

CORE EQUITY FUND

3Q 2017 Commentary

Markets Review

Stock markets hit new records during the third quarter of 2017, and the S&P 500 Index posted a total return of 4.48%. Natural disasters (such as three major hurricanes in short succession), intensifying geopolitical tensions with a nuclear-armed nation, the ongoing investigation of the Trump campaign's possible collusion with the Russians, race-related domestic issues and the exposed sociopolitical fissures of a European Union country, Spain, none of it could meaningfully dampen the market's sanguine spirit. Instead, markets stayed focused on the positive, such as strong corporate earnings and a steady global economy. Toward the end of September, the Trump administration unveiled the long-awaited tax reform, giving a robust rally an extra boost of optimism, as investors expect corporations to benefit from the new tax codes if the legislation passes.

The broad-based gains of the S&P 500 Index reflected investors' overall confidence. Within the Index, the Information Technology, Energy and Telecommunication Services sectors advanced the most for the period, posting total returns of +8.64%, +6.84% and +6.78%, respectively. The Information Technology sector has been on a tear this year, up +27.36% year to date, and Financials fared well for the quarter, posting a total return of +5.24%, as investors expect the sector to benefit from the policy decisions of the Federal Reserve (Fed). Conversely, the Consumer Discretionary (+0.84%) and Real Estate (+0.93%) sectors advanced the least, and Consumer Staples (-1.35%) posted the only negative total return for the quarter.

Economic activity has been supported, in part, by household spending, business investment and exports, which reflected a strengthening of the global economy. The unemployment rate was 4.4% in August, and an average of 185,000 jobs were added per month during the quarter. The unemployment figures and their relationship to inflation remain, however, a matter of academic and policy debate. The Fed has stated that the persistent undershooting of its longer-term inflation target of 2% is puzzling and disconcerting, since it leaves the Fed less monetary policy space in the event of a recession, complicates its management of inflation expectations and undermines its credibility. Nonetheless, the Federal Open Market Committee (FOMC) announced after its meeting on September 19-20 that it would maintain the target range for the federal funds rate at 1.00% to 1.25% and that it would begin the reduction of its balance sheet, sometimes referred to as "quantitative tightening," in October, by gradually limiting the reinvestment of some of its maturing assets.

Global economies generally exhibited improvement in terms of growth, labor markets and confidence. However, in contrast to these developments, the European continent seems plagued by fractures. Catalonia, the wealthiest region in Spain, held a referendum on October 1 to separate from the country. The controversial vote, which was in defiance of the Spanish courts and government, was preceded

by concerns about the potential for violence (which unfortunately ensued) and the implications of a "yes" vote for the European Union. In addition, the European Union is still in negotiations with Great Britain, after it voted to leave the bloc, more commonly known as "Brexit," and there remains considerable uncertainty regarding the effects of its departure on both parties. Also, although Angela Merkel won a fourth term as German Chancellor, the German election on September 24, similar to the British snap and the Dutch elections earlier this year, resulted in a more intensely divided parliament.

Most major commodities rose for the quarter, with Brent crude oil up 15.6%; however, natural gas fell 4.0%. The dollar index continued its slide, ending down almost 3%, but gold rose approximately the same amount.

Performance Review

For the third quarter of 2017, the Aristotle Core Equity Fund (ARSLX) posted a total return of 4.94% at NAV, outperforming the S&P 500 Index, which rose 4.48%.

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value 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 than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

At the aggregate level, effectively all of the Fund's outperformance could be attributed to security selection. The attractive performance relative to the benchmark in the third quarter resulted primarily from security selection in the Industrials, Consumer Staples and Real Estate sectors. Within each of these sectors, The Boeing Company, The Estée Lauder Companies, Inc. and Prologis, Inc. were the main contributors to relative return, respectively. Conversely, security selection in the Health Care, Consumer Discretionary and Telecommunication Services sectors hurt relative performance. Within each of these sectors, Envision Healthcare Corporation, Newell Brands Inc. and T-Mobile US, Inc. were the main detractors from relative return, respectively.

Top Five Securities*	Bottom Five Securities*
Boeing	Envision Healthcare
Estée Lauder	Newell Brands
Prologis	T-Mobile US
Albemarle	Oracle
NextEra Energy	Chubb

**Securities listed had the best or worst relative performance within the best- or worst-performing sectors relative to the benchmark.*

Top Securities

The Boeing Company

In addition to strong fundamentals, Boeing, an American multinational corporation that designs and manufactures aircrafts and satellites that are sold worldwide, benefited from the relatively rare occurrence of low capital expenditures and high cash generation. The increases in the production of the 787 Dreamliner, along with the 737 line, have resulted in considerable cash generation above consensus expectations. The company has talked about potentially replacing the 757, at which point its capital expenditures would rise. Since we are a long way off from the next, large capital expenditures program, we believe Boeing has the potential to benefit from a strong backlog of orders and continued production ramps of the 787 and 737.

The Estée Lauder Companies, Inc.

The global cosmetics and fragrance company Estée Lauder fared well within the Consumer Staples sector, which declined in part due to tobacco companies facing new regulations. On July 28, the FDA announced a comprehensive tobacco and nicotine regulation plan, with the goal of protecting children and significantly reducing tobacco-related disease and death. Beyond this quarter's outperformance relative to many other companies within the sector, we continue to find Estée Lauder attractive because we see it to be experiencing good top-line growth and having stable earnings.

Prologis, Inc.

The multinational logistics real estate investment trust Prologis benefited from strong secular growth. The company's year-over year net earnings increase was driven primarily by strong market conditions. The demand for the industrial spaces in which the company specializes has been quite high. The high occupancy rates have also contributed to stable rents, which has translated into solid cash generation. Furthermore, the supply of additional industrial spaces is limited by the lack of available land and labor. We believe the combination of these factors could benefit the company's future organic growth.

Bottom Securities

Envision Healthcare Corporation

Envision Healthcare's business depends on volume, and its stock was negatively impacted by disappointing volumes. Political wrangling regarding the Affordable Care Act, including discussions to not fund the exchanges (Trump recently ended subsidies that help low-income participants), has also negatively affected the company. In addition, the recent hurricanes hurt the stock's performance due to exposure to areas impacted by them. More generally, the company is moving in a different direction in relation to its three business lines. Envision Healthcare is leaving the medical transportation business to focus on the physician side of the business, including running various divisions of a hospital, such as the emergency room. It continues to buy physician practices and run them. We believe the increased focus on its core businesses gives the company more flexibility to complete mergers and acquisitions in those areas.

Newell Brands Inc.

Newell Brands is a leading global consumer goods company with a strong portfolio of well-known brands. In general, the Consumer Discretionary sector has seen volumes being challenged. The company's stock was negatively impacted by expectations that its organic sales growth will be lower than its downward-revised forecasts, as Newell Brands will likely experience losses due to the Chapter 11 filing by Toys"R"Us, which carries its products. We still expect positive organic sales growth, but it will likely be lower than the 3% to 5% that the company typically achieves.

T-Mobile US, Inc.

The "Un-carrier," T-Mobile's performance was hurt by the increased competition in unlimited data plans after Verizon and AT&T started offering them again earlier this year. Also, talks of a T-Mobile and Sprint merger, the nation's third- and fourth-largest wireless providers, respectively, reignited market speculation. The two companies' previous merger attempt three years ago was abandoned because regulators were expected to prevent the deal due to anti-trust concerns. Nonetheless, the company's subscriptions still increased, if not as much as it had initially reported. The lack of clarity surrounding its subscription-calculation methodology, which involved counting devices instead of people, caused some consternation; however, T-Mobile did later clarify the numbers. The company remains dominant in the postpaid segment of the market, and if the merger is pursued and approved, T-Mobile could be in a stronger position this time around, as it has since surpassed Sprint to become the larger of the two carriers.

Recent Fund Activity

Buys

Align Technology Inc.

During the quarter, we purchased Align Technology. Align has offices, manufacturing and R&D facilities throughout the world, but its products are primarily marketed in the United States, which accounts for about three-fourths of its sales. Align operates through two segments: 1) Clear Aligner and 2) Scanners and CAD/CAM Services (SCCS). Clear Aligner designs, manufactures and markets Invisalign®, which provides an alternative to braces to realign crooked teeth through a series of clear, removable aligners that progressively move teeth to a desired final position. SCCS provides the iTero intraoral 3D scanning system for orthodontic and restorative dentistry and OrthoCAD services.

We believe Align's first-mover advantage, brand awareness and innovation create competitive moats around future business prospects. We are encouraged by the growing use of Invisalign in the teen orthodontics segment. Currently, teen cases represent about 25% of cases in North America and 30% internationally. It is estimated that Invisalign is used in less than 5% of teen cases currently. Sell-side estimates have the penetration rate rising to 8% in 2020, but we see upside to this estimate, as the teen market appears to be at an inflection point based on better marketing and peer acceptance.

Despite the recent strong stock performance, we view Align as one of the most attractive growth names in health care. With little insurance influence and a high level of cash pay, the company has the potential to avoid some of the reimbursement and pricing concerns that have hampered therapeutic and other names in the space.

Vantiv, Inc.

We initiated a position in Vantiv, a payment processor that works with small, medium and large businesses, primarily in the United States. The company has an integrated technology platform to offer a suite of services to merchants and financial institutions for payment and transaction processing. According to Nilson reports, Vantiv is the largest merchant acquirer by number of transactions in the United States.

Vantiv recently announced its agreement to acquire U.K.-based Worldpay, which is Europe's largest merchant acquirer, serving over 400,000 merchants. Valued at around \$12 billion (financed with 70% equity and 30% debt), this is the largest merchant acquirer consolidation to date. We have a positive view of this merger, as we believe the industry is ripe for consolidation and see potential for cost, as well as revenue, synergies over the next two to three years. From a strategic perspective, we believe this deal makes sense, as Vantiv has a solid U.S. acquiring business with over 30% of its revenues from integrated channels, no exposure outside North America and just 10% of merchant revenues from online sources. A Worldpay acquisition could increase the combined entity's global presence, allow Vantiv to consolidate Worldpay's operations in the United States and double Vantiv's online revenues. The combined company could create a formidable global player of scale that can provide a full stack of transaction-processing solutions to small and large enterprises.

We believe that the primary risks to our bullish stance on Vantiv are as follows. If the company fails to execute on integrating Worldpay from a technology and a culture perspective, our synergy estimates could be tough for the company to achieve. Also, if global gross domestic product slows, transaction volumes could be negatively impacted, which would hurt organic growth prospects and multiples for this group of companies.

Sells

Bristol-Myers Squibb Company

We sold our position in Bristol-Myers Squibb to fund our new position in Align Technology. Shares of Bristol-Myers Squibb have lagged as Merck's immuno-oncology drug Keytruda® has presented better data and taken prominence in certain cancer indications. We see near-term risk to Bristol-Myers Squibb on the pending AstraZeneca Mystic trial readout, as success could lead the market to anticipate increased competition in the PD-1/CTLA-4 combination therapies, while failure could raise questions about the success of a similar trial that Bristol-Myers Squibb is running with its PD-1/CTLA-4 compounds. The company's stock continues to trade at a premium to peers despite the more measured outlook for its PD-1 drug Opdivo®.

Palo Alto Networks, Inc.

We sold our position in Palo Alto Networks. We view it as a well-positioned network security provider that can benefit over time from potential upside to estimates as well as a normalization of its multiple to historical levels. However, peer security companies that reported second quarter earnings had mixed results and mostly negative stock reactions. Although Palo Alto exceeded second quarter expectations, we believe that it does not present an appropriate risk-reward profile for the Fund.

Outlook

Stock markets seem to have become inured to dramatic, negative events. The markets might temporarily bow under their weight, only to lift back up after time and perspective buttress investors' optimism. Some might characterize this positivity as irrational exuberance, perhaps quantitatively captured in current valuation levels. Valuation is only one component of our experienced investment team's comprehensive research and analysis of companies. We believe that the markets' current resilience generally reflects an element of corporate America's fundamental strength and confidence in the management of the economy. Using our unique and disciplined investment approach, we aim to find what we believe to be high-quality companies that could benefit from our investment pillars: strong product cycles, positive secular themes or cyclical trends. We believe that our investment philosophy and process, as well as our client-centric approach, deliver the best results for our shareholders.

Aristotle Core Equity Fund (Class I)

Performance Update

September 30, 2017

Total Return	3Q17	Since Inception (3/31/17)	Gross/Net Expense Ratio
ARSLX Class I	4.94%	8.30%	1.29%/0.65%
S&P 500 Index	4.48%	7.71%	N/A

Performance data quoted here represents past performance. Past performance is no guarantee of future results. Investment return and principal value 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 than the performance information quoted. To obtain current performance information to the most recent month-end, please call (844) 274-7868.

The Fund's Advisor has contractually agreed to waive certain fees and/or absorb expenses through April 30, 2018 to the extent that the total annual operating expenses do not exceed 0.65% of the Fund's average daily net assets. The Fund's Advisor may seek reimbursement from the Fund for waived fees and/or expenses paid for three years from the date of the waiver or payment. A redemption fee of 1.00% will be imposed on redemptions of shares within 30 days.

Important Information:

There can be no guarantee that any strategy (risk management or otherwise) will be successful. All investing involves risk, including potential loss of principal.

The views in this letter were as of the date stated and may not necessarily reflect the same views on the date this letter is first published or any time thereafter. These views are intended to help shareholders in understanding the Fund's investment methodology and do not constitute investment advice.

Past performance is not indicative of future results. You should not assume that any of the securities transactions, sectors or holdings discussed in this report are or will be profitable, or that recommendations Aristotle Atlantic makes in the future will be profitable or equal the performance of the securities listed in this report. There is no assurance that any securities, sectors or industries discussed herein will be included in or excluded from the Fund. The opinions expressed are as of the date of publication and are subject to change due to changes in the market or economic conditions and may not necessarily come to pass. Aristotle Atlantic reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. This is not a recommendation to buy or sell a particular security. Holdings since the Fund's inception date are available upon request.

An investment in the Fund is subject to risks, and you could lose money on your investment in the Fund. The principal risks of investing in the Fund include, but are not limited to, investing in market risk, equity risk, preferred stock risk, warrants and rights risk, REITs risk, small-cap, mid-cap and large-cap company risk, foreign investment risk and sector focus risk.

The market price of a security or instrument may decline, sometimes rapidly or unpredictably, due to general market conditions that are not specifically related to a particular company. The value of the equity securities held by the Fund may fall due to general market and economic conditions, perceptions regarding the industries in which the issuers of securities held by the Fund participate, or factors relating to specific companies in which the Fund invests. The market value of preferred stock is subject to company-specific and market risks applicable generally to equity securities and is also sensitive to changes in the company's creditworthiness, the ability of the company to make payments on the preferred stock, and changes in interest rates, typically declining in value if interest rates rise. Warrants and rights may lack a liquid secondary market for resale. The prices of warrants and rights may fluctuate as a result of speculation or other factors. The Fund's investment in REITs will subject the Fund to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes and operating expenses. The securities of small-capitalization and mid-capitalization companies may be subject to more abrupt or erratic market movements and may have lower trading volumes or more erratic trading than securities of larger, more established companies or market averages in general. Larger, more established companies may be unable to attain the high growth rates of successful, smaller companies during periods of economic expansion. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers because of economic and social conditions abroad, political developments, and changes in the regulatory environments of foreign countries. The Fund may invest a larger portion of its assets in one or more sectors than many other mutual funds, and thus will be more susceptible to negative events affecting those sectors.

Definitions:

- The S&P 500® Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices. This index has been selected as the benchmark and is used for comparison purposes only.
- Gross domestic product is the monetary value of all the finished goods and services produced within a country's borders in a specific time period.

The volatility (beta) of the Fund may be greater or less than of the benchmark. An investor cannot invest directly in these indices.

Portfolio composition will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as recommendations by the Fund, its Advisor or Distributor.

As of September 30, 2017, the Fund's holdings and their weights as a percent of total net assets were: Advance Auto Parts Inc., 0.62%; Albemarle Corp., 1.34%; Align Technology Inc., 0.67%; Allergan plc, 1.14%; Alphabet Inc., 2.57%; Amazon.com Inc., 2.21%; American Water Works Co. Inc., 1.30%; Ameriprise Financial Inc., 1.81%; Ametek Inc., 1.61%; Apple Inc., 3.19%; Bank of America Corp., 2.85%; Becton Dickinson and Co., 1.55%; The Boeing Co., 2.01%; Bristol-Myers Squibb Co., 0.00%; BroadCom Ltd., 1.12%; Casey's General Stores Inc., 0.90%; Celgene Corp., 2.11%; Chubb Ltd., 1.73%; Cigna Corp., 2.09%; Comcast Corp., 0.96%; Conagra Brands Inc., 1.11%; Concho Resources Inc., 1.17%; Costco Wholesale Corp., 1.13%; Digital Realty Trust Inc., 1.24%; DowDuPont Inc., 1.14%; Envision Healthcare Corp., 0.90%; EOG Resources Inc., 1.56%; The Estée Lauder Co., 1.13%; Facebook Inc., 2.42%; Fidelity National Information Services Inc., 1.26%; First Republic Bank, 1.89%; Gilead Sciences Inc., 1.65%; Halliburton Co., 1.48%; The Home Depot Inc., 1.78%; Honeywell International Inc., 1.54%; Ingersoll-Rand plc, 0.91%; InterContinental Exchange Inc., 1.83%; JPMorgan Chase & Co., 3.55%; Marriott International, Inc., 1.67%; Merck & Co. Inc., 1.43%; Microchip Technology Inc., 1.48%; Microsoft Corp., 3.33%; Newell Brands Inc., 0.80%; NextEra Energy Inc., 1.11%; Norfolk Southern Corp., 1.69%; Nvidia Corp., 1.29%; Oracle Corp., 1.60%; Palo Alto Networks Inc., 0.00%; Parker Hannifin Corp., 0.92%; PepsiCo Inc., 1.35%; Phillips 66, 0.75%; Pinnacle Foods Inc., 1.63%; Prologis Inc., 1.52%; Roper Technologies Inc., 1.68%; Salesforce.com Inc., 0.89%; Stanley Black & Decker Inc., 0.89%; Thermo Fisher Scientific Inc., 1.99%; Time Warner Inc., 0.98%; T-Mobile US Inc., 0.93%; US Bancorp, 1.69%; Visa Inc., 2.84%; Vantiv Inc., 0.72%; Vulcan Materials Co., 1.06%; The Walt Disney Co., 1.49%; Zayo Group Holdings Inc., 0.47%.

Please consider the Fund's investment objectives, risks, charges and expenses carefully before investing. The prospectus or summary prospectus that contains this and other information about the Fund is available by calling (844) 274-7868, or by visiting www.aristotlefunds.com, and should be read carefully prior to investing.

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