

"Concentration in the hands of skilled stock pickers."

First Quarter 2012

### The Masters Funds Concept

Institutional Shares (MSEFX) Investor Shares (MSENX)

Litman Gregory created the Masters Funds as a way to isolate the stock-picking skills of a group of highly regarded and experienced portfolio managers. To meet this objective, we designed the funds with both risk and return in mind, placing particular emphasis on these factors:

- Litman Gregory chooses only stock pickers we believe to be exceptionally skilled.
- Stock pickers have a mandate to focus on a concentrated portfolio of their highest-conviction ideas.
- The risk of concentration can be reduced by choosing managers with varying styles or investment approaches.

### Litman Gregory's Role as Advisor

Litman Gregory is committed to intensive manager due diligence to determine whether we believe the Masters Fund managers possess a sustainable investment edge, and to ensure they are meeting their Masters Fund mandate. Our process draws on many years of experience in evaluating fund managers and involves extensive contact with the portfolio management team, analysts and company management. Litman Gregory is responsible for manager selection, ongoing evaluation, monitoring overall diversification, shareholder communications and managing expenses.

### Benefits of a Multi-Manager Portfolio

The multi-manager approach endeavors to provide a well-diversified fund of sub-advisors that seeks to benefit from each stock picker's highest-conviction stocks. Working independently and representing a variety of stock-picking styles, each manager contributes up to 15 stocks to his portion of the fund's portfolio. We have committed to closing the fund at an asset level that we believe will preserve the managers' flexibility to effectively implement the "Masters Fund" concept.

### Meet the Masters

- Chris Davis and Ken Feinberg, *Davis Selected Advisers*
- Bill D'Alonzo and Team, *Friess Associates*
- Mason Hawkins, *Southeastern Asset Management*
- Clyde McGregor, *Harris Associates*
- Frank Sands Jr. and Team, *Sands Capital Management*
- Robert Turner, Frank Sustersic, and Jason Schrotberger, *Turner Investment Partners*
- Dick Weiss, *Wells Capital Management*

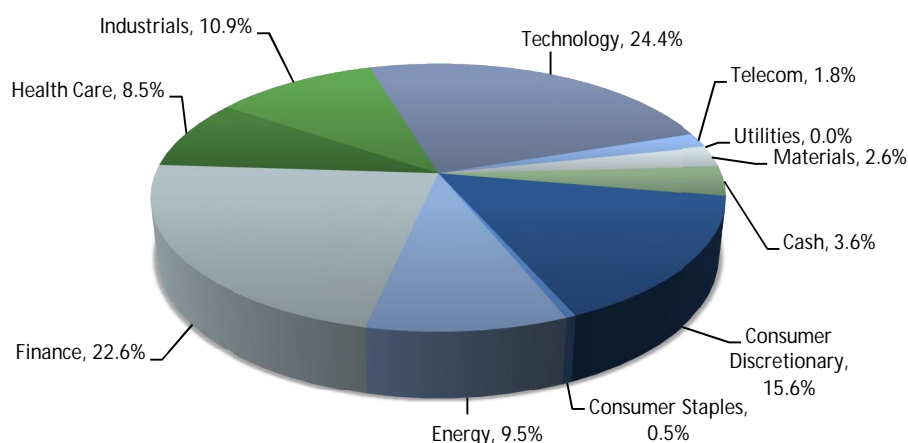
### Portfolio Characteristics as of 3/31/12

Total Net Assets: \$334,575,000  
 Total Stocks: 88  
 Top Holding: 3.7%  
 Top 10 Holdings: 27.1%  
 Median Market Cap: \$12.6 billion  
 Weighted Average Market Cap: \$44.9 billion  
 Turnover Ratio: 77%

**Institutional Class**  
 Cusip#: 53700T 108  
 Net Asset Value: \$13.97

**Investor Class:**  
 Cusip#: 53700T 504  
 Net Asset Value: \$13.89

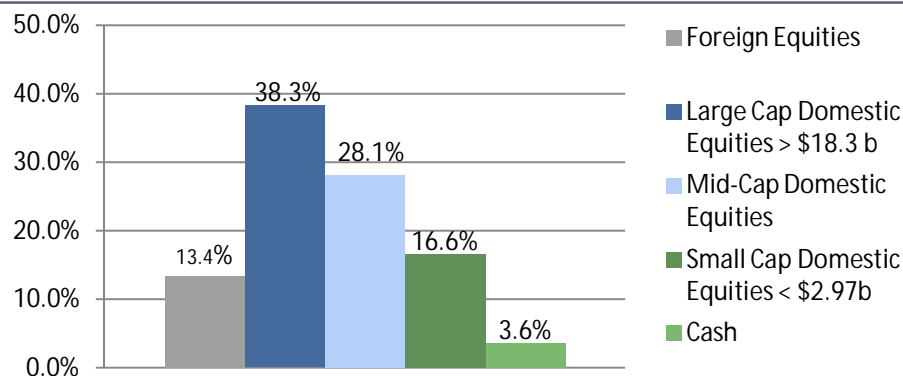
### GICS Sector Breakdown as of 3/31/12



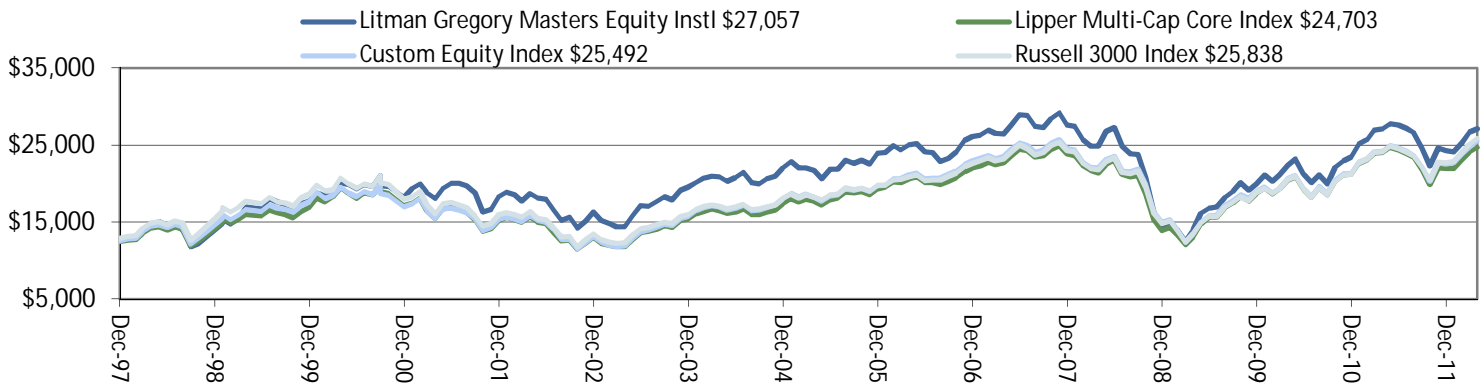
### Top 10 Holdings Total 27.1%

Bank of New York Mellon Corp	3.7%
VISA Inc Class A Shares	3.2%
American Express Co	3.2%
Apple Inc	2.7%
Dell Inc	2.6%
HSN Inc	2.5%
Omnicare Inc	2.4%
Alleghany Corp	2.4%
Chesapeake Energy Corp	2.2%
Health Net Inc	2.2%

### Asset Allocation as of 3/31/12



Litman Gregory Masters Equity Fund vs. Indexes\* The value of a hypothetical \$10,000 investment in the Equity Fund from inception 12/31/96 to 9/30/11 compared with the Russell 3000 Index, the Lipper Multi-Cap Core Fund Index, and the Custom Equity Index.



\*Assumes reinvestment of dividends and capital gains, but does not reflect the effect of any applicable sales charge or redemption fees. This chart does not imply any future performance.

## Average Annual Total Returns

Institutional Class Performance as of 3/31/2012	Year-to-						Since Inception
	3 Month	Date	1 Year	3 Year	5 Year	10 Year	
<b>Equity Fund (Inception date 12/31/96)</b>	<b>12.39%</b>	<b>12.39%</b>	<b>0.00%</b>	<b>24.73%</b>	<b>0.48%</b>	<b>3.77%</b>	<b>6.74%</b>
Russell 3000 Index	12.87%	12.87%	7.18%	24.26%	2.18%	4.67%	6.42%
Custom Equity Index	12.41%	12.41%	5.37%	23.64%	1.62%	4.89%	6.33%
Lipper Multi Cap Core Fund Index	12.64%	12.64%	2.91%	23.77%	1.71%	4.70%	6.11%
Gross Expense Ratio: 1.29% Net Expense Ratio as of 4/29/11: 1.27%							
Investor Class Performance as of 3/31/2012							
<b>Equity Fund (Inception date 4/30/09)</b>	<b>12.29%</b>	<b>12.29%</b>	<b>-0.29%</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>19.21%</b>
Russell 3000 Index	12.87%	12.87%	7.18%	n/a	n/a	n/a	20.81%
Custom Equity Index	12.41%	12.41%	5.37%	n/a	n/a	n/a	19.99%
Lipper Multi Cap Core Fund Index	12.64%	12.64%	2.91%	n/a	n/a	n/a	19.43%
Gross Expense Ratio: 1.54% Net Expense Ratio as of 4/29/11: 1.52%							

Performance quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the funds may be lower or higher than the performance quoted. To obtain the performance of the funds as of the most recently completed calendar month, please visit [www.mastersfunds.com](http://www.mastersfunds.com). The funds impose a 2.00% redemption fee on shares held less than 180 days. Performance does not reflect the redemption fee. If reflected, performance would be lower.

The performance quoted does not include a deduction for taxes that a shareholder would pay on distributions or the redemption of fund shares. Indexes are unmanaged, do not incur expenses, taxes or fees and cannot be invested in directly.

Though not an international fund, the fund may invest in foreign securities. Investing in foreign securities exposes investors to economic, political and market risks and fluctuations in foreign currencies. Though not a small-cap fund, the fund may invest in the securities of small companies. Small-company investing subjects investors to additional risks, including security price volatility and less liquidity than investing in larger companies.

Gross and net expense ratios are for the institutional share class and are per the Prospectus dated April 29, 2011. Through April 30, 2012, Litman/Gregory has voluntarily agreed to waive a portion of its management fee to pass through any costs benefits resulting from sub-advisor breakpoints, changes in the sub-advisory fee schedules or allocations.

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

The Custom Equity Index is composed of a 70% weighting in the S&P 500 Index, a 20% weighting in the Russell 2000 Index, and a 10% weighting in the MSCI.

EAFE Index. The S&P 500 Index consists of 500 stocks that represent a sample of the leading companies in leading industries. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies as measured by total market capitalization, and represents about 98% of the U.S. stock market. The Russell 2000 Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index. The Lipper Multi-Cap Core Fund Index measures the performance of the 30 largest mutual funds that invest in a variety of capitalization ranges, without concentrating 75% or more of their equity assets in any one market capitalization range over an extended period of time, as determined by Lipper, Inc.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-800-960-0188, or visiting [www.mastersfunds.com](http://www.mastersfunds.com). Read it carefully before investing.

Industry sector levels are provided from the Global Industry Classification Standard ("GICS"), developed and exclusively owned by MSCI, Inc. ("MSCI") and Standard & Poor's Financial Services LLC. All GICS data is provided "as-is" with no warranties. Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

Litman Gregory Fund Advisors, LLC has ultimate responsibility for the performance of the Litman Gregory Masters Funds due to its responsibility to oversee the Funds' investment managers and recommend their hiring, termination and replacement.

Litman Gregory Masters Funds are distributed by Quasar Distributors, LLC.