



**Investment Objective**

The Broadview Opportunity Fund seeks capital appreciation

**Investment Strategy**

The Broadview Opportunity Fund invests in stocks of companies of all sizes, but primarily invests in smaller capitalization United States companies, that have substantial capital appreciation potential. The Fund considers smaller capitalization companies to be those within the range of the Russell 2000® Index at time of purchase (as of 12/31/17 up to \$9.6 billion). The investment team seeks to purchase equity of businesses that are selling at what it believes are substantial discounts to prices that accurately reflect their future earnings prospects.

**Investment Process**

Pure bottom-up ideas are internally generated. The investment team exploits industry experience and contacts with suppliers, customers and competitors to identify companies that might be candidates for the portfolio. If a company meets most, but not all of our criteria, they are added to an extensive list of similar companies which are continuously monitored.

Broadview uses Five Pillar Analysis to determine if a company will be added to the portfolio. The five points are as follows:

**STRONG BUSINESS TRAITS:** Highly recurring revenue, return on investment capital, controllable destiny

**DEFENDABLE MARKET NICHE:** Strategic value, barriers to entry, difficult to duplicate

**ATTRACTIVE GROWTH POTENTIAL:** Focus on 2-3 year time horizon, we own companies don't rent stocks, across all industries

**CAPABLE MANAGEMENT:** History of successful strategic decisions, effective use of free cash flow, aligned with shareholders

**DISCOUNT TO PRIVATE MARKET VALUE (PMV):** Substantial discount at purchase, risk control, requires patience and discipline

Companies meeting all Five Pillars may be added to the portfolio. While not an automatic sell, any company in the portfolio can be removed for violation of any of the Five Pillars.

As of June 30, 2018

**Fund Information**

Net Asset Value (NAV)	\$37.17
Total AUM (Millions)	\$556.8
Ticker	BVAOX
Cusip	111328100
Inception Date	12/16/1996
Management Fee	1.00%
Other Expenses	0.25%
<i>Total Expense Ratio</i>	<i>1.25%</i>

**Fund Characteristics**

Median Market Cap (\$Mil)	\$2,999
Growth Rate (3-5 Yr)	17.5%
P/E ratio (trailing one year)	19.5x
P/E ratio (forward 4 quarters)	17.8x
Enterprise Value to EBITDA	13.5x
Enterprise Value to Sales	2.2x
Number of Holdings	78
Portfolio Turnover Rate*	53%

Source: Broadview Advisors/Factset  
\* Annual turnover rate as of 9/30/17

**Top 10 Holdings (as % of Total Portfolio)**

MTG	MGIC Investment Corp.	2.84%
WAL	Western Alliance Bancorp.	2.60%
LTXB	Legacy Texas Financial Group, Inc.	2.46%
CHUY	Chuy's Holdings, Inc.	2.17%
SAM	Boston Beer Co., Inc.	2.17%
IMPV	Imperva, Inc.	2.13%
CIEN	Ciena Corp.	1.95%
COBZ	CoBiz Financial, Inc.	1.93%
CVLT	CommVault Systems, Inc.	1.89%
FOE	Ferro Corp.	1.80%

**Sector Diversification (as % of Total Portfolio)**

Industrials	18.66%
Financials	18.52%
Information Technology	13.85%
Materials	12.62%
Health Care	10.89%
Energy	7.31%
Consumer Discretionary	5.98%
Consumer Staples	3.90%
Cash, Cash Equivalents, & Other	8.27%

Holdings and characteristics are subject to change without notice.

There is no assurance the stated objective will be met or the investment process will consistently lead to successful investing. Investing involves risk, including the possible loss of principal.

**An investor should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. To obtain a prospectus containing this and other information, please call (855) 846-1463 or access the file here (pdf). Read the prospectus carefully before you invest.**

The Broadview Funds are distributed by ALPS Distributors, Inc. ALPS is not affiliated with Broadview Advisors.

# BROADVIEW OPPORTUNITY FUND (BVAOX)

Performance data quoted represent past performance. Past performance is no guarantee of future results and investment returns and principal value of the Fund will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. For current month end performance, visit [www.bvafunds.com](http://www.bvafunds.com) or call (855) 846-1463.

Total return includes reinvestment of dividends and capital gains.

There is no assurance the stated objective will be met or the investment process will consistently lead to successful investing. Investing involves risk, including the possible loss of principal.

The hypothetical example of a \$10,000 investment does not represent the returns of any particular investment.

**P/E Ratio** is the sum of a company's price-to-earnings, calculated by taking the current stock price and dividing it by the trailing earnings per share for the period.

**Russell 2000® Index** is an index measuring the performance of approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The Russell 2000 serves as a benchmark for small-cap stocks in the United States.

**Russell 2500® Index** is a broad index, featuring 2,500 stocks that cover the small- and mid-cap market capitalizations. The Russell 2500 is a market cap-weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities.

For a glossary of investment terms (pdf), visit [www.bvafunds.com](http://www.bvafunds.com) or call (855) 846-1463.

Russell Investment Group is the source and owner of the Russell Index data contained and reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, disseminating, or redistributing is strictly prohibited.

BVA000220 - expires October 31, 2018

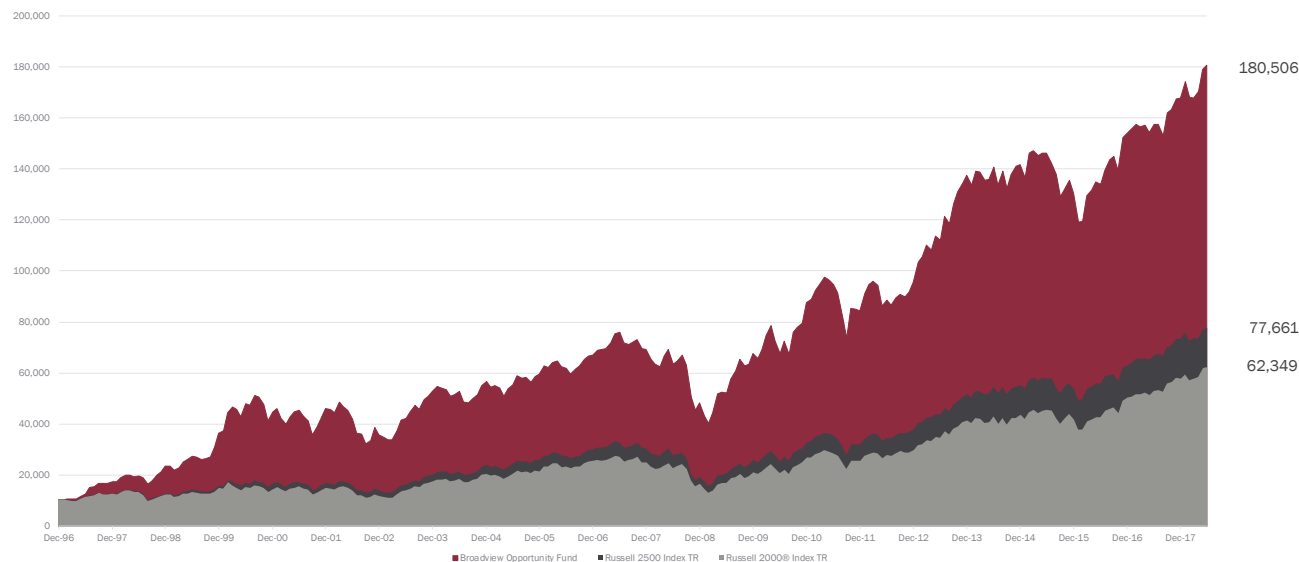
**BROADVIEW**  
FUNDS

## Investment Results (%)

	Quarter	YTD <sup>1</sup>	1 Yr	Average Annual Rate of Return						
				3 Yr	5 Yr	10 Yr	15 Yr	20 Yr	Inception	
Broadview Opportunity Fund	7.55	7.65	14.69	7.28	9.98	11.05	10.18	11.72	14.38	
Russell 2000® Index	7.75	7.66	17.57	10.96	12.46	10.60	10.50	8.03	8.87	
Russell 2500® Index	5.71	5.46	16.24	10.30	12.29	10.74	10.99	9.11	9.99	
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Broadview Opportunity Fund	8.90	18.04	-7.90	3.06	43.48	13.33	-3.37	29.55	40.16	-30.47
Russell 2000® Index	14.65	21.31	-4.41	4.89	38.82	16.35	-4.18	26.85	27.17	-33.79
Russell 2500® Index	16.81	17.59	-2.90	7.07	36.80	17.88	-2.51	26.71	34.39	-36.79

Source: Broadview Advisors/Russell. <sup>1</sup>Returns not annualized

The Value of a \$10,000 Investment in Broadview Opportunity Fund from Its Inception (12/16/1996) to 6/30/2018 as Compared to Russell 2000® Index and Russell 2500® Index



Currently, the economy and corporate earnings are strong. Looking forward, tariff issues, rising inflation, and rising short-term interest rates present headwinds. The Fall elections will be very important as well. We generally view equities as fairly valued, but certainly not cheap. There are exceptions which have been left behind in the recent stock market increases.

As we have cautioned previously, we are very deep into this economic cycle. This cycle has a particularly long duration. We are essentially at full employment. The Federal Reserve is raising short-term interest rates and driving a flattening yield curve. We are wary of an inverted yield curve developing where short-term interest rates rise above long-term interest rates. This is an historically important economic indicator and very often signals an economic down turn, generally fifteen to twenty months from the point of inversion. Considering all the above, we believe investors need to be vigilant of late cycle indicators and cognizant that at some point in the not-too-distant future an economic downturn is likely. As such, we will continue our disciplined approach to investing, being particularly mindful of valuation and cyclicity of our investments.