



# Shenkman Capital Short Duration High Income Fund



Institutional Class | SCFIX

Annual Shareholder Report | September 30, 2024

This annual shareholder report contains important information about the Shenkman Capital Short Duration High Income Fund for the period of October 1, 2023, to September 30, 2024. You can find additional information about the Fund at [https://www.shenkmancapital.com/strategies#mutual\\_funds](https://www.shenkmancapital.com/strategies#mutual_funds). You can also request this information by contacting us at 1-855-743-6562.

## WHAT WERE THE FUND COSTS FOR THE PAST YEAR? (based on a hypothetical \$10,000 investment)

Class Name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Institutional Class	\$68	0.65%

## HOW DID THE FUND PERFORM LAST YEAR AND WHAT AFFECTED ITS PERFORMANCE?

For the 12-month period ended September 30, 2024, the Shenkman Short Duration High Income Fund (the “Fund”) performed in-line with its benchmark, the ICE BofA 0-2 Year Duration BB-B U.S. HY Constrained Index (H42C). The Fund posted strong above-coupon returns for the period despite the meaningful rate volatility throughout the period as shorter-term Treasury rates ultimately declined by period end given the Fed’s pivot from its historic rate hike cycle.

Over the Last-Twelve-Months period, the Fund underperformed the Bloomberg U.S. Aggregate Bond Index which returned 11.57% for the period.

### Top Contributors

↑ The top contributors for the period were the Fund’s higher exposure and selection to bonds with final maturities greater than 3 years as those bonds saw greater benefits from the decline in rates. Additional contributors were our selection in the BB rate credits, allocation to CCC & Below rated credits, selection in Utilities, and zero weighting in Oil & Gas.

### Top Detractors

↓ Some of the detractors over the period included our negative selection and underweight in the B rated credits, underweight in Consumer Staples Discretionary, and negative selection in Healthcare.

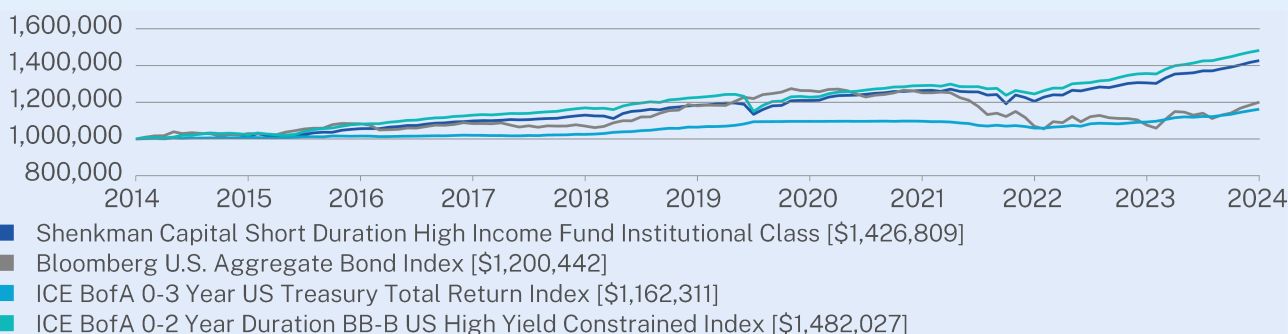
## POSITIONING

We believe the Fund has maintained strategic positioning with its higher quality, shorter duration focus, complemented by ample diversification, and a relatively conservative credit and maturity profile. The top 5 sector weightings remained unchanged with Leisure, Gaming, Travel and Industrials remaining the two largest exposures while rankings shuffled within the remaining three, with Financials, Automotives and Healthcare rounding out the remaining top 5 in size order. We increased exposures across many sectors, with Financials and Automotives seeing the largest increases while Industrials and Leisure, Gaming, Travel saw the largest exposure decreases, largely as a result of corporate actions as bonds were called or tendered. We have intentionally avoided the Oil & Gas sector given our view of the unfavorable risk/reward and higher volatility in this segment of the short duration market. The Fund’s average rating profile improved to Ba3/BB- given an increase in BB rated bonds while CCC exposure decreased as several lower rated CCC bonds were upgraded or favorably redeemed. The Fund’s average final maturity profile remained largely unchanged as bond seasoning and corporate actions were largely offset by purchases of longer tenured short duration bonds.

## HOW DID THE FUND PERFORM OVER THE PAST 10 YEARS?\*

The \$1,000,000 chart reflects a hypothetical \$1,000,000 investment in the class of shares noted and assumes the maximum sales charge. The chart uses total return NAV performance and assumes reinvestment of dividends and capital gains. Fund expenses, including 12b-1 fees, management fees and other expenses were deducted.

## CUMULATIVE PERFORMANCE (Initial Investment of \$1,000,000)



## ANNUAL AVERAGE TOTAL RETURN (%)

	1 Year	5 Year	10 Year
<b>Institutional Class</b>	9.28	3.80	3.62
<b>Bloomberg U.S. Aggregate Bond Index</b>	11.57	0.33	1.84
<b>ICE BofA 0-3 Year US Treasury Total Return Index</b>	6.39	1.78	1.52
<b>ICE BofA 0-2 Year Duration BB-B US High Yield Constrained Index</b>	9.26	3.87	4.01

Visit [https://www.shenkmancapital.com/strategies#mutual\\_funds](https://www.shenkmancapital.com/strategies#mutual_funds) for more recent performance information.

\* **The Fund's past performance is not a good predictor of the Fund's future performance.** The returns do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or redemption of Fund shares.

## KEY FUND STATISTICS (as of September 30, 2024)

<b>Net Assets</b>	\$1,866,939,775
<b>Number of Holdings</b>	375
<b>Net Advisory Fee</b>	\$9,755,069
<b>Portfolio Turnover</b>	59%
<b>Average Credit Quality</b>	BB- / Ba3*
<b>Weighted Average Maturity</b>	2.49 years
<b>Effective Duration</b>	1.13 years
<b>30-Day SEC Yield</b>	5.45%
<b>30-Day SEC Yield Unsubsidized</b>	5.43%

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\* Credit quality ratings reflect the highest rating assigned by S&P Global Ratings, Fitch or Moody's if ratings differ. These ratings agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are BBB/Baa or higher. Below investment grade ratings are BB/Ba or lower.

**WHAT DID THE FUND INVEST IN?** (as of September 30, 2024)

<b>Top 10 Securities</b>	<b>(% of net assets)</b>	<b>Security Type</b>	<b>(% of net assets)</b>
Tenet Healthcare Corp.	1.3%	Corporate Bonds	86.3%
Caesars Entertainment, Inc.	1.2%	Bank Loans	9.0%
Uber Technologies, Inc.	1.2%	Convertible Bonds	1.2%
IQVIA, Inc.	1.2%	Money Market Funds	0.9%
Clarios Global LP / Clarios US Finance Co.	1.0%	Cash & Other	2.6%
CCO Holdings LLC / CCO Holdings Capital Corp.	1.0%		
International Game Technology PLC	1.0%		
Carnival Holdings Bermuda Ltd.	0.9%		
First American Government Obligations Fund	0.9%		
Teva Pharmaceutical Finance Netherlands III BV	0.8%		

For additional information about the Fund; including its prospectus, financial information, holdings and proxy information, scan the QR code or visit [https://www.shenkmancapital.com/strategies#mutual\\_funds](https://www.shenkmancapital.com/strategies#mutual_funds).

**HOUSEHOLDING**

To reduce Fund expenses, only one copy of most shareholder documents may be mailed to shareholders with multiple accounts at the same address (Householding). If you would prefer that your Shenkman Capital Management documents not be househanded, please contact Shenkman Capital Management at 1-855-743-6562, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Shenkman Capital Management or your financial intermediary.