

**STATEMENT OF
ADDITIONAL INFORMATION
March 31, 2010**

**JENSEN VALUE FUND
J Shares - JNVSX
I Shares - JNVIX**

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Milwaukee, Wisconsin 53202

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www.jenseninvestment.com

This Statement of Additional Information (“SAI”) provides general information about the Jensen Value Fund (the “Fund”), a series of Trust for Professional Managers (the “Trust”). This SAI is not a Prospectus. The Fund offers its shares through a Prospectus dated March 31, 2010 for each of its Class J and Class I shares and this SAI should be read in conjunction with that Prospectus. This SAI is incorporated by reference into the Fund’s Prospectus. In other words, it is legally a part of the Fund’s Prospectus. The Prospectus is available upon request without charge by writing the Fund c/o U.S. Bancorp Fund Services LLC, P.O. Box 701, Milwaukee, WI 53202, by calling 1-800-992-4144, or by visiting the Fund’s website at www.jenseninvestment.com.

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THE TRUST

The Trust is a Delaware statutory trust organized on May 29, 2001, and is registered with the Securities and Exchange Commission (“SEC”) as an open-end management investment company. The Fund is one series, or mutual fund, formed by the Trust. The Fund is a diversified series and has its own investment objective and policies. As of the date of this SAI, shares of 21 other series of the Trust are offered in separate prospectuses and SAIs. The Trust may start additional series and offer shares of a new fund under the Trust at any time.

The Trust is authorized to issue an unlimited number of interests (or shares). Interests in the Fund are represented by shares of beneficial interest each with a par value of \$0.001. Each series of the Trust has equal voting rights and liquidation rights, and are voted in the aggregate and not by the series except in matters where a separate vote is required by the Investment Company Act of 1940, as amended (the “1940 Act”), or when the matters affect only the interests of a particular series. When matters are submitted to shareholders for a vote, each shareholder is entitled to one vote for each full share owned and fractional votes for fractional shares owned. The Trust does not normally hold annual meetings of shareholders. The Trust’s Board of Trustees (the “Board of Trustees”) shall promptly call and give notice of a meeting of shareholders for the purpose of voting upon removal of any trustee when requested to do so in writing by shareholders holding 10% or more of the Trust’s outstanding shares.

Each share of the Fund represents an equal proportionate interest in the assets and liabilities belonging to the Fund and is entitled to such distributions out of the income belonging to the Fund as are declared by the Board of Trustees. The Board of Trustees has the authority from time to time to divide or combine the shares of any series into a greater or lesser number of shares of that series so long as the proportionate beneficial interests in the assets belonging to that series and the rights of shares of any other series are in no way affected. Additionally, in case of any liquidation of a series, the holders of shares of the series being liquidated are entitled to receive a distribution out of the assets, net of the liabilities, belonging to that series. Expenses attributable to any series are borne by that series. Any general expenses of the Trust not readily identifiable as belonging to a particular series are allocated by, or under the direction of, the Board of Trustees on the basis of relative net assets, number of shareholders or other equitable method. No shareholder is liable to further calls or to assessment by the Trust without his or her express consent.

The assets of the Fund received for the issue or sale of its shares, and all income, earnings, profits and proceeds thereof, subject only to the rights of creditors, shall constitute the underlying assets of the Fund. In the event of the dissolution or liquidation of the Fund, the holders of shares of the Fund are entitled to share pro rata in the net assets of the Fund available for distribution to shareholders.

In accordance with a Multiple Class Plan adopted pursuant to Rule 18f-3 under the 1940 Act, the Fund offers two classes of shares for investors—Class J and Class I shares. Class J shares are available to retail investors and assessed a combined distribution and shareholder servicing fee of 0.25% per year of the Fund’s average daily net assets for Class J shares. Class I shares are available to institutions and individuals willing to make a significant initial investment in the Fund, and to employees of the Adviser. Class I shares are assessed a shareholder servicing fee not to exceed 0.10% per year of the Fund’s average daily net assets for Class I shares, and are not subject to any distribution fees. More information regarding the Rule 12b-1 Plan applicable to Class J shares and the Shareholder Servicing Plan applicable to Class I shares can be found under the section entitled “Distribution and Servicing of Fund Shares.”

Jensen Investment Management, Inc. (the “Adviser”) serves as the investment adviser to the Fund. See the sections entitled “Management of the Fund” and “Investment Advisory and Other Services” in this SAI for more information about the Adviser.

INVESTMENT STRATEGIES AND RISKS

The Fund’s principal investment objective is long-term capital appreciation.

The Prospectus discusses the types of securities in which the Fund will invest, and describes the Fund’s investment objectives and strategies. See “Investment Objective, Principal Investment Strategies and Principal

Risks” in the Prospectus. This SAI contains information supplemental to the Prospectus concerning the techniques and operations of the Fund, the securities the Fund will invest in, and the policies the Fund will follow.

Commercial Paper Ratings

Moody’s Investors Services (“Moody’s”) and Standard & Poor’s Corporation (“S&P”) are private services that provide ratings of the credit quality of commercial paper. A description of the ratings assigned to commercial paper by Moody’s and S&P are included as Appendix A to this SAI. The Fund may purchase commercial paper that is rated P-1 by Moody’s or A-1 by S&P and demand notes issued by companies whose commercial paper receives such ratings.

American Depositary Receipts

The Fund may invest in certain foreign securities, directly and by purchasing American Depositary Receipts (“ADRs”). In addition, the Fund invests in domestic companies that engage in substantial foreign business. Some of the risk factors associated with such investments are described in the sub-section of the Prospectus entitled “Principal Risks—International Risk, Foreign Securities and ADRs.” This information supplements the information about ADRs contained in the Prospectus.

Generally, ADRs are denominated in U.S. dollars and are publicly traded on exchanges or over-the-counter in the U.S. ADRs are receipts issued by domestic banks or trust companies evidencing the deposit of a security of a foreign issuer.

ADRs may be issued in sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities trade in the form of ADRs. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. The Fund will acquire only ADRs issued in sponsored programs.

Master Limited Partnerships

The Fund may invest in publicly traded master limited partnerships (“MLPs”) that are registered under the Securities Exchange Act of 1934, as amended and listed on a major United States stock exchange, if the issuer meets the Fund’s investment criteria. MLPs are businesses organized as limited partnerships which trade their proportionate shares of the partnership (units) on a public exchange. MLPs are required to pay out most or all of their cash flow in distributions. This pass through creates passive income or losses, along with dividend and investment income. The MLPs the Fund may purchase are comprised of a general partner (the “GP”) and multiple limited partners (the “LP Holders”). The GP is responsible for the operations and the maintenance of the partnership’s businesses, while the LP Holders assume economic risk up their level of investment. Typically, the GP has a 1% to 2% investment in the MLP, but can extract a higher percentage of the partnership’s profits as the MLP’s distributions increase. This serves as an incentive to the GP to grow the partnership’s distributions.

Generally speaking, MLP investment returns are enhanced during periods of declining or low interest rates and tend to be negatively influenced when interest rates are rising. As an income vehicle, the unit price can be influenced by general interest rate trends independent of specific underlying fundamentals. In addition, most MLPs are fairly leveraged and typically carry a portion of a “floating” rate debt. As such, a significant upward swing in interest rates would also drive interest expense higher. Furthermore, most MLPs grow by acquisitions partly financed by debt, and higher interest rates could make it more difficult to make acquisitions.

Temporary and Cash Investments

Under normal market conditions, the Fund will stay fully invested according to its principal investment strategies as noted above. The Fund, however, may temporarily depart from its principal investment strategies by making short-term investments in cash, cash equivalents, and high-quality, short-term debt securities and money market instruments for temporary defensive purposes in response to adverse market, economic or political conditions. This may result in the Fund not achieving its investment objectives during that period.

For longer periods of time, the Fund may hold a substantial cash position. If the market advances during periods when the Fund is holding a large cash position, the Fund may not participate to the extent it would have if the Fund had been more fully invested, and this may result in the Fund not achieving its investment objective during that period. To the extent that the Fund uses a money market fund for its cash position, there will be some duplication of expenses because the Fund would bear its pro rata portion of such money market fund's advisory fees and operational expenses.

Fundamental Investment Restrictions

The Fund has adopted the fundamental investment restrictions below. These restrictions may not be changed without the approval of the shareholders. Any change must be approved by the lesser of:

- (1) 67% or more of the Fund's shares present at a shareholder meeting if the holders of more than 50% of the Fund's outstanding shares are present in person or by proxy; or
- (2) More than 50% of the Fund's outstanding shares.

In accordance with these restrictions, the Fund may not:

1. With respect to 75% of its total assets, purchase the securities of any one issuer if, immediately after and as a result of such purchase, (a) the value of the Fund's holdings in the securities of such issuer exceeds 5% of the value of the Fund's total assets, or (b) the Fund owns more than 10% of the outstanding voting securities of the issuer (this restriction does not apply to investments in the securities of the U.S. Government, or its agencies or instrumentalities, or other investment companies);
2. Concentrate its investments in any one industry if, as a result, 25% or more of the Fund's assets will be invested in such industry. This restriction, however, does not limit the Fund from investing in obligations issued or guaranteed by the U.S. government, or its agencies or instrumentalities.
3. Borrow money, except as permitted under the 1940 Act.
4. Purchase securities on margin, except such short-term credits as are standard in the industry for the clearance of transactions.
5. Make short sales of securities or maintain a short position.
6. Lend portfolio securities.
7. Make loans to any person or entity, except that the Fund may, consistent with its investment objectives and policies, invest in: (a) publicly traded debt securities; (b) commercial paper; and (c) demand notes, even though the investment in such obligations may be deemed to be the making of loans.
8. Invest in, or engage in transactions involving: real estate or real estate mortgage loans; commodities or commodities contracts, including futures contracts; oil, gas or other mineral exploration or development programs, or option contracts.
9. Invest in any security that would expose the Fund to unlimited liability.
10. Underwrite the securities of other issuers, or invest in restricted or illiquid securities.
11. Issue any senior securities.

Portfolio Turnover

The Fund will sell its position in a portfolio company when the Adviser's quarterly screening and ranking of all qualifying companies indicates that the company has dropped from the top third of the Fund's investment universe (as further described in the Prospectus), as subject to the portfolio's optimization to the Russell 3000 Value Index. Therefore, the Fund may trade actively and experience a portfolio turnover rate of over 100%. High portfolio turnover is likely to lead to increased Fund expenses, including brokerage commissions and other transaction costs. A high portfolio turnover rate may also result in higher short-term and long-term capital gains taxable to shareholders and as a result lower investment returns.

In computing the portfolio turnover rate, all securities whose maturity or expiration dates at the time of acquisition was one year or less are excluded. The turnover rate is calculated by dividing (a) the lesser of purchases or sales of portfolio securities for the fiscal year by (b) the monthly average of the value of the portfolio securities owned by the Fund during the fiscal year.

DISCLOSURE OF PORTFOLIO HOLDINGS INFORMATION

The Trust, on behalf of the Fund, has adopted portfolio holdings disclosure policies ("Portfolio Holdings Policies") that govern the timing and circumstances of disclosure of portfolio holdings of the Fund. Information about the Fund's portfolio holdings will not be distributed to any third party except in accordance with these Portfolio Holdings Policies. The Board of Trustees considered the circumstances under which the Fund's portfolio holdings may be disclosed under the Portfolio Holdings Policies. The Board of Trustees also considered actual and potential material conflicts that could arise in such circumstances between the interests of the Fund's shareholders and the interests of the Adviser, Distributor or any other affiliated person of the Fund. After due consideration, the Board of Trustees determined that the Fund has a legitimate business purpose for disclosing portfolio holdings to persons described in the Portfolio Holdings Policies. The Board of Trustees also authorized the Adviser or appointed officers to consider and authorize dissemination of portfolio holdings information to additional parties, after considering the best interests of the shareholders and potential conflicts of interest in making such disclosures.

The Board of Trustees exercises continuing oversight of the disclosure of the Fund's portfolio holdings by (1) overseeing the implementation and enforcement of the Portfolio Holdings Policies, codes of ethics and other relevant policies of the Fund and its service providers by the Trust's Chief Compliance Officer (the "CCO"), (2) by considering reports and recommendations by the CCO concerning any material compliance matters (as defined in Rule 38a-1 under the 1940 Act), and (3) by considering whether to approve any amendment to these Portfolio Holdings Policies. The Board of Trustees reserves the right to amend the Portfolio Holdings Policies at any time without prior notice in its sole discretion.

Disclosure of the Fund's complete holdings is required to be made quarterly within 60 days of the end of each fiscal quarter, in the annual and semi-annual reports to Fund shareholders, and in the quarterly holdings report on Form N-Q. These reports will be made available, free of charge, on the EDGAR database on the SEC's website at www.sec.gov. The Fund also discloses its portfolio holdings as of each calendar quarter end on its website at www.jenseninvestment.com. The portfolio holdings information is normally updated within 10 days after each quarter end and remains posted on the website until replaced with the next calendar quarter's portfolio holdings information.

In the event of a conflict between the interests of the Fund and the interests of the Adviser or an affiliated person of the Adviser, the CCO of the Adviser, in consultation with the Trust's CCO, shall make a determination in the best interests of the Fund, and shall report such determination to the Board of Trustees at the end of the quarter in which such determination was made. Any employee of the Adviser who suspects a breach of this obligation must report the matter immediately to the Adviser's CCO or to his or her supervisor.

The Fund may provide to any person, including rating and ranking organizations, its portfolio holdings information commencing the day after it is first published on the website. In addition, material non-public holdings information may be provided without lag as part of the normal investment activities of the Fund to each of the following entities which, by explicit agreement or by virtue of their respective duties to the Fund, are required to maintain the confidentiality of the information disclosed: the Administrator; the Fund's accountant; the Custodian; the Transfer Agent; the Fund's independent registered public accounting firm; counsel to the Fund or the trustees

(current parties are identified in this SAI); broker-dealers (in connection with the purchase or sale of securities or requests for price quotations or bids on one or more securities); and regulatory authorities. Portfolio holdings information not publicly available with the SEC may only be provided to additional third parties, in accordance with the Portfolio Holdings Policies, when the Fund has a legitimate business purpose, and the third party recipient is subject to a confidentiality agreement. Portfolio holdings information may be separately provided to any person, including rating and ranking organizations such as Lipper and Morningstar, at the same time that it is filed with the SEC or one day after it is first published on the Fund's website. Portfolio holdings disclosure may be approved under the Portfolio Holdings Policies by the Trust's CCO, Treasurer or President.

In no event shall the Adviser, its affiliates or employees, or the Fund receive any direct or indirect compensation in connection with the disclosure of information about the Fund's portfolio holdings.

There can be no assurance that the Portfolio Holdings Policies and these procedures will protect the Fund from potential misuse of that information by individuals or entities to which it is disclosed.

MANAGEMENT OF THE FUND

Board of Trustees

The management and affairs of the Fund are supervised by the Board of Trustees. The Board of Trustees consists of four individuals. The Trustees are fiduciaries for the Fund's shareholders and are governed by the laws of the State of Delaware in this regard. The Board of Trustees establishes policies for the operation of the Fund and appoints the officers who conduct the daily business of the Fund.

Board Leadership Structure

The Trust is a multiple series trust comprised of individual series, or mutual funds, managed by unaffiliated investment advisers. The Board of Trustees is comprised of three Independent Trustees – Dr. Michael D. Akers, Mr. Gary A. Drska and Mr. Jonas B. Siegel – and one Interested Trustee – Mr. Joseph C. Neuberger. The Trust's Chairman, Mr. Neuberger, is an interested person of the Trust by virtue of the fact that he is an interested person of Quasar Distributors, LLC, which acts as principal underwriter to many of the Trust's underlying funds. Mr. Neuberger also serves as the Trust's President and the Executive Vice President of the Trust's administrator. The Trust has not appointed a lead Independent Trustee.

The Board of Trustees has established three standing committees – the Audit Committee, the Nominating Committee and the Valuation Committee. All Independent Trustees are members of the Audit Committee and the Nominating Committee. Inclusion of all Independent Trustees as members of the Audit Committee and the Nominating Committee allows all such Trustees to participate in the full range of the Board of Trustees' oversight duties, including oversight of risk management processes.

In accordance with the fund governance standards prescribed by the SEC under the 1940 Act, the Independent Trustees on the Nominating Committee select and nominate all candidates for Independent Trustee positions. Each Trustee was appointed to serve on the Board of Trustees because of his experience, qualifications, attributes and/or skills as set forth in the subsection "Director Qualifications" below. The Board of Trustees reviews its leadership structure regularly. The Board of Trustees believes that its leadership structure is appropriate given the characteristics and circumstances of the Trust, including: the unaffiliated nature of each investment adviser and the fund(s) managed by such adviser; the number of funds that comprise the Trust; the variety of asset classes that those funds reflect; the net assets of the Trust; the committee structure of the Trust; and the independent distribution arrangements of each of the Trust's underlying funds.

The Board of Trustees' role is one of oversight rather than day-to-day management of any of the Trust's underlying funds. The Trust's Audit Committee assists with this oversight function. The Board of Trustees' oversight extends to the Trust's risk management processes. Those processes are overseen by Trust officers, including the President, the Treasurer, the Secretary and Chief Compliance Officer ("CCO"), who regularly report to the Board of Trustees on a variety of matters at Board meetings.

Investment advisers managing the Trust's underlying funds report to the Board of Trustees, on a regular and as-needed basis, on actual and possible risks affecting the Trust's underlying funds. These investment advisers report

to the Board of Trustees on various elements of risk, including investment, credit, liquidity, valuation, operational and compliance risks, as well as any overall business risks that could impact the Trust's underlying funds.

The Board of Trustees has appointed the CCO, who reports directly to the Board of Trustees and who participates in its regular meetings. In addition, the CCO presents an annual report to the Board of Trustees in accordance with the Trust's compliance policies and procedures. The CCO, together with the Trust's Treasurer and Secretary, regularly discusses risk issues affecting the Trust and its underlying funds during Board of Trustee meetings. The CCO also provides updates to the Board of Trustees on the operation of the Trust's compliance policies and procedures and on how these procedures are designed to mitigate risk. Finally, the CCO and/or other officers of the Trust report to the Board of Trustees in the event that any material risk issues arise in between Board meetings.

Trustees and Officers

The Trustees and the officers of the Trust are listed below with their addresses, present positions with the Trust and principal occupations over at least the last five years.

| Name, Address and Age | Position(s) Held with the Trust | Term of Office and Length of Time Served | Number of Portfolios in the Trust Overseen by Trustee* | Principal Occupation(s) During the Past Five Years | Other Directorships Held by Trustee |
|--|---------------------------------|--|--|---|--|
| <i>Independent Trustees</i> | | | | | |
| Dr. Michael D. Akers 615 E. Michigan St. Milwaukee, WI 53202 Age: 54 | Trustee | Indefinite Term; Since August 22, 2001 | 22 | Professor and Chair, Department of Accounting, Marquette University (2004-present); Associate Professor of Accounting, Marquette University (1996-2004). | Independent Trustee, USA MUTUALS (an open-end investment company with two portfolios). |
| Gary A. Drska 615 E. Michigan St. Milwaukee, WI 53202 Age: 53 | Trustee | Indefinite Term; Since August 22, 2001 | 22 | Captain, Midwest Airlines, Inc. (airline company) (2000-present); Director, Flight Standards & Training (July 1990-December 1999). | Independent Trustee, USA MUTUALS (an open-end investment company with two portfolios). |
| Jonas B. Siegel 615 E. Michigan St. Milwaukee, WI 53202 Age: 66 | Trustee | Indefinite Term; Since October 23, 2009 | 22 | Managing Director, Chief Administrative Officer (“CAO”) and Chief Compliance Officer (“CCO”), Granite Capital International Group, L.P. (an investment management firm) (1994-Present); Vice President, Secretary, Treasurer and CCO of Granum Series Trust (an open-end investment company) (1997-2007); President, CAO and CCO, Granum Securities, LLC (a broker-dealer) (1997-2007). | None. |

| Name, Address and Age | Position(s) Held with the Trust | Term of Office and Length of Time Served | Number of Portfolios in the Trust Overseen by Trustee* | Principal Occupation(s) During the Past Five Years | Other Directorships Held by Trustee |
|-----------------------|---------------------------------|--|--|--|-------------------------------------|
|-----------------------|---------------------------------|--|--|--|-------------------------------------|

Interested Trustee and Officers

| | | | | | |
|--|---|--|-----|---|--|
| Joseph C. Neuberger* 615 E. Michigan St. Milwaukee, WI 53202 Age: 47 | Chair- person, President and Trustee | Indefinite Term; Since August 22, 2001 | 22 | Executive Vice President, U.S. Bancorp Fund Services, LLC (1994-present). | Trustee, Buffalo Funds (an open- end investment company with ten portfolios); Trustee, USA MUTUALS (an open-end investment company with two portfolios). |
| John P. Buckel 615 E. Michigan St. Milwaukee, WI 53202 Age: 52 | Vice President, Treasurer and Principal Accounting Officer | Indefinite Term; Since January 10, 2008 (Vice President); Since September 10, 2008 (Treasurer) | N/A | Mutual Fund Administrator, U.S. Bancorp Fund Services, LLC (2004-Present); Mutual Fund Administrator, United Missouri Bank (2000- 2004). | N/A |
| Kristin M. Cuene 615 E. Michigan St. Milwaukee, WI 53202 Age: 40+ | Chief Compliance Officer and Anti- Money Laundering Officer | Indefinite Term; Since January 23, 2009 (CCO); Since January 18, 2010 (AML Officer) | N/A | Attorney, Compliance Officer, U.S. Bancorp Fund Services, LLC (2008-Present); Attorney, Investment Management, Quarles & Brady, LLP (2007- 2008); Student, University of Pennsylvania (2004- 2007). | N/A |
| Rachel A. Spearo 615 E. Michigan St. Milwaukee, WI 53202 Age: 30 | Secretary | Indefinite Term; Since November 15, 2005 | N/A | Vice President and Legal Compliance Officer, U.S. Bancorp Fund Services, LLC (September 2004- present). | N/A |
| Jennifer A. Lima 615 E. Michigan St. Milwaukee, WI 53202 Age: 36 | Assistant Treasurer | Indefinite Term; Since January 10, 2008 | N/A | Mutual Fund Administrator, U.S. Bancorp Fund Services, LLC (2002-Present). | N/A |

* Mr. Neuberger is an “interested person” of the Trust as defined by the 1940 Act. Mr. Neuberger is an interested person of the Trust by virtue of the fact that he is an interested person of Quasar Distributors, LLC, the Fund’s distributor.

Trustee Qualifications

The following is a brief discussion of the experience, qualifications, attributes and/or skills that led to the Board of Trustees' conclusion that each individual identified below is qualified to serve as a Trustee of the Trust.

Dr. Michael D. Akers. Dr. Akers has served as a Trustee of the Trust since August 2001. Dr. Akers has also served as an independent trustee of USA Mutuals, an open-end investment company, since 2001. Dr. Akers has been a Professor and Chair of the Department of Accounting of Marquette University since 2004, and was Associate Professor of Accounting of Marquette University from 1996 to 2004. Through his experience as a trustee of mutual funds and his employment experience, Dr. Akers is experienced with financial, accounting, regulatory and investment matters.

Gary A. Drska. Mr. Drska has served as a Trustee of the Trust since August 2001. Mr. Drska has also served as an independent trustee of USA Mutuals since 2001. Mr. Drska has served as a Captain of Midwest Airlines, Inc., an airline company, since 2000. Through his experience as a trustee of mutual funds, Mr. Drska is experienced with financial, accounting, regulatory and investment matters.

Joseph C. Neuberger. Mr. Neuberger has served as a Trustee of the Trust since August 2001. Mr. Neuberger has also served as a trustee of USA Mutuals since 2001 and Buffalo Funds, an open-end investment company, since 2003. Mr. Neuberger has served as Executive Vice President of U.S. Bancorp Fund Services, a multi-service line service provider to mutual funds, since 1994. Through his experience as a trustee of mutual funds and his employment experience, Mr. Neuberger is experienced with financial, accounting, regulatory and investment matters.

Jonas B. Siegel. Mr. Siegel has served as a Trustee of the Trust since November 2009. Mr. Siegel has also served as the Managing Director, CAO and CCO of Granite Capital International Group, LP, an investment management firm, since 1994, and previously served as Vice President, Secretary, Treasurer and CCO of Granum Series Trust, an open-end investment company, from 1997 to 2007, and as President, CAO and CCO of Granum Securities, LLC, a broker-dealer, from 1997 to 2007. Through his experience as a trustee of mutual funds and his employment experience, Mr. Siegel is experienced with financial, accounting, regulatory and investment matters.

Trustee Ownership of Fund Shares

As of the date of this SAI, no Trustee or officer of the Trust beneficially owned shares of the Fund or any other series of the Trust.

Furthermore, neither the Trustees who are not "interested" persons of the Fund, nor members of their immediate family, own securities beneficially, or of record, in the Adviser, the Fund's distributor or any of its affiliates. Accordingly, neither the Trustees who are not "interested" persons of the Fund nor members of their immediate family, have a direct or indirect interest, the value of which exceeds \$120,000, in the Adviser, the Fund's distributor or any of their affiliates.

Control Persons and Principal Shareholders

A principal shareholder is any person who owns of record or beneficially 5% or more of the outstanding shares of the Fund. A control person is one who owns beneficially or through controlled companies more than 25% of the voting securities of a company or acknowledges the existence of control. A controlling person possesses the ability to control the outcome of matters submitted for shareholder vote by the Fund. As of the date of this SAI, there were no principal shareholders or control persons of the Fund.

Board Committees

Audit Committee. The Trust has an Audit Committee, which is comprised of the independent members of the Board of Trustees, Dr. Michael D. Akers, Mr. Gary A. Drska and Mr. Jonas B. Siegel. The Audit Committee reviews financial statements and other audit-related matters for the Fund. The Audit Committee also holds discussions with management and with the Fund's independent auditor concerning the scope of the audit and the auditor's independence.

Nominating Committee. The Trust has a Nominating Committee, which is comprised of the independent members of the Board of Trustees, Dr. Michael D. Akers, Mr. Gary A. Drska and Mr. Jonas B. Siegel. The Nominating Committee is responsible for seeking and reviewing candidates for consideration as nominees for the position of

trustee and meets only as necessary.

The Nominating Committee will consider nominees recommended by shareholders for vacancies on the Board of Trustees. Recommendations for consideration by the Nominating Committee should be sent to the President of the Trust in writing together with the appropriate biographical information concerning each such proposed nominee, and such recommendation must comply with the notice provisions set forth in the Trust's by-laws. In general, to comply with such procedures, such nominations, together with all required information, must be delivered to and received by the Secretary of the Trust at the principal executive office of the Trust not later than 60 days prior to the shareholder meeting at which any such nominee would be voted on. Shareholder recommendations for nominations to the Board of Trustees will be accepted on an ongoing basis and such recommendations will be kept on file for consideration when there is a vacancy on the Board of Trustees. The Nominating Committee's procedures with respect to reviewing shareholder nominations will be disclosed as required by applicable securities laws.

Valuation Committee. The Trust has a Valuation Committee. The Valuation Committee is responsible for the following: (1) monitoring the valuation of Fund securities and other investments; and (2) as required, when the Board of Trustees is not in session, determining the fair value of illiquid securities and other holdings after consideration of all relevant factors, which determinations are reported to the Board of Trustees. The Valuation Committee is currently comprised of Mr. Neuberger, Mr. John Buckel and Ms. Jennifer Lima, who each serve as an officer of the Trust. The Valuation Committee meets as necessary when a price for a portfolio security is not readily available.

As the Fund is new, none of the Trust's Committees have met with respect to the Fund.

Trustee Compensation

For their service as Trustees, the Independent Trustees receive a retainer fee of \$15,000 per year, \$1,000 for each in-person Board meeting and \$500 for each telephonic Board meeting of the Trust, as well as reimbursement for expenses incurred in connection with attendance at board meetings. Interested Trustees do not receive any compensation for their service as Trustee. Because the Fund has recently commenced operations, the following compensation figures represent estimates for the current fiscal year ending May 31, 2010:

| Name of Person/Position | Aggregate Compensation From the Fund ¹ | Pension or Retirement Benefits Accrued as Part of Fund Expenses | Estimated Annual Benefits Upon Retirement | Total Compensation from Fund and the Trust ² Paid to Trustees |
|---|---|---|---|--|
| Dr. Michael D. Akers, Independent Trustee | \$50 | None | None | \$20,500 |
| Gary A. Drska, Independent Trustee | \$50 | None | None | \$20,500 |
| Jonas B. Siegel Independent Trustee | \$50 | None | None | \$20,500 |
| Joseph C. Neuberger, Interested Trustee | None | None | None | None |

¹ Trustees fees and expenses are allocated among the Fund and any other series comprising the Trust.

² There are currently 21 other portfolios comprising the Trust.

INVESTMENT ADVISORY AND OTHER SERVICES

Investment Adviser

Jensen Investment Management, Inc., the investment adviser to the Fund, is currently operating under an Investment Advisory Agreement dated January 18, 2010 ("Advisory Agreement"). Under the Advisory Agreement, the Adviser is responsible for the overall management of the Fund. The Adviser reviews the portfolio of securities and investments in the Fund, and advises and assists the Fund in the selection, acquisition, holding or disposal of

securities and makes recommendations with respect to other aspects and affairs of the Fund. The Adviser is also responsible for placing orders for the purchase and sale of the Fund's investments directly with the issuers or with brokers or dealers selected by the Adviser. See "Brokerage Allocation and Other Portfolio Transactions" in this SAI. Additional information about the services provided by the Adviser to the Fund is described under "Management of the Fund" in the Fund's Prospectus.

Management of the Investment Adviser

Robert D. McIver, Robert F. Zagunis, Robert G. Millen, Eric H. Schoenstein, David G. Mertens and Brian S. Ferrie are officers and directors of the Adviser. Each of Mr. Zagunis and Mr. Millen, two of the Adviser's principals and members of its investment committee, beneficially own more than 25% of the outstanding stock of the Adviser. Accordingly, Mr. Zagunis and Mr. Millen are presumed to be control persons of the Adviser.

As compensation for its services under the Advisory Agreement, the Adviser receives a monthly fee at the annual rate of 0.75% of the average daily net assets of the Fund. However, the Adviser may voluntarily agree to waive a portion of the management fees payable to it on a month-to-month basis, including additional fees above and beyond any contractual agreement the Adviser may have to waive management fees and/or reimburse Fund expenses.

Fund Expenses. The Fund is responsible for its own operating expenses. The Adviser has agreed to reduce management fees payable to it by the Fund and/or to pay Fund operating expenses to the extent necessary to limit the Fund's aggregate annual operating expenses (exclusive generally of interest, acquired fund fees and expenses, leverage and tax expenses, dividends and interest expenses on short positions, brokerage commissions, and extraordinary expenses) to the limit set forth in the "Fees and Expenses" table of the Prospectus. Any such reductions made by the Adviser in its management fees or payment of expenses which are the Fund's obligation are subject to reimbursement by the Fund to the Adviser, if so requested by the Adviser, in subsequent fiscal years if the aggregate amount actually paid by the Fund toward the operating expenses for such fiscal year (taking into account the reimbursement) does not exceed the applicable limitation on Fund expenses. The Adviser is permitted to be reimbursed only for fee reductions and expense payments made in the previous three fiscal years from the date the expense was incurred. Any such reimbursement is also contingent upon the Board of Trustees' subsequent review and ratification of the reimbursed amounts. Such reimbursement may not be paid prior to the Fund's payment of current ordinary operating expenses.

The Advisory Agreement provides that the Adviser under such agreement shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in the execution of portfolio transactions for the Fund, except for willful misfeasance, bad faith or negligence in the performance of its duties, or by reason of reckless disregard of its obligations and duties thereunder.

The Advisory Agreement shall continue in effect from year-to-year after an initial two-year term ending March 31, 2012, so long as such continuance is approved annually by either (1) the Board of Trustees; or (2) a vote of the majority of the outstanding voting shares of the Fund.

The Advisory Agreement is terminable without penalty: on not less than 60 days' written notice by the Board of Trustees; by vote of the majority of the outstanding voting shares of the Fund; or upon not less than 60 days' written notice to the Fund by the Adviser. The Advisory Agreement terminates automatically upon assignment as defined under the 1940 Act.

As used in this SAI and in the Prospectus, when referring to approval of the Advisory Agreement to be obtained from shareholders of the Fund, the term "majority" means the vote, at any meeting of the shareholders, of the lesser of:

- (1) 67% or more of the Fund's shares present at such meeting, if the holders of more than 50% of the Fund's outstanding shares are present in person or by proxy; or
- (2) More than 50% of the Fund's outstanding shares.

The Adviser also serves as the investment adviser to the Jensen Portfolio, Inc., an open-end mutual fund.

Portfolio Managers

The Fund is managed by an investment team consisting of Mr. McIver, Mr. Zagunis, Mr. Millen, Mr. Schoenstein and Kurt M. Havnaer. In addition to the Fund, the team and certain individual portfolio managers manage accounts for another registered, open-end investment company, high-net-worth individuals and institutional investors, including pension plans, foundations and endowments (“other accounts”), as set forth below as of February 28, 2010.

| Portfolio Manager Other Accounts | Total Accounts | | Accounts with Performance Based Fees | |
|-------------------------------------|----------------|-------------------------|--------------------------------------|--------|
| | Number | Assets (in millions) | Number | Assets |
| Jensen Investment Team | | | | |
| Registered Investment Companies | 1 | \$2,291 | 0 | \$0 |
| Other Pooled Investment Vehicles | 3 | \$358 | 0 | \$0 |
| Other Accounts | 128 | \$472 | 0 | \$0 |
| Robert F. Zagunis | | | | |
| Registered Investment Companies | 0 | \$0 | 0 | \$0 |
| Other Pooled Investment Vehicles | 0 | \$0 | 0 | \$0 |
| Other Accounts | 80 | \$173 | 0 | \$0 |
| Eric H. Schoenstein | | | | |
| Registered Investment Companies | 0 | \$0 | 0 | \$0 |
| Other Pooled Investment Vehicles | 0 | \$0 | 0 | \$0 |
| Other Accounts | 0 | \$0 | 0 | \$0 |
| Robert G. Millen | | | | |
| Registered Investment Companies | 0 | \$0 | 0 | \$0 |
| Other Pooled Investment Vehicles | 0 | \$0 | 0 | \$0 |
| Other Accounts | 53 | \$26 | 0 | \$0 |
| Robert D. McIver | | | | |
| Registered Investment Companies | 0 | \$0 | 0 | \$0 |
| Other Pooled Investment Vehicles | 0 | \$0 | 0 | \$0 |
| Other Accounts | 50 | \$26 | 0 | \$0 |
| Kurt M. Havnaer | | | | |
| Registered Investment Companies | 0 | \$0 | 0 | \$0 |
| Other Pooled Investment Vehicles | 0 | \$0 | 0 | \$0 |
| Other Accounts | 0 | \$0 | 0 | \$0 |

The Fund’s investment team manages other accounts that generally have the same principal investment strategies of the Fund. Because the Adviser employs a similar investment approach in managing the Fund and the other accounts, conflicts of interest may arise. As a result, the Adviser has adopted trade allocation procedures that, among other things, ensure that the trades are allocated fairly and equitably to the other accounts and the Fund consistent with the Adviser’s fiduciary duty to each client.

In determining a fair allocation, the Adviser evaluates a number of factors, including among others, the size of the transaction, transaction costs and the relative size of a client’s account. Because the substantial majority of the equity securities purchased by the Adviser for its clients have significant liquidity and above average daily trading volume, market impact is often not a significant concern. However, when the same investment decision is made for more than one client account, which may include the Fund, all client orders given to each broker are

generally combined for execution as a “block” trade (with the exception of any de minimis orders). Execution prices for block trades are averaged and each participating account receives that average price. Partially filled orders are allocated pro rata each day in proportion to each account’s order size.

Conflicts of interest may also arise when portfolio managers trade securities for their own accounts that the Adviser recommends to the Fund and other accounts. These trades are subject to the Adviser’s Code of Ethics and Standards of Conduct (the “Code of Ethics”), which is designed to detect and limit conflicts of interest and ensure compliance with applicable laws in the conduct of the Adviser’s business. The Code of Ethics requires all portfolio managers to place the interests of the Adviser’s clients ahead of their own interests and the interests of the Adviser, that they not take inappropriate advantage of their position with the Adviser and that they conduct their personal securities transactions in a manner that is not inconsistent with the interests of the Adviser’s clients. The Code of Ethics includes restrictions and prohibitions on personal trading and various reporting obligations regarding the portfolio manager’s personal securities transactions and holdings.

The Adviser has not identified any other material conflicts between the Fund and other accounts managed by the portfolio managers. However, actual or apparent conflicts of interest may arise in connection with the day-to-day management of the Fund and other accounts. Portfolio managers may give advice, exercise investment responsibility or take other actions that differ among clients. While portfolio managers treat all clients on a fair and equitable basis relative to each other, each account has differing tax considerations, account sizes, policies and investment restrictions. Clients may not participate in all investments or they may participate in different degrees or at different times as other clients. As a result, unequal time and attention may be devoted to the Fund and other accounts. In addition, the various management fees charged to the other accounts differ and, depending upon the size of the account, may be higher than the management fee charged to the Fund. This could create an apparent conflict of interest where a portfolio manager may appear to have favored an account with a higher management fee solely because the account has outperformed the Fund.

The investment team’s compensation is paid by the Fund’s Adviser. The investment team’s compensation consists primarily of a fixed salary and a bonus. Each investment team member’s salary is reviewed annually and is based upon consideration of various factors, including, but not limited to, merit, cost of living increases, and employment market competition and the individual member’s job performance. Discretionary bonuses are paid to all employees of the Adviser. After considering its profitability each year, the Adviser determines a percentage for its use in calculating bonuses which is uniformly applied to each employee’s annual salary. In addition, the investment team, along with all eligible employees of the Adviser, participates in the Adviser’s discretionary annual profit sharing plan. At each year end, contributions to the plan are calculated as a percentage of each eligible employee’s annual salary plus bonus. This percentage is decided upon after considering the Adviser’s profitability each year and is also applied uniformly to each such employee. None of the investment team member’s compensation is related to the performance of the Fund or the amount of the Fund’s assets.

Each member of the investment team except for Mr. Havnaer is a shareholder of the Adviser. As a result, each investment team member, except for Mr. Havnaer, also receives his proportionate share of any net profits earned by the Adviser.

As of the date of this SAI, the portfolio managers did not own any securities in the Fund.

Service Providers

Pursuant to an administration agreement (the “Administration Agreement”) between the Trust and U.S. Bancorp Fund Services, LLC (“USBFS”), 615 East Michigan Street, Milwaukee, Wisconsin, 53202 (the “Administrator”), the Administrator acts as the Fund’s administrator. The Administrator provides certain administrative services to the Fund, including, among other responsibilities, coordinating the negotiation of contracts and fees with, and the monitoring of performance and billing of, the Fund’s independent contractors and agents; preparation for signature by an officer of the Trust of all documents required to be filed for compliance by the Trust and the Fund with applicable laws and regulations excluding those of the securities laws of various states; arranging for the computation of performance data, including NAV and yield; responding to shareholder inquiries; and arranging for the maintenance of books and records of the Fund, and providing, at its own expense, office facilities, equipment and personnel necessary to carry out its duties. In this capacity, the Administrator does not have any responsibility or authority for the management of the Fund, the determination of investment policy, or for

any matter pertaining to the distribution of Fund shares. Pursuant to the Administration Agreement, for its services, the Administrator receives from the Fund a fee computed daily and payable monthly based on the Fund's average net assets.

USBFS also acts as fund accountant ("Fund Accountant"), transfer agent ("Transfer Agent") and dividend disbursing agent under separate agreements with the Trust.

Pursuant to a custody agreement between the Trust and U.S. Bank, N.A. (the "Custodian"), an affiliate of USBFS, the Custodian serves as the custodian of the Fund's assets, whereby the Custodian is compensated based on an annual fee plus portfolio transaction fees and out-of-pocket expenses. The Custodian's address is 1555 North River Center Drive, Milwaukee, Wisconsin, 53212. The Custodian does not participate in decisions relating to the purchase and sale of securities by the Fund. The Custodian and its affiliates may participate in revenue sharing arrangements with service providers of mutual funds in which the Fund may invest.

Legal Counsel

Godfrey & Kahn S.C., 780 North Water Street, Milwaukee, Wisconsin 53202, serves as legal counsel to the Fund.

Independent Registered Public Accounting Firm

Cohen Fund Audit Services, Ltd. serves as the independent registered public accounting firm of the Fund.

DISTRIBUTION AND SERVICING OF FUND SHARES

Distributor

The Trust, on behalf of the Fund, has entered into a distribution agreement (the "Distribution Agreement") with Quasar Distributors, LLC (the "Distributor"), 615 East Michigan Street, Milwaukee, Wisconsin, 53202, pursuant to which the Distributor acts as the Fund's principal underwriter, provides certain administration services and promotes and arranges for the sale of the Fund's shares. The offering of the Fund's shares is continuous. The Distributor is a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. ("FINRA"). U.S. Bank, N.A., USBFS and the Distributor are affiliated entities.

The Distribution Agreement has an initial term of up to two years and will continue in effect only if such continuance is specifically approved at least annually by the Board of Trustees or by vote of a majority of the Fund's outstanding voting securities and, in either case, by a majority of the trustees who are not parties to the Distribution Agreement or "interested persons" (as defined in the 1940 Act) of any such party. The Distribution Agreement is terminable without penalty by the Trust on behalf of the Fund on 60 days' written notice when authorized either by a majority vote of the Fund's shareholders or by vote of a majority of the Board of Trustees, including a majority of the trustees who are not "interested persons" (as defined in the 1940 Act) of the Trust, or by the Distributor on 60 days' written notice, and will automatically terminate in the event of its "assignment" (as defined in the 1940 Act).

Distribution and Shareholder Servicing Plan – Class J Shares

As noted in the Fund's Prospectus, the Fund has adopted a Distribution and Shareholder Servicing Plan pursuant to Rule 12b-1 promulgated by the SEC pursuant to the 1940 Act (the "12b-1 Plan") for the Fund's Class J shares. Under the 12b-1 Plan, Class J shares pay the Distributor or other qualified recipients an amount from Fund assets at a maximum annual rate of 0.25% of the Fund's average daily net assets attributable to Class J shares.

If the Distributor or other qualified recipient is due more monies for its services rendered than are payable annually under the 12b-1 Plan, any unpaid amount is carried forward from period to period (not to exceed three years) while the 12b-1 Plan is in effect until such time as it is paid.

The 12b-1 Plan is a "compensation" plan that provides for payment by the class to the Distributor and other qualified recipients (e.g., securities dealers, financial institutions and other industry professionals, collectively, "financial intermediaries") for the services they provide that are principally related to the sale and promotion of the

Class J shares or to provide certain shareholder services, including services provided by broker-dealers that maintain individual shareholder account records for, and provide shareholder servicing to, their customers who invest in the Fund through a single “omnibus” account.

Activities covered by the 12b-1 Plan include:

- Advertising and marketing of shares of the Class J shares;
- Preparing, printing, and distributing prospectuses and sales literature to prospective shareholders, brokers, or administrators;
- Implementing and operating the 12b-1 Plan; and
- Providing shareholder services and maintenance of shareholder accounts by qualified recipients.

The 12b-1 Plan must be renewed annually by the Board of Trustees, including a majority of the Independent Trustees who have no direct or indirect financial interest in the operation of the 12b-1 Plan, cast in person at a meeting called for that purpose. It is also required that the Independent Trustees select and nominate other Independent Trustees.

The 12b-1 Plan and any related agreements may not be amended to increase the amount spent for distribution expenses without the approval of those shareholders holding a majority of the Fund’s outstanding shares. All material amendments to the 12b-1 Plan or any related agreements must be approved by a vote of the Independent Trustees, cast in person at a meeting called for the purpose of voting on any such amendment.

The Distributor is required to report in writing to the Board of Trustees, at least quarterly, on the amounts and purpose of any payment made under the 12b-1 Plan. The Distributor is also required to provide the Board of Trustees with other information as requested so as to enable the Board of Trustees to make an informed decision on whether to continue the 12b-1 Plan from year to year.

With the exception of the Adviser and the Distributor, no “interested person” of the Fund, as defined in the 1940 Act, and no Independent Trustee of the Fund has or had a direct or indirect financial interest in the 12b-1 Plan or any related agreement.

Payments made by the Fund to financial intermediaries (including those that sponsor mutual fund supermarket programs) are based primarily on the dollar amount of assets invested in the Class J shares through the financial intermediaries. Financial intermediaries may pay a portion of the payments received from the Fund to their investment professionals and to other financial intermediaries for which they provide clearing services. In addition, Class J shares may, from time to time, make payments under the 12b-1 Plan to defray expenses incurred by financial intermediaries for the marketing support they provide for the Fund, such as conducting training and educational meetings regarding various aspects of the Fund for their investment professionals, hosting client seminars where the Fund is discussed, and providing exhibition space to Adviser sales and marketing personnel at industry trade shows and conferences sponsored by the financial intermediaries. Payments made by the Fund to the Adviser are to reimburse the Adviser for the costs it incurs in providing distribution and shareholder servicing and related activities to the Fund, including compensation and travel expense for sales and marketing personnel of the Adviser, including the Adviser’s Vice President of Sales and Marketing, preparation of marketing materials and payments made to media relations and marketing consulting firms.

To the extent payments made under the 12b-1 Plan to financial intermediaries exceed the 12b-1 fees available from the Class J shares and the sub-transfer agency fees paid by the Class J shares, the excess is paid by the Adviser from its own resources. These payments may be substantial to the Adviser and include a portion of its profits from the advisory fee it receives from the Fund. Investors should consult their financial intermediary regarding the details of the payments such intermediary receives in connection with the sale or servicing of Fund shares.

Fund Supermarkets

The Class J shares participate in various “fund supermarket” programs in which a mutual fund supermarket sponsor (generally a broker-dealer) offers many mutual funds to the sponsor’s customers without charging the customers a sales charge. The Fund pays the fund supermarket sponsor a negotiated fee for distributing the Class J

shares and for maintaining shareholder account records and providing shareholder services to the sponsor's customers holding shares of the Fund. If the fund supermarket sponsor's fees exceed the 12b-1 fees available from the Class J shares and the sub-transfer agency fees paid by these shares, the Adviser pays the excess from its own resources.

Sub-Transfer Agency Fees – Class J Shares

The Class J shares make payments to certain financial intermediaries who have chosen to maintain an "omnibus account" with the Fund, which is a single account in the Fund that contains the combined investment in Class J shares for all of a financial intermediary's customers. In turn, these financial intermediaries provide shareholder recordkeeping and servicing to their individual customers who are beneficial owners of the Fund through these omnibus accounts. These payments, commonly known as sub-transfer agency fees, made by the Fund to such financial intermediaries for the shareholder recordkeeping and servicing they provide to their individual customers who are indirect Fund shareholders approximate the fees that would be paid by the Fund to its transfer agent for maintaining and servicing these accounts if the financial intermediaries' customers were instead direct shareholders of the Fund. The sub-transfer agency fees paid to these financial intermediaries is reviewed and approved annually by the Board of Trustees and is determined based on the fees and expenses paid by the Fund to its transfer agent during the previous year for the services it provided to the Fund's direct shareholders.

Shareholder Servicing Plan – Class I Shares

The Trust, on behalf of the Class I shares, has adopted a Shareholder Servicing Plan to pay for shareholder support services from the Fund's assets pursuant to a Shareholder Servicing Agreement in an amount not to exceed 0.10% of Class I shares' average daily net assets. Class I shares are responsible for paying a portion of shareholder servicing fees to various shareholder servicing agents who have written shareholder servicing agreements with the Fund, and perform shareholder servicing functions and maintenance of shareholder accounts on behalf of the Class I shareholders.

Code of Ethics

The Fund, the Adviser and the Distributor have each adopted the Code of Ethics, a written code of ethics under Rule 17j-1 of the 1940 Act. Subject to the provisions of the Code of Ethics, directors, officers and employees of the Adviser and the Distributor ("Covered Persons") are permitted to purchase and sell for their own accounts the same securities the Adviser recommends to the Fund. The Code of Ethics is designed to detect and limit conflicts of interest and ensure compliance with applicable laws in the conduct of the Adviser's business. The Code of Ethics requires all Covered Persons to place the interests of the Adviser's clients ahead of their own interests and the interests of the Adviser, that they not take inappropriate advantage of their position with the Adviser and that they conduct their personal securities transactions in a manner that is not inconsistent with the interests of the Adviser's clients. For Covered Persons deemed to have access to nonpublic trading and holdings information for the Adviser's clients, the Code of Ethics sets forth procedures, limitations and prohibitions that govern their personal securities transactions in accounts held in their name as well as accounts in which they have indirect ownership.

Covered Persons are required to pre-clear all transactions in securities not otherwise exempt under the Code of Ethics. Requests to trade will not be approved when the proposed personal transaction would be contrary to the provisions of the Code of Ethics, including instances where the Adviser has purchased or sold the security (or has a pending trade order for the security) for a client account that day or within the previous seven days (the "Blackout Period"). The pre-clearance requirement and Blackout Period do not apply to de minimis personal securities transactions effected by Covered Persons in securities of relatively large capitalization companies, as defined in the Code of Ethics. The Code of Ethics includes other restrictions and prohibitions on personal trading, such as a ban on short-term trading (i.e., generally securities cannot be purchased and sold within 60 days at a profit and for Fund shares, this prohibition is extended to 90 days) and short sales of any security held in a client account, and restrictions on the purchase of securities in an IPO or private placement. The prohibitions of the Code of Ethics do not apply to certain exempt securities, such as mutual funds (excluding the Fund) and certain short-term debt securities.

In addition to the limitations and prohibitions described above, the Code of Ethics subjects Covered Persons to various reporting obligations regarding their personal securities transactions and holdings. The Code of Ethics is administered by the Adviser, which reviews all reportable transactions for compliance. Violations of the Code of Ethics are reviewed by Adviser management and may subject such Covered Persons to sanctions as deemed appropriate under the circumstances.

The Code of Ethics also contains policies on insider trading that include procedures designed to prevent trading or communications by Covered Persons that might constitute the misuse of material, nonpublic information.

The Code of Ethics for the Fund, the Adviser and the Distributor is available by accessing the SEC's website at www.sec.gov.

Proxy Voting Guidelines

The Adviser provides a voice on behalf of shareholders of the Fund. The Adviser views the proxy voting process as an integral part of the relationship with the Fund. The Adviser is also in a better position to monitor corporate actions, analyze proxy proposals, make voting decisions and ensure that proxies are submitted promptly. Therefore, the Fund delegates its authority to vote proxies to the Adviser, subject to the supervision of the Board of Trustees. The Fund's proxy voting policies are summarized below.

Policies of the Adviser

It is the Adviser's policy to vote all proxies received by the Fund on a timely basis. Upon receiving each proxy, the Adviser will review the issues presented and make a decision to vote for, against or abstain on each of the issues presented in accordance with the proxy voting guidelines that it has adopted. The Adviser will consider information from a variety of sources in evaluating the issues presented in a proxy. The Adviser generally supports policies, plans and structures that give quality management teams enough flexibility to run the business in order to maximize value for owners. Conversely, the Adviser generally opposes proposals that it believes may restrict the ability of shareholders to realize the full potential value of their investment.

Conflicts of Interest

The Adviser's duty is to vote in the best interests of the Fund's shareholders. Therefore, when conflicts of interest arise between the Adviser and the Fund, the Adviser will take one of the following steps to resolve the conflict:

1. Vote the securities based on a pre-determined voting policy if the application of the policy to the matter presented involves little discretion on the part of the Adviser;
2. Disclose the conflict to the Independent Trustees of the Trust and obtain their direction on how to vote the proxy; or
3. Vote the securities in accordance with a pre-determined policy based upon the recommendations of an independent third party, such as a proxy voting service.

In addition, the Adviser's policies provide that the conflict may be disclosed to the Board of Trustees or its delegate, who shall provide direction on how to vote the proxy.

More Information

The Fund's voting records relating to its portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request by accessing the SEC's website at www.sec.gov. In addition, a copy of the Fund's proxy voting policies and procedures are also available by calling the Fund at 1-800-992-4144. These materials will be sent within three business days of receipt of a request.

Anti-Money Laundering Program

The Trust has established an Anti-Money Laundering Compliance Program (the “Program”) as required by the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (“USA PATRIOT Act”). To ensure compliance with this law, the Program provides for the development of internal practices, procedures and controls, designation of anti-money laundering compliance officers, an ongoing training program and an independent audit function to determine the effectiveness of the Program. Ms. Kristin M. Cuene has been designated as the Trust’s Anti-Money Laundering Compliance Officer.

Procedures to implement the Program include, but are not limited to: determining that the Distributor and the Transfer Agent have established proper anti-money laundering procedures; reporting suspicious and/or fraudulent activity; and a complete and thorough review of all new account applications. The Fund will not transact business with any person or entity whose identity cannot be adequately verified under the provisions of the USA PATRIOT Act.

As a result of the Program, the Fund may be required to “freeze” the account of a shareholder if the shareholder appears to be involved in suspicious activity or if certain account information matches information on government lists of known terrorists or other suspicious persons, or the Fund may be required to transfer the account or proceeds of the account to a governmental agency.

BROKERAGE ALLOCATION AND OTHER PORTFOLIO TRANSACTIONS

General Considerations

The Adviser is responsible for the execution of the Fund’s portfolio transactions and the allocation of brokerage transactions. When placing purchase and sale orders, the Adviser’s primary objective is to obtain the best net results for the Fund, taking into account all factors it deems relevant, including:

- Price (including the applicable brokerage commission or dealer spread) and the size of the transaction;
- The nature of the market for the security;
- The difficulty of execution;
- The timing of the transaction taking into account market prices and trends;
- The reputation, experience and financial stability of the broker involved; and
- The quality of service rendered by the broker in other transactions.

The Adviser has no pre-existing obligations to deal with any broker or group of brokers regarding the execution of the Fund’s portfolio transactions. However, the Adviser uses one broker, Pershing LLC, to execute most, if not all, of the Fund’s equity securities transactions. Pershing LLC has agreed to execute all Fund equity securities trades at a discounted commission rate the Adviser believes is favorable to the Fund and its shareholders. To evaluate the execution quality of these trades, the Adviser analyzes a sample of the Fund’s trades each quarter and reports its findings to the Board of Trustees. To the knowledge of the Fund’s management, no director or officer of the Fund has a direct or indirect material interest in any broker that executes the Fund’s portfolio transactions.

The Adviser does not enter into “soft-dollar” arrangements for research. Although the Adviser may place brokerage business with firms that provide research, market data, statistical data and other information/services to the Adviser, the Fund will not pay those brokers a commission for effecting securities transactions that exceed the normal commission the broker would have received if the research services had not been provided. Similarly, the Fund will not “pay-up” for research services in principal transactions.

Investment decisions for the Fund are made independently from those of other accounts managed by the Adviser. However, because of the similar investment approach employed by the Adviser, securities of the same issuer may be purchased, held or sold by the Fund and other accounts. As a result, the Adviser has adopted trade allocation procedures that, among other things, ensure that trades are allocated fairly and equitably to the other accounts and the Fund consistent with Adviser’s fiduciary duty to each client. In determining a fair allocation, the Adviser evaluates a number of factors, including among others, the size of the transaction, transaction costs and the relative size of a client’s account.

When the same investment decision is made for more than one client account, which may include the Fund, orders for a security are not required to be combined for execution as a “block” trade unless the Adviser believes that one or more such orders has the potential to impact the market. Because the substantial majority of the equity securities purchased by the Adviser for its clients have significant liquidity and above average daily trading volume, market impact is often not a significant concern. However, the potential for market impact may exist when (i) the investment team decides to liquidate or significantly reduce the Fund and other clients’ holdings in a security; (ii) the investment team makes the decision to purchase a new security in the Fund and other clients’ accounts; or (iii) sizeable orders for the same security for the Fund and other clients are submitted by one or more portfolio managers and reach the trading desk at approximately the same time.

In these circumstances, and often even when market impact is not a significant concern, the Adviser will generally combine all client orders given to each broker for execution as a “block” trade (with the exception of any de minimis orders which may be executed or filled separately prior to placing or completing the block trade orders). When multiple block trades are placed with multiple brokers, the sequence in which brokers are contacted and given the block trade orders is randomly determined using computer software. Execution prices for each block trade are averaged and each account participating in the block trade receives that average price. Partially filled orders for each block trade are allocated pro rata each day in proportion to each participating account’s order size.

Although the Adviser believes that ultimately the ability to participate in block trades will be beneficial to the Fund, in some cases this procedure may adversely affect the price paid or received or the size of the position purchased or sold by the Fund.

PURCHASE, REDEMPTION AND PRICING OF FUND SHARES

Information concerning the purchase and redemption of the Fund’s shares is set forth under “Shareholder Service Information - How to Purchase Fund Shares” and “Shareholder Service Information - How to Redeem Fund Shares” in the Fund’s Prospectus.

Purchases and Redemptions

Shares are directly sold by the Fund on a continuous basis. Shares may also be purchased or sold through certain broker-dealers, financial institutions or other service providers, as described in the Fund’s Prospectus. The Fund does not charge any sales load or commission in connection with the purchase of shares.

Although the Fund and Adviser have established a minimum investment amount of \$2,500 for Class J shares and \$1 million for Class I shares, the Fund, in its sole discretion, may approve smaller amounts for certain investors.

The Fund reserves the right to suspend or postpone redemptions during any period when:

- (1) Trading on the New York Stock Exchange (the “NYSE”) is closed for other than customary weekend and holiday closing, or restricted as determined by the SEC;
- (2) The SEC has by order permitted the Fund to suspend redemptions; or
- (3) An emergency exists, as determined by the SEC, which makes the disposal of the Fund’s portfolio securities or a determination of the net asset value of the Fund’s shares not reasonably practicable.

The Fund may institute a policy that requires the automatic redemption of Fund shares if a shareholder’s account balance drops below a certain amount as a result of redemptions by the shareholder. If an automatic redemption policy is adopted, the Fund may not cause a redemption to occur if the decrease in a shareholder’s account balance was caused by any reason other than a shareholder’s redemption of Fund shares. As of the date of this SAI, the Fund has not adopted a policy imposing the automatic redemption of a shareholder’s account if it falls below a certain amount. Authorization for adopting and implementing such a policy rests with the Board of Trustees. The Board of Trustees will enact an automatic redemption policy if it determines that it is in the best interests of the Fund and its shareholders.

None of the Fund, the Adviser nor the transfer agent will be liable for any loss or expense of effecting redemptions upon instructions believed by them to be genuine and in accordance with the procedures described in the Fund's Prospectus.

Conversion Privileges

Shareholders of Class J shares have the privilege of converting their shares to Class I shares, provided that immediately after the conversion, the Class J shareholder meets the then applicable eligibility requirements for Class I shares.

Pricing of Fund Shares

The NAV of the Fund's shares will fluctuate and is determined as of the close of trading on the NYSE (generally 4:00 p.m., Eastern time) each business day. The NYSE annually announces the days on which it will not be open for trading. The most recent announcement indicates that it will not be open on the following days: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. However, the NYSE may close on days not included in that announcement.

The NAV per share is computed by dividing the value of the securities held by the Fund plus any cash or other assets (including interest and dividends accrued but not yet received) minus all liabilities (including accrued expenses) by the total number of shares in the Fund outstanding at such time.

$$\frac{\text{Net Assets}}{\text{Shares Outstanding}} = \text{Net Asset Value Per Share}$$

Generally, the Fund's investments are valued at market value or, in the absence of a market value, at fair value as determined in good faith by the Adviser and the Valuation Committee pursuant to procedures approved by or under the direction of the Board of Trustees.

The Fund's securities, including depositary receipts, which are traded on securities exchanges are valued at the last sale price on the exchange on which such securities are traded, as of the close of business on the day the securities are being valued or, lacking any reported sales, at the mean between the last available bid and asked price.

Securities that are traded on more than one exchange are valued on the exchange determined by the Adviser to be the primary market. Securities primarily traded on the NASDAQ Stock Market ("NASDAQ") shall be valued using the NASDAQ Official Closing Price ("NOCP"). If the NOCP is not available, such securities shall be valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the bid and asked prices. OTC securities that are not traded on NASDAQ shall be valued at the most recent trade price.

Short-term debt obligations with remaining maturities in excess of 60 days are valued at current market prices, as discussed above. Short-term debt obligations with 60 days or less remaining to maturity are, unless conditions indicate otherwise, amortized to maturity based on their cost to the Fund if acquired within 60 days of maturity or, if already held by the Fund on the 60th day, based on the value determined on the 61st day.

All other assets of the Fund are valued in such manner as the Board of Trustees in good faith deems appropriate to reflect their fair value.

Redemption-in-Kind

The Fund does not intend to redeem shares in any form except cash. The Trust, however, has filed a notice of election under Rule 18f-1 of the 1940 Act that allows the Fund to redeem in-kind redemption requests of a certain amount. Specifically, if the amount you are redeeming during any 90-day period is in excess of the lesser of \$250,000 or 1% of the net assets of the applicable share class of the Fund, valued at the beginning of such period, the Fund has the right to redeem your shares by giving you the amount that exceeds \$250,000 or 1% of the net assets of the share class of the Fund in securities instead of cash. If the Fund pays your redemption proceeds by a distribution of securities, you could incur brokerage or other charges in converting the securities to cash, and will

bear any market risks associated with such securities until they are converted into cash.

TAXATION OF THE FUND

The Fund expects to qualify continuously as a regulated investment company (“RIC”) under Subchapter M of the Internal Revenue Code of 1986, as amended (the “Code”). To qualify as a RIC, the Fund must, among other things, satisfy a gross income test, certain diversification tests and distribution requirements. Generally, shareholders of the Fund will be subject to federal income tax with respect to distributions from the Fund. As a RIC, the Fund will generally not be subject to federal income or excise taxes to the extent the Fund annually distributes substantially all of its net investment income and net capital gain to shareholders.

Tax Status of the Fund

To qualify as a RIC for any taxable year, the Fund must, among other things: (a) derive at least 90% of its gross income from dividends, interest, payments with respect to securities loans, gain from sale or other disposition of stock or securities, and certain other types of income; and (b) diversify its holdings so that, at the end of each fiscal quarter: (i) the Fund holds cash, government securities, securities of other RICs and other securities that represent at least 50% of the value of all Fund assets; (ii) the other securities of any one issuer used to satisfy this 50% asset test constitute no more than 5% of the value of the assets of the Fund and 10% of the outstanding voting securities of the issuer; and (iii) no more than 25% of the value of the assets of the Fund is invested in the securities (other than government securities or the securities of other RICs) of any one issuer or of two or more issuers that the Fund “controls” within the meaning of Section 851 of the Code, or in the securities of one or more publicly traded partnerships. In addition, the Fund must file, or have filed, a proper election with the Internal Revenue Service.

Generally, to be eligible for flow-through tax treatment, the Fund must distribute at least 90% of its net “investment company taxable income” which includes, among other items, dividends, interest and net short-term capital gain in excess of net long-term capital loss. To the extent that the Fund does not distribute its net investment company taxable income, including any excess of net short-term capital gain over net long-term capital loss, such income is generally taxable to the Fund at corporate income tax rates.

The Fund may be liable for a special excise tax if it fails to make sufficient distributions during the calendar year. The required distributions for each calendar year generally equal the sum of (a) 98% of the ordinary income for the calendar year plus (b) 98% of the capital gain net income for the one-year period that ends on October 31 during the calendar year, plus (c) an adjustment relating to any shortfall for the prior taxable year. If the actual distributions are less than the required distributions, an excise tax of 4% applies to the difference.

If the Fund retains any net long-term capital gain in excess of net short-term capital loss and pays federal income tax on such excess (at corporate income tax rates), it may elect to treat all or a portion of such capital gain as having been distributed to shareholders. If the Fund elects this treatment, shareholders that own shares on the last day of the Fund’s taxable year:

- Will be taxed on such amounts as long-term capital gain;
- May claim their proportionate share of the federal income tax paid by the Fund on such gain as a credit against their own federal income tax liabilities; and
- Generally, will be entitled to increase the adjusted tax basis of their shares in the Fund by the difference between their pro rata shares of such gains and their allocable share of federal income taxes paid by the Fund.

If the Fund were unable to continue to qualify as a RIC for any reason, it would be taxable as a C corporation and would become liable for federal income tax on its net income (and, possibly, other taxes) for the taxable year or years in which it fails to qualify. Moreover, except to the extent that certain qualified dividend distributions to individuals are taxable at long-term capital gain rates, distributions to shareholders for such period(s) would be treated as dividends taxable at ordinary income rates to the extent of the Fund’s current and accumulated earnings and profits, even though all or part of such distributions might have qualified for treatment as long-term capital gain to shareholders had the Fund continued to qualify as a RIC.

There can be no assurance that the requirements for treatment as a RIC will be met by the Fund in all possible circumstances.

Taxation of Fund Distributions

As a result of 2003 federal tax legislation that is scheduled to become inapplicable for tax years beginning after December 31, 2010, distributions of qualified dividend income to non-corporate shareholders paid out of the Fund's net investment company taxable income may be taxable at long-term capital gain rates, which are currently significantly lower than the highest rate that applies to ordinary income and short-term capital gain. All of the ordinary income dividends paid by a Fund will be taxable as qualified dividend income if the qualified dividend income received by a Fund is equal to 95% (or a greater percentage) of the Fund's gross income (exclusive of net capital gain) in any taxable year. If applicable, the Fund will designate all or a portion of distributions of net investment company taxable income to shareholders as qualified dividend income, which is eligible for the special tax treatment discussed above. In the case of corporate shareholders, a portion of the distributions of net investment company taxable income paid by the Fund may be eligible for the dividends-received deduction because a portion of the Fund's income may consist of dividends paid by U.S. corporations. Distributions properly designated by the Fund as representing the excess of net long-term capital gain over net short-term capital loss are taxable to shareholders as long-term capital gain, regardless of the length of time shareholders have held shares of the Fund. Any loss that is realized and allowed on redemption of shares of the Fund six months or less from the date of purchase of such shares and following the receipt of a capital gain dividend will be treated as a long-term capital loss to the extent of the capital gain dividend. The Code contains special rules on the computation of a shareholder's holding period for this purpose.

Distributions will be taxable as described above, whether paid in shares or in cash. Each distribution will be accompanied by a brief explanation of the form and character of the distribution. Shareholders will be notified annually as to the federal income tax status of distributions, and shareholders receiving distributions in the form of newly-issued shares will receive a report as to the NAV of the shares received.

A distribution may be taxable to a shareholder even if the distribution reduces the NAV of the shares held below their cost (and is, in an economic sense, a return of the shareholder's capital). This is more likely when shares are purchased shortly before an annual distribution of capital gain or other earnings.

Other Tax Considerations

The Fund must obtain from each shareholder a certification of the shareholder's taxpayer identification number and certain other information. The Fund will not accept an investment to establish a new account that does not comply with this requirement. If a shareholder fails to certify such number and other information, or upon receipt of certain notices from the Internal Revenue Service, the Fund may be required to withhold a percentage of any reportable interest or dividends, or redemption proceeds, payable to the shareholder, and to remit such sum to the Internal Revenue Service for credit toward the shareholder's federal income taxes. A shareholder's failure to provide a correct social security number or other tax identification number may subject the shareholder to a penalty of \$50 imposed by the Internal Revenue Service. In addition, that failure may subject the Fund to a separate penalty of \$50. This penalty will be charged against the shareholder's account, which may then be closed. Any such closure of the account may result in a capital gain or loss to the shareholder.

If the Fund declares a dividend in October, November or December payable to the shareholders of record on a certain date in such a month and pays the dividend during January of the following year, the shareholders will be taxed as if they had received the dividend on December 31 of the year in which the dividend was declared. Thus, a shareholder may be taxed on the dividend in a taxable year prior to the year of actual receipt.

The Code allows the deduction by certain individuals, trusts, and estates of "miscellaneous itemized deductions" only to the extent that such deductions exceed 2% of the taxpayer's adjusted gross income. For certain pass-through entities, limitations apply to expenses that, if paid by an individual, would be a miscellaneous itemized deduction. This limitation prevents individuals from indirectly receiving a benefit through the pass-through entity although they could not take the deduction directly. The limitation on indirect miscellaneous itemized deductions does not apply, however, with respect to the expenses incurred by any "publicly offered regulated investment company." The Fund believes that it is a publicly offered regulated investment company within the meaning of Section 67(c)(2) of the

Code because its shares are continuously offered pursuant to a public offering (within the meaning of section 4 of the Securities Act of 1933, as amended). Therefore, the limit on indirect miscellaneous itemized deductions should not apply to expenses incurred by the Fund.

A redemption of Fund shares may result in taxable gain or loss to the redeeming shareholder, depending upon whether the redemption proceeds payable to the shareholder are more or less than the shareholder's adjusted basis for the redeemed shares.

Additional Information

The foregoing summary and the summary of the federal income tax consequences of an investment in the Fund included in the Prospectus under "Distributions and Taxes" are necessarily general and abbreviated. No attempt has been made to present a complete or detailed explanation of tax matters. The summary does not identify or address all statutory provisions that presently are scheduled to become inapplicable or "sunset" as of a future date, nor does it address any pending legislation that could affect the Fund in the future. Furthermore, the provisions of the statutes and regulations on which these summaries are based are subject to prospective or retroactive change by legislative or administrative action. State and local taxes are beyond the scope of this discussion. Prospective investors in the Fund should consult their own tax advisers regarding federal, state or local tax matters.

GENERAL INFORMATION

Financial Statements

As the Fund has recently commenced operations, there are no financial statements available at this time. Shareholders of the Fund will be informed of the Fund's progress through periodic reports when those reports become available. Financial statements certified by the independent registered public accounting firm will be submitted to shareholders at least annually.

APPENDIX A

COMMERCIAL PAPER RATINGS

Prime 1 (P-1) and A-1 are the highest commercial paper ratings issued by Moody's Investor Services, Inc. ("Moody's") and Standard & Poor's Corporation ("S&P"), respectively.

Description of Moody's Commercial Paper Ratings

Issuers within the Prime category may be given ratings 1, 2 or 3, depending on the relative strengths of certain factors. Among the factors considered by Moody's in assigning ratings are the following:

- (1) Evaluation of the management of the issuer;
- (2) Economic evaluation of the issuer's industry or industries and an appraisal of speculative type risks that may be inherent in certain areas;
- (3) Evaluation of the issuer's products in relation to competition and customer acceptance;
- (4) Liquidity;
- (5) Amount and quality of long-term debt;
- (6) Trend of earnings over a period of ten years;
- (7) Financial strength of a parent company and the relationships which exist with the issuer; and
- (8) Recognition by the management of obligations that may be present or may arise as a result of public interest questions and preparations to meet obligations.

Description of S&P's Commercial Paper Ratings

An issuer's commercial paper rated A by S&P has the following characteristics:

- (1) Liquidity ratios are adequate to meet cash requirements;
- (2) Long-term senior debt of the issuer should be rated A or better, although in some cases BBB credits may be allowed if other factors outweigh the BBB;
- (3) The issuer has access to at least two additional channels of borrowing;
- (4) Basic earnings and cash flow have an upward trend with allowance made for unusual circumstances;
- (5) Typically, the issuer's industry should be well established and the issuer should have a strong position in the industry, and the reliability and quality of management should be unquestioned. Commercial paper rated A is further referred to by the use of numbers 1, 2 and 3 to denote relative strength within this highest classification, with "1" being the highest rating.