



MANAGED ACCOUNT COMPLETION SHARES (MACS)

December 18, 2014

Pacific Income Advisers (PIA), in recognition of the challenges facing fixed income investors, now utilizes the Advisors Series Trust Managed Account Completion Shares (MACS). PIA has developed the MACS to provide better access to sectors of the investment grade bond market that can present obstacles to many investors. The MACS have been developed exclusively for our separately managed account client portfolios and are structured as no-fee, commingled fund vehicles that allocate to the BBB-rated credit and Mortgage-Backed Security (MBS) sectors of the domestic investment grade universe.

The PIA investment philosophy and process remain unchanged. With the inclusion of the MACS, PIA looks to provide the following advantages in our taxable fixed income separately managed account portfolios:

- **Increased Diversification**
- **Risk Management**
- **Liquidity**
- **Return Potential**

The following descriptions provide more detail regarding the MACS strategies and the reasoning behind the development of each.

PIA BBB Bond Fund (PBBBX) - BBB credits have provided asymmetric and cyclical return patterns, which can potentially offer attractive returns within the investment grade bond market. However, the BBB sector often has greater security specific risks. The PIA BBB Bond Fund attempts to replicate the Barclays Baa Credit Index but with reduced volatility by providing broadly diversified exposure to the sector.

- Holds 100+ BBB-rated credit issues
- Replication strategy with an emphasis on low tracking error

PIA MBS Bond Fund (PMTGX) - Mortgage-backed securities (MBS) have historically provided an attractive risk/return profile for a diversified portfolio. The sector has provided low volatility (relative to other investment grade bond sectors) over the long term. However, the securities in the sector have often been difficult to access in traditional separately managed accounts due to liquidity restraints and transaction costs. The MACS are a tool available to clients of all sizes, which will seek to provide diversified exposure to this sector. The PIA MBS Fund relies on PIA's MBS research and quantitative techniques to attempt to provide value-added versus the Barclays Fixed Rate MBS Index.

- Holds 100+ Mortgage Backed Securities, To-Be-Announced and seasoned pass-through pools
- Enhancement strategy using quantitative techniques to attempt to add tactical value

The use of the MACS complements the firm's individual security selection to provide a portfolio that is more reflective of our institutional fixed income management approach.

For further information on the Pacific Income Advisers Managed Account Completion Shares (MACS), please contact your regional representative for detailed white papers on each strategy or visit www.piamutualfunds.com.

PIA PORTFOLIO ALLOCATION

- Treasuries - Individual Securities
- Government - Related Agencies - Individual Securities
- Credit Securities (AAA, AA, A) - Individual Securities
- Credit Securities (BBB) - PBBBX
- Mortgage-Backed Securities - PMTGX

Past Performance is no guarantee of future results.

Please see the back for important disclosure information.

Disclosures

Pacific Income Advisers, Inc. (PIA) is an autonomous investment management firm registered under the Investment Advisers Act of 1940. PIA manages a variety of fixed income, equity, and balanced assets for primarily United States clients.

The information contained herein is based on internal research derived from various sources and does not purport to be statements of all material facts relating to the securities mentioned.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contains this and other important information about the investment company, and it may be obtained by calling 800-251-1970 or visiting www.PIAMutualFunds.com. Read it carefully before investing.

Mutual Fund investing involves risk. Principal loss is possible. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. Investment in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in Asset Backed and Mortgage Backed Securities include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The fund may also use options and future contracts, which have the risks of unlimited losses of the underlying holdings due to unanticipated market movements and failure to correctly predict the direction of securities prices, interest rates and currency exchange rates. The Fund may invest in swaps investment derivatives. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. These risks are fully disclosed in the Prospectus.

Diversification does not assure a profit or protect against loss in a declining market.

Barclays Baa Credit Index: an unmanaged index consisting of bonds rated Baa. The issues must be publicly traded and meet certain maturity and issue size requirements. Bonds are represented by the Industrial, Utility, Finance and non-corporate sectors. Non-corporate sectors include sovereign, supranational, foreign agency and foreign local government issuers. You can not invest directly in an index.

Barclays MBS Fixed Rate Index: is an unmanaged index that covers the mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA) and Freddie Mac (FHLMC). The MBS Index is formed by grouping the universe of over 600,000 individual fixed rate MBS pools into approximately 3,500 generic aggregates. Each aggregate is a proxy for the outstanding pools for a given agency, program, issue year and coupon. The index maturity and liquidity criteria are then applied to these aggregates to determine which qualify for inclusion in the index. About 600 of these generic aggregates meet the criteria. You can not invest directly in an index.

Tracking Error - The difference in the return earned by a portfolio and the return earned by the benchmark against which the portfolio is constructed.

Description of Ratings

Moody's Investors Service, Inc.: Bond Ratings

Baa--Bonds which are rated Baa are considered as medium grade obligations, i.e., they are neither highly protected nor poorly secured.

Standard & Poor's Ratings Group: Bond Ratings

BBB--Bonds rated BBB are regarded as having an adequate capacity to pay principal and interest.

Fitch, Inc. Bond Rating Definitions

BBB-Bonds considered to be investment grade and of satisfactory credit quality.

The PIA Funds are distributed by Quasar Distributors, LLC



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