



PACIFIC INCOME ADVISERS

PIA BBB BOND FUND

The Firm

Year Founded: 1986
Ownership: Independent and Employee-owned
Location: Santa Monica, California
Number of Employees: 36
Firm Assets: \$4.5 billion
GIPS Compliant: Yes
GIPS Verified: Yes (Auditor: Ashland Partners)

Investment Objectives

The PIA BBB Bond Fund's investment objective is to seek to provide a total rate of return that approximates that of the Barclays Capital Baa Credit Index.

Principal Investment Strategies

The PIA BBB Bond Fund invests primarily in bonds rated BBB/Baa. The weighted average duration of the PIA BBB Bond Fund will generally range from five to eight years.

Asset Allocation: The PIA BBB Bond Fund invests primarily (normally at least 80% of its net assets) in bonds rated BBB by Standard & Poor's, Baa by Moody's or BBB by Fitch. Refer to the Fund's prospectus and Statement of Additional Information (SAI) for more details on allowable investments.

Security Selection: The PIA BBB Bond Fund primarily invests in BBB rated bonds in the following industries: Industrial, Finance, and Utilities. After having determined the types of BBB rated bonds in which to invest and the target duration, the Adviser looks for the most attractive yields in the various asset classes. For a number of reasons bonds in one industry may have higher or lower yields, on a risk-adjusted basis, than bonds in another industry. The Adviser will attempt to take advantage of the yield differentials among industries.

Annual Returns (in % As of 12/31/09)

	2009	2008	2007	2006	2005	2004
PIA BBB Bond Fund	24.12	-7.87	4.88	4.25	1.13	4.92**
Barclays Capital Baa Credit Index	27.21	-8.67	4.75	4.45	1.35	5.06
Barclays Capital Baa Corporate Index	29.02	-9.60	4.58	4.36	0.81	4.87

Quarterly and Annualized Returns (in % As of 12/31/09)

Gross Expense Ratio: 0.59% *Net Expense Ratio: 0.18%	4Q09	YTD	1 Year	3 Year	5 Year	Inception (9/25/03)
PIA BBB Bond Fund	1.45	24.12	24.12	6.25	4.81**	4.71**
Barclays Capital Baa Credit Index	2.06	27.21	27.21	6.76	5.20	5.53
Barclays Capital Baa Corporate Index	2.28	29.02	29.02	6.85	5.11	5.27***

*The Advisor has agreed to voluntarily reimburse the Funds to the extent necessary to ensure the net Annual Fund Operating Expense do not exceed 0.00%. The Advisor may discontinue reimbursing the Fund at any time.

**The Fund was invested primarily in U.S. Treasury securities on the inception date in September 2003 following a \$200,000 investment by the Adviser (Pacific Income Advisers - PIA). The Fund remained invested primarily in U.S. Treasury securities until mid January 2004 when PIA clients commenced investing in the Fund. At that time, the Fund began investing in BBB rated bonds. U.S. Treasury securities held in the Fund provided a lower return than BBB rated bonds for the period from inception to January 13, 2004 (1.62% for the Fund compared to 3.95% for the Lehman Baa Credit Index) as Baa spreads over Treasuries narrowed from 166 basis points to 136 basis points.

*** Performance for the Baa Corporate Index is for the period starting September 30, 2003.

Performance data quoted represents past performance; past performance 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 Fund may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-251-1970. Investment performance reflects fee waivers in effect. In the absence of such waivers, total return would be reduced.

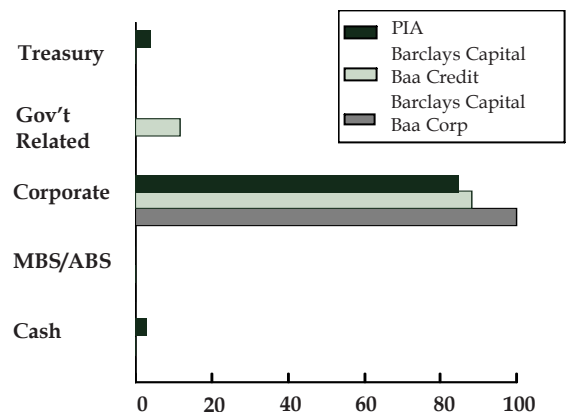
Portfolio Overview

Ticker: PBBBX
Benchmark: Barclays Capital Baa Credit Index
 Barclays Capital Baa Corporate Index
Fund Assets: \$353 million

Portfolio Characteristics

	PIA	Barclays Capital Baa Credit	Barclays Capital Baa Corp
Duration	6.7	6.6	6.5
Weighted Avg Life	10.9 yrs	11.1 yrs	10.6 yrs
Avg. Credit Rating	BBB	Baa1	Baa1
30 Day SEC Yield (subsidized)	4.9%	N/A	N/A
30 Day SEC Yield (unsubsidized)	4.8%	N/A	N/A

Sector Allocation



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.

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 mortgage-backed securities involve additional risks, such as credit risk, prepayment risk, possible illiquidity and default, and susceptibility to adverse economic developments.

Fund holdings and/or sector allocations are subject to change at any time and are not recommendations to buy or sell any security.

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 800-251-1970 or visiting www.PIAMutualFunds.com. Read it carefully before investing.

Barclays Capital Baa Credit Index is 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. A direct investment in an index is not possible.

Barclays Capital Baa Corporate Index is 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, and Finance sectors. Non-corporate sectors are not included in this index. A direct investment in an index is not possible.

Basis Point is a measure equal to one-hundredth of 1%; so one basis point is equal to 0.01%.

Duration is a commonly used measure of the potential volatility of the price of a debt security, or the aggregate market value of a portfolio of debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

Average Credit Rating is a specification of a bond issuer's probability of defaulting based on an analysis of the issuer's financial condition and profit potential. Bond rating services are provided by Standard & Poor's, Moody's Investors Service, and Fitch Investors Service. Bond ratings start at AAA (denoting the highest investment quality) and usually end at D (meaning payment is in default).

SEC Yield is a standardized yield computed by dividing the net investment income per share earned during the 30-day period prior to quarter-end. The SEC Yield was created to allow for fairer comparisons among bond funds. The SEC yield (subsidized) reflects the effects of the fee waiver in place and the (unsubsidized) yield does not reflect the effects of the fee waiver.

The PIA Funds are distributed by Quasar Distributors, LLC (1/10)