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(left to right)

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Upside/Downside Capture Ratio

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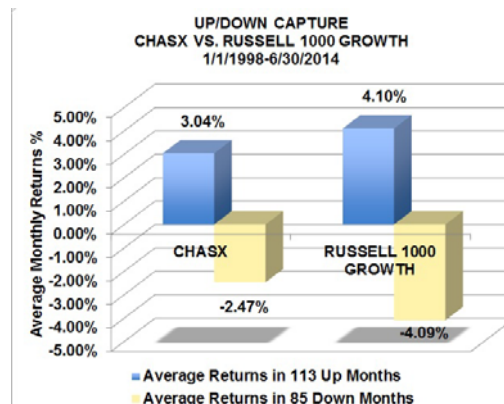
The last week of August is typically the quietest week of the year for the equity markets yet on August 25, 2014, the S&P 500 Index breached the 2000 level for the first time, up from 676.53 on March 9, 2009, a move of almost 200 percent in a little more than 5 ½ years. This works out to about a 21% annualized return since that time. With dividend income of about 2½% per year, it's been a great ride. Today it's a milestone, but in a few months' time it will be just a number.

What the next five years holds is, of course, anybody's guess. It is possible the S&P 500

Index will reach 3000 within five years. That would be an annual return of about 8.5% from today's levels. Our belief is that we have at least some down periods along the way and investors may now be wise to shift their focus somewhat from capital gains to capital preservation.

There are several ways to look at capital preservation. One of the more popular is the "upside/downside" capture ratio. Simply put, it compares a manager's performance in "up" markets versus an index, and a manager's performance in "down" markets versus an index. Since one of our goals is to preserve capital, we watch this ratio and track it closely for each of our mutual funds.

Our large cap fund, the Chase Growth Fund has been around since December 1997. It has 198 full months of data since inception to June 30, 2014. In the 113 "up" months since inception, the N Class shares of our fund rose an average of +3.04% per month, while our benchmark, the Russell 1000® Growth Index rose an average of +4.10%. In the 85 "down" months since inception, the N Class shares of our fund fell an average of -2.47% per month, while the Russell 1000 Growth Index fell -4.09%. The chart above illustrates this.



Source: eVestment Alliance

CHASE GROWTH FUND TOTAL RETURN AVERAGE ANNUALIZED AS OF 6/30/14

	1 Year	3 Years	5 Years	10 Years	Inception
Class N (CHASX)	30.60%	15.34%	15.84%	7.09%	7.45% (12/2/97)
Institutional Class (CHAIX)	30.98%	15.64%	16.12%	—	7.17% (1/29/07)
Lipper Large Cap Growth Funds Index ¹	28.07%	14.70%	17.65%	7.29%	4.63% (12/2/97) 7.28% (1/29/07)
Russell 1000 Growth Index ²	26.92%	16.26%	19.24%	8.20%	5.43% (12/2/97) 8.46% (1/29/07)
S&P 500 Index ³	24.61%	16.58%	18.83%	7.78%	6.25% (12/2/97) 6.72% (1/29/07)

Class N Gross Expense Ratio: 1.40%

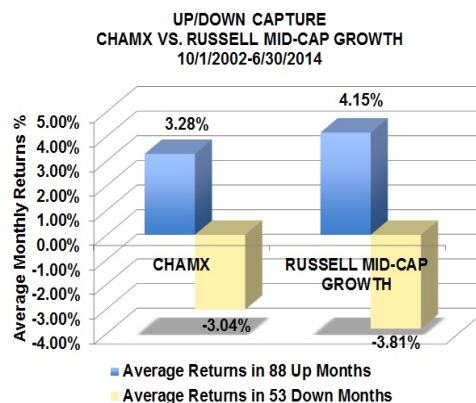
Institutional Class Gross Expense Ratio: 1.15%

Performance data shown 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. Performance of the fund to the most recent month-end may be lower or higher than the performance quoted and may be obtained at www.chasegrowthfunds.com. The funds impose a 2.00% redemption fee on shares held 60 days or less to discourage short-term trading. Performance data does not reflect the redemption fee. If reflected, total returns would be reduced.



What's this all mean? Put another way, since inception when the market was up, on average our fund captured 74% of that upward move. When the market fell, it fell about 40% less. The upshot of all this is that the N Class shares of our fund outperformed the Russell 1000 Growth Index by about 200 basis points over the period: CHASX +7.45% annualized rate of return versus the 5.43% figure for the benchmark. Put more simply: it has fallen less than its benchmark in down markets. This could be important to you.

In the spirit of full disclosure, our younger mid-cap fund's numbers are not as strong as the large-cap numbers, although we have fallen less than its benchmark in down periods there as well.



Source: eVestment Alliance

In the 88 “up” months since we started the mid-cap fund in September 2002, the N Class shares of our fund rose an average of +3.28%, while its benchmark, the Russell Mid-Cap® Growth Index rose an average of +4.15% per month. In the 53 “down” months since inception, the N Class shares of our fund fell an average of -3.04% per month, while the Russell Mid-Cap Growth Index fell -3.81%. This works out to about 79% upside and downside capture ratio for the N Class shares of our fund. It's important to note that it got started after the bull market collapse in early 2000. It started in September 2002 and had a relatively weak period in the market's recovery beginning in 2003 where it was up 18.5% versus 35.4% for the benchmark, due in part to our cash holdings which ranged from 16% to 27% at the end of each quarter that year. Our return since inception for the mid-cap fund N Class shares was 9.94% versus 12.15% for the benchmark.

CHASE MID-CAP GROWTH FUND TOTAL RETURN AVERAGE ANNUALIZED AS OF 6/30/14

	1 Year	3 Years	5 Years	10 Years	Inception
Class N (CHAMX)	23.15%	12.67%	20.72%	9.39%	9.94% (9/1/02)
Institutional Class (CHIMX)	23.45%	—	—	—	17.34% (2/2/12)
Lipper Mid-Cap Growth Funds Index ⁴	24.62%	12.43%	19.19%	9.39%	11.00% (9/1/02) 17.78% (2/2/12)
Russell Midcap Growth Index ⁵	26.04%	14.54%	21.16%	9.83%	12.15% (9/1/02) 19.50% (2/2/12)

Class N Expense Ratio:
(gross) – 1.77%
(cap)* – 1.43%

Institutional Class Expense Ratio:
(gross) – 1.52%
(cap)* – 1.18%

* The adviser has contractually agreed to waive fees through 1/27/15. The Fund has agreed to repay the adviser for waived expenses, thus the net expense ratio could be higher than the gross expense ratio.

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¹The Lipper Large-Cap Growth Funds Index measures the performance of 30 of the largest funds in the large-cap growth category as tracked by Lipper, Inc.

²The Russell 1000 Growth Index measures the performance of the Russell 1000 companies with higher price-to-book ratios and higher forecasted growth rates.

³The S&P 500 Index tracks the stocks of 500 U.S. Companies.

⁴The Lipper Mid-Cap Growth Funds Index measures the performance of funds in the mid-cap growth category as tracked by Lipper, Inc.

⁵The Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth rates.

You cannot invest directly in an index.

Mutual fund investing involves risk. Principal loss is possible. The Fund may invest in foreign securities traded on U.S. exchanges, which involve greater volatility and political, economic, & currency risks & differences in accounting methods.

The opinions expressed are those of the author and should not be considered a forecast of future events, a guarantee of future events nor investment advice.

A basis point is a unit that is equal to 1/100th of 1%.

The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The Statutory and Summary prospectuses contain this and other important information about the investment company, and may be obtained by calling (888) 861-7556 or visiting www.chasegrowthfunds.com. Read carefully before investing.

Chase Investment Counsel Corporation is the adviser to the Chase Funds which are distributed by Quasar Distributors, LLC.