

Effective December 31, 2007, the name of the SteepleView Fund was changed to the Grisanti Brown Value Fund. The Fund is also offering a new class of shares, the Investor Class. As a result, the name of the existing share class (formerly shareholders in the SteepleView Fund) is changed from the Institutional Class to I Shares - the new symbol is GBVFX.

When the facts change, I change my mind. What do you do, sir?

— John Maynard Keynes

The last five months of 2007 witnessed a sea of change in U.S. financial markets. Housing-related credit concerns led to gigantic write-offs and even rumors of insolvency at major U.S. banks, brokers and other financial concerns. While we have seen worse markets, we cannot recall a period where sentiment changed so quickly. The Grisanti Brown Value Fund (the “Fund”) entered 2007 with a long-held, large position in financial stocks. These investments were well-reasoned, thoroughly-researched and, in this market environment, terribly wrong. The financial concentration cost the Fund 10% of return in 2007 and was the major factor that kept the Fund from beating the Russell 1000 Value Index in 2007. The Fund contained more than a third financial stocks and was down -2.10% for 2007 while the Russell 1000 Value Index was down -0.17%. We are not pleased with this result, but the downdraft in the financials did obscure the strong performance of many other investments in the Fund, especially in the energy, food and technology sectors. Our investment process led us to respond to what we believe are *changing facts, not just increased negative sentiment*, and we took the advice of Mr. Keynes quoted above by reducing the financial weighting in the Fund by almost two-thirds. The effect has been strong relative performance: From November 19, 2007 (after we finished reducing the Fund’s financial exposure) through December 31, 2007 the Fund was *up* 6.6% with the Russell 1000 Value Index *up* 2.6%. This letter describes the stocks driving the current outperformance, and why we think they should continue to perform well in the New Year. In the last part of the letter we also discuss in detail (perhaps too much detail for some) how our investment process operated during this complex period.

For the period from its inception date of October 21, 2005 through December 31, 2007, the Grisanti Brown Value Fund’s performance was +8.55% (annualized). Also, performance for the one year period ended December 31, 2007 was -2.10%. *Past performance is not indicative of future returns. Investment returns will fluctuate so that an investor's shares, when redeemed, may be worth more or less at redemption than their original cost. Current performance may be higher or lower than the performance data quoted. Periods shorter than one year are unannualized. For performance current to the most recent month-end, please visit our website at www.steepleviewfund.com or call 1-866-775-8439. As stated in the current prospectus, the Fund's gross operating expense ratio is 1.67%. The Fund's adviser has agreed to voluntarily waive a portion of its fee and/or reimburse expenses such that the total operating expense ratio does not exceed 0.99%. Fee waivers and expense reimbursements may be reduced or eliminated at any time.*

A Portfolio Looking Towards 2008

Out of turbulence comes opportunity. The current economic worries are partly caused by the rising price of oil and other commodities. Our bottom-up approach has identified a number of inexpensive companies in the capital goods, food, energy and electricity sectors. We buy each company on its individual merits, but all of these are united by one theme: scarcity of resources, brought about by a world that is thriving and developing in all sorts of places previously left behind. This investment theme is especially important if you think, as we do, that the U.S. economy will slow in 2008. We believe that investments that benefit from an increasing scarcity of resources can continue to prosper in a slowing environment.

Everyone knows about the rising price of oil, and investors made a lot of money from 2003 onwards owning oil and gas companies. We think many of those ‘pure plays’ have become fully valued, so we have gone further upstream to take advantage of the wealth created by these higher prices. Capital goods companies like **Foster Wheeler** (up 110% since the Fund’s inception on October 21, 2005) and **KBR** (up 78% since its initial purchase in March 2007) build new energy facilities like refineries, liquefied natural gas plants and pipelines. They also refurbish – for billions and billions of dollars – existing facilities. Almost none of their business is in the United States, and the government-controlled (read: good credit) energy companies that are their customers are flush with cash after a generation of underspending on infrastructure. This is a cycle that we feel should last for a half decade at least.

Another play on scarcity, **Archer Daniels Midland**, is a new addition to the Fund in 2007 and is up 33% since its initial purchase in February 2007. We believe it will benefit from a multi-year increase in the cost of grains worldwide. ADM is the largest public company in the middle of this transformation. The bad press on ethanol over the past six months has given us the opportunity to own the stock cheaply. Less than 10% of ADM’s profits come from ethanol, but almost 40% in the last quarter came from storing, moving and selling grain. The other 60% comes from transforming raw grain into something else, like high fructose corn syrup, soybean oil, cocoa and the controversial ethanol. As we know first hand from successful investments in the oil refiners several years ago, counter-intuitively, these “transformers” can grow their earnings sharply when the cost of their raw material rises sharply. If the cost of corn or wheat doubles, for example, when ADM is eventually able to pass on that cost and simply restore margins to where they were in the first place, profits do not simply return to normal, they double as well.

Finally, **Dynegy**, a new addition to the Fund that is down 21% since its initial purchase in July 2007, represents another play on the scarcity of resources, the limited availability of electricity. Dynegy is the fourth largest independent power producer in the United States with over 20,000 megawatts of generating capacity. As the CEO put it recently, when it comes to the possibilities of building a new power plant in the United

States, there are two categories: the extremely difficult and the impossible. In other words, as the nation's electricity usage continues to inexorably increase, the supply of power cannot keep up. We believe the cost of providing that power will have to increase. While the stock is down, it is extremely volatile and we own the stock because we think it will eventually trade at its underlying asset value, which would represent significant appreciation.

As we look toward 2008, it is worth pausing to mention that we have increased the cash position in the Fund. This is a direct result of the sale of the financial positions, coupled with the lack of what we feel are compelling opportunities in the marketplace. Rest assured we continually research new ideas, and will deploy this cash, but only when we feel the potential rewards outweigh the many risks in today's market environment.

We did find one new investment late in the fourth quarter that passed this risk/reward test: **Cisco Systems**. Cisco is the world's largest manufacturer of internet communications equipment, and its routers and switches form the synapses of much of the global communication network. If you deduct the roughly \$2.60 per share in net cash (after paying off all debt) on Cisco's balance sheet, the stock is trading for a bit more than 14 times 2008 earnings, and 12 times earnings for 2009. That is close to a record low for Cisco, brought about because investors are afraid a U.S. economic slowdown will cause the company to miss its earnings targets. With 47% of Cisco's sales now coming from outside the United States, and the company continuing to take market share in important product categories, we believe the company can live up to its projections, even if the U.S. economy does slow. Last year they were able to grow revenue 23% and earnings 27%, no mean feat for a company with annual sales of more than \$35 billion. Further, we have known this management team for more than 10 years, having successfully invested with them from 1997 to early 1999, and they get top marks in terms of competence and honesty. Finally, this is one of the strongest balance sheets of any U.S. company, with conservative accounting and solid corporate governance. We were pleased to be able to buy in at what we believe is an attractive price.

A Review of our Process in 2007

While all portfolio managers like to brag about their winners, we believe it is more informative to understand how they handle investment choices that do not work out as planned. As contrarians, we often invest early in companies that ultimately reward us in the long term. Financial stocks have often represented a large portion of the Fund's holdings, and in 2005 and 2006 we were increasingly attracted to their low price/earnings ratios and high dividends. We believed that rising interest rates were hurting these stocks, but eventually the Federal Reserve would be forced to ease and these stocks would emerge with the twin tail winds of falling rates and low valuations. We were not oblivious to the approaching credit cycle, and our financial models contained provisions for record-high, but still manageable, losses. We knew our companies extremely well, and it is against our style to sell when the going gets tough. Why then, did we sell many of our financial stocks? At the risk of devoting too much ink to the inner workings of our process, we think it is important to detail how we decided to cut our losses in some of our

financial investments instead of maintaining or even increasing our weighting as some managers have done, and as we have done in other instances in the past.

Giving up on a losing investment is perhaps the hardest decision we ever make, but our process is straightforward. Every investment has a thesis at its inception, supported by facts and inferences drawn from our research that, in our opinion, will lead to at least a 50% rise in the price of the stock over a three-year period. As time passes, and our companies report earnings, buy back stock, make acquisitions, and take a myriad of other corporate actions -- and as the macro-economic environment changes -- we continually revisit our thesis. One case in point is a Fund holding that was down in 2007, **MGIC Investment Corp.** Early in the year this well-run mortgage insurance company was trading near book value for the first time. We knew the company well from an investment in the late-90s, and respected the management. In a process that took about six weeks, we undertook extensive research into the mortgage insurance market, visited the company in Milwaukee and developed our own financial models, all prior to making the investment. The investment thesis posited that, while more mortgage losses were coming, the stock, already down 40% from its peak, reflected the manageable losses we were modeling. Soon earnings would stabilize and business would grow faster than previously, because the fly-by-night mortgage brokers that had stolen share from MGIC would fade away as losses increased. An important part of the thesis was MGIC's plans to merge with a competitor, Radian, and sell a successful joint venture of theirs called C-BASS (a company that bought and sold mortgage securities) for \$1 billion, or more than 10% of the market capitalization of the combined companies. All told, we estimated that MGIC was about 60% undervalued. Our visit with management supported each part of our investment thesis, and in fact the CEO thought our loss assumptions were too conservative, as they were more pessimistic than MGIC's internal estimates. There are many, many details which we omit here for the sake of brevity, but the stock price declined sharply in the third quarter due to the inability of C-BASS to 'roll its paper' or refinance its short term debt, a circumstance completely at odds with the history of MGIC, a company that was rated A1 by Moody's.

The credit crunch was upon us, as the same liquidity concerns affected many financial companies, from Countrywide Financial to Citibank. The value of C-BASS, which as recently as a month before was estimated by us, the company and the marketplace at around \$1 billion, was suddenly written down to *zero*, a stunning reversal. We did not model for this event (nor are we aware of anyone else who did), and this fact obviously flew in the face of our investment thesis. We struggled to find out whether this was a temporary liquidity problem or a more fundamental issue foreshadowing large, impending mortgage losses. At about the same time, we attended a previously scheduled meeting with the management of Fund holding **American International Group**. At these meetings, AIG's management disclosed that its own mortgage insurance subsidiary was experiencing 'unprecedented losses'. Now, for AIG this was not a significant event, because its small subsidiary was not a material part of that financial conglomerate. But if MGIC were experiencing the same level of losses, our thesis would be disproven. MGIC was unwilling to disclose to us their current loss levels (and in fairness could not disclose them to us without making a mass disclosure to all investors). We made the inference

that the facts supporting our investment thesis had changed dramatically. We sold the stock at a loss of almost 43% (it was down another 24% since being sold on September 7, 2007 through December 31, 2007, after details began to emerge of large losses). That loss, as regrettable as it was, saved us money elsewhere: further research began to show that mortgage losses were rising much faster and each individual loss was more severe than we had forecast. That in turn led us to sell Fund holdings **Washington Mutual** and **Capital One**. Since their sales, these stocks are down 62% and 35%, respectively, through December 31, 2007.

We also revisited each of our other financial holdings, examining the underlying investment thesis and whether, in this new environment of deep and prolonged housing losses, they still merited our support. A number of the remaining financial investments failed the test and were sold, but we were not indiscriminate. We believed that AIG, down 15% in the second half of 2007 and 8% since the Fund's initial purchase in April 2006, was being unfairly punished. AIG does have mortgage exposure in its investment portfolio and some of its subsidiary businesses, but unlike the companies we sold, AIG does not have a capital crisis, as evidenced by the recent dividend *increase* (as contrasted with the sharp dividend cuts of many companies in the financial sector), continued stock buyback program, and the company's recent statements that they have too *much* capital and are evaluating ways to return it to shareholders. Because of market events, the stock is trading at 8 times earnings and close to book value, valuations not seen in twenty years. We think this is an opportunity, and we have increased the Fund's investment in that company.

2007 also saw a large takeover in a Fund holding, as **Trane** was acquired by Ingersoll Rand and the stock surged 23% on December 17th. This was part of our investment thesis and we were pleased to have it work out before year end. Ingersoll's attraction to Trane is not an aberration. We are seeing low valuations in many sectors of the market that have not been observed in at least five years. Risk is high, and so far we have bought only the Cisco Systems in the last three months, but we are excited about the research we are currently undertaking and look forward to reporting back to you in the first quarter with the fruits of that labor.

We appreciate your support in 2007, and we again want to emphasize that each of the investment professionals at Grisanti Brown & Partners has the great majority of his investable net worth in the same stocks that we own in the Fund. We have included a recent article about Grisanti Brown & Partners appearing in *Value Investor Insight*, in which a number of our investment ideas are highlighted at great length, should you be interested in learning (even more) about the Fund's holdings. The new website for the Fund will be up and running in late January, please visit www.gbpfunds.com for information on the Fund and its share classes.

We wish you a happy and prosperous new year.

Christopher C. Grisanti
Portfolio Manager

Vance C. Brown
Portfolio Manager

Jared S. Leon
Portfolio Manager

Grisanti Brown & Partners LLC- Adviser to the Grisanti Brown Value Fund

Before investing you should carefully consider the Fund's investment objective, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting our website at www.steepleviewfund.com or by calling 1-866-775-8439. Please read the prospectus carefully before you invest.

The views presented in the letter were those of the Fund managers as of December 31, 2007 and may not reflect their views on the date this letter is first published or at anytime thereafter. These views are intended to assist the shareholders in understanding their investment in the Fund and do not constitute investment advice. None of the information presented should be construed as an offer to sell or recommendation of any security mentioned herein.

As a non-diversified fund, the Fund may focus a larger percentage of its assets in the securities of fewer issuers. Concentration of the Fund in a limited number of securities exposes the Fund to greater market risk than if its assets were diversified among a greater number of issuers. Investments in smaller companies generally carry greater risk than is customarily associated with larger companies for various reasons such as narrower markets, limited financial resources and less liquid stock.

Top 10 Holdings

as of December 31, 2007

| Ticker | Security Description | Percentage of Market Value |
|---------------|------------------------------|-----------------------------------|
| ADM | ARCHER-DANIELS-MIDLAND | 8.07% |
| FWLT | FOSTER WHEELER LTD | 7.34% |
| AIG | AMERICAN INTERNATIONAL GROUP | 7.09% |
| HON | HONEYWELL INTERNATIONAL | 7.04% |
| TT | TRANE, INC. | 6.79% |
| WMB | WILLIAMS COS | 6.73% |
| KBR | KBR INC. | 5.99% |
| DYN | DYNEGY INC. | 5.20% |
| HPQ | HEWLETT-PACKARD | 5.05% |
| LM | LEGG MASON | 5.04% |

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