

BERCX

Mid Cap Value Fund Commentary

Q1 2019 Highlights

- The Fund trailed the Russell Midcap Value benchmark by approximately 130bps returning a gross 12.1% vs. 14.4%
- Allocation was a modest headwind
- 7 of 12 sectors underperformed as lower quality companies led the market rebound

Performance

As of 03.31.2019



Source: Chartwell Investment Partners

The Technology and Energy sectors were the biggest drags on performance. Dolby (2.9%)², a licensor of audio/video enhancement technology, trailed as investors favored less defensive business models. Permian oil producers Diamondback (3.0%) and Pioneer (2.7%) underperformed lower quality peers as the sector rebounded from the severe correction that occurred in November and December.

Consumer Services was our best performing sector. Auto parts retailer AutoZone (4.4%) continued its outperformance on accelerating sales growth in its commercial business while apparel marketer Ralph Lauren (1.9%) entered the next phase of its turnaround and beat sales expectations. Financial Services was also a positive contributor, with private label card issuer Synchrony (1.6%) renewing a contract with a key retail partner.

Current Strategy

Portfolio positioning results primarily from bottom-up selection decisions but includes a small influence from our top-down economic outlook and sector prospects. The Fund's sector exposures are similar to the benchmark's, with a modestly pro-cyclical tilt. The economically-sensitive Basic Industry and Consumer Cyclical sectors are our largest overweight positions, with Healthcare and Consumer Staples the biggest underweights.

¹A basis point or bp represents a unit equal to 1/100th of 1% and denotes the amount of change in the equity indexes.
²The numbers in parentheses following each company mentioned reflect the percentage of net assets comprised of such securities as of 03.31.2019. Holdings percentage is subject to change.

The performance data quoted represents past performance, and is no guarantee of future results. Investment returns and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data cited. Current month end data is available at www.chartwellip.com. Returns for periods of less than a year are not annualized. Expense ratio is 1.05% Net and 1.57% Gross. Chartwell Investment Partners, LLC has contractually agreed until at least one year from the 3/1/19 prospectus to limit Fund expenses.

Macroeconomic & Market Update

After slowing markedly in Q4 2018 to 2.2% annual growth, GDP is expected to have softened further in Q1 2019. The same factors that led to weaker conditions in Q4 – sliding business confidence, muted rest-of-world growth, and trade uncertainty – were amplified by the temporary government shutdown carrying into the first three-and-a-half weeks of January.

Despite expectations for lower GDP growth, stocks rebounded strongly in the first quarter as investors responded favorably to lower valuations and to indications that Federal Reserve policy will adjust to reflect a weaker economic environment. Stocks enjoyed very strong returns in all size and style segments, with lower quality companies benefiting the most after having led the market down in the fourth quarter of 2018. The Russell Mid Cap Value Index advanced 14.4%, led by the Energy, Business Services, and Technology sectors. Consumer Services, Utilities, and Basic Industry were laggards despite generating double-digit gains.

Q1 2019 Review

The Fund trailed the Russell Midcap Value benchmark by approximately 230bps¹ during Q1 2019, returning +12.1% vs. the benchmark return of 14.4%. Allocation was a headwind, with a 5% cash position creating a drag during the market rebound. Selection also hurt, with 7 out of 12 sectors underperforming. In most cases, our avoidance of lower quality companies was a contributing factor.

Q1 2019 Largest Contributors

Through 03.31.2019

Holding	Contribution to Return
AutoZone, Inc. (AZO)	91 bps
Duke Realty Corp. (DRE)	78 bps
Jacobs Engineering (JEC)	65 bps
Vulcan Materials (VMC)	58 bps
Teradata Corp. (TDC)	54 bps

Source: FactSet

Q1 2019 Largest Detractors

Through 03.31.2019

Holding	Contribution to Return
Valvoline Inc. (VVV)	-5 bps
FMC Corporation (FMC)	-1 bps
Vectren Corporation (VVC)	3 bps
Hanover Ins. Group (THG)	6 bps
Dolby Laboratories (DLB)	7 bps

Source: FactSet

Mid Cap Value Fund Commentary

Definitions

Russell Mid Cap Value Index measures the performance of those Russell Midcap companies with lower price/book ratios and lower forecasted growth values. The stocks are also members of the Russell 1000 Value Index.

Top 10 Holdings

As of 03/31/2019

Percentage of Investments³

Autozone Inc.	4.92
Duke Realty Corp.	4.37
Teradata Corp.	3.79
CMS Energy Corp.	3.78
Public Svc. Enterprise Group	3.78
Kirby Corp.	3.78
Allstate Corp.	3.60
Expedia Inc.	3.60
Snap On Inc.	3.44
FMC Corp.	3.41
Total	38.47%

³Percentage passed on net assets as of close of business

Source: Chartwell
Holdings are subject to change at any time. The most current available data regarding portfolio holdings can be found on our website, www.chartwellip.com.

Manager views expressed herein were current as of the date indicated above and are subject to change. It should not be assumed that recommendations made in the future will be profitable or will equal the performance of the securities in this commentary.

You should carefully consider the investment objectives, potential risks, management fees, and charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund, and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus by calling 888-995-5505.

One cannot invest in an index.

On July 17, 2017 the Berwyn Cornerstone Fund was reorganized into the Chartwell Mid Cap Value Fund, which has similar, but not identical, investment objectives, as well as different investment strategies and risks.

The Fund acquired the assets and liabilities of the Berwyn Cornerstone Fund (the "IMST Predecessor Fund"), a series of Investment Managers Series Trust, on July 17, 2017. The IMST Predecessor Fund acquired the assets and liabilities of the Berwyn Cornerstone Fund (the "Berwyn Funds Predecessor Fund," and together with the IMST Predecessor Fund, the "Predecessor Funds"), a series of The Berwyn Funds, on April 29, 2016. As a result of the reorganizations, the Fund is the accounting successor of the Predecessor Funds. Performance results shown reflect the performance of the IMST Predecessor Fund for the period from April 29, 2016 through December 31, 2016, and the performance of the Berwyn Funds Predecessor Fund for the period prior to April 29, 2016. The Predecessor Funds' past performance is not necessarily an indication of how the Fund will perform in the future. The Fund's principal investment strategies differ from those of the Predecessor Funds; therefore, the performance and average annual total returns shown for periods prior to the reorganization may have differed had the Fund's current investment strategy been in effect during those periods.

Mutual fund investing involves risk, including the potential loss of principal.

Mid-Cap securities may be subject to more abrupt market movements and may have lower trading volumes than securities of larger, more established companies. Value investing is subject to the risk that the market will not recognize a security's inherent value, or that a stock judged to be undervalued may actually be appropriately priced or overvalued. Foreign securities involve greater currency valuation, economic, political, and regulatory environment risk relative to U.S. securities. The Fund invests in ETFs and is therefore subject to the same risks as the underlying securities in which the ETF invests as well as entails higher expenses than if invested into the underlying ETF directly. The Fund is a non-diversified fund which may present greater risks than a diversified fund that invests in a greater number of issuers.

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