

BERIX

Berwyn Income Fund Shareholder Letter

Q4 2018 Highlights

- During Q4, the Fund outperformed the ICE BofAML High Yield II Index which lost 4.67% and underperformed the BIG which gained 1.64%. The fund outperformed the Lipper Income Index, which declined 5.07%, its only reference index with an equity component.
- For the twelve-month period, the Fund's -0.82% return outpaced the ICE BofAML High Yield II Index loss of 2.27% and the Lipper Income Index decline of 3.94%. The Fund underperformed the FTSE Broad Investment Grade Bond Index, which lost 0.01%.
- The Fund paid a quarterly dividend of \$0.1076 from net investment income, up from \$0.0637 in last year's fourth quarter.

BERIX Performance

As of 12.31.2018



*Quarterly returns not annualized.

The performance data quoted represents past performance, and is no guarantee of future results. 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 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. Gross expense ratio of 0.69%. Net expense ratio of 0.66% as Chartwell Investment Partners, LLC has contractually agreed to waive its fees and/or pay operating expenses until July 17, 2019.

Dear Berwyn Income Fund Shareholder:

Total return to shareholders of the Berwyn Income Fund (BIF) for Q4 2018 was -2.63%. For the full year, its total return was -0.82%. In Q4, a distribution of \$0.1076 per share was paid from net investment income, up from the \$0.0637 per share paid in Q4 2017. At year's end, the fund also paid a short-term capital gain distribution of \$0.02117 and a long-term capital gain distribution of \$0.2117 per share.

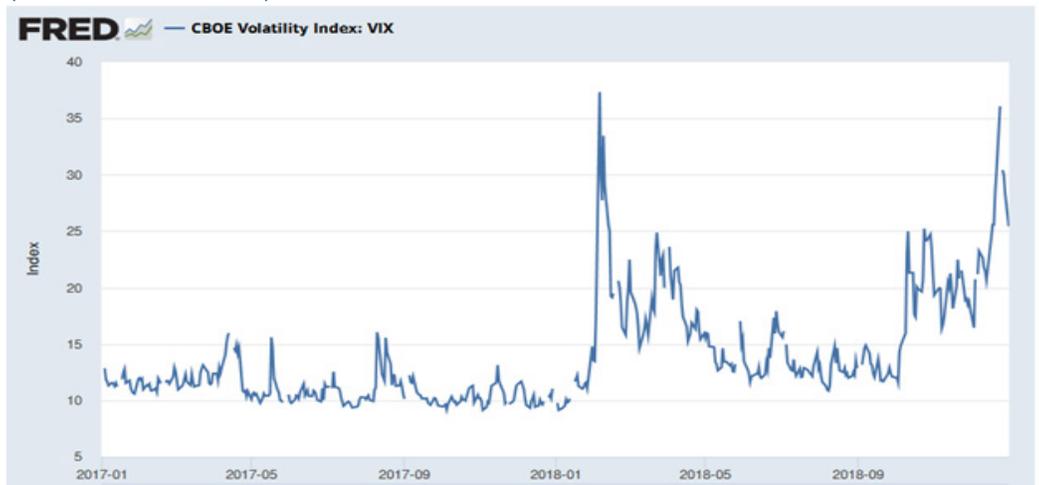
During Q4, BIF outperformed the ICE BofAML High Yield II Index which lost 4.67% and underperformed the FTSE Broad Investment Grade Bond Index (BIG) which gained 1.64%. The fund outperformed the Lipper Income Index, which declined 5.07%, its only reference index with an equity component.

For the twelve-month period, BIF's -0.82% return outpaced the ICE BofAML High Yield II Index loss of 2.27% and the Lipper Income Index decline of 3.94%. BIF underperformed the FTSE Broad Investment Grade Bond Index, which lost 0.01%.

Year in Review

Following a historically calm 2017, 2018 began and ended with volatility. In the middle, equity indices reached all-time highs and Treasury yields touched multi-year highs. Confidence was riding high on the backs of what could only be seen as positive outcomes from tax cuts and tariffs championed by the current Administration. Investor sentiment can be finicky, outright stubborn at times, ignoring fundamentals and trading on feelings. But when the tide turns, it tends to turn quickly and what was previously accepted as normal – equity valuations among the highest in market history, debt levels above any time in history, lack of covenants and protections for investors – creates doubt and leads to uncertainty. We began to see that take place in November and December when cash and liquidity proved their worth yet again.

CBOE Volatility Index: VIX
(01.01.2017 - 12.31.2018)



Source: Chicago Board Options Exchange

Past performance does not guarantee future results.

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Top 10 Holdings

As of 12.31.2018

Holdings			% of Investments ¹
Sherwin Williams Co.	2.25%	due 05.15.20	2.6%
Constellation Brands	3.88%	due 11.15.19	2.5%
Becton Dickinson & Co.	2.68%	due 12.15.19	2.4%
Nuance Comm. CVB	2.75%	due 11.01.31	2.3%
HP Enterprise Co.	3.60%	due 10.15.20	2.3%
Sanmina Corp.	4.38%	due 06.01.19	2.2%
Newmont Mining Co.	5.13%	due 10.01.19	2.2%
Allegiant Travel Co.	5.50%	due 07.15.19	2.1%
Pitney Bowes Inc., PFD	6.70%		2.0%
RLJ Lodging Trust PFD CA A \$1.95			1.9%

CVB = Convertible Bond

PFD = Preferred

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.

¹Percentage based on net assets as of close of business

²The numbers in parentheses following each company mentioned reflect the percentage of the fund's net assets comprised of such securities as of 12.31.2018.

A basis point or bp represents a unit equal to 1/100th of 1%.

Performance

The fund was positioned conservatively throughout 2018, consistent with the prior few years. This led to outperformance compared to the fund's reference indices except for Broad Investment Grade. Compared to the Lipper Income Index, our only reference benchmark with an equity component, the fund outperformed by 312 bps. On an absolute basis; however, it is disappointing to post a negative return and lose a modest amount of money. But even with an underweight to equities, the fund has exposure to stocks and many holdings meaningfully declined.

On the positive side purchases from late 2017 and early 2018 in out of favor retail apparel companies paid off. Macy's (0.0)² and DSW Inc. (0.0) were among the top performers in the fund, both up over 40% for the year. Ericsson (0.3) and Nokia (1.0), two major European communications equipment companies, rose over 30% on reduced competition from China and the launch of 5G. Long term holdings FLIR Systems (0.0) and FirstEnergy (0.1) also meaningfully contributed to return.

Small capitalization stocks were hit particularly hard in 2018 with the Russell 2000 Index declining over 11%. It is not a surprise then that our small cap holdings are among the worst performing positions in the fund for the year. LSI Industries (0.2), PC-TEL (0.2), and Superior Industries (0.4) all declined over 40%. Each company is a turnaround situation and suffered from execution issues and underwhelming earnings reports. We have trimmed back each position and continue to evaluate management's strategic response to fix their respective business. Additionally, some newer names declined shortly after purchase and we have taken the opportunity to add to Newell Brands (0.8), Cleveland-Cliffs (0.7), and Jefferies Financial Group (0.8).

With much of the fixed income portfolio invested in short-term investment-grade corporate bonds it creates a solid total return floor (currently above 3%) but limits price upside. A few fixed income securities did post outsized positive returns for the year: Pitney Bowes 6.7% preferred (2.0), Huron Consulting Group 1.25% due 2019 (1.7), and Gibraltar Industries 6.25% 2021 (0.0).

The fund does not hold many longer maturity securities, but a few positions declined in value as interest rates rose. Apple 3.8% due 2043 (1.5), Tiffany 4.9% due 2044 (1.1), and General Mills 4.1% due 2043 (0.4) all fell over 5% for the year. Additionally, Atlas Air Worldwide 2.25% due 2022 (0.8) convertible bonds declined over 10%.

Overall though, BERIX's fixed income portfolio finished in positive territory while most bond benchmarks lost value in 2018. Corporate bonds, as measured by the Barclay's U.S. Corporate Bond Index, fell by 2.5%. BERIX's overweighting to short term bonds provided a cushion for the fund in a volatile, down market, while also providing positive absolute returns.

Asset Allocation

At year-end, the fund held roughly 16% of its assets in common stocks, 15% in convertible and preferred securities, 67% in non-convertible corporate and preferred securities, and 2% in cash.

Duration continues to be short at 3.4 years but is longer than the beginning of 2018. In more volatile times we tend to be more active as reasonable investment opportunities become available. In the fixed income portfolio higher Treasury yields and wider high yield credit spreads led to increased trading activity in the fund. As is illustrated below the yield on the 10-year US Treasury bond increased through 3% in October and we took that opportunity to establish positions in several investment grade bonds of similar maturity. These companies are in the process of meaningfully reducing their outstanding debt, generate significant free cash flow throughout the business cycle, and have relatively

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Fund Statistics as of 12/31/2018

Inception Date	09/03/1987
Net Assets	\$1,404 M
Number of Holdings	108
NAV	\$12.58
CUSIP	16140T202
12B-1 Fee	None
30 Day SEC Yield ³	3.80%
30-Day SEC Yield Unsubsidized ⁴	3.80%
Dividends	Quarterly
Duration	3.35 years ⁵
Gross Expense Ratio	0.69% ⁶
Net Expense Ratio	0.66% ⁶

Management (Advisory) Fee 0.50%

³The 30-Day SEC Yield is computed under an SEC standardized formula based on net income earned over the past 30 days. It is a "subsidized" yield, which means it includes contractual expense reimbursements, and it would be lower without those reimbursements.

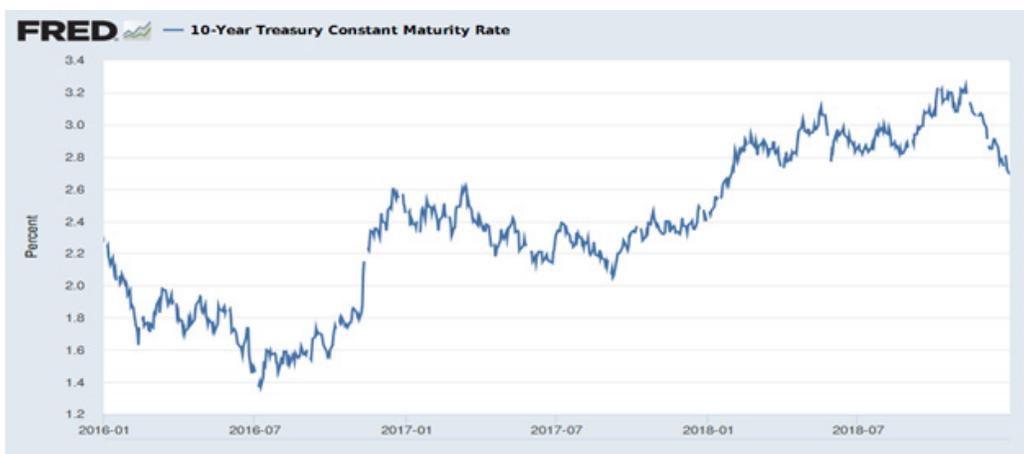
⁴The Unsubsidized 30-Day SEC Yield is computed under an SEC standardized formula based on net income earned over the past 30 days. It excludes contractual expense reimbursements, resulting in a lower yield.

⁵Calculated on the Fund's bond portfolio, including cash.

⁶Includes 0.02% of Acquired Fund Fees & Expenses. Chartwell Investment Partners, LLC has contractually agreed, for its net operating expenses to waive its fees and/or pay operating

stable business models. Examples of newer positions established include Newell Brands 4.20% due 2026 (1.6), Molson Coors Brewing 3.00% due 2026 (1.1), and Viacom 3.45% due 2026 (0.5).

10-Year Treasury Constant Maturity Yield (12.31.2015 - 12.31.2018)

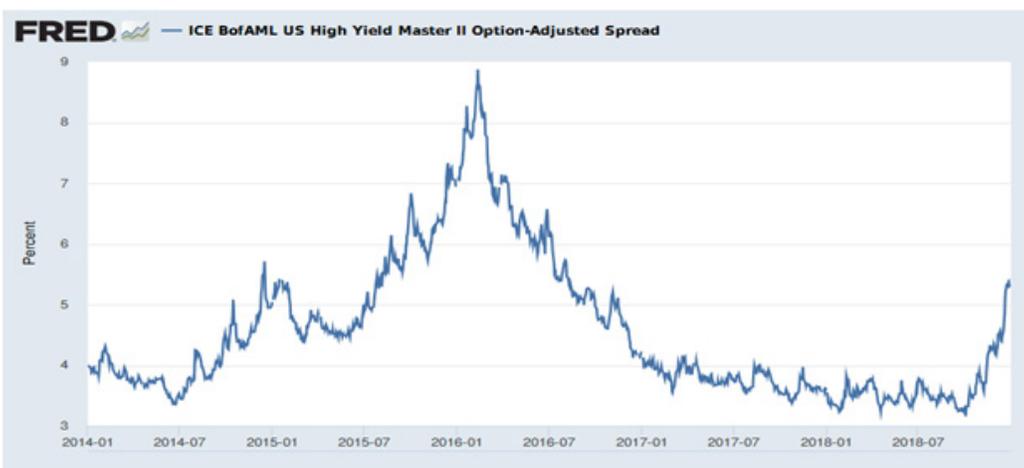


Source: Board of Governors of the Federal Reserve System (US)

Past performance does not guarantee future results.

The fund has been underweight in high yield bonds for some time and that continues today. However, similar to activity in investment grade, as high yield credit spreads widened to over 500 bps in December (chart below), we added to several shorter dated positions at yields in excess of 4%. High yield now represents 33% of the total fixed income portfolio. We added to existing holdings include Huntsman International 4.875% due 2020 (1.5), Ball Corporation 4.375% due 2020 (1.1), and Ericsson 4.125% due 2022 (1.0). We also meaningfully added to the convertible bond positions of Electronics for Imaging 0.75% due 2019 (1.6), and Atlas Air Worldwide 2.25% due 2022.

ICE BofAML US High Yield Master II Option Adjusted Spread (12.31.2013 - 12.31.2018)



Source: ICE Benchmark Administration Limited (IBA)

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Definitions

Financial Times Stock Exchange (FTSE) Citigroup Broad Investment-Grade (BIG) Bond Index is a broad bond index measuring the performance of the U.S. investment grade bond market, from short to long-dated maturities.

InterContinental Exchange (ICE) Bank of America Merrill Lynch (BaAML) High Yield Master II Index is an index of all sectors of the non-investment grade bond market.

InterContinental Exchange (ICE) Bank of America Merrill Lynch (BaAML) High Yield Master II Option-Adjusted Spread are the calculated spreads between a computed OAS index of all bonds in a given rating category and a spot Treasury curve.

Lipper Income Funds Index consists of a small number of the largest mutual funds in a particular category as tracked by Lipper Inc.

VIX Index is a real-time market estimate of expected volatility that is calculated by using the midpoints of real-time S&P 500® Index (SPX) option bid/ask quotes. The VIX is intended to provide an indicator as to how much the market believes the S&P 500 Index will fluctuate over the next 30-day period.

We initiated positions in 14 new equity securities during the year – AT&T (1.0), Cleveland-Cliffs, CoreCivic (1.2), DSW Inc., General Electric (0.0), Jefferies Financial Group, Kellogg (0.0), Molson Coors Brewing (1.1), Newell Brands, Sanofi ADR (0.4), SKF AB (0.5), Tate & Lyle PLC (1.1), Tenaris SA (0.3), Viacom (1.0) – but complete sales of 18 positions and equity market weakness left the portfolio's common stock weighting slightly lower when compared to the end of 2017. We did opportunistically add to many holdings late in the quarter. In our screening process, valuation levels in equities remain higher than we would like, although more candidates are appearing on our valuation screens of late. As always, if any area of our equity investable universe does offer opportunity going forward – recent examples include ADRs in 2016 and a couple of apparel retailers in 2017 – we will thoroughly review each security and evaluate the risk/reward potential at that time.

To sum, trading activity picked up in the fund late in the year as volatility returned. However, it is important to point out that the liquidity of the fund continues to be very high with a significant position in short term investment grade bonds. Approximately 37% of the total fund matures by the end of 2019. If disorder continues to create reasonable opportunities for investment, this liquidity will provide the means to take advantage of any dislocation in our investable universe. In the meantime, these securities yield 3.25% or more and have helped create a solid yield floor for the fund while preserving principal.

As a result of higher yields provided by short term bonds and the fund's active purchases during the fourth quarter, BERIX's 30-day SEC yield finished 2018 at 3.8%. This is the highest yield garnered by the fund since August of 2011.

Conclusion

The greatest honor for us as portfolio managers is earning the trust of an investor. Many shareholders have been invested alongside us for a decade or longer. It is humbling to have this responsibility and this trust. We have worked for many years on our communication with investors, attempting to write what we would want to hear from the management team of a fund we owned. Our goal is to set proper expectations; to communicate as clearly and frequently as allowed. Our hope is you are satisfied with these efforts.

We live and breathe our investment philosophy and process and are confident in the strategy that has worked very well over the long term. We believe strongly in being patient in the short-term if we do not see much value relative to risk in any segment of our investable universe. We believe patience (along with flexibility) to be one of our competitive advantages. We avoided many areas of excess exuberance over the years by attempting to act rationally in heated markets and will hold cash and short-term bonds until risk and reward line up more attractively. Executing this time-tested investment process proved beneficial in 2018.

BIF ended the year with more than \$1.4 billion in assets under management, lower than one year ago. Fund flows were negative throughout the year.

In closing, we appreciate the responsibility of managing your money and hope to continually reward your trust in the years ahead.

Most sincerely,



George J. Cipolloni III
Senior Portfolio Manager



Mark J. Saylor
Senior Portfolio Manager

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Chartwell Investment Partners LLC, is an investment management firm dedicated solely to the investment advisory business. Chartwell's philosophy is to rely on proprietary, bottom-up research to find high-quality investments across its various product offerings.

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Investing in any mutual fund involves risk, including the risk that you may lose all or part of the money you invest. The Fund invests in both fixed income and equity securities. Its investments in fixed income securities are subject to such risks as: interest rate risk; call risk; default risk; high yield (junk bond) risk; and unrated bond risk. The Fund also invests in equity securities that carry the potential for unpredictable drops in value and periods of lackluster performance.

An investor should consider investment objectives, risks, charges, and expenses before investing. The fund's prospectus contains this and other information, and can be obtained by calling toll free (888)995-5505 or visiting www.chartwellip.com Read the prospectus carefully before invest.

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The views in this report were those of the Fund Manager at the time of writing this report and may not reflect the views of the Manager on the date this report is first published or anytime thereafter. These views are intended to assist shareholders of the Fund in understanding their investments in the Fund and do not constitute investment advice.

The Fund acquired the assets and liabilities of the Berwyn Income 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 Income 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 July 17, 2017, 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.

Current and future portfolio holdings are subject to change and risk.

Nothing in this letter should be construed, and is not intended to be construed, as advice on buying or selling any individual security.

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

The Fund invests in both fixed income and equity securities. Its investments in fixed-income securities are subject to such risks as: interest rate risk; call risk; default risk; high-yield (junk bond) risk; and unrated bond risk. The Fund also invests in equity securities which carry the potential for unpredictable drops in value and periods of lackluster performance.

One cannot invest directly in an index.

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