

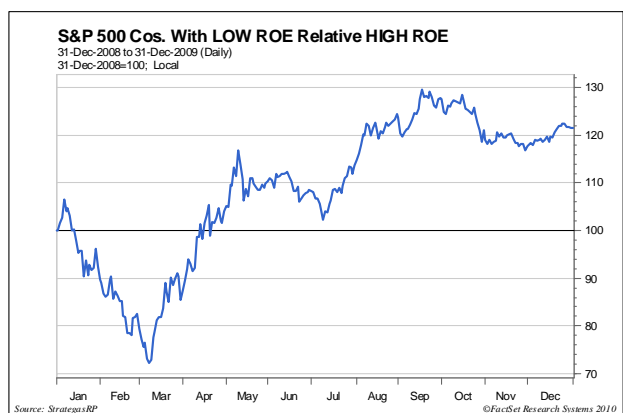
## LETTER TO SHAREHOLDERS

January 31, 2010

Dear Lateef Fund Shareholder:

In the midst of the financial crisis firestorm during the fourth quarter of 2008, Warren Buffett penned an editorial in the *New York Times* advising that although he could not predict short-term movement of the stock market, “What is likely, however, is that the market will move higher, perhaps substantially so, well before either sentiment or the economy turns up. So if you wait for the robins, spring will be over.” The current bull market began a few months later and, since the S&P 500 bottomed on March 9, 2009, the index soared 68% through year-end 2009 to mark the sharpest rally since the Great Depression. The S&P 500 advanced a further 6% during the fourth quarter which extended its gain for the year to 26.5%. Investors continued reacting positively to better than expected earnings reports and signs of healing in major banks that were on solid enough footing to repay \$168 billion of the \$245 billion of borrowed government funded Troubled Asset Relief Program (TARP) money.

The 26.5% return for the S&P 500 index in 2009 is noteworthy in that it was led by lower quality stocks. While luxury retailers and long-term investors like us advocate that quality never goes out of style, in the short-run this mindset may not be fashionable. Stocks with low return on equity (ROE), no earnings, high debt and no dividends outperformed their counterparts with high ROE, positive earnings, low debt and dividend payers.



Source: Strategas

We are encouraged by the Fund’s absolute return in 2009 of 28.93%, especially when we compare the make up of the Fund holdings to the S&P 500. For most of the year, 35% of our portfolio of holdings (Berkshire Hathaway, ITT Educational Services, Accenture, Suncor, Affiliated Managers Group and Visa) was not in the S&P 500 index until Visa was added to the index in December. The Fund currently owns 19 companies and we are indifferent whether our companies are in an index. We are simply searching for the most outstanding businesses as measured by a consistently high return on invested capital (ROIC), led by successful and transparent managers who have an owner-oriented attitude, at an attractive price.

We achieved our 2009 performance despite two of our largest holdings, ITT Educational Services (ESI) and Berkshire Hathaway (BRK), severely lagging the market as each rose only 2%. ESI reported third quarter year-to-date earnings growth of 53% the best in class for our portfolio. Overshadowing the stellar fundamentals of ITT however, are lingering industry concerns about accreditation, enrollment counselor compensation, tuition levels, gainful employment, and student loan default rates that has prompted the Department of Education to conduct hearings for the entire education industry (both for-profit and non-profit) regarding appropriate oversight. These hearings have lasted the better part of 2009 and concluded in January of 2010 with resolution later in 2010. We don’t believe ITT will be affected in any structural way by possible new regulation and should benefit from their transparency by showcasing their graduation rates and related salaries. Investors have also been concerned about ITT’s willingness to self-fund private student loans to fill a void left behind by some lenders who stopped lending

in the midst of the credit crisis. We believe ITT will be successful in increasing their consortium of lenders in the first part of 2010 to buy ITT's receivables and provide a continuing source of student private loan funding. Meanwhile, ESI is cheap with a trailing twelve month free cash yield of 6% and a price to earnings (PE) of just 12x expected 2009 earnings and 10x 2010 earnings.

Perhaps there is no better example of enduring quality lagging the market in 2009 than Berkshire Hathaway. At year end 2009, BRK was trading at just 1.2x its book value of \$84,000/share compared to its 10 year average of 1.6x. At \$99,200/A share, the stock is priced at only a slight premium to the value of just its investments of cash, bonds and stocks of \$92,400, and effectively ignoring the value of its 70 wholly-owned subsidiaries. We have to speculate to find reasons why BRK has lagged. Concerns remain about Warren Buffett's age (he is 79) and succession plans. Also in 2008, BRK was a victim of forced liquidation by marginal owners who had liquidity needs, including failing hedge funds, and in 2009, speculators returned to the lower quality financial companies that had more speculative appeal. We believe BRK is inherently worth about \$140,000/A share and that quality will be valued appropriately once again.

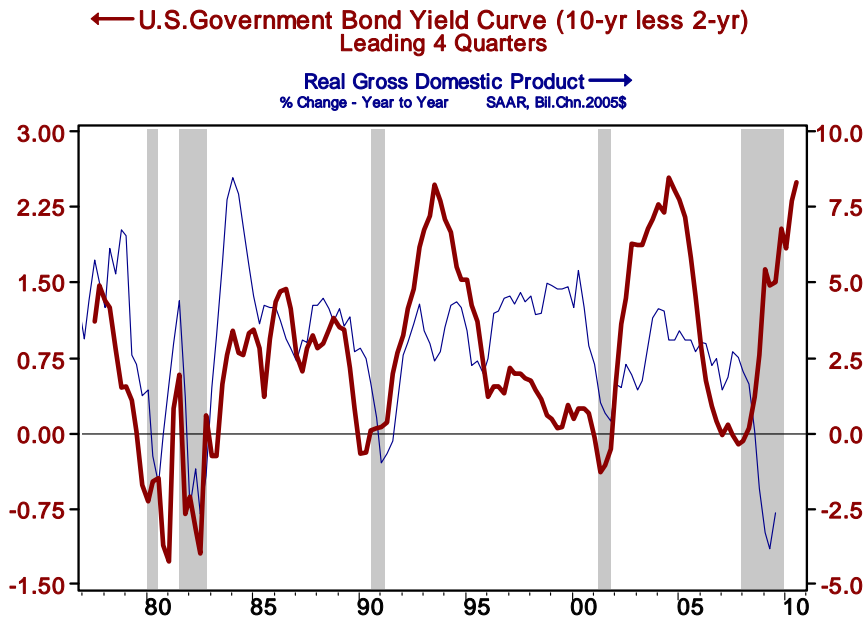
BRK addressed questions about what it would do with its excess cash during 2008 when the company announced its largest ever acquisition by buying the remaining 77% of Burlington Northern Railroad (BNI) that it didn't already own for \$26 billion, or \$100/share. The terms are 60% cash and 40% stock. In order for BNI investors to swap their \$100/share into a BRK share, BRK will split its B shares 50 for 1. BRK expects to benefit in the long-run as rails are a more cost-effective form of shipping than trucks especially at higher oil prices; rails release fewer pollutants than trucks, are vital to the future prosperity of our economy, are geographically well-positioned in the West, and are a bullish bet on our economy rebounding.

The leading contributors to the Fund's performance in 2009 were Aflac (AFL) and Scripps Networks Interactive (SNI). AFL more than doubled from our original cost in March 2009, proving we had found a quality gem amidst the financial rubble. AFL's dividend was yielding over 8% and its PE was just 3x even though it does not issue credit like other banks and did not offer income annuity promises like other insurers. The company's supplemental cancer policies are fixed and not open-ended. Also unlike many other banks and insurers, due to AFL's strong cash flow, it has not resorted to reducing its dividend or issued dilutive stock to boost depleted capital. Most important, it has been led by Dan Amos, CEO for 19 years, who was quoted in USA Today on December 28, 2009, "Don't risk a lot for a little. With the duck (ad promotion), I was risking a little for a lot." He added that transparency and communication saw him through the tough times when AFL stock fell from \$67 to less than \$11 in less than one year. He ordered the company to post on its website every bond investment the company owned. He also relinquished his rightfully earned 2008 bonus of \$2.8 million because he felt guilty, knowing his neighbors and shareholders who owned the stock were suffering. We admire Dan's integrity, owner-orientation, transparency and philosophy of not risking a lot for a little and believe AFL is still attractive at just 9x consensus 2010 earnings, with a free cash flow yield of 26% and a ROE of 20%.

As the advertising market improved, SNI was able to take advantage of their highly rated cable channels (HGTV and Food Network) to generate better than expected revenue growth. Additionally, the market began to anticipate SNI's successful renegotiation of their affiliate contracts which will result in higher cash flows and earnings.

In the last Letter to Shareholders, we noted that market timing was futile because it is less tax efficient and requires being right about the timing of re-entry into the market. We also mentioned that it was an opportunity to take advantage of others' fear of stocks since valuations were attractive as indicated by the PE ratio of just 13x for the S&P 500 index. Despite the 2009 market rally, many investors feel comfortable holding cash equivalents and are evidently waiting for the "robins." Money market assets totaling \$3.3 trillion now represents 30% of the U.S. market capitalization compared to its 25 year average of 13%. In 2009, investors have poured over \$315 billion of assets into bond funds while removing \$5 billion from stock mutual funds. While cash won't decline in absolute value, we believe cash and short-term government bonds are risky long-term assets that are likely to depreciate in real value. They yield almost nothing (especially after tax considerations) with 1 year, 2 year and 10 year Treasury yields of just .4%, 1.1% and 3.8%, and are vulnerable to the inflationary pressures accumulating from the government policies used in addressing the financial crisis. Despite the recent move in equities, we believe there is still opportunity in equities, and in particular the equities we own, for the following reasons:

- A good portion of the \$3.3 trillion parked in money market funds, earning near-zero percent interest rates, is poised to reenter the market, which is bullish for stocks.
- The prospects for equities are intertwined with the prospects for an economic recovery. The yield curve, which is the difference in yield between the long-term ten year Treasury bond and the short-term two year Treasury bond reached 281 basis points compared to 127 basis points in December 2008. Historically, an increasing spread has indicated near term economic health.



Source: Strategas

- Corporate deal-making can be a healthy sign of an improving economy and a confident statement for the attractiveness of stock prices. The months of November and December 2009 have seen the most active deal-making since the summer of 2008 and the dollar value of deals in those two months is 4x higher than the prior year. Deals besides BRK acquiring BNI also included Exxon buying XTO Energy, Comcast's purchase of NBC Universal, the merger of Stanley Works and Black & Decker and our own Scripps Network Interactive effective acquisition of the Travel Channel. In November 2009 SNI, owner of Food Network and Home and Garden TV, announced it would acquire a 65% controlling interest in a partnership with Cox Communications to buy the Travel Channel. We expect the Travel Channel deal to be additive to SNI's earnings primarily by leveraging SNI's ad sales, affiliate sales and tech services as well as affiliate fee renegotiations in two years.
- Emerging markets are expected to grow at rates faster than the U.S. While most of the Fund holdings are domiciled in the U.S., collectively they have 43% of their operations sourced outside the U.S. We have the advantage of accessible management and strong corporate governance and still have a strong exposure to overseas growth.
- Global logistics data in late 2009 signal a rebounding economy. Cargo volume on Asian airlines increased 38% year over year in December and 18% year over year in November. The Dubai Airport reported that cargo increased 19.6% in November. Lastly, the ports of Long Beach and Los Angeles reported that loaded container exports increased 11% in November. These trends bode well for Expeditors' International and to a lesser extent, C.H. Robinson.
- Home prices are stabilizing according to the Case Shiller, which reported that home prices across the country have been flat to higher for five consecutive months ending October 2009.
- Finally, the Fund's portfolio of companies continued to out execute the market in several ways through the third quarter:

- Earnings grew 2% compared to a 20% decline in the S&P 500. This follows 2008, when our companies grew earnings 13% compared to a decline of 40% for the S&P 500.
- ROE of 36% exceeded the S&P 500 of 3%.
- Free cash flow yield is nearly 6% with the promise of cash flow growth compared to the ten year treasury yield of 3.8%.

We believe the Fund's portfolio of companies are still undervalued by more than 30% of our estimate of fair value and we are optimistic that they will benefit from the market opportunities mentioned above. While we still haven't actually seen the robins, in our opinion, spring has not yet fully sprung for our stocks.

The Fund was up 5.74% in the last quarter ending 1/31/10 and was up 28.93% in 2009, compared to -3.60% and 26.46% for the S&P 500 respectively. The annualized, since inception (September 2007) return for the Fund was -6.65% versus the S&P 500's -10.26%<sup>(1)</sup>.

Thank you for entrusting us with your confidence. We appreciate your support and look forward to communicating with you in the future.



Lateef Investment Management

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*(1) For purposes of this letter, we utilize the investment returns for the Lateef Fund Institutional Class I shares (ticker: LIMIX). The only difference in shareholder returns is the expense ratio, which varies by class of shares. Discussion of particular Fund holdings is not intended as a recommendation to buy, hold or sell those securities. The Fund's portfolio composition may change at any time. Visit [www.lateef.com](http://www.lateef.com) to see the Fund's most recently published top 10 holdings list.*

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Total Returns For the Period Ended December 31, 2009

	<u>Since Inception*</u>	<u>1 Year Trailing</u>	<u>Quarter End</u>
Class I Shares	-5.85%	25.22%	5.72%
Class A Shares	-8.17%	22.38%	0.35%
Class C Shares	-6.91%	27.75%	5.48%
Russell 3000 <sup>®</sup> Index	4.05%	28.34%	5.90%
S&P 500 <sup>®</sup> Index	-9.19%	26.46%	6.04%

Total Returns For the Period Ended January 31, 2010

	<u>Since Inception*</u>	<u>1 Year Trailing</u>	<u>Quarter End</u>
Class I Shares	-6.65%	32.34%	5.74%
Class A Shares	-8.87%	25.48%	0.48%
Class C Shares	-7.69%	31.37%	5.50%
Russell 3000 <sup>®</sup> Index	-9.95%	35.05%	4.78%
S&P 500 <sup>®</sup> Index	-10.26%	33.14%	4.16%

\*Annualized - The Fund commenced operations on September 6, 2007

*The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher. Performance data current to the most recent month-end may be obtained by calling 1(866) 499-2151.*

*The returns shown for Class A Shares reflect a deduction for the maximum front-end sales charge of 5.00%. All of the Fund's share-classes apply a 2.00% fee to the value of shares redeemed within 120 days of purchase. This redemption fee is not reflected in the returns shown above. The Fund's total annual operating expenses, as stated in the current prospectus are 1.82% for Class I, 2.07% for Class A, and 2.82% for Class C shares, respectively, of the Fund's average daily net assets. The Advisor has contractually agreed to waive or otherwise reduce its annual compensation received from the Fund by the less of (i) 0.25% of average daily net assets (25 basis points), or (ii) an amount necessary to ensure that the Fund Total Annual Fund Operating Expenses, excluding taxes, any class-specific expenses (such as Rule 12b-1 distribution fees, shareholder service fees, or transfer agency fees), Acquired Fund Fees and Expenses, interest, extraordinary items and brokerage commissions, do not exceed, 1.25% of average daily net assets (125 basis points), the Expense Limitation. The Expense Limitation will remain in place until August 31, 2010, unless the Board of Trustees approves its earlier termination.*

*Since the Fund is non-diversified and may invest a larger portion of its assets in the securities of a single issuer than a diversified mutual fund, an investment in the Fund could fluctuate in value more than an investment in a diversified mutual fund. Investing significant assets in securities of issuers in one or more sectors of the economy or stock market could subject the Fund to greater risk of loss and could be considerably more volatile than a broad-based market index or other mutual funds that are diversified across a greater number of securities and sectors.*

*The Fund intends to evaluate performance as compared to that of the Standard & Poor's 500 Composite Price Index ("S&P 500") and the Russell 3000 Index. The S&P 500 is a widely recognized, unmanaged index of 500 common stocks which are generally representative of the U.S. stock market as a whole. The Russell 3000 Index is an unmanaged index that measures the performance of the 3,000 largest U.S. stocks, representing about 98% of the total capitalization of the entire U.S. stock market. It is impossible to invest directly in an index.*

*You should consider the investment objectives, risks, charges and expenses of the Lateef Fund carefully before investing. A prospectus with this and other information may be obtained at 1-866-499-2151 or visit our website*

at [www.lateef.com](http://www.lateef.com). *The prospectus should be read carefully before investing.*

Shares of the Lateef Fund are distributed by PFPC Distributors, Inc., King of Prussia, PA