



# Muhlenkamp Fund

*Intelligent Investment Management*

(Ticker Symbol: MUHLX)

## ANNUAL REPORT

December 31, 2015

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**This report is not authorized for distribution to prospective investors unless preceded or accompanied by a prospectus of the Muhlenkamp Fund. Please call 1-800-860-3863 for a current copy of the prospectus. Read it carefully before you invest.**



## January 2016

### Fellow Investors,

In the fourth quarter of 2015, the S&P 500® Index was up 7.04% and up 1.38% for the year ended December 31, 2015. Our Fund was up 3.33% in the quarter and down 6.21% for the year.

In summary, here are the main things we have seen during the course of the fiscal year ended December 31, 2015:

- The ability of U.S. companies to grow earnings without growing revenues has waned.
- The strong dollar made it incrementally more difficult to grow revenues. We see no reason for a weakening of the dollar in the near term.
- Low energy and other commodity prices have wreaked havoc in the U.S. energy sector and related industrial companies. This led to follow-on effects in the bond market, which are concerning. (The difference between interest rates on junk bonds and interest rates on government debt has widened. This implies that investors are increasingly worried about getting their money back from all but the most solid companies and are charging a higher interest rate to lend to lower quality companies than they had been.)
- Low energy prices benefited the consumer, but the windfall was not spent on consumer goods; in fact, a number of retail companies reported very disappointing quarterly earnings and have been hit hard in the market as a result.

We continue to believe that stocks are fairly priced, on average. As previously discussed, we have sold those companies which had met our estimate of fair value (resulting in a capital gains distribution this year; details are provided in the Annual Report), but have been patient putting the cash back to work. We are not yet finding the values we seek. We'll let you know when we do.

The gains for the S&P 500® Index in the year were mostly made by a small number of large capitalization tech stocks, Facebook, Amazon, Netflix, Google, and Microsoft, among them. Since we only owned Microsoft in our Fund we did not participate in the "bounce" nearly to the extent that the S&P 500® Index did. While we are not pleased with our relative underperformance in the last year, we feel no urge to chase those stocks that are running and, frankly, the limited number of stocks that have participated in the upward move gives us pause.

Aggregate earnings and revenues for U.S. companies were down year over year (y/y). Continued low energy and commodity prices, coupled with a strong dollar, hit the energy, materials, and industrial sectors particularly hard with a number of bankruptcies in the coal industry and among the small oil and gas producers. Our

## MUHLENKAMP FUND

airline holdings benefited from the low energy prices, but our energy holdings were hurt by them; so the net effect on Fund performance was negative. The strong dollar made it more difficult for our information technology and semi-conductor companies to grow revenues overseas, which also hurt Fund performance.

Several years ago we warned about the risks of searching for yield in a low interest rate world. Two of those risks manifested themselves in 2015. First, two high-yield bond funds closed their doors and stopped allowing redemptions so they could realize the best value of their remaining illiquid assets. Second, Master Limited Partnerships (MLPs) have begun cutting dividends. MLPs became popular yield investments over the last few years, attracting lots of money. Many of the MLPs relied on cheap equity capital to fund their growth plans even as they paid out most of their free cash flow; it appears that game is over, as their share prices have fallen dramatically. Kinder Morgan (the largest pipeline operator in the U.S. and an MLP up until early 2015) finally recognized that business model no longer worked and cut their dividend 75% in December. The Fund had no exposure to the high-yield products during 2015 and avoided the losses in those areas.

The Federal Reserve Board finally raised the Federal Funds Rate one-quarter of 1% in December after declining to do so throughout the year. As we've said many times before, we think artificially low rates are bad for the economy in the long run, but they served to propel market prices for some stocks higher during the year. Artificially low rates is one reason we sold companies that we considered fairly valued and why we have been patient putting cash to work. We also think the small increase in U.S. interest rates will likely help reinforce the strong dollar, as both the European and Japanese central banks continue to keep their rates at zero (or negative) and execute their own quantitative easing (QE) programs. This will continue to present a headwind for companies that sell their goods or services overseas.

We believe a number of the trends evident in 2015 continue today.

With our best wishes for success,  
Ron Muhlenkamp and Jeff Muhlenkamp



Ron Muhlenkamp, Manager  
Muhlenkamp & Company, Inc.



Jeff Muhlenkamp, Co-Manager  
Muhlenkamp & Company, Inc.

*The comments made by Ron and Jeff Muhlenkamp in this commentary are opinions and are not intended to be investment advice or a forecast of future events.*

*The S&P 500 Index is a widely recognized index of common stock prices. The S&P 500 Index is weighted by market value and its performance is thought to be representative of the stock market as a whole. One cannot invest directly in an index.*

**Free Cash Flow** represents the cash a company is able to generate after paying out the money required to maintain or expand its business.

**Yield** is the income return on an investment, which is usually expressed as a percentage based on the investment's cost, its current market value, or its face value.

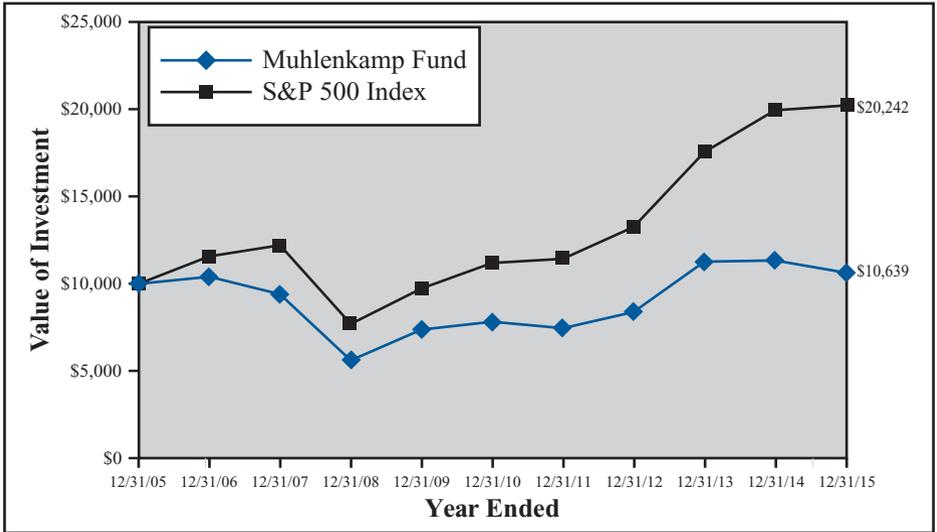
**Junk Bonds**, or low grade bonds, are issued by parties with questionable ability to meet their debt obligations (and, therefore, are subject to default). Note: When you buy a bond you are lending money to someone (government or company) who promises to pay you back when the bond matures, plus interest. A bond's credit rating expresses the issuers' ability to meet its obligations; bonds that have high credit ratings are referred to as investment grade bonds; bonds that have low credit ratings are referred to as "junk."

**Mutual fund investing involves risk. Principal loss is possible. The Fund may invest in small-and mid-cap companies which involve additional risks such as limited liquidity and greater volatility. The Fund may also invest in foreign securities which involve political, economic and currency risks, greater volatility, and differences in accounting methods. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.**

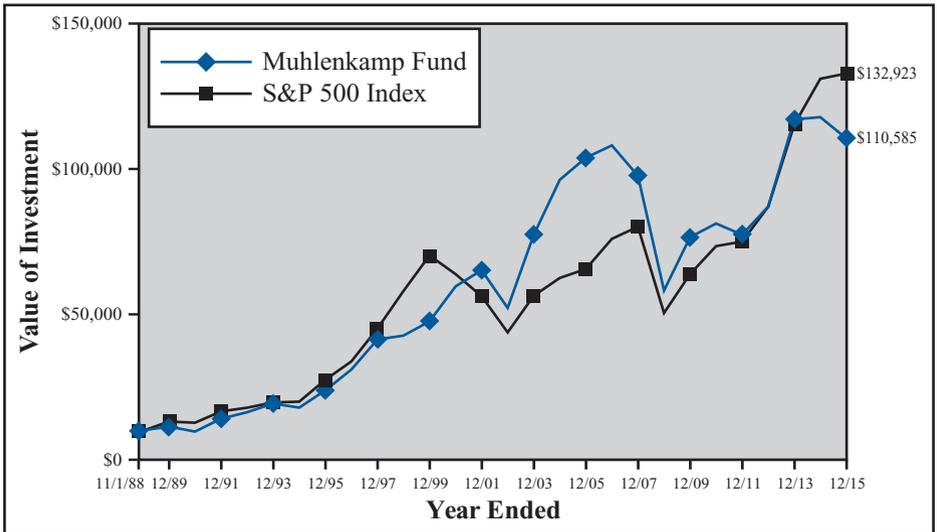
**Past performance is no guarantee of future results. Index performance is not indicative of fund performance.**

# MUHLENKAMP FUND

## A Hypothetical \$10,000 Investment in the Muhlenkamp Fund for the Past 10 Years



## A Hypothetical \$10,000 Investment in the Muhlenkamp Fund Since Inception



The Standard & Poor's 500 Stock Index ("S&P 500 Index") is a widely recognized index of common stock prices. The S&P 500 Index is weighted by market value and its performance is thought to be representative of the stock market as a whole. One cannot invest directly in an index. These charts assume an initial gross investment of \$10,000 made on 12/31/05 or 11/1/88, respectively. The line graphs do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Returns shown include the reinvestment of all dividends. Past performance does not guarantee future results.

# MUHLENKAMP FUND

## Average Annual Total Returns (Unaudited) as of December 31, 2015

<u>Muhlenkamp Fund</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>	<u>Since Inception*</u>
Return Before Taxes . . . . .	-6.21%	8.26%	6.34%	0.62%	9.25%
S&P 500** . . . . .	1.38%	15.13%	12.57%	7.31%	9.99%
Consumer Price Index*** . . . . .	0.73%	1.00%	1.53%	1.86%	2.52%

*Performance data 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 Fund may be lower or higher than the performance quoted.*

\* Operations commenced on November 1, 1988.

\*\* The S&P 500 Index is a widely recognized index of common stock prices. The figures for the S&P 500 Index reflect all dividends reinvested but do not reflect any deductions for fees, expenses, or taxes. One cannot invest directly in an index.

\*\*\* Consumer Price Index—U.S. CPI Consumer USA (Non-Seasonally Adjusted) Index.

# MUHLENKAMP FUND

## Annual Returns Since Inception (Unaudited)

<u>One-Year Period Ended 12/31/####</u>	<u>Total Return Muhlenkamp Fund</u>	<u>Total Return S&amp;P 500 Index</u>	<u>Total Return Consumer Price Index</u>
1989	12.45%	31.69%	4.65%
1990	-14.90%	-3.10%	6.11%
1991	45.39%	30.47%	3.06%
1992	15.80%	7.62%	2.90%
1993	18.12%	10.08%	2.75%
1994	-7.19%	1.32%	2.67%
1995	32.96%	37.58%	2.54%
1996	29.98%	22.96%	3.32%
1997	33.30%	33.36%	1.70%
1998	3.22%	28.58%	1.61%
1999	11.40%	21.04%	2.68%
2000	25.30%	-9.10%	3.39%
2001	9.35%	-11.89%	1.55%
2002	-19.92%	-22.10%	2.38%
2003	48.08%	28.68%	1.88%
2004	24.51%	10.88%	3.26%
2005	7.88%	4.91%	3.42%
2006	4.08%	15.79%	2.54%
2007	-9.66%	5.49%	4.08%
2008	-40.39%	-37.00%	0.09%
2009	31.49%	26.46%	2.72%
2010	6.14%	15.06%	1.50%
2011	-4.74%	2.11%	2.96%
2012	12.52%	16.00%	1.74%
2013	34.43%	32.39%	1.50%
2014	0.64%	13.69%	0.76%
2015	-6.21%	1.38%	0.73%

## EXPENSE EXAMPLE December 31, 2015 (Unaudited)

As a shareholder of the Fund, you incur ongoing costs including management fees and other Fund expenses. The expense example below is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (7/1/15 to 12/31/15).

### Actual Expenses

The first line of the table provides information about actual account values and actual expenses. Although the Fund charges no sales load, redemption fees or other transaction fees, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by U.S. Bancorp Fund Services, LLC, the Fund's transfer agent. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. Actual expenses of the underlying funds are expected to vary among the various underlying funds. These expenses are not included in the example below. The example below includes, but is not limited to, management fees, fund accounting, custody and transfer agent fees. However, the example below does not include portfolio trading commissions and related expenses or other extraordinary expenses as determined under generally accepted accounting principles. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect

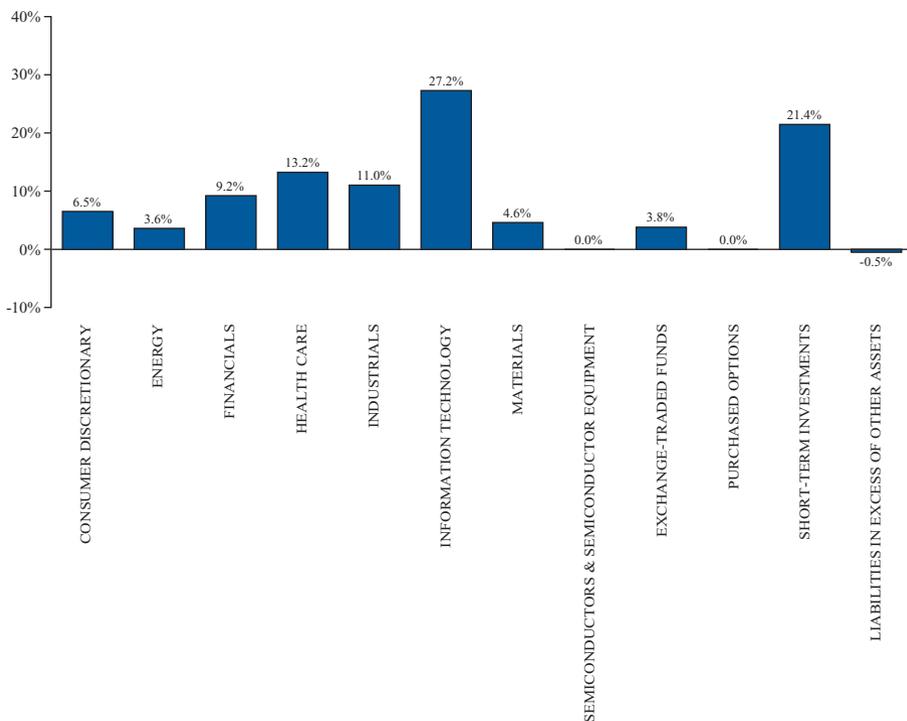
**EXPENSE EXAMPLE (Continued)**  
**December 31, 2015 (Unaudited)**

any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value <u>7/1/15</u>	Ending Account Value <u>12/31/15</u>	Expenses Paid During Period <u>7/1/15 – 12/31/15*</u>
Actual	\$1,000.00	\$920.90	\$5.86
Hypothetical (5% return before expenses)	\$1,000.00	\$1,019.11	\$6.16

\* Expenses are equal to the Fund's annualized expense ratio 1.21% multiplied by the average account value over the period multiplied by 184/365 (to reflect the one-half year period).

**ALLOCATION OF PORTFOLIO ASSETS**  
**(Calculated as a percentage of net assets)**  
**December 31, 2015**



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# MUHLENKAMP FUND

## STATEMENT OF ASSETS & LIABILITIES

December 31, 2015

### ASSETS

Investments, at value (Cost \$259,828,505)	\$326,309,168
Dividends and interest receivable	178,884
Receivable for Fund shares sold	3,976
Other assets	14,044
Total assets	<u>326,506,072</u>

### LIABILITIES

Written options, at value (Premiums received \$330,494)	411,500
Payable to Adviser	288,711
Payable for Fund shares redeemed	1,123,461
Payable administration fees	41,488
Payable transfer agent and accounting costs	38,266
Payable custodian fees	3,444
Accrued expenses and other liabilities	51,506
Total liabilities	<u>1,958,376</u>
Net assets	<u>\$324,547,696</u>

### NET ASSETS

Paid in capital	\$258,148,039
Accumulated undistributed net investment income	—
Accumulated undistributed net realized gain on investments sold and written option contracts expired or closed	—
Net unrealized appreciation (depreciation) on:	
Investments	66,480,663
Written option contracts	(81,006)
Net assets	<u>\$324,547,696</u>
Shares issued and outstanding (unlimited number of shares authorized, no par value)	6,448,209
Net asset value, offering and redemption price per share	<u>\$ 50.33</u>

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## STATEMENT OF OPERATIONS For the Year Ended December 31, 2015

INVESTMENT INCOME:		
Dividends (Net of foreign taxes withheld of \$30,843)		\$ 3,624,500
Interest		8,592
Total investment income		<u>3,633,092</u>
EXPENSES:		
Investment advisory fees (See Note 3)	\$ 3,907,856	
Transfer agent and accounting costs (See Note 3)	379,464	
Administration fees (See Note 3)	269,277	
Reports to shareholders	61,603	
Federal & state registration fees	28,674	
Legal fees	24,214	
Custody fees (See Note 3)	24,039	
Auditor fees	19,000	
Compliance fees (See Note 3)	12,000	
Trustees' fees and expenses	11,694	
Insurance fees	5,171	
Other	<u>10,269</u>	
Total operating expense before expense reductions	4,753,261	
Expense reductions (see Note 9)	<u>(13,995)</u>	
Total expenses		<u>4,739,266</u>
NET INVESTMENT LOSS		<u>(1,106,174)</u>
REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS		
Net realized gain on:		
Investments sold	37,819,397	
Written option contracts expired or closed	<u>900,627</u>	
Total net realized gain		<u>38,720,024</u>
Change in unrealized appreciation (depreciation) on:		
Investments	(59,692,029)	
Written option contracts	<u>(689,010)</u>	
Total change in unrealized appreciation (depreciation)		<u>(60,381,039)</u>
Net realized and unrealized loss on investments		<u>(21,661,015)</u>
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS		<u><u>\$(22,767,189)</u></u>

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended</u> <u>December 31, 2015</u>	<u>Year Ended</u> <u>December 31, 2014</u>
OPERATIONS:		
Net investment loss	\$ (1,106,174)	\$ (2,123,379)
Net realized gains on investments sold and written option contracts expired or closed	38,720,024	62,355,755
Change in unrealized appreciation (depreciation) on investments and written option contracts	<u>(60,381,039)</u>	<u>(56,605,069)</u>
Net increase (decrease) in net assets resulting from operations	<u>(22,767,189)</u>	<u>3,627,307</u>
CAPITAL SHARE TRANSACTIONS:		
Proceeds from shares sold	10,074,845	18,345,584
Dividends reinvested	30,105,176	54,878,535
Cost of shares redeemed	<u>(95,373,334)</u>	<u>(71,455,214)</u>
Net increase (decrease) in net assets resulting from capital share transactions	<u>(55,193,313)</u>	<u>1,768,905</u>
DISTRIBUTIONS TO SHAREHOLDERS:		
From realized gains	<u>(32,844,663)</u>	<u>(58,417,235)</u>
Net decrease in net assets resulting from distributions to shareholders	<u>(32,844,663)</u>	<u>(58,417,235)</u>
TOTAL DECREASE IN NET ASSETS	<u>(110,805,165)</u>	<u>(53,021,023)</u>
NET ASSETS:		
Beginning of year	<u>435,352,861</u>	<u>488,373,884</u>
End of year	<u>\$ 324,547,696</u>	<u>\$435,352,861</u>
Accumulated undistributed net investment income	<u>\$ —</u>	<u>\$ —</u>

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## FINANCIAL HIGHLIGHTS

	Year Ended December 31,				
	2015	2014	2013	2012	2011
NET ASSET VALUE, BEGINNING OF YEAR	\$59.50	\$68.03	\$52.22	\$51.19	\$53.80
INCOME FROM INVESTMENT OPERATIONS:					
Net investment income (loss)	(0.17)	(0.29)	(0.13)	0.35	0.06
Net realized and unrealized gains (losses) on investments	(3.45)	0.81	18.10	6.01	(2.61)
Total from investment operations	(3.62)	0.52	17.97	6.36	(2.55)
LESS DISTRIBUTIONS:					
From net investment income	—	—	—	(0.35)	(0.06)
From realized gains	(5.55)	(9.05)	(2.16)	(4.98)	—
Total distributions	(5.55)	(9.05)	(2.16)	(5.33)	(0.06)
NET ASSET VALUE, END OF YEAR	<u>\$50.33</u>	<u>\$59.50</u>	<u>\$68.03</u>	<u>\$52.22</u>	<u>\$51.19</u>
TOTAL RETURN	-6.21%	0.64%	34.43%	12.52%	-4.74%
NET ASSETS, END OF YEAR (in millions)	\$ 325	\$ 435	\$ 488	\$ 427	\$ 487
RATIO OF OPERATING EXPENSES TO AVERAGE NET ASSETS					
Excluding expense reductions	1.22%	1.27%	1.27%	1.26%	1.25%
Including expense reductions <sup>(1)</sup>	1.21%	1.27%	1.26%	1.26%	1.25%
RATIO OF NET INVESTMENT INCOME (LOSS) TO AVERAGE NET ASSETS	(0.28%)	(0.45%)	(0.21%)	0.56%	0.10%
PORTFOLIO TURNOVER RATE	19.46%	33.93%	26.21%	38.09%	42.51%

<sup>(1)</sup> The operating expense ratio includes expense reductions for minimum account maintenance fees deposited into the Fund (See Note 9).

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## SCHEDULE OF INVESTMENTS

December 31, 2015

Name of Issuer or Title of Issue	Shares	Value
<b>COMMON STOCKS — 75.3%</b>		
<b>Airlines — 7.9%</b>		
Allegiant Travel Company	49,941	\$ 8,381,598
Delta Air Lines, Inc.	225,000	11,405,250
Spirit Airlines, Inc. (a)	150,000	5,977,500
		<u>25,764,348</u>
<b>Banks — 6.2%</b>		
JPMorgan Chase & Company	307,000	20,271,210
<b>Biotechnology — 6.3%</b>		
Epizyme, Inc. (a)	50,000	801,000
Gilead Sciences, Inc.	180,000	18,214,200
MacroGenics, Inc. (a)	50,000	1,548,500
		<u>20,563,700</u>
<b>Capital Markets — 2.9%</b>		
Morgan Stanley	300,000	9,543,000
<b>Chemicals — 4.6%</b>		
Celanese Corporation — Series A	223,000	15,014,590
<b>Communications Equipment — 4.0%</b>		
ARRIS International plc (a)(c)	420,000	12,839,400
<b>Computers &amp; Peripherals — 4.1%</b>		
Apple, Inc.	125,730	13,234,340
<b>Electronic Equipment, Instruments &amp; Components — 1.9%</b>		
Universal Display Corporation (a)	116,000	6,315,040
<b>Energy Equipment &amp; Services — 3.1%</b>		
Baker Hughes, Inc.	68,000	3,138,200
Halliburton Company	100,000	3,404,000
Schlumberger Ltd. (b)	48,000	3,348,000
		<u>9,890,200</u>
<b>Household Durables — 1.7%</b>		
WCI Communities, Inc. (a)	249,200	5,552,176
<b>IT Services — 10.3%</b>		
Alliance Data Systems Corporation (a)	100,000	27,657,000
Neustar, Inc. — Class A (a)	235,000	5,632,950
		<u>33,289,950</u>
<b>Oil, Gas &amp; Consumable Fuels — 0.5%</b>		
Bellatrix Exploration Ltd. (a)(b)	780,100	943,921
Rex Energy Corporation (a)	425,000	446,250
Teekay Tankers Ltd. — Class A (b)	40,000	275,200
		<u>1,665,371</u>

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## SCHEDULE OF INVESTMENTS (Continued)

December 31, 2015

Name of Issuer or Title of Issue	Shares	Value
<b>COMMON STOCKS — 75.3% (Continued)</b>		
<b>Pharmaceuticals — 6.9%</b>		
Bristol-Myers Squibb Company	180,000	\$ 12,382,200
Teva Pharmaceutical Industries Ltd. — ADR	150,000	9,846,000
		<u>22,228,200</u>
<b>Semiconductors &amp; Semiconductor Equipment — 3.2%</b>		
ON Semiconductor Corporation (a)	1,040,000	10,192,000
QuickLogic Corporation (a)	70,000	79,100
		<u>10,271,100</u>
<b>Software — 3.8%</b>		
Microsoft Corporation (c)	223,000	12,372,040
<b>Specialty Retail — 1.9%</b>		
Outerwall, Inc.	170,000	6,211,800
<b>Textiles, Apparel &amp; Luxury Goods — 2.9%</b>		
Hanesbrands, Inc.	320,000	9,417,600
<b>Trading Companies &amp; Distributors — 3.1%</b>		
Rush Enterprises, Inc. — Class A (a)	379,907	8,316,164
Rush Enterprises, Inc. — Class B (a)	76,407	1,673,314
		<u>9,989,478</u>
Total Common Stocks (Cost \$178,711,088)		<u>244,433,543</u>
<b>EXCHANGE TRADED FUNDS — 3.8%</b>		
Alerian MLP ETF	660,000	7,953,000
PowerShares Buyback Achievers Portfolio	100,000	4,546,000
Total Exchange Traded Funds (Cost \$10,945,012)		<u>12,499,000</u>
	<b>Contracts</b>	
	<b>(100 Shares Per Contract)</b>	
<b>PURCHASED CALL OPTIONS — 0.0%</b>		
General Motors Company Expiration January 2016, Exercise Price \$35.00	3,000	85,500
Total Purchased Call Options (Premiums paid \$881,280)		<u>85,500</u>

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## SCHEDULE OF INVESTMENTS (Continued) December 31, 2015

Name of Issuer or Title of Issue	Shares	Value
<b>SHORT-TERM INVESTMENTS — 21.4%</b>		
Fidelity Institutional Government Portfolio — Class I, 0.12% (d)	69,291,125	\$ 69,291,125
Total Short-Term Investments (Cost \$69,291,125)		<u>69,291,125</u>
<b>TOTAL INVESTMENTS</b> <b>(Cost \$259,828,505) — 100.5%</b>		326,309,168
<b>LIABILITIES IN EXCESS OF OTHER ASSETS — (0.5)%</b>		<u>(1,761,472)</u>
<b>TOTAL NET ASSETS — 100.0%</b>		<u><u>\$324,547,696</u></u>

Percentages are stated as a percent of net assets.

ADR American Depository Receipt

plc Public Limited Company

(a) Non-income producing security.

(b) Foreign company.

(c) Shares are held as collateral for all or a portion of a corresponding written option contract. The value of the collateral on December 31, 2015 was \$25,211,440.

(d) The rate shown is the annualized seven day yield effective yield as of December 31, 2015.

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# MUHLENKAMP FUND

## SCHEDULE OF WRITTEN OPTIONS

December 31, 2015

Name of Issuer or Title of Issue	Contracts (100 Shares Per Contract)	Value
<b>WRITTEN CALL OPTIONS — 0.1%</b>		
ARRIS International plc		
Expiration February 2016, Exercise Price \$30.00	1,000	\$177,500
Microsoft Corporation		
Expiration February 2016, Exercise Price \$55.00	1,000	<u>234,000</u>
Total Written Call Options		
(Premiums received \$330,494)		<u><u>\$411,500</u></u>

The accompanying notes are an integral part of these financial statements.

# MUHLENKAMP FUND

## NOTES TO FINANCIAL STATEMENTS Year Ended December 31, 2015

### 1. ORGANIZATION

Managed Portfolio Series (the “Trust”) was organized as a Delaware statutory trust under a Declaration of Trust dated January 27, 2011. The Trust is registered under the Investment Company Act of 1940 (the “1940 Act”), as amended, as an open-end management investment company. The Muhlenkamp Fund (the “Fund”) is a diversified series with its own investment objectives and policies within the Trust. The Fund commenced operations on November 1, 1988.

The Fund operates as a diversified open-end mutual fund that continuously offers its shares for sale to the public. The Fund manages its assets to seek a maximum total after-tax return to its shareholders through capital appreciation, and income from dividends and interest, consistent with reasonable risk. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 Financial Services — Investment Companies. The Fund principally invests in a diversified list of common stocks of any capitalization, determined by Muhlenkamp & Company, Inc. (the “Adviser”) to be highly profitable, yet undervalued. The Fund may acquire and hold fixed-income or debt investments as market conditions warrant and when, in the opinion of its Adviser, it is deemed desirable or necessary in order to attempt to achieve its investment objective.

The primary focus of the Fund is long-term and the investment options are diverse. This allows for greater flexibility in the daily management of Fund assets. However, with flexibility also comes the risk that assets will be invested in various classes of securities at the wrong time and price.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund in preparation of the accompanying financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

- a. *Investment Valuations* — Following is a description of the valuation techniques applied to the Fund’s major categories of assets and liabilities measured at fair value on a recurring basis. The Fund’s investments are carried at fair value.

*Equity Securities* — Equity securities, including common stocks, preferred stocks, exchange-traded Funds (“ETFs”) and real estate investment trusts (“REITs”), that are primarily traded on a national securities exchange are valued at the last sale price on the exchange on which they are primarily traded on the day of valuation or, if there has been no sale on such day, at the mean between the bid and ask prices. Securities traded primarily in the Nasdaq Global Market

NOTES TO FINANCIAL STATEMENTS (Continued)  
Year Ended December 31, 2015

System for which market quotations are readily available are valued using the Nasdaq Official Closing Price (“NOCP”). If the NOCP is not available, such securities are valued at the last sale price on the day of valuation, or if there has been no sale on such day, at the mean between the bid and ask prices. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. If the market for a particular security is not active, and the mean between bid and ask prices is used, these securities are categorized in Level 2 of the fair value hierarchy.

*Corporate Bonds* — Corporate bonds, including listed issues, are valued at fair value on the basis of valuations furnished by an independent pricing service which utilizes both dealer-supplied valuations and formula-based techniques. The pricing service may consider recently executed transactions in securities of the issuer or comparable issuers, market price quotations (where observable), bond spreads, and fundamental data relating to the issuer. Most corporate and municipal bonds are categorized in Level 2 of the fair value hierarchy.

*Short-Term Investments* — Short-term investments in other mutual funds, including money market funds, are valued at their net asset value per share. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy.

*Derivative Instruments* — Listed derivatives, including rights and warrants that are actively traded are valued based on quoted prices from the exchange and categorized in Level 1 of the fair value hierarchy. Exchange traded options that are valued at the mean of the highest bid price and lowest ask price across the exchanges where the option is traded are categorized in Level 2 of the fair value hierarchy.

Securities for which market quotations are not readily available, or if the closing price does not represent fair value, are valued following procedures approved by the Board of Trustees. These procedures consider many factors, including the type of security, size of holding, trading volume and news events. There can be no assurance that the Fund could obtain the fair value assigned to a security if they were to sell the security at approximately the time at which the Fund determines their net asset values per share. The Board of Trustees has established a Valuation Committee to administer, implement, and oversee the fair valuation process, and to make fair value decisions when necessary. The Board of Trustees regularly reviews reports that describe any fair value determinations and methods.

## MUHLENKAMP FUND

### NOTES TO FINANCIAL STATEMENTS (Continued) Year Ended December 31, 2015

The Fund has adopted authoritative fair value accounting standards which establish an authoritative definition of fair value and set out a hierarchy for measuring fair value. These standards require additional disclosures about the various inputs and valuation techniques used to develop the measurements of fair value, a discussion of changes in valuation techniques and related inputs during the period and expanded disclosure of valuation levels for major security types. These inputs are summarized in the three broad levels listed below:

Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 — Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates and similar data.

Level 3 — Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities. The following is a summary of the inputs used to value the Fund's assets and liabilities as of December 31, 2015:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Common Stocks*</b>	\$244,433,543	\$ —	\$—	\$244,433,543
<b>Exchange-Traded Funds</b>	12,499,000	—	—	12,499,000
<b>Purchased Call Options</b>	—	85,500	—	85,500
<b>Short-Term Investments</b>	<u>69,291,125</u>	<u>—</u>	<u>—</u>	<u>69,291,125</u>
<b>Total Investments in Securities</b>	<u>\$326,223,668</u>	<u>\$ 85,500</u>	<u>\$—</u>	<u>\$326,309,168</u>
<b>Written Call Options</b>	<u>\$ —</u>	<u>\$411,500</u>	<u>\$—</u>	<u>\$ 411,500</u>

\* Please refer to the Schedule of Investments to view Common Stocks segregated by industry type.

The Fund did not have any Level 3 investments during the year. It is the Fund's policy to record transfers at the end of the reporting period. For the year ended December 31, 2015, there were no transfers between levels.

NOTES TO FINANCIAL STATEMENTS (Continued)  
Year Ended December 31, 2015

- b. *Foreign Securities* — Investing in securities of foreign companies and foreign governments involves special risks and considerations not typically associated with investing in U.S. companies and the U.S. government. These risks may include revaluation of currencies and future adverse political and economic developments. Moreover, securities of many foreign companies and foreign governments and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. companies and the U.S. government.
- c. *Foreign Currency Translations* — The books and records of the Fund are maintained in U.S. dollars. Foreign currency transactions are translated into U.S. dollars on the following basis: (i) fair value of investment securities, assets and liabilities at the daily rates of exchange, and (ii) purchases and sales of investment securities, dividend and interest income and certain expenses at the rates of exchange prevailing on the respective dates of such transactions. For financial reporting purposes, the Fund does not isolate changes in the exchange rate of investment securities from the fluctuations arising from changes in the market price of such securities. However, for federal income tax purposes the Fund does isolate and treat the effect of changes in foreign exchange rates on realized gain or loss from the sale of equity securities and payables/receivables arising from trade date and settlement date differences as ordinary income.
- d. *Investment Transactions and Related Investment Income* — Investment transactions are recorded on the trade date. Dividend income is recorded on the ex-dividend date. Interest income is recorded daily on the yield to maturity basis. The Fund uses the specific identification method in computing gain or loss on the sale of investment securities. Withholding taxes on foreign dividends have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and regulations.
- e. *Federal Taxes* — It is the Fund's policy to comply with the requirements of the Internal Revenue Code that are applicable to regulated investment companies and to distribute substantially all of its taxable income to its shareholders. Therefore, no federal income tax provision is recorded. In addition, the Fund plans to make sufficient distributions of its income and realized gains, if any, to avoid the payment of any federal excise taxes. GAAP requires that permanent differences between financial reporting and tax reporting be reclassified between various components of net assets.

There is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken on the tax return for the fiscal year-end December 31, 2015. The Fund is also not aware of any tax positions for which it is reasonably possible that the total amounts of

NOTES TO FINANCIAL STATEMENTS (Continued)  
Year Ended December 31, 2015

unrecognized tax benefits will significantly change in the next year (or twelve months). The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations. During the year, the Fund did not incur any interest or penalties. The Fund has no examination in progress.

- f. *Dividends and Distributions to Shareholders* — Dividends from net investment income, if any, are declared and paid at least annually. Distributions of net realized capital gains, if any, will be declared and paid at least annually. Income dividends and capital gain distributions are recorded on the ex-dividend date. The Fund may utilize earnings and profits distributed to shareholders on redemption of shares as part of the dividends paid deduction. Accordingly, reclassifications are made within the net asset accounts for such amounts, as well as amounts related to permanent differences in the character of certain income and expense items for income tax and financial reporting purposes. See Note 8.
- g. *Use of Estimates* — The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.
- h. *Allocation of Expenses* — Expenses associated with a specific fund in the Trust are charged to that fund. Common Trust expenses are typically allocated evenly between the funds of the Trust or by other equitable means.
- i. *Options Transactions* — The Fund is subject to equity price risk in the normal course of pursuing its investment objectives. The Fund may use purchased option contracts and written option contracts to hedge against the changes in the value of equities or to meet its investment objectives. The Fund may write put and call options only if it (i) owns an offsetting position in the underlying security or (ii) maintains cash or other liquid assets in an amount equal to or greater than its obligation under the option.

When the Fund writes a call or put option, an amount equal to the premium received is included in the Statement of Assets & Liabilities as a liability. The amount of the liability is subsequently adjusted to reflect the current fair value of the option. If an option expires on its stipulated expiration date or if the Fund enters into a closing purchase transaction, a gain or loss is realized. If a written call option is exercised, a gain or loss is realized for the sale of the underlying

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Year Ended December 31, 2015**

security and the proceeds from the sale are increased by the premium originally received. If a written put option is exercised, the cost of the security acquired is decreased by the premium originally received. As the writer of an option, the Fund has no control over whether the underlying securities are subsequently sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option.

The Fund may purchase call and put options. When the Fund purchases a call or put option, an amount equal to the premium paid is included in the Statement of Assets & Liabilities as an investment, and is subsequently adjusted to reflect the fair value of the option. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If the Fund exercises a call option, the cost of the security acquired is increased by the premium paid for the call. If the Fund exercises a put option, a gain or loss is realized from the sale of the underlying security, and the proceeds from such a sale are decreased by the premium originally paid. Written and purchased options are non-income producing securities. Written and purchased options expose the Fund to minimal counterparty risk since they are exchange traded and the exchange's clearinghouse guarantees the options against default.

The Fund has adopted authoritative standards regarding disclosure about derivatives and hedging activities and how they affect the Fund's Statement of Assets & Liabilities and Statement of Operations. For the year ended December 31, 2015, no long options contracts were purchased and written option contracts (6,100 contracts) were opened and \$1,306,580 in premiums were received. See Note 6 for additional disclosures related to transactions in written options.

# MUHLENKAMP FUND

## NOTES TO FINANCIAL STATEMENTS (Continued) Year Ended December 31, 2015

### Statement of Assets & Liabilities

Fair values of derivative instruments as of December 31, 2015:

<u>Derivatives</u>	<u>Asset Derivatives</u>		<u>Liability Derivatives</u>	
	<u>Statement of Assets &amp; Liabilities Location</u>	<u>Fair Value</u>	<u>Statement of Assets &amp; Liabilities Location</u>	<u>Fair Value</u>
	Equity Contracts:			
Purchased Call Options	Investments	\$ 85,500	N/A	\$ —
Written Call Options	N/A	—	Written Options	411,500
Total		<u>\$ 85,500</u>		<u>\$ 411,500</u>

### Statement of Operations

The effect of derivative instruments on the Statement of Operations for the year ended December 31, 2015:

<u>Derivatives</u>	<u>Amount of Realized Gain (Loss) on Derivatives</u>		
	<u>Purchased Call Options</u>	<u>Written Call Options</u>	<u>Total</u>
Equity contracts	\$ (101,894)	\$ 900,627	\$ 798,733
Total	<u>\$ (101,894)</u>	<u>\$ 900,627</u>	<u>\$ 798,733</u>
<u>Derivatives</u>	<u>Change in Unrealized Appreciation (Depreciation) on Derivatives</u>		
	<u>Purchased Call Options</u>	<u>Written Call Options</u>	<u>Total</u>
Equity contracts	\$(2,365,600)	\$(689,010)	\$(3,054,610)
Total	<u>\$(2,365,600)</u>	<u>\$(689,010)</u>	<u>\$(3,054,610)</u>

### 3. INVESTMENT ADVISORY AND OTHER TRANSACTIONS WITH AFFILIATES

The Trust has an agreement with Muhlenkamp & Company, Inc. (the “Adviser”) to furnish investment advisory services to the Fund. Pursuant to an Investment Advisory Agreement between the Trust and the Adviser, the Adviser receives a fee for investment management. The Adviser charges a management fee equal to 1.00% per annum of the average daily market value of the Fund’s net assets up to \$1 billion and 0.90% per annum of those net assets in excess of \$1 billion. Under terms of the advisory agreement, which is approved annually, total annual Fund operating expenses (excluding acquired fund fees and expenses, brokerage commissions, leverage,

**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**Year Ended December 31, 2015**

interest, taxes and extraordinary expenses) cannot under any circumstances exceed 1.50% of the Fund's net assets through July 31, 2016. Should actual expenses incurred ever exceed the 1.50% limitation, such excess expenses shall be reimbursed by the Adviser.

U.S. Bancorp Fund Services, LLC ("USBFS" or the "Administrator") acts as the Fund's Administrator, Transfer Agent, and Fund Accountant. U.S. Bank N.A. (the "Custodian") serves as the custodian to the Fund. The Custodian is an affiliate of the Administrator. The Administrator performs various administrative and accounting services for the Fund. The Administrator performs various federal and state regulatory filings, reports and returns for the Fund; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Fund's custodian; coordinates the payment of the Fund's expenses and reviews the Fund's expense accruals. The officers of the Trust and the Chief Compliance Officer are employees of the Administrator. A Trustee of the Trust is an officer of the Administrator. As compensation for its services, the Administrator is entitled to a monthly fee at an annual rate based upon the average daily net assets of the Fund, subject to annual minimums. Fees paid by the Fund for administration, transfer agency and accounting costs, custody and chief compliance officer services for the year ended December 31, 2015, are disclosed in the Statement of Operations.

**4. LINE OF CREDIT**

The Fund has established an unsecured Line of Credit agreement ("LOC") with U.S. Bank N.A., which expires July 28, 2016, to be used for temporary or emergency purposes, subject to certain restrictions and the right of setoff on the Fund's assets, primarily for financing redemption payments. Borrowing under the LOC is limited to the lesser of \$20 million or 33.33% of the fair value of the Fund's investments, whichever is less. The interest rate paid by the Fund on outstanding borrowing is equal to the Prime Rate (3.50% at December 31, 2015). The Fund has authorized U.S. Bank N.A. to charge any of the Fund's accounts for any missed payments. For the year ended December 31, 2015, the Fund did not have any borrowing under the LOC. At December 31, 2015, the Fund did not have any outstanding borrowing under the LOC.

# MUHLENKAMP FUND

## NOTES TO FINANCIAL STATEMENTS (Continued) Year Ended December 31, 2015

### 5. CAPITAL SHARE TRANSACTIONS

Transactions in capital shares of the Fund were as follows:

	<u>Year Ended December 31, 2015</u>	<u>Year Ended December 31, 2014</u>
Shares outstanding, beginning of year . . . . .	7,316,370	7,178,413
Shares sold . . . . .	169,440	274,432
Dividends reinvested . . . . .	590,409	913,272
Shares redeemed . . . . .	<u>(1,628,010)</u>	<u>(1,049,747)</u>
Shares outstanding, end of year . . . . .	<u>6,448,209</u>	<u>7,316,370</u>

### 6. WRITTEN OPTION CONTRACTS

The number of written option contracts and the premiums received by the Fund during the year ended December 31, 2015, were as follows:

	<u>Number of Contracts</u>	<u>Premium Amount</u>
Options outstanding, beginning of year . . . . .	4,800	\$ 1,051,504
Options written . . . . .	6,100	1,306,580
Options closed . . . . .	(6,050)	(1,513,438)
Options exercised . . . . .	(1,250)	(331,755)
Options expired . . . . .	<u>(1,600)</u>	<u>(182,397)</u>
Options outstanding, end of year . . . . .	<u>2,000</u>	<u>\$ 330,494</u>

See additional disclosures related to transactions in written options at Note 2i.

### 7. INVESTMENT TRANSACTIONS

Purchases and sales of investment securities, excluding short-term securities and short-term options, for the year ended December 31, 2015, were as follows:

Purchases		Sales	
U.S. Government	Other	U.S. Government	Other
\$ —	\$65,282,548	\$ —	\$185,289,702

### 8. FEDERAL TAX INFORMATION

The Fund intends to utilize provisions of the federal income tax laws which allow it to carry a realized capital loss forward for an unlimited period. As of December 31, 2015, the Fund did not have a capital loss carryover.

# MUHLENKAMP FUND

## NOTES TO FINANCIAL STATEMENTS (Continued) Year Ended December 31, 2015

As of December 31, 2015, the components of distributable earnings on a tax basis were as follows:

Tax cost of investments	\$259,828,505
Gross tax unrealized appreciation	\$ 80,527,585
Gross tax unrealized depreciation	(14,046,922)
Net tax unrealized appreciation on investments	<u>\$ 66,480,663</u>
Undistributed ordinary income	\$ —
Undistributed long term capital gains	—
Total distributable earnings	<u>\$ —</u>
Other accumulated losses	(81,006)
Total accumulated gain	<u><u>\$ 66,399,657</u></u>

The Fund plans to distribute substantially all of the net investment income and net realized gains that it has realized on the sale of securities. These income and gains distributions will generally be paid once each year, on or before December 31. The character of distributions made during the year from net investment income or net realized gains may differ from the characterization for federal income tax purposes due to differences in the recognition of income, expense or gain items for financial reporting and tax reporting purposes.

The tax character of distributions paid were as follows:

	<u>Year Ended December 31, 2015</u>	<u>Year Ended December 31, 2014</u>
Ordinary Income . . . . .	\$ —	\$ —
Long-term capital gain . . . . .	\$32,844,663	\$58,417,235

The Fund designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3), the amount necessary to reduce the earnings and profits for the Fund related to net capital gain to zero for the tax year ended December 31, 2015.

On the Statement of Assets & Liabilities, the following adjustments were made for permanent tax adjustments:

<u>Undistributed Net Investment Income</u>	<u>Accumulated Net Realized Loss</u>	<u>Paid In Capital</u>
\$1,106,174	\$(5,590,964)	\$4,484,790

## MUHLENKAMP FUND

### NOTES TO FINANCIAL STATEMENTS (Continued) Year Ended December 31, 2015

#### **9. EXPENSE REDUCTIONS**

Beginning in 2000, expenses are reduced through the deposit of minimum account maintenance fees into the Fund. By November 30th of each year, all accounts must have net investments (purchases less redemptions) totaling \$1,500 or more, an account value greater than \$1,500, or be enrolled in the Automatic Investment Plan. Accounts that do not meet one of these three criteria will be charged a \$15 fee. These fees are used to lower the Fund's expense ratio. For the year ended December 31, 2015, the Fund's expenses were reduced \$13,995 by utilizing minimum account maintenance fees pertaining to account balances as of November 30, 2014, resulting in a decrease in the expenses being charged to shareholders.

#### **10. GUARANTEES AND INDEMNIFICATIONS**

In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims against the Fund that have not yet occurred. Based on experience, the Fund expects the risk of loss to be remote.

## MUHLENKAMP FUND

### REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Muhlenkamp Fund and  
Board of Trustees of Managed Portfolio Series

We have audited the accompanying statement of assets and liabilities, including the schedules of investments and written options, of Muhlenkamp Fund (the “Fund”), a series of Managed Portfolio Series, as of December 31, 2015, and the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2015, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Muhlenkamp Fund as of December 31, 2015, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

*Cohen Fund Audit Services*

COHEN FUND AUDIT SERVICES, LTD.  
Cleveland, Ohio  
February 26, 2016

# MUHLENKAMP FUND

## TRUSTEES AND OFFICERS (Unaudited)

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Trust Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
<u>Independent Trustees</u>					
Leonard M. Rush, CPA 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1946	Lead Independent Trustee and Audit Committee Chairman	Indefinite Term; Since April 2011	31	Retired; Chief Financial Officer, Robert W. Baird & Co. Incorporated, (2000-2011).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present); Director, Anchor Bancorp Wisconsin, Inc. (2011-2013)
David A. Massart 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1967	Trustee and Valuation Committee Chairman	Indefinite Term; Since April 2011	31	Co-Founder and Chief Investment Strategist, Next Generation Wealth Management, Inc. (2005-present).	Independent Trustee, ETF Series Solutions (13 Portfolios) (2012-Present)
David M. Swanson 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	Trustee	Indefinite Term; Since April 2011	31	Founder and Managing Principal, SwanDog Strategic Marketing, LLC (2006-present); Executive Vice President, Calamos Investments (2004-2006).	Independent Trustee, ALPS Variable Investment Trust (8 Portfolios) (2006-Present) Independent Trustee, RiverNorth Opportunities Closed-End Fund (2015-Present)
<u>Interested Trustee</u>					
Robert J. Kern* 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1958	Chairman, and Trustee	Indefinite Term; Since January 2011	31	Executive Vice President, U.S. Bancorp Fund Services, LLC (1994-present).	None

# MUHLENKAMP FUND

## TRUSTEES AND OFFICERS (Unaudited) (Continued)

<u>Name, Address and Year of Birth</u>	<u>Position(s) Held with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Trust Overseen by Trustee</u>	<u>Principal Occupation(s) During the Past Five Years</u>	<u>Other Directorships Held by Trustee During the Past Five Years</u>
James R. Arnold 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1957	President and Principal Executive Officer	Indefinite Term; Since January 2011	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2002-present).	N/A
Deborah Ward 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1966	Vice President, Chief Compliance Officer and Anti-Money Laundering Officer	Indefinite Term; Since April 2013	N/A	Senior Vice President, U.S. Bancorp Fund Services, LLC (2004-present).	N/A
Brian R. Wiedmeyer 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Treasurer and Principal Financial Officer	Indefinite Term; Since January 2011	N/A	Vice President, U.S. Bancorp Fund Services, LLC (2005-present).	N/A
Jeanine M. Bajczyk, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1965	Secretary	Indefinite Term; Since August 2015	N/A	Senior Vice President and Counsel, U.S. Bancorp Fund Services, LLC (2006-present).	N/A
Mark Quade, Esq. 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1982	Assistant Secretary	Indefinite Term; Since June 2015	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2013-present); Law Clerk, U.S. Bancorp (2012-2013); Graduate, University of Minnesota Law School (2010-2013).	N/A
Ryan L. Roell 615 E. Michigan St. Milwaukee, WI 53202 Year of Birth: 1973	Assistant Treasurer	Indefinite Term; Since September 2012	N/A	Assistant Vice President, U.S. Bancorp Fund Services, LLC (2005-present).	N/A

\* Mr. Kern is an “interested person” of the Trust, as defined by the 1940 Act, by virtue of the fact that he is an interested person of Quasar Distributors, LLC, the Fund’s principal underwriter.

# MUHLENKAMP FUND

## ADDITIONAL INFORMATION (Unaudited) Year Ended December 31, 2015

### 1. BROKER COMMISSIONS

Some people have asked how much the Muhlenkamp Fund pays in commissions: For the year ended December 31, 2015, the Fund paid \$149,361 in broker commissions. These commissions are included in the cost basis of investments purchased, and deducted from the proceeds of securities sold. This accounting method is the industry standard for mutual funds. Were these commissions itemized as expenses, they would equal two cents (2¢) per Fund share and would have increased the operating expense ratio from 1.21% to 1.25%.

### 2. QUALIFIED DIVIDEND INCOME PERCENTAGE

For the fiscal year ended December 31, 2015, certain dividends paid by the Fund may be subject to a maximum tax rate of 23.8%, as provided for by the American Taxpayer Act of 2012. The percentage of dividends declared from ordinary income designated as qualified dividend income was 0.00% for the Fund.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended December 31, 2015 was 0.00% for the Fund.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871(k)(2)(C) for the Fund was 0.00%.

### 3. INFORMATION ABOUT PROXY VOTING

Information regarding how the Fund votes proxies relating to portfolio securities is available without charge upon request by calling toll-free at 1-800-860-3863 or by accessing the SEC's website at [www.sec.gov](http://www.sec.gov). Information regarding how the Fund voted proxies relating to portfolio securities during the most recent twelve month period ending June 30 is available on the SEC's website at [www.sec.gov](http://www.sec.gov) or by calling the toll-free number listed above.

### 4. AVAILABILITY OF QUARTERLY PORTFOLIO SCHEDULE

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The filing will be available, upon request, by calling 1-800-860-3863. Furthermore, you will be able to obtain a copy of the filing on the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-202-551-8090.



## PRIVACY NOTICE (UNAUDITED)

The Fund collects only relevant information about you that the law allows or requires it to have in order to conduct its business and properly service you. The Fund collects financial and personal information about you (“Personal Information”) directly (e.g., information on account applications and other forms, such as your name, address, and social security number, and information provided to access account information or conduct account transactions online, such as password, account number, e-mail address, and alternate telephone number), and indirectly (e.g., information about your transactions with us, such as transaction amounts, account balance and account holdings).

**The Fund does not disclose any non-public personal information about its shareholders or former shareholders other than for everyday business purposes such as to process a transaction, service an account, respond to court orders and legal investigations or as otherwise permitted by law. Third parties that may receive this information include companies that provide transfer agency, technology and administrative services to the Fund, as well as the Fund’s investment adviser who is an affiliate of the Fund. If you maintain a retirement/educational custodial account directly with the Fund, we may also disclose your Personal Information to the custodian for that account for shareholder servicing purposes. The Fund limits access to your Personal Information provided to unaffiliated third parties to information necessary to carry out their assigned responsibilities to the Fund. All shareholder records will be disposed of in accordance with applicable law. The Fund maintains physical, electronic and procedural safeguards to protect your Personal Information and requires its third party service providers with access to such information to treat your Personal Information with the same high degree of confidentiality.**

**In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, credit union, bank or trust company, the privacy policy of your financial intermediary governs how your non-public personal information is shared with unaffiliated third parties.**

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