$124,418)	\$ 2,520,516
Interest income	252,913
Total investment income	<u>2,773,429</u>

Expenses

Investment Adviser	1,647,433
Administrative services plan, Investor Class	263,437
Administration	123,996
Fund accounting	60,803
Legal	60,405
Custodian	44,291
Report printing	39,615
Registration	39,082
Transfer agent	33,288
Audit	19,800
Insurance	19,416
Trustee	12,037
Pricing	11,525
CCO	10,098
Miscellaneous	51,080
Interest	32,638
Dividend expense on securities sold short	3,685
Total expenses	2,472,629
Fees waived by Adviser	(333,606)
Administrative services plan waiver	(57,066)
Net operating expenses	<u>2,081,957</u>

Net investment income	<u>691,472</u>
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Net Realized and Unrealized Gain (Loss) on Investments

Net realized gain (loss) on:	
Investment securities	30,794
Securities sold short	787,097
Written options	30,504
Foreign currency translations and transactions	(658,551)
Futures contracts	(1,343,955)
Change in unrealized appreciation (depreciation) on:	
Investment securities	22,186,037
Securities sold short	(4,011,258)
Written options	19,616
Foreign currency translations	6,719
Futures contracts	337,935

Net realized and unrealized gain (loss) on investment securities, securities sold short, written options, foreign currency translations and transactions and futures contracts	<u>17,384,938</u>
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Net increase in net assets resulting from operations	<u>\$ 18,076,410</u>
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See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

STATEMENTS OF CHANGES IN NET ASSETS

	<i>For the Year Ended September 30, 2016</i>	<i>For the Year Ended September 30, 2015</i>
Increase (Decrease) in Net Assets due to:		
Operations		
Net investment income	\$ 691,472	\$ 114,028
Net realized gain (loss) on investment securities, written options, securities sold short, foreign currency translations and transactions and futures contracts	(1,154,111)	6,843,219
Change in unrealized appreciation (depreciation) on investment securities, written options, securities sold short, foreign currency translations and futures contracts	18,539,049	(28,457,058)
Net increase (decrease) in net assets resulting from operations	18,076,410	(21,499,811)
Distributions		
From net investment income - Institutional Class ..	(124,811)	(119,893)
From net realized gains - Investor Class	(2,617,671)	(16,002,495)
From net realized gains - Institutional Class	(2,084,654)	(11,931,182)
Total distributions	(4,827,136)	(28,053,570)
Capital Transactions - Investor Class		
Proceeds from shares sold	23,328,261	26,541,991
Reinvestment of distributions	2,584,223	15,794,505
Amount paid for shares redeemed	(41,542,258)	(71,711,449)
Proceeds from redemption fees (a)	3,298	12,921
Total Investor Class	(15,626,476)	(29,362,032)
Capital Transactions - Institutional Class		
Proceeds from shares sold	16,579,592	22,103,901
Reinvestment of distributions	2,171,206	11,816,717
Amount paid for shares redeemed	(28,933,094)	(40,575,183)
Proceeds from redemption fees (a)	1,379	7,204
Total Institutional Class	(10,180,917)	(6,647,361)
Net decrease in net assets resulting from capital transactions	(25,807,393)	(36,009,393)
Total Decrease in Net Assets	(12,558,119)	(85,562,774)

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

STATEMENTS OF CHANGES IN NET ASSETS –

continued

	<i>For the Year Ended September 30, 2016</i>	<i>For the Year Ended September 30, 2015</i>
Net Assets		
Beginning of year	\$ 205,054,436	\$ 290,617,210
End of year	<u>\$ 192,496,317</u>	<u>\$ 205,054,436</u>
Accumulated undistributed net investment income (loss) included in net assets at end of year	<u>\$ (115,695)</u>	<u>\$ (7,654)</u>
Share Transactions - Investor Class		
Shares sold	2,008,923	2,085,107
Shares issued in reinvestment of distributions	235,357	1,308,575
Shares redeemed	<u>(3,630,044)</u>	<u>(5,700,691)</u>
Total Investor Class	<u>(1,385,764)</u>	<u>(2,307,009)</u>
Share Transactions - Institutional Class		
Shares sold	1,420,774	1,736,448
Shares issued in reinvestment of distributions	196,667	974,173
Shares redeemed	<u>(2,472,035)</u>	<u>(3,249,409)</u>
Total Institutional Class	<u>(854,594)</u>	<u>(538,788)</u>
Net decrease in shares outstanding	<u>(2,240,358)</u>	<u>(2,845,797)</u>

- (a) The Fund charges a 2% redemption fee on shares redeemed within 90 calendar days of purchase. Shares are redeemed at the Net Asset Value if held longer than 90 calendar days.

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND – INVESTOR CLASS

FINANCIAL HIGHLIGHTS

(For a share outstanding during each period)

	Year ended September 30, 2016	Year ended September 30, 2015
Selected Per Share Data:		
Net asset value, beginning of year	\$ 11.40	\$ 13.96
Investment operations:		
Net investment income (loss)	0.03	(0.01)
Net realized and unrealized gain (loss) on investments ..	1.07	(1.15)
Total from investment operations	1.10	(1.16)
Less distributions to shareholders:		
From net investment income	—	—
From net realized gain	(0.28)	(1.40)
Total distributions	(0.28)	(1.40)
Paid in capital from redemption fees	—(b)	—(b)
Net asset value, end of year	\$ 12.22	\$ 11.40
Total Return (c)	9.90%	(8.90)%
Ratios and Supplemental Data:		
Net assets, end of year (000)	\$ 103,650	\$ 112,447
Ratio of net expenses to average net assets (d)(e)	1.16%	1.22%(f)
Ratio of net expenses to average net assets before waivers and reimbursement (d)	1.39%	1.39%
Ratio of net investment income (loss) to average net assets (d)	0.27%	(0.06)%
Portfolio turnover rate	82%	52%

(a) Net investment income per share is based on average shares outstanding during the year.

(b) Rounds to less than \$0.005 per share.

(c) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends.

(d) These ratios exclude the impact of expenses of the underlying security holdings as represented in the Schedule of Investments.

(e) Excluding dividend and interest expense, the ratio of net expenses to average net assets were 1.14%, 1.20%, 1.24%, 1.24% and 1.24% for the fiscal years ended September 30, 2016, 2015, 2014, 2013 and 2012, respectively.

(f) Effective October 1, 2014, the Adviser has contractually agreed to cap the Fund's expenses at 0.95% excluding fees paid pursuant to an Administrative Services Plan. Prior to October 1, 2014, the Fund's expense cap was 0.99%.

See accompanying notes which are an integral part of these financial statements.

<i>Year ended September 30, 2014</i>	<i>Year ended September 30, 2013</i>	<i>Year ended September 30, 2012</i>
<u>\$ 14.80</u>	<u>\$ 13.07</u>	<u>\$ 12.32</u>
0.03	0.07	0.05(a)
<u>0.36</u>	<u>2.17</u>	<u>1.44</u>
<u>0.39</u>	<u>2.24</u>	<u>1.49</u>
—(b)	(0.23)	(0.12)
<u>(1.23)</u>	<u>(0.28)</u>	<u>(0.63)</u>
<u>(1.23)</u>	<u>(0.51)</u>	<u>(0.75)</u>
—(b)	—(b)	0.01
<u>\$ 13.96</u>	<u>\$ 14.80</u>	<u>\$ 13.07</u>
2.85%	17.79%	12.86%
 \$ 169,903	 \$ 249,372	 \$ 205,232
1.26%	1.29%	1.25%
 1.48%	 1.51%	 1.52%
 0.40%	 0.34%	 0.38%
53%	63%	76%

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND — INSTITUTIONAL CLASS FINANCIAL HIGHLIGHTS

(For a share outstanding during each period)

	Year ended September 30, 2016	Year ended September 30, 2015
Selected Per Share Data		
Net asset value, beginning of year	\$ 11.47	\$ 14.02
Investment operations:		
Net investment income	0.06	0.02
Net realized and unrealized gain (loss) on investments ..	1.08	(1.16)
Total from investment operations	1.14	(1.14)
Less Distributions to shareholders:		
From net investment income	(0.02)	(0.01)
From net realized gain	(0.28)	(1.40)
Total distributions	(0.30)	(1.41)
Paid in capital from redemption fees	—(b)	—(b)
Net asset value, end of year	<u>\$ 12.31</u>	<u>\$ 11.47</u>
Total Return (c)	10.18%	(8.68)%
Ratios and Supplemental Data		
Net assets, end of year (000)	\$ 88,846	\$ 92,607
Ratio of expenses to average net assets (d)(e)	0.97%	0.97%(f)
Ratio of expenses to average net assets before waivers and reimbursement (d)	1.14%	1.14%
Ratio of net investment income (loss) to average net assets (d)	0.46%	0.18%
Portfolio turnover rate	82%	52%

(a) Net investment income per share is based on average shares outstanding during the period.

(b) Rounds to less than \$0.005 per share.

(c) Total return in the above table represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of dividends.

(d) These ratios exclude the impact of expenses of the underlying security holdings as represented in the Schedule of Investments.

(e) Excluding dividend and interest expense, the ratio of net expenses to average net assets were 0.95%, 0.95%, 0.99%, 0.99% and 0.99% for the fiscal years ended September 30, 2016, 2015, 2014, 2013 and 2012, respectively.

(f) Effective October 1, 2014, the Adviser contractually agreed to cap the Fund's expenses at 0.95% excluding fees paid pursuant to an Administrative Services Plan. Prior to October 1, 2014, the Fund's expense cap was 0.99%.

See accompanying notes which are an integral part of these financial statements.

<i>Year ended September 30, 2014</i>	<i>Year ended September 30, 2013</i>	<i>Year ended September 30, 2012</i>
<u> </u>	<u> </u>	<u> </u>
\$ 14.86	\$ 13.09	\$ 12.35
0.13	0.08(a)	0.08(a)
<u>0.30</u>	<u>2.20</u>	<u>1.44</u>
<u>0.43</u>	<u>2.28</u>	<u>1.52</u>
(0.04)	(0.23)	(0.15)
<u>(1.23)</u>	<u>(0.28)</u>	<u>(0.63)</u>
<u>(1.27)</u>	<u>(0.51)</u>	<u>(0.78)</u>
<u>—(b)</u>	<u>—(b)</u>	<u>—(b)</u>
<u>\$ 14.02</u>	<u>\$ 14.86</u>	<u>\$ 13.09</u>
3.10%	18.07%	13.00%
\$ 120,714	\$ 54,396	\$ 32,996
1.01%	1.04%	1.01%
1.23%	1.26%	1.27%
0.44%	0.55%	0.64%
53%	63%	76%

See accompanying notes which are an integral part of these financial statements.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS

September 30, 2016

NOTE 1. ORGANIZATION

The Appleseed Fund (the “Fund”) was organized as a non-diversified series of the Unified Series Trust (the “Trust”) on September 11, 2006. The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated October 17, 2002 (the “Trust Agreement”). The Trust Agreement permits the Board of Trustees of the Trust (the “Board”) to issue an unlimited number of shares of beneficial interest of separate series. The Fund is one of a series of funds currently authorized by the Board. The Fund’s investment adviser is Pekin Singer Strauss Asset Management, Inc. (the “Adviser”). The investment objective of the Fund is to provide long-term capital appreciation.

The Fund currently offers two classes of shares, Investor Class and Institutional Class. Investor Class shares were first offered to the public on December 8, 2006; and Institutional Class shares were first offered to the public on January 31, 2011. Each share represents an equal proportionate interest in the assets and liabilities belonging to the applicable class and is entitled to such dividends and distributions out of income belonging to the applicable class as are declared by the Board. The primary difference between the two classes is attributable to the administrative service fee arrangement for the Investor Class. On matters that affect the Fund as a whole, each class has the same voting and other rights and preferences as any other class. On matters that affect only one class, only shareholders of that class may vote. Each class votes separately on matters affecting only that class, or on matters expressly required to be voted on separately by state or federal law. Shares of each class of a series have the same voting and other rights and preferences as the other classes and series of the Trust for matters that affect the Trust as a whole. The Fund may offer additional classes of shares in the future.

Non-Diversification Risk – The Fund is non-diversified, which means it may invest a greater percentage of its assets in a fewer number of stocks as compared to other mutual funds that are more broadly diversified. As a result, the Fund’s share price may be more volatile than the share price of some other mutual funds, and the poor performance of an individual stock in the Fund’s portfolio may have a significant negative impact on the Fund’s performance.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies”. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Securities Valuation – All investments in securities are recorded at their estimated fair value as described in Note 3.

Foreign Currency Translation – The accounting records of the Fund are maintained in U.S. dollars. Foreign currency amounts are translated into U.S. dollars at the current rate of exchange each business day to determine the value of investments, and other assets and liabilities. Purchases and sales of foreign securities, and income and expenses, are translated at the prevailing rate of exchange on the respective date of these transactions. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from fluctuation arising from changes in market prices of securities held. These fluctuations are included with the unrealized gain or loss from investments. Reported net realized foreign exchange gains or losses arise from sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund’s books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the fair values of assets and liabilities, other than investments in securities at period end, resulting from changes in exchange rates.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

Short Sales - The Fund may make short sales as part of its overall portfolio management strategies or to offset a potential decline in value of a security. The Fund may engage in short sales with respect to various types of securities, including exchange traded funds (ETFs) and futures. A short sale involves the sale of a security that is borrowed from a broker or other institution to complete the sale. The Fund may engage in short sales with respect to securities it owns, as well as securities that it does not own. Short sales expose the Fund to the risk that it will be required to acquire, convert, or exchange securities to replace the borrowed securities (also known as “covering” the short position) at a time when the securities sold short have appreciated in value, thus resulting in a loss to the Fund. The Fund’s investment performance may also suffer if the Fund is required to close out a short position earlier than it had intended. The Fund must segregate assets determined to be liquid in accordance with procedures established by the Board, or otherwise cover its position in a permissible manner. The Fund will be required to pledge its liquid assets to the broker in order to secure its performance on short sales. As a result, the assets pledged may not be available to meet the Fund’s needs for immediate cash or other liquidity. In addition, the Fund may be subject to expenses related to short sales that are not typically associated with investing in securities directly, such as costs of borrowing and margin account maintenance costs associated with the Fund’s open short positions. These types of short sales expenses are sometimes referred to as the “negative cost of carry,” and will tend to cause the Fund to lose money on a short sale even in instances where the price of the underlying security sold short does not change over the duration of the short sale. Dividend expenses on securities sold short and borrowing costs are not covered under the Advisor’s expense limitation agreement with the Fund and, therefore, these expenses will be borne by the shareholders of the Fund. The Fund’s social and environmental screens are not applied to short sales.

Federal Income Taxes – The Fund makes no provision for federal income or excise tax. The Fund intends to qualify each year as a “regulated investment company” (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of its taxable income. The Fund also intends to distribute sufficient net investment income and net capital gains,

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

if any, so that it will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense.

As of and during the year ended September 30, 2016, the Fund did not have a liability for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year, the Fund did not incur any interest or penalties.

Expenses – Expenses incurred by the Trust that do not relate to a specific fund of the Trust are allocated to the individual funds by or under the direction of the Board in such a manner as the Board determine to be fair and equitable. Income, realized gains and losses, unrealized appreciation and depreciation, and Fund-wide expenses not allocated to a particular class shall be allocated to each class based on the net assets of that class in relation to the net assets of the entire Fund.

Security Transactions and Related Income – The Fund follows industry practice and records security transactions on the trade date for financial reporting purposes. The specific identification method is used for determining gains or losses for financial statements and income tax purposes. Dividend income is recorded on the ex-dividend date and interest income is recorded on an accrual basis. Dividend income from Real Estate Investment Trusts (REITS) and distributions from Limited Partnerships are recognized on the ex-date. The calendar year end classification of distributions received from REITS during the fiscal year are reported subsequent to year end; accordingly, the Fund estimates the character of REIT distributions based on the most recent information available. Income or loss from Limited Partnerships is reclassified in the components of net assets upon receipt of K-1's. Discounts and premiums on securities purchased are amortized or accreted using the effective interest method. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates. The ability of issuers of debt securities held by the Fund to meet their obligations may be affected by economic and political developments in a specific country or region.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

Redemption Fees – The Fund charges a 2.00% redemption fee for shares redeemed within 90 calendar days of purchase. These fees are deducted from the redemption proceeds otherwise payable to the shareholder. The Fund will retain the fee charged as an increase in paid-in capital and such fees become part of the Fund's daily NAV calculation.

Dividends and Distributions – The Fund intends to distribute substantially all of its net investment income as dividends to its shareholders on at least an annual basis. The Fund intends to distribute its net realized long-term capital gains and its net realized short-term capital gains, if any, to its shareholders at least once a year. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expenses or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset value per share of the Fund. For the fiscal year ended September 30, 2016, the Fund made the following reclassifications to increase (decrease) the components of net assets:

<u><i>Paid in Capital</i></u>	<u><i>Accumulated Undistributed Net Investment Income (Loss)</i></u>	<u><i>Accumulated Net Realized Gain (Loss) from Investments</i></u>
\$ 468	\$ (674,702)	\$ 674,234

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS

Fair value is defined as the price that the Fund would receive upon selling an investment in a orderly transaction to an independent buyer in the principal or most advantageous market of the investment. GAAP establishes

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk (the risk inherent in a particular valuation technique used to measure fair value such as a pricing model and/or the risk inherent in the inputs to the valuation technique). Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

- Level 1 – unadjusted quoted prices in active markets for identical investments and/or registered investment companies where the value per share is determined and published and is the basis for current transactions for identical assets or liabilities at the valuation date
- Level 2 – other significant observable inputs (including, but not limited to, quoted prices for an identical security in an inactive market, quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments based on the best information available)

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement falls in its entirety, is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

Equity securities, including domestic and foreign common stocks, that are traded on any stock exchange are generally valued at the last quoted sale price on the security's primary exchange. Lacking a last sale price, an exchange traded security is generally valued at its last bid price. Securities traded in the NASDAQ over-the-counter market are generally valued at the NASDAQ Official Closing Price. When using the market quotations and when the market is considered active, the security is classified as a Level 1 security. In the event that market quotations are not readily available or are considered unreliable due to market or other events, the Fund values its securities and other assets at fair value in accordance with procedures established by and under the general supervision of the Board. Under these procedures, the securities will be classified as Level 2 or 3 within the fair value hierarchy, depending on the inputs used.

Investments in mutual funds, including closed-end trusts and money market mutual funds, are generally priced at the ending net asset value (NAV) provided by the service agent of the funds. These securities will be categorized as Level 1 securities.

Debt securities, including corporate bonds, U.S. government securities, and foreign government bonds, are valued by using the mean between the closing bid and asked prices provided by a pricing service. If the closing bid and asked prices are not readily available, the pricing service may provide a price determined by a matrix pricing method. Matrix pricing is a mathematical technique used to value fixed income securities without relying exclusively on quoted prices. Matrix pricing takes into consideration recent transactions, yield, liquidity, risk, credit quality, coupon, maturity, type of issue and any other factors or market data the pricing service deems relevant for the actual security being priced and for other securities with similar characteristics. These securities will generally be categorized as Level 2 securities. If the Adviser decides that a price provided by the pricing service does not accurately reflect the fair value of the securities or when prices are not readily available from a pricing service, securities are valued at fair value as determined in good faith by the Adviser, in conformity with guidelines adopted by and subject to review of the Board. These securities will generally be categorized as Level 3 securities.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

Short-term investments in fixed income securities, (those with maturities of less than 60 days when acquired, or which subsequently are within 60 days of maturity) may be valued by using the amortized cost method of valuation, which the Board has determined represents fair value. Certificates of deposit are priced at their original cost, which approximates their fair value, through maturity date. These securities will be classified as Level 2 securities.

Option contracts are generally valued using the closing price based on quoted data from the six major U.S. options exchanges on which such options are traded, and are typically categorized as Level 1 in the fair value hierarchy.

Futures contracts that the Fund invests in are valued at the settlement price established each day by the board of trade or exchange on which they are traded, and when the market is considered active, will generally be categorized as Level 1 securities.

In accordance with the Trust's valuation policies, the Adviser is required to consider all appropriate factors relevant to the value of securities for which it has determined other pricing sources are not available or reliable as described above. No single standard exists for determining fair value, because fair value depends upon the circumstances of each individual case. As a general principle, the current fair value of an issue of securities being valued by the Adviser would be the amount which the Fund might reasonably expect to receive for them upon their current sale. Methods which are in accordance with this principle may, for example, be based on (i) a multiple of earnings; (ii) a discount from market of a similar freely traded security (including a derivative security or a basket of securities traded on other markets, exchanges or among dealers); or (iii) yield to maturity with respect to debt issues, or a combination of these and other methods. Fair value pricing is permitted if, in the Adviser's opinion, the validity of market quotations appears to be questionable based on factors such as evidence of a thin market in the security based on a small number of quotations, a significant event occurs after the close of a market but before the Fund's NAV calculation that may affect a security's value, or the Adviser is aware of any other data that calls into question the reliability of market quotations.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

The following is a summary of the inputs used to value the Fund's investments as of September 30, 2016.

<u>Assets</u>	<u>Valuation Inputs</u>				<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>		
Common Stocks*	\$ 129,719,322	\$ —	\$ —		\$ 129,719,322
Closed-End Trusts	28,393,701	—	—		28,393,701
U.S. Government Securities	—	10,510,805	—		10,510,805
Corporate Bonds*	—	8,638,227	—		8,638,227
Foreign Government Bonds	—	4,571,785	—		4,571,785
Certificates of Deposit	—	2,764,487	—		2,764,487
Options Purchased	1,408,000	—	—		1,408,000
Money Market Securities	5,186,324	—	—		5,186,324
Total	<u>\$ 164,707,347</u>	<u>\$ 26,485,304</u>	<u>\$ —</u>		<u>\$ 191,192,651</u>

* Refer to Schedule of Investments for industry classifications.

<u>Liabilities</u>	<u>Valuation Inputs</u>				<u>Total</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>		
Short Common Stocks	\$ (9,181,589)	\$ —	\$ —		\$ (9,181,589)
Short Futures Contracts*	(35,316)	—	—		(35,316)
Written Option Contracts	(106,400)	—	—		(106,400)
Total	<u>\$ (9,323,305)</u>	<u>\$ —</u>	<u>\$ —</u>		<u>\$ (9,323,305)</u>

* The amount shown represents the net unrealized depreciation of the futures contracts.

The Fund did not hold any investments at any time during the reporting period in which significant unobservable inputs were used in determining fair value; therefore, no reconciliation of Level 3 securities is included for this reporting period. The Fund recognizes transfers between fair value hierarchy levels at the reporting period end. There were no transfers between any Levels for the fiscal year ended September 30, 2016.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 4. DERIVATIVE TRANSACTIONS

Currency Futures Contracts – The Fund entered into currency futures contracts (long and short) to hedge its foreign currency exposure during the fiscal year. A currency futures contract involves an obligation to purchase or sell a specific currency at a future date. Such contracts are used to sell unwanted currency exposure that comes from holding securities in a market. The contracts are marked to market daily and change in value is recorded as unrealized appreciation or depreciation. Variation margin receivables or payables represent the difference between the change in unrealized appreciation and depreciation on the open contracts and the cash deposits made on the margin accounts. When a currency futures contract is closed, the Fund records a realized gain or loss equal to the difference between the value at the time it was opened and the value at the time it was closed. The Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts and from unanticipated movements in the currency exchange rates. Cash held at broker as of September 30, 2016, is held for collateral for futures transactions and is restricted from withdrawal.

Written Options Contracts – The Fund may write options contracts for which premiums received are recorded as liabilities and are subsequently adjusted to the current value of the options written. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are either exercised or closed are offset against the proceeds received or the amount paid on the transaction to determine realized gains or losses. Investing in written options contracts exposes a Fund to equity price risk.

The following tables identify the location and fair value of derivative instruments on the Statement of Assets and Liabilities as of September 30, 2016, and the effect of derivative instruments on the Statement of Operations for the fiscal year ended September 30, 2016.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 4. DERIVATIVE TRANSACTIONS – continued

At September 30, 2016:

<u>Derivatives</u>	<u>Location of Derivatives on Statement of Assets & Liabilities</u>	<u>Amount</u>
Foreign Exchange Risk:		
Short currency futures contracts	Receivable for net variation margin on futures contracts	\$ 27,125
Equity Price Risk:		
Purchased option contracts	Investments in securities, at fair value	\$ 1,408,000
Equity Price Risk:		
Written option contracts	Options written, at fair value	\$ (106,400)

For the year ended September 30, 2016:

<u>Derivatives</u>	<u>Location of Gain (Loss) on Derivatives on Statement of Operations</u>	<u>Contracts Open/ Sold Short/ Written</u>	<u>Contracts Closed</u>	<u>Realized Gain (Loss) on Derivatives</u>	<u>Change in Unrealized Appreciation (Depreciation) on Derivatives</u>
Foreign Exchange Risk:					
Short currency futures contracts	Net realized and unrealized gain (loss) on short futures contracts	481	750	\$ (1,343,955)	\$ 337,935
Equity Price Risk:					
Written option contracts	Net realized and unrealized gain (loss) on written options	2,547	3,189	\$ 30,504	\$ 19,616
Equity Price Risk:					
Purchased option contracts	Net realized and unrealized gain (loss) on investments	7,500	2,000	\$ 312,074	\$ (556,469)

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 4. DERIVATIVE TRANSACTIONS – continued

Balance Sheet Offsetting Information

The following table provides a summary of offsetting financial liabilities and derivatives and the effect of derivative instruments on the Statement of Assets and Liabilities.

Futures Contracts	Gross Amounts Not Offset in Statement of Assets and Liabilities						
	Gross Amounts of Recognized Assets	Gross Amount Offset in Statement of Assets and Liabilities	Net Amount of Assets Presented in Statement of Assets and Liabilities	Financial Instruments	Cash Collateral Pledged	Net Amount (not less than 0)	
Short currency futures contracts	\$ 27,125	\$ —	\$ 27,125	\$ —	\$ —	\$ 27,125	

For financial reporting purposes, it is the Fund's policy to disclose the net variation margin receivable or payable on futures contracts at the reporting period end.

Transactions in written options by the Fund during the fiscal year ended September 30, 2016, were as follows:

	<u>Number of Contracts</u>	<u>Premiums Received</u>
Options outstanding at September 30, 2015	1,342	\$ 59,394
Options written	2,547	342,189
Options closed	(3,189)	(236,303)
Options exercised	—	—
Options outstanding at September 30, 2016	<u>700</u>	<u>\$ 165,280</u>

NOTE 5. FEES AND OTHER TRANSACTIONS WITH AFFILIATES

The Adviser, under the terms of the management agreement with the Trust (the "Agreement"), manages the Fund's investments. As compensation for its management services, the Fund is obligated to pay the Adviser a fee computed and accrued daily and paid monthly at an annual rate of 0.85% of the Fund's average daily net assets. For the fiscal year ended September 30, 2016, before the waiver described below, the Adviser earned a fee of \$1,647,433 from the Fund. The Adviser has contractually agreed to waive its management fee and/or reimburse certain Fund operating expenses

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 5. FEES AND OTHER TRANSACTIONS WITH AFFILIATES – continued

through January 31, 2017, so that the total annual Fund operating expenses, excluding brokerage fees and commissions, fees paid pursuant to the Administrative Services Plan (Investor Class only), borrowing costs (such as interest and dividend expense on securities sold short), taxes, any indirect expenses such as expenses incurred by other investment companies in which the Fund may invest, any 12b-1 fees, and extraordinary expenses do not exceed 0.95%. For the fiscal year ended September 30, 2016, the Adviser waived fees of \$333,606. At September 30, 2016, the Adviser was owed \$109,373 from the Fund for advisory services.

Each waiver or reimbursement by the Adviser is subject to repayment by the Fund within the three fiscal years following the fiscal year in which the particular expense was incurred, provided that the Fund is able to make the repayment without exceeding the expense limitation in effect at the time of the waiver and any expense limitation in place at the time of repayment. The amounts subject to repayment by the Fund, pursuant to the aforementioned conditions, as of September 30, 2016, are as follows:

<u>Amount</u>	<u>Recoverable through September 30,</u>
\$657,451	2017
\$436,598	2018
\$333,606	2019

The Trust retains Ultimus Asset Services, LLC (“Ultimus”) to provide the Fund with administration, accounting, transfer agent and compliance services, including all regulatory reporting. For the year ended September 30, 2016, Ultimus earned fees of \$123,996 for administration services, \$33,288 for transfer agent services, and \$60,803 for fund accounting services. At September 30, 2016, the Fund owed Ultimus \$17,106 for such services.

Certain officers of the Trust are employees of Ultimus. Unified Financial Securities, LLC (the “Distributor”) acts as the principal distributor of the Fund’s shares. Both Ultimus and the Distributor operate as wholly owned

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 5. FEES AND OTHER TRANSACTIONS WITH AFFILIATES – continued

subsidiaries of Ultimus Fund Solutions, LLC. Officers of the Trust are officers of the Distributor; such persons may be deemed to be affiliates of the Distributor.

The Fund has adopted an Administrative Services Plan with respect to Investor Class shares, pursuant to which the Fund pays an annual fee of 0.25% of the average daily net assets of the Fund's Investor Class shares to the Adviser to compensate financial intermediaries who provide administrative services to the Investor Class shareholders. The Adviser has contractually agreed to waive its receipt of payments under the Administrative Services Plan, to the extent such payments exceed an annual rate of 0.19% of the average daily net assets of Investor Class shares. This contractual waiver is in effect through January 31, 2018. Financial intermediaries eligible to receive payments under the Administrative Services Plan include mutual fund supermarkets and other platforms sponsored by any 401(k) plan, bank, trust company or broker-dealer that have entered into an agreement with the Fund or the Fund's distributor to sell the Fund's Investor Class shares. For purposes of the Plan, administrative services include, but are not limited to (i) acting as record holder and nominee of Investor Class shares beneficially owned by the financial intermediary's customers; (ii) providing sub-accounting services to such customers; (iii) processing and issuing confirmations with respect to orders to purchase, redeem or exchange Investor Class shares; (iv) processing dividend payments; and (v) providing periodic account statements. For the year ended September 30, 2016, the Investor Class incurred Service fees of \$263,437 (\$206,371 after waiver described above). At September 30, 2016, \$16,221 was owed to the Adviser pursuant to the Administrative Services Plan.

The Fund has adopted a Distribution Plan (the "Plan") pursuant to Rule 12b-1 under the Investment Company Act of 1940, which is currently inactive. The Plan provides that the Fund will pay the Adviser and/or any registered securities dealer, financial institution or any other person (the "Recipient") a shareholder servicing fee up to 0.25% of the average daily net assets of the Fund in connection with the promotion and distribution of the

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 5. FEES AND OTHER TRANSACTIONS WITH AFFILIATES – continued

Fund's shares or the provision of personal services to shareholders, including, but not necessarily limited to, advertising, compensation to underwriters, dealers and selling personnel, the printing and mailing of prospectuses to other than current Fund shareholders, the printing and mailing of sales literature and servicing shareholder accounts ("12b-1 Expenses"). The Fund or Adviser may pay all or a portion of these fees to any Recipient who renders assistance in distributing or promoting the sale of shares, or who provides certain shareholder services, pursuant to a written agreement. The Plan is a compensation plan, which means that compensation is provided regardless of 12b-1 expenses actually incurred. The Fund does not currently intend to activate the Plan prior to January 31, 2017.

NOTE 6. INVESTMENT TRANSACTIONS

For the fiscal year ended September 30, 2016, purchases and sales of investment securities, other than short-term investments were as follows:

Purchases

U.S. Government Obligations	\$ 14,017,637
Other	134,894,063

Sales

U.S. Government Obligations	\$ 6,506,918
Other	162,296,405

NOTE 7. BENEFICIAL OWNERSHIP

The beneficial ownership, either directly or indirectly, of more than 25% of the voting securities of a fund creates a presumption of control of the Fund, under Section 2(a)(9) of the Investment Company Act of 1940. At September 30, 2016, Pershing LLC, for the benefit of its customers, owned 31.09% of the Fund. Charles Schwab & Co., Inc., for the benefit of its customers, owned 25.40% of the Fund. As a result, Pershing LLC and Charles Schwab & Co., Inc. may be deemed to control the Fund.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS -

continued

September 30, 2016

NOTE 8. FEDERAL TAX INFORMATION

At September 30, 2016, the appreciation (depreciation) of investments, including securities sold short, written options and futures contracts, for tax purposes, was as follows:

	<u>Amount</u>
Gross Appreciation	\$ 13,855,253
Gross (Depreciation)	<u>(14,739,554)</u>
Net Appreciation (Depreciation) on Investments	<u>\$ (884,301)</u>

At September 30, 2016, the aggregate cost of securities, net of proceeds for securities sold short, for federal income tax purposes, was \$182,788,577.

The tax characterization of distributions for the fiscal years ended September 30, 2016 and 2015 were as follows:

	<u>2016</u>	<u>2015</u>
Distributions paid from:		
Ordinary Income*	\$ 124,820	\$ 2,683,852
Long-term Capital Gain	<u>4,702,315</u>	<u>25,369,718</u>
	<u>\$ 4,827,135</u>	<u>\$ 28,053,570</u>

* Short term capital gain distributions are treated as ordinary income for tax purposes.

At September 30, 2016, the components of distributable earnings (accumulated losses) on a tax basis were as follows:

Undistributed ordinary income	\$ 2,306,964
Undistributed long-term capital gains	—
Accumulated capital and other losses	(2,843,856)
Unrealized appreciation (depreciation)	<u>(884,301)</u>
	<u>\$ (1,421,193)</u>

At September 30, 2016, the difference between book basis and tax basis unrealized appreciation (depreciation) is attributable to the tax deferral of losses on wash sales and basis adjustments for investments in passive foreign investment companies.

APPLESEED FUND

NOTES TO FINANCIAL STATEMENTS –

continued

September 30, 2016

NOTE 8. FEDERAL TAX INFORMATION – continued

As of September 30, 2016, the Fund had short-term capital loss carryforwards available to offset future gains and not subject to expiration in the amount of \$2,625,918.

Certain capital and qualified late year losses incurred after October 31, and within the current taxable year, are deemed to arise on the first business day of the Fund's following taxable year. For the tax year ended September 30, 2016, the Fund deferred post October capital losses in the amount of \$217,938.

NOTE 9. SUBSEQUENT EVENTS

Management has evaluated events or transactions that may have occurred since September 30, 2016, that would merit recognition or disclosure in the financial statements. There were no items requiring adjustment of the financial statements or additional disclosure.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Appleseed Fund and
Board of Trustees of Unified Series Trust

We have audited the accompanying statement of assets and liabilities, including the schedules of investments, securities sold short, futures contracts, and options written of Appleseed Fund (the “Fund”), a series of Unified Series Trust, as of September 30, 2016, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of September 30, 2016, by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Appleseed Fund as of September 30, 2016, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.



COHEN & COMPANY, LTD.
Cleveland, Ohio
November 28, 2016

SUMMARY OF FUND EXPENSES – (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs (such as short-term redemption fees); and (2) ongoing costs, including management fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of \$1,000 invested at the beginning of the period and held for six months from April 1, 2016 to September 30, 2016.

Actual Expenses

The first line of the table for each class provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.60), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During The Period” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The second line of the table for each class provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

Expenses shown are meant to highlight your ongoing costs only and do not reflect any transactional costs such as the redemption fee imposed on short-term redemptions. The second line of the table below is useful in comparing ongoing costs only and will not help you determine the relative costs of owning different funds. If incurred, the short-term redemption fee imposed by the Fund would increase your expenses.

SUMMARY OF FUND EXPENSES – continued (Unaudited)

		<i>Beginning Account Value April 1, 2016</i>	<i>Ending Account Value September 30, 2016</i>	<i>Expenses Paid During Period⁽¹⁾</i>	<i>Annualized Expense Ratio</i>
Appleseed Fund					
Investor Class	Actual	\$ 1,000.00	\$ 1,040.90	\$ 5.98	1.17%
	Hypothetical ⁽²⁾	\$ 1,000.00	\$ 1,019.14	\$ 5.92	1.17%
Institutional Class	Actual	\$ 1,000.00	\$ 1,041.50	\$ 5.02	0.98%
	Hypothetical ⁽²⁾	\$ 1,000.00	\$ 1,020.09	\$ 4.96	0.98%

(1) Expenses are equal to the Fund's annualized expense ratios, multiplied by the average account value over the period, multiplied by 183/366 (to reflect the one-half year period).

(2) Hypothetical assumes 5% annual return before expenses.

OTHER FEDERAL TAX INFORMATION – (Unaudited)

For the year ended September 30, 2016, certain dividends paid by the Fund may be subject to a maximum tax rate of 15% as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003. The Fund intends to designate the maximum amount allowable as taxed at a maximum rate of 15%. Complete information will be reported in conjunction with your 2016 Form 1099-DIV.

For the year ended September 30, 2016, the Fund paid qualified dividend income of 100%.

For the year ended September 30, 2016, 100% of ordinary income dividends paid by the Fund qualify for the dividends received deduction available to corporations.

For the year ended September 30, 2016, the Fund designated \$4,702,315 as 20% long-term capital gain distributions.

TRUSTEES AND OFFICERS – (Unaudited)

GENERAL QUALIFICATIONS. The Board of Trustees supervises the business activities of the Trust. Each Trustee serves as a trustee until termination of the Trust unless the Trustee dies, resigns, retires, or is removed. The Chairman of the Board and more than 75% of the Trustees are “Independent Trustees,” which means that they are not “interested persons” (as defined in the 1940 Act) of the Trust or any adviser, sub-adviser or distributor of the Trust.

The following table provides information regarding the Independent Trustees.

Name, Address*, (Age), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
<p>Gary E. Hippenstiel (Age – 69)</p> <p>Chairman of the Audit and Pricing Committees</p> <p>Independent Trustee, December 2002 to present</p>	<p>Current: President and founder of Hippenstiel Investment Counsel LLC, a registered investment advisor, since November 2008; Chairman and Founder, Constitution Education Foundation since February 2011.</p> <p>Previous: Director, Vice President and Chief Investment Officer of Legacy Trust Company, N.A. a full service trust company, from September 1991 to September 2008; Chairman of the investment committee for W.H. Donner Foundation and Donner Canadian Foundation from June 2005 to September 2011; Chairman of investment committee for the Diana Davis Spencer Foundation from October 2011 to May 2014.</p>
<p>Stephen A. Little (Age – 70)</p> <p>Chairman, December 2004 to present;</p> <p>Independent Trustee, December 2002 to present</p>	<p>Current: President and founder of The Rose, Inc., a registered investment advisor, since April 1993.</p>

TRUSTEES AND OFFICERS – continued (Unaudited)

Name, Address*, (Age), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
Daniel J. Condon (Age – 66) Independent Trustee, December 2002 to present	<p>Current: Executive Advisor of Standard Steel, LLC, a manufacturer of forged steel wheels and axles, since January 2016; Director and Vice President of Standard Steel Holdings Co., a holding company which owns Standard Steel, LLC, since January 2015; Director of International Crankshaft, Inc. since 2004.</p> <p>Previous: Chief Executive Officer of Standard Steel LLC from August 2011 to January 2016; Director of Steel Wheels Acquisition Corp. and Standard Steel, Inc., both holding companies which, through subsidiaries, produced steel wheels and axles, from August 2011 to December 2014; President and Chief Executive Officer of International Crankshaft Inc., an automotive supply manufacturing company, from 2004 to August 2011; Chairman of SMI Crankshaft LLC, an automotive and truck supplier, from July 2010 to August 2011.</p>
Ronald C. Tritschler (Age – 64) Independent Trustee, January 2007 to present; Interested Trustee, December 2002 to December 2006	<p>Current: Chief Executive Officer, Director and Legal Counsel of The Webb Companies, a national real estate company, since 2001; Director of First State Financial, a full-service bank, since 1998.</p> <p>Previous: Chairman, Bluegrass Tomorrow, nonprofit organization, and Chairman of The Lexington Convention and Visitors' Bureau.</p>
Kenneth G.Y. Grant (Age – 67) Independent Trustee, May 2008 to present	<p>Current: Executive Vice President and Chief Officer, Corporate Development for Global Trust Company, a nondepository trust company, since 2008, Advisors Charitable Gift Fund since May 2005, Northeast Retirement Services, Inc., a provider of retirement and charitable services products, since February 2003 and Savings Banks Employees Retirement Association, a provider of qualified retirement benefit plans, since February 2003; Director, Lift Up Africa since 2008; Chair Investment Committee since January 2011 and past Chair; Board of Directors of Massachusetts Council of Churches; Member, Presbytery of Boston, Presbyterian Church (U.S.A.) since June 1975.</p>

* The address for each trustee is 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246.

** The Trust currently consists of 14 series.

TRUSTEES AND OFFICERS – continued (Unaudited)

The following table provides information regarding the interested Trustee and the Officers of the Trust.

Name, Address*, (Age), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
Nancy V. Kelly (Age – 61)*** Trustee, November 2007 to present	Current: Executive Vice President of Huntington National Bank, the Trust's primary custodian, since December 2001; Director, Wedgewood Golf & Country Club since October 2008; Director, Greenlawn Cemetery since October 2007; Director, Directions for Youth and Families, a social service agency, since August 2006.
Dave Carson (Age – 58) President, January 2016 to present	Current: Vice President and Director of Client Strategies of Ultimus Fund Solutions, LLC since 2013; President, Ultimus Managers Trust ("UMT") since October 2013; Principal Executive Officer, UMT since October 2014. Previous: Vice President, UMT (April 2013 to October 2013); Chief Compliance Officer, The Huntington Funds (2005 to 2013), The Flex-Funds (2006 to 2011), Meeder Financial (2007 to 2011), Huntington Strategy Shares (2012 to 2013), and Huntington Asset Advisors (2013); Vice President, Huntington National Bank (2001 to 2013).
Bo Howell (Age – 35) Vice President and Secretary, January 2016 to present	Current: V.P., Director of Fund Administration for Ultimus Fund Solutions, LLC since 2014; Secretary, UMT since 2015. Previous: Assistant Secretary, UMT (2014); Counsel – Securities and Mutual Funds for Western & Southern Financial Group (2012 to 2014); U.S. Securities and Exchange Commission, Senior Counsel (2009 to 2012).

TRUSTEES AND OFFICERS – continued (Unaudited)

Name, Address*, (Age), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
John C. Swhear (Age – 55) Vice President, January 2016 to present	<p>Current: Assistant Vice President and Associate Director of Compliance, Ultimus Fund Solutions, LLC since 2015; Chief Compliance Officer, Unified Financial Securities, LLC since May 2007; Chief Compliance Officer and AML Officer, Capitol Series Trust since September 2013; Chief Compliance Officer, AML Officer and Vice President, Valued Advisers Trust since May 2007.</p> <p>Previous: Vice President of Legal Administration, Compliance and Risk for Huntington Asset Services, Inc. (n/k/a Ultimus Asset Services, LLC), the Trust's administrator; (April 2007 to December 2015), Director since May 2014; President, Unified Series Trust (March 2012 to January 2016); Senior Vice President of Unified Series Trust (May 2007 to August 2013); Secretary of Huntington Funds (April 2010 to February 2012).</p>
Zachary Richmond (Age – 36) Treasurer and Chief Financial Officer, November 2014 to present	<p>Current: Assistant Vice President, Associate Director of Financial Administration since December 2015; Treasurer and Chief Financial Officer of Capitol Series Trust since August 2014; Treasurer and Chief Financial Officer of Commonwealth International Series Trust since September 2015.</p> <p>Previous: Manager, Fund Administration, Huntington Asset Services, Inc. (January 2011 to December 2015); Interim Treasurer and Chief Financial Officer of Unified Series Trust (August 2014 to November 2014); Assistant Treasurer of Unified Series Trust (May 2011 to August 2014).</p>
Lynn E. Wood (Age – 69) Chief Compliance Officer, October 2004 to present	<p>Current: Managing Member, Buttonwood Compliance Partners, LLC, since May 2013; Chief Compliance Officer of Unified Series Trust, since October 2004.</p>

* The address for each trustee and officer is 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246.

** The Trust currently consists of 14 series.

*** Ms. Kelly may be deemed an interested trustee because she is an officer of an entity that until December 31, 2015 was under common control with Unified Financial Securities, LLC, the Trust's distributor. The Board reviewed and approved this arrangement.

MANAGEMENT AGREEMENT RENEWAL – (Unaudited)

The Appleseed Fund (the “Fund”) is a series of Unified Series Trust (the “Trust”). The Trust’s Board of Trustees oversees the management of the Fund and, as required by law, determines annually whether to approve the continuance of the Fund’s management agreement with its investment adviser, Pekin Singer Strauss Asset Management, Inc. (“Pekin Singer”).

The Board of Trustees, including the Trustees who are not “interested persons” (as that term is defined in the Investment Company Act of 1940, as amended) of the Trust or Pekin Singer, with the assistance of the Board’s Advisory Contract Renewal Committee (the “Committee”), requests and evaluates all information that the Trustees deem reasonably necessary under the circumstances in connection with this annual contract review.

The Committee convened in July 2016 via teleconference to consider the renewal of the management agreement between the Trust and Pekin Singer on behalf of the Fund. In advance of the Committee meeting, each Trustee received and reviewed materials compiled by Ultimus Asset Services, LLC, the Trust’s administrator (“UAS”). In addition, the Committee interviewed certain executives of Pekin Singer, including Pekin Singer’s Chief Operating Officer (who also serves as CCO), Pekin Singer’s Co-Portfolio Manager, and Pekin Singer’s Compliance Officer.

At the Trustees’ August 2016 in-person meeting, the Trustees reviewed and discussed an updated peer-group expense comparison for the Fund and updated performance information as of June 30, 2016. After discussing these materials, the Trustees approved the continuation of the management agreement between the Trust and Pekin Singer on behalf of the Fund for an additional year. The Trustees’ approval of the Fund’s management agreement was based on a consideration of all the information provided to the Trustees, and was not the result of any single factor. Some of the factors that figured particularly in the Trustees’ deliberations are described below, although individual Trustees may have evaluated this information differently, ascribing different weights to various factors. Because the Fund’s management agreement is reviewed and considered by the Board on an annual basis, the Trustees’ determinations may be based, in part, on their consideration of the management agreement in previous years.

- (a) The Nature, Extent, and Quality of Services. The Trustees reviewed and considered information regarding the nature, extent, and quality of services that Pekin Singer provides to the Appleseed Fund. The Trustees considered that these services include, but are not limited to,

MANAGEMENT AGREEMENT RENEWAL – continued (Unaudited)

providing a continuous investment program for the Appleseed Fund, adhering to the Appleseed Fund's investment restrictions, complying with the Trust's policies and procedures, and voting proxies on behalf of the Appleseed Fund. The Trustees considered the qualifications and experience of Pekin Singer's portfolio managers who are responsible for the day-to-day management of the Appleseed Fund's portfolio, as well as the qualifications and experience of the other individuals at Pekin Singer who provide services to the Appleseed Fund. In considering the adequacy of the resources provided to the Appleseed Fund, the Trustees determined that Pekin Singer's resources appear adequate. The Trustees concluded that they were satisfied with the nature, extent, and quality of investment management services provided by Pekin Singer to the Appleseed Fund.

- (b) Fund Performance. The Trustees next reviewed and discussed the Appleseed Fund's performance for periods ended June 30, 2016. The Trustees observed that the Appleseed Fund had outperformed its benchmark, the MSCI World Index, for the year-to-date and one-year periods, and underperformed its benchmark for the three- and five-year periods. The Trustees noted that the Appleseed Fund had outperformed the average return of its Morningstar World Allocation Category over the year-to-date, one- and five-year periods and underperformed its category over the three-year period. The Trustees considered Pekin Singer's explanation for the Appleseed Fund's periods of underperformance.
- (c) Fee Rate and Profitability. The Trustees noted that although the Appleseed Fund's gross management fee is higher than its peer group average and median, its total net expenses were lower than its peer group's average and median. The Trustees considered the profitability analysis prepared by Pekin Singer for its management of the Appleseed Fund and determined that Pekin Singer is earning a reasonable profit from managing the Appleseed Fund. The Trustees also considered that, effective through January 31, 2018, Pekin Singer has agreed to waive its management fee and/or reimburse its expenses of the Appleseed Fund to the extent that the Fund's total annual operating expenses (excluding certain expenses) exceed 0.95 %.

MANAGEMENT AGREEMENT RENEWAL – continued (Unaudited)

The Trustees then considered potential benefits that Pekin Singer may receive in connection with its management of the Appleseed Fund. These include third-party research obtained using soft dollars generated by certain brokerage transactions by the Appleseed Fund, which may be used to benefit the Appleseed Fund along with Pekin Singer's other clients. The Trustees considered Pekin Singer's representation that it does not manage any other client accounts using an investment strategy comparable to the Appleseed Fund's strategy, and thus determined that comparisons between the management fee Pekin Singer charges other accounts versus the Appleseed Fund's management fee would not be helpful. The Trustees concluded that the Appleseed Fund's current management fee represents reasonable compensation in light of the nature and quality of Pekin Singer's services to the Appleseed Fund, the fees paid by competitive mutual funds, and the costs incurred by Pekin Singer in providing services to the Appleseed Fund.

- (d) Economies of Scale. In determining the reasonableness of the management fee, the Trustees also considered the extent to which Pekin Singer will realize economies of scale as the Appleseed Fund grows larger. The Trustees determined that Pekin Singer is not realizing benefits from economies of scale in managing the Appleseed Fund's assets to such an extent that the management fee for the Appleseed Fund should be reduced or that breakpoints in the management fee should be implemented at this time.

Other Information

The Fund's Statement of Additional Information ("SAI") includes additional information about the Trustees and is available without charge, upon request. You may call toll-free at (800) 470-1029 to request a copy of the SAI or to make shareholder inquiries.

Proxy Voting

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted those proxies during the most recent twelve month period ended June 30 are available without charge upon request by: (1) calling the Fund at (800) 470-1029 and (2) from Fund documents filed with the Securities and Exchange Commission ("SEC") on the SEC's website at www.sec.gov.

TRUSTEES

Stephen A. Little, Chairman
Daniel J. Condon
Kenneth G.Y. Grant
Gary E. Hippenstiel
Nancy V. Kelly
Ronald C. Tritschler

OFFICERS

David R. Carson, President
Zachary P. Richmond, Treasurer and Chief Financial Officer
Lynn E. Wood, Chief Compliance Officer
Bo Howell, Secretary

INVESTMENT ADVISER

Pekin Singer Strauss Asset Management, Inc.
161 N. Clark Street, Suite 2200
Chicago, IL 60601

DISTRIBUTOR

Unified Financial Securities, LLC
9465 Counselors Row, Suite 200
Indianapolis, IN 46240

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Cohen & Company, Ltd.
1350 Euclid Avenue, Suite 800
Cleveland, OH 44115

LEGAL COUNSEL

Thompson Hine, LLP
312 Walnut Street, 14th Floor
Cincinnati, OH 45202

CUSTODIAN

U.S. Bank, N.A.
425 Walnut St.
Cincinnati, OH 45202

ADMINISTRATOR, TRANSFER AGENT AND FUND ACCOUNTANT

Ultimus Asset Services, LLC
225 Pictoria Drive, Suite 450
Cincinnati, OH 45246

This report is intended only for the information of shareholders or those who have received the Fund's prospectus, which contains information about the Fund's management fee and expenses. Please read the prospectus carefully before investing.

Distributed by Unified Financial Securities, LLC
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PRIVACY POLICY

The following is a description of the Fund's policies regarding disclosure of nonpublic personal information that you provide to the Fund or that the Fund collects from other sources. In the event that you hold shares of the Fund through a broker-dealer or other financial intermediary, the privacy policy of your financial intermediary would govern how your nonpublic personal information would be shared with nonaffiliated third parties.

Categories of Information the Fund Collects. The Fund collects the following nonpublic personal information about you:

- Information the Fund receives from you on applications or other forms, correspondence, or conversations (such as your name, address, phone number, social security number, and date of birth); and
- Information about your transactions with the Fund, its affiliates, or others (such as your account number and balance, payment history, cost basis information, and other financial information).

Categories of Information the Fund Discloses. The Fund does not disclose any nonpublic personal information about its current or former shareholders to unaffiliated third parties, except as required or permitted by law. The Fund is permitted by law to disclose all of the information it collects, as described above, to service providers (such as the Fund's custodian, administrator, transfer agent, accountant and legal counsel) to process your transactions and otherwise provide services to you.

Confidentiality and Security. The Fund restricts access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Fund maintains physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

Disposal of Information. The Fund, through its transfer agent, has taken steps to reasonably ensure that the privacy of your nonpublic personal information is maintained at all times, including in connection with the disposal of information that is no longer required to be maintained by the Fund. Such steps shall include, whenever possible, shredding paper documents and records prior to disposal, requiring off-site storage vendors to shred documents maintained in such locations prior to disposal, and erasing and/or obliterating any data contained on electronic media in such a manner that the information can no longer be read or reconstructed.

