



**WBI<sup>®</sup>**  
**FUNDS**

**WBI Tactical BA Fund**  
**WBI Tactical BP Fund**  
**WBI Tactical DI Fund**  
**WBI Tactical DG Fund**

**Semi-Annual Report**  
**May 31, 2016**

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## WBI Funds

### EXPENSE EXAMPLE – at May 31, 2016 (Unaudited)

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Generally, shareholders of mutual funds incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments, redemption fees, and exchange fees, and (2) ongoing costs, including management fees, distribution and/or service fees, and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The WBI Tactical BA Fund, WBI Tactical BP Fund, WBI Tactical DI Fund, and WBI Tactical DG Fund Examples are based on an investment of \$1,000 invested in the No Load Class and the Institutional Class of each Fund at the beginning of the period and held for the entire period (12/1/15– 5/31/16).

#### **Actual Expenses**

The first line of the tables on the following pages provides information about actual account values and actual expenses, with actual net expenses being limited to 1.75% and 1.50% per the operating expenses limitation agreement for the No Load Class and the Institutional Class, respectively, of each Fund. Although the Funds charge no sales load or 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 Funds' transfer agent. To the extent the Funds invest 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 Funds invest in addition to the expenses of the Funds. Actual expenses of the underlying funds are expected to vary among the various underlying funds. The Example on the following pages includes, but is not limited to, management fees, 12b-1 fees, fund accounting, custody and transfer agent fees. You may use the information in the first 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 entitled "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 tables on the following pages provides information about hypothetical account values and hypothetical expenses based on the Funds' actual expense ratios and an assumed rate of return of 5% per year before expenses, which is not the Funds' 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 Funds and other funds. To do so, compare this

## WBI Funds

### EXPENSE EXAMPLE – at May 31, 2016 (Unaudited), Continued

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 tables are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the second line of the tables 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 costs were included, your transaction costs would have been higher.

#### WBI Tactical BA Fund – No Load Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 996.30	\$8.18
Hypothetical (5% return before expenses)	\$1,000.00	\$1,016.80	\$8.27

\* Expenses are equal to the Fund's annualized expense ratio of 1.64%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

#### WBI Tactical BA Fund – Institutional Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 998.40	\$6.89
Hypothetical (5% return before expenses)	\$1,000.00	\$1,018.10	\$6.96

\* Expenses are equal to the Fund's annualized expense ratio of 1.38%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

#### WBI Tactical BP Fund – No Load Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 981.90	\$8.32
Hypothetical (5% return before expenses)	\$1,000.00	\$1,016.60	\$8.47

\* Expenses are equal to the Fund's annualized expense ratio of 1.68%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

## WBI Funds

### EXPENSE EXAMPLE – at May 31, 2016 (Unaudited), Continued

#### WBI Tactical BP Fund – Institutional Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 983.30	\$7.34
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.60	\$7.47

\* Expenses are equal to the Fund's annualized expense ratio of 1.48%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

#### WBI Tactical DI Fund – No Load Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 951.60	\$8.34
Hypothetical (5% return before expenses)	\$1,000.00	\$1,016.45	\$8.62

\* Expenses are equal to the Fund's annualized expense ratio of 1.71%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

#### WBI Tactical DI Fund – Institutional Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 953.10	\$6.93
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.90	\$7.16

\* Expenses are equal to the Fund's annualized expense ratio of 1.42%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

#### WBI Tactical DG Fund – No Load Class

	Beginning Account Value 12/1/15	Ending Account Value 5/31/16	Expenses Paid During Period 12/1/15 – 5/31/16*
Actual	\$1,000.00	\$ 957.80	\$8.12
Hypothetical (5% return before expenses)	\$1,000.00	\$1,016.70	\$8.37

\* Expenses are equal to the Fund's annualized expense ratio of 1.66%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

## WBI Funds

### EXPENSE EXAMPLE – at May 31, 2016 (Unaudited), Continued

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#### WBI Tactical DG Fund – Institutional Class

	<b>Beginning Account Value 12/1/15</b>	<b>Ending Account Value 5/31/16</b>	<b>Expenses Paid During Period 12/1/15 – 5/31/16*</b>
Actual	\$1,000.00	\$ 958.70	\$7.10
Hypothetical (5% return before expenses)	\$1,000.00	\$1,017.75	\$7.31

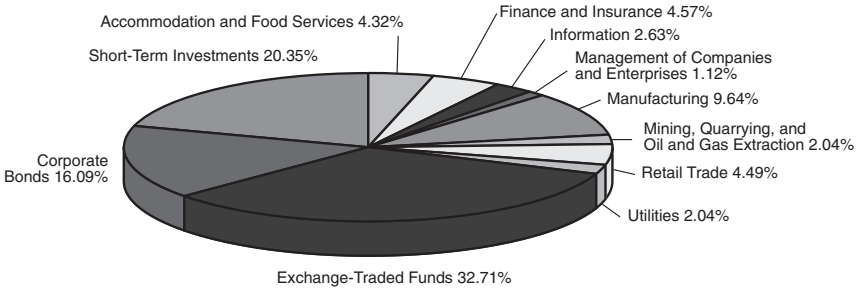
\* Expenses are equal to the Fund's annualized expense ratio of 1.45%, multiplied by the average account value over the period, multiplied by 183 (days in most recent fiscal half-year) divided by 366 days to reflect the one-half year expense.

# WBI Funds

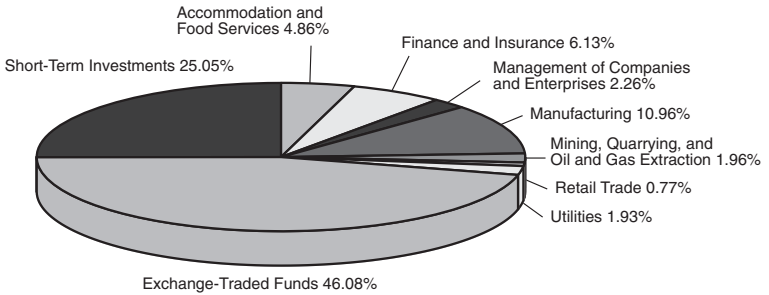
## SECTOR ALLOCATION OF PORTFOLIO ASSETS – at May 31, 2016 (Unaudited)

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### WBI Tactical BA Fund



### WBI Tactical BP Fund

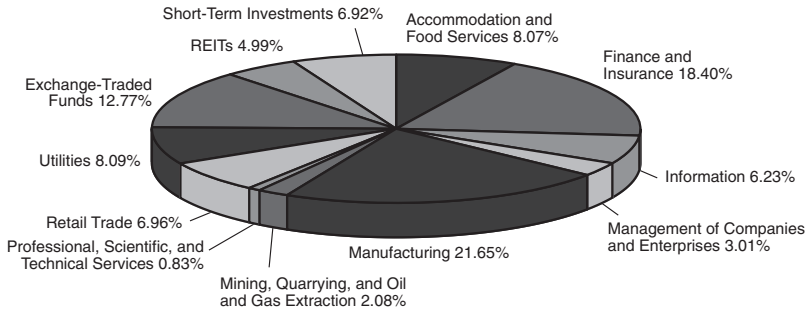


Percentages represent market value as a percentage of total investments.

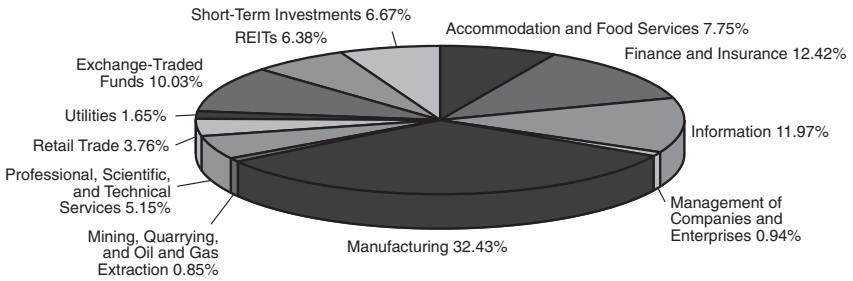
# WBI Funds

## SECTOR ALLOCATION OF PORTFOLIO ASSETS – at May 31, 2016 (Unaudited)

### WBI Tactical DI Fund



### WBI Tactical DG Fund



Percentages represent market value as a percentage of total investments.



## WBI Tactical BA Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited)

Shares	COMMON STOCKS - 30.66%	Value
	<b>Building Material and Garden Equipment - 4.46%</b>	
19,943	Fastenal Co. ....	\$ 917,976
5,648	Home Depot, Inc. ....	746,214
		<u>1,664,190</u>
	<b>Chemical Manufacturing - 1.58%</b>	
7,481	Syngenta AG - ADR ....	<u>590,176</u>
	<b>Credit Intermediation and Related Activities - 4.54%</b>	
15,836	Ameriprise Financial, Inc. ....	1,610,046
3,071	LegacyTexas Financial Group, Inc. ....	82,671
		<u>1,692,717</u>
	<b>Food Manufacturing - 1.94%</b>	
17,145	Pinnacle Foods, Inc. ....	<u>722,319</u>
	<b>Food Services and Drinking Places - 4.29%</b>	
23,601	Darden Restaurants, Inc. ....	<u>1,600,856</u>
	<b>Management of Companies and Enterprises - 1.12%</b>	
6,260	Tompkins Financial Corp. ....	<u>416,540</u>
	<b>Motion Picture and Sound Recording Industries - 2.62%</b>	
5,450	Cinemark Holdings, Inc. ....	197,181
10,306	Time Warner, Inc. ....	779,752
		<u>976,933</u>
	<b>Oil and Gas Extraction - 2.03%</b>	
9,781	BASF SE - ADR ....	<u>756,267</u>
	<b>Printing and Related Support Activities - 2.99%</b>	
15,009	Avery Dennison Corp. ....	<u>1,116,369</u>
	<b>Transportation Equipment Manufacturing - 3.07%</b>	
24,722	Harley-Davidson, Inc. ....	<u>1,146,854</u>
	<b>Utilities - 2.02%</b>	
12,563	WEC Energy Group, Inc. ....	<u>755,539</u>
	<b>TOTAL COMMON STOCKS</b>	
	(Cost \$11,207,158) .....	<u>11,438,760</u>

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

## WBI Tactical BA Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares	EXCHANGE-TRADED FUNDS - 32.52%	Value
9,297	iShares 10-20 Year Treasury Bond ETF . . . . .	\$ 1,310,412
15,264	iShares 20+ Year Treasury Bond ETF . . . . .	1,986,762
13,548	iShares 3-7 Year Treasury Bond ETF . . . . .	1,696,481
29,587	iShares iBoxx \$ Investment Grade Corporate Bond ETF . . . . .	3,532,392
11,996	iShares MBS ETF . . . . .	1,311,763
21,595	SPDR Barclays Aggregate Bond ETF . . . . .	1,263,739
11,373	Vanguard Long-Term Corporate Bond ETF . . . . .	<u>1,030,280</u>
	<b>TOTAL EXCHANGE-TRADED FUNDS</b> (Cost \$11,890,331) . . . . .	<u>12,131,829</u>
<hr/>		
Principal Amount	CORPORATE BONDS - 16.00%	
	<b>Accommodation - 0.87%</b>	
	Marriott International, Inc. 3.250%, 09/15/2022 . . . . .	<u>322,974</u>
\$320,000	<b>Ambulatory Health Care Services - 0.48%</b>	
	Laboratory Corp. of America Holdings 3.750%, 08/23/2022 . . . . .	<u>177,850</u>
170,000	<b>Broadcasting (Except Internet) - 1.42%</b>	
	Viacom, Inc. 3.500%, 04/01/2017 . . . . .	<u>530,393</u>
522,000	<b>Chemical Manufacturing - 1.34%</b>	
	Dow Chemical Co. 4.250%, 11/15/2020 . . . . .	<u>499,750</u>
460,000	<b>Credit Intermediation and Related Activities - 1.73%</b>	
	American Express Credit Corp. 2.800%, 09/19/2016 . . . . .	150,922
150,000	JPMorgan Chase & Co. 4.500%, 01/24/2022 . . . . .	<u>494,894</u>
450,000		<u>645,816</u>
	<b>Insurance Carriers and Related Activities - 1.19%</b>	
	Wellpoint, Inc. 3.125%, 05/15/2022 . . . . .	<u>444,848</u>
440,000	<b>Machinery Manufacturing - 1.28%</b>	
	Kennametal, Inc. 2.650%, 11/01/2019 . . . . .	<u>475,510</u>
490,000		<u>475,510</u>

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

## WBI Tactical BA Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Principal Amount	Value
	<b>Mining (except Oil and Gas) - 1.49%</b>
\$543,000	Potash Corporation of Saskatchewan, Inc. 3.250%, 12/01/2017 ..... \$ 556,535
	<b>Miscellaneous Manufacturing - 0.26%</b>
90,000	Zimmer Holdings, Inc. 4.625%, 11/30/2019 ..... 97,576
	<b>Miscellaneous Store Retailers - 1.84%</b>
680,000	Staples, Inc. 2.750%, 01/12/2018 ..... 684,896
	<b>Professional, Scientific, and Technical Services - 1.77%</b>
656,000	Amgen, Inc. 2.125%, 05/15/2017 ..... 661,841
	<b>Publishing Industries (Except Internet) - 2.33%</b>
660,000	Symantec Corp. 2.750%, 06/15/2017 ..... 665,501
193,000	Thomson Reuters Corp. 3.950%, 09/30/2021 ..... 204,127
	<u>869,628</u>
	<b>TOTAL CORPORATE BONDS</b>
	(Cost \$5,944,287) ..... 5,967,617
	<u>5,967,617</u>
<b>Shares</b>	<b>SHORT-TERM INVESTMENTS - 20.23%</b>
7,546,717	Invesco STIT-Treasury Portfolio - Institutional Class, 0.24% (a) ..... 7,546,717
	<b>TOTAL SHORT-TERM INVESTMENTS</b>
	(Cost \$7,546,717) ..... 7,546,717
	<u>7,546,717</u>
	<b>TOTAL INVESTMENTS IN SECURITIES</b>
	(Cost \$36,588,493) - 99.41% ..... 37,084,923
	Other Assets in Excess of Liabilities - 0.59% ... 220,762
	<u>220,762</u>
	<b>NET ASSETS - 100.00%</b> ..... <u>\$37,305,685</u>

ADR - American Depositary Receipt

ETF - Exchange-Traded Fund

(a) Rate shown is the 7-day annualized yield as of May 31, 2016.

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

## WBI Tactical BP Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited)

Shares	COMMON STOCKS - 29.58%	Value
	<b>Building Material and Garden Equipment - 0.79%</b>	
6,149	Fastenal Co. . . . .	\$ 283,038
	<b>Chemical Manufacturing - 1.93%</b>	
8,784	Syngenta AG - ADR . . . . .	692,970
	<b>Credit Intermediation and Related Activities - 6.28%</b>	
15,074	Ameriprise Financial, Inc. . . . .	1,532,575
26,619	LegacyTexas Financial Group, Inc. . . . .	716,583
		<u>2,249,158</u>
	<b>Food Manufacturing - 1.26%</b>	
10,476	B&G Foods, Inc. . . . .	450,363
	<b>Food Services and Drinking Places - 4.98%</b>	
6,805	Bob Evans Farms, Inc. . . . .	303,571
21,822	Darden Restaurants, Inc. . . . .	1,480,186
		<u>1,783,757</u>
	<b>Management of Companies and Enterprises - 2.31%</b>	
8,807	Park National Corp. . . . .	827,330
	<b>Oil and Gas Extraction - 2.01%</b>	
9,317	BASF SE - ADR . . . . .	720,390
	<b>Primary Metal Manufacturing - 4.00%</b>	
58,054	Steel Dynamics, Inc. . . . .	1,433,353
	<b>Transportation Equipment Manufacturing - 4.04%</b>	
31,171	Harley-Davidson, Inc. . . . .	1,446,023
	<b>Utilities - 1.98%</b>	
11,779	WEC Energy Group, Inc. . . . .	708,389
	<b>TOTAL COMMON STOCKS</b>	
	(Cost \$10,211,994) . . . . .	<u>10,594,771</u>

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

## WBI Tactical BP Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares	EXCHANGE-TRADED FUNDS - 47.21%	Value
33,220	Guggenheim BulletShares 2022 Corporate Bond ETF . . . . .	\$ 701,274
7,320	iShares 10-20 Year Treasury Bond ETF . . . . .	1,031,754
12,065	iShares 20+ Year Treasury Bond ETF . . . . .	1,570,380
9,351	iShares 3-7 Year Treasury Bond ETF . . . . .	1,170,932
19,852	iShares Intermediate Credit Bond ETF . . . . .	2,180,941
9,473	iShares MBS ETF . . . . .	1,035,873
9,865	PIMCO Total Return Active ETF . . . . .	1,043,520
84,100	PowerShares Financial Preferred Portfolio . . . . .	1,597,900
152,142	PowerShares Preferred Portfolio . . . . .	2,298,866
16,914	SPDR Barclays Aggregate Bond ETF . . . . .	989,807
28,676	Vanguard Intermediate-Term Bond ETF . . . . .	2,465,849
9,029	Vanguard Long-Term Corporate Bond ETF . . . . .	817,937
	<b>TOTAL EXCHANGE-TRADED FUNDS</b> (Cost \$16,625,448) . . . . .	<u>16,905,033</u>
<b>SHORT-TERM INVESTMENTS - 25.66%</b>		
9,188,929	Invesco STIT-Treasury Portfolio - Institutional Class, 0.24% (a) . . . . .	<u>9,188,929</u>
	<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$9,188,929) . . . . .	<u>9,188,929</u>
	<b>TOTAL INVESTMENTS IN SECURITIES</b> (Cost \$36,026,371) - 102.45% . . . . .	36,688,733
	Liabilities in Excess of Other Assets - (2.45)% . . . . .	<u>(876,746)</u>
	<b>NET ASSETS - 100.00%</b> . . . . .	<u><u>\$35,811,987</u></u>

ADR - American Depositary Receipt

ETF - Exchange-Traded Fund

(a) Rate shown is the 7-day annualized yield as of May 31, 2016.

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

## WBI Tactical DI Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited)

Shares	COMMON STOCKS - 73.19%	Value
	<b>Building Material and Garden Equipment - 2.78%</b>	
809	Fastenal Co. ....	\$ 37,238
673	Home Depot, Inc. ....	88,917
		126,155
	<b>Chemical Manufacturing - 0.97%</b>	
559	Syngenta AG - ADR .....	44,100
	<b>Credit Intermediation and Related Activities - 17.88%</b>	
1,420	Ameriprise Financial, Inc. ....	144,371
5,956	Cathay General Bancorp .....	183,565
5,279	Chemical Financial Corp. ....	207,993
1,546	Independent Bank Corp. ....	76,202
1,055	Lakeland Financial Corp. ....	51,769
5,488	LegacyTexas Financial Group, Inc. ....	147,737
		811,637
	<b>Fabricated Metal Product Manufacturing - 3.91%</b>	
2,681	Sturm Ruger & Co., Inc. ....	177,563
	<b>Food and Beverage Stores - 3.99%</b>	
8,176	Koninklijke Ahold N.V. - ADR .....	181,029
	<b>Food Manufacturing - 5.20%</b>	
2,468	B&G Foods, Inc. ....	106,099
3,081	Pinnacle Foods, Inc. ....	129,803
		235,902
	<b>Food Services and Drinking Places - 7.84%</b>	
3,824	Bob Evans Farms, Inc. ....	170,589
2,733	Darden Restaurants, Inc. ....	185,379
		355,968
	<b>Management of Companies and Enterprises - 2.92%</b>	
1,173	Renasant Corp. ....	40,363
1,389	Tompkins Financial Corp. ....	92,424
		132,787

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

## WBI Tactical DI Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares		Value
	<b>Motion Picture and Sound</b>	
	<b>Recording Industries - 6.05%</b>	
3,786	Cinemark Holdings, Inc. ....	\$ 136,978
1,822	Time Warner, Inc. ....	137,853
		<u>274,831</u>
	<b>Oil and Gas Extraction - 2.02%</b>	
1,188	BASF SE - ADR ....	<u>91,856</u>
	<b>Primary Metal Manufacturing - 3.02%</b>	
5,547	Steel Dynamics, Inc. ....	<u>136,954</u>
	<b>Printing and Related</b>	
	<b>Support Activities - 2.91%</b>	
1,775	Avery Dennison Corp. ....	<u>132,025</u>
	<b>Professional, Scientific, and</b>	
	<b>Technical Services - 0.81%</b>	
1,540	Monotype Imaging Holdings, Inc. ....	<u>36,775</u>
	<b>Transportation Equipment</b>	
	<b>Manufacturing - 5.03%</b>	
769	Autoliv, Inc. ....	94,287
2,892	Harley-Davidson, Inc. ....	<u>134,160</u>
		<u>228,447</u>
	<b>Utilities - 7.86%</b>	
2,815	Great Plains Energy, Inc. ....	82,142
7,023	Korea Electric Power Corp. - ADR (a) ....	185,477
1,480	WEC Energy Group, Inc. ....	<u>89,007</u>
		<u>356,626</u>
	<b>TOTAL COMMON STOCKS</b>	
	(Cost \$3,212,556) ....	<u>3,322,655</u>
	<b>EXCHANGE-TRADED FUNDS - 12.40%</b>	
1,265	iShares 3-7 Year Treasury Bond ETF ....	158,403
1,855	iShares Intermediate Credit Bond ETF ....	203,790
2,218	Vanguard Long-Term Corporate Bond ETF ....	<u>200,929</u>
	<b>TOTAL EXCHANGE-TRADED FUNDS</b>	
	(Cost \$560,961) ....	<u>563,122</u>

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

## WBI Tactical DI Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares	REITs - 4.84%	Value
2,981	DuPont Fabros Technology, Inc. ....	\$ 126,126
2,819	Geo Group, Inc. ....	<u>93,760</u>
	<b>TOTAL REITs</b>	
	(Cost \$217,898) .....	<u>219,886</u>
<b>SHORT-TERM INVESTMENTS - 6.73%</b>		
305,298	Invesco STIT-Treasury Portfolio - Institutional Class, 0.24% (b) .....	<u>305,298</u>
	<b>TOTAL SHORT-TERM INVESTMENTS</b>	
	(Cost \$305,298) .....	<u>305,298</u>
	<b>TOTAL INVESTMENTS IN SECURITIES</b>	
	(Cost \$4,296,713) - 97.16% .....	4,410,961
	Other Assets in Excess of Liabilities - 2.84% ...	<u>128,999</u>
	<b>NET ASSETS - 100.00%</b> .....	<u><u>\$4,539,960</u></u>

ADR - American Depositary Receipt

ETF - Exchange-Traded Fund

REIT - Real Estate Investment Trust

(a) Non-income producing security.

(b) Rate shown is the 7-day annualized yield as of May 31, 2016.

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



## WBI Tactical DG Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited)

Shares	COMMON STOCKS - 81.62%	Value
	<b>Broadcasting (Except Internet) - 5.07%</b>	
8,061	Scripps Networks Interactive, Inc. ....	\$ 518,645
7,534	Walt Disney Co. ....	<u>747,523</u>
		1,266,168
	<b>Building Material and Garden Equipment - 3.99%</b>	
5,409	Fastenal Co. ....	248,976
5,662	Home Depot, Inc. ....	<u>748,064</u>
		997,040
	<b>Chemical Manufacturing - 5.72%</b>	
6,998	PPG Industries, Inc. ....	753,544
3,173	Syngenta AG - ADR ....	250,318
3,810	WD-40 Co. ....	<u>424,320</u>
		1,428,182
	<b>Computer and Electronic Product Manufacturing - 6.20%</b>	
24,138	Intel Corp. ....	762,519
3,692	Northrop Grumman Corp. ....	<u>785,178</u>
		1,547,697
	<b>Credit Intermediation and Related Activities - 7.36%</b>	
6,701	Ameriprise Financial, Inc. ....	681,291
13,845	Chemical Financial Corp. ....	545,493
4,825	Independent Bank Corp. ....	237,824
7,617	Lakeland Financial Corp. ....	<u>373,766</u>
		1,838,374
	<b>Data Processing, Hosting, and Related Services - 1.36%</b>	
7,154	Capgemini SA - ADR ....	<u>340,888</u>
	<b>Fabricated Metal Product Manufacturing - 1.39%</b>	
5,237	Sturm Ruger & Co., Inc. ....	<u>346,847</u>
	<b>Food Manufacturing - 7.12%</b>	
7,116	B&G Foods, Inc. ....	305,917
3,658	Ingredion, Inc. ....	429,486
4,572	Lancaster Colony Corp. ....	554,264
11,627	Pinnacle Foods, Inc. ....	<u>489,845</u>
		1,779,512

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

## WBI Tactical DG Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares		Value
	<b>Food Services and Drinking Places - 8.22%</b>	
14,734	Cheesecake Factory, Inc. ....	\$ 734,784
15,536	Darden Restaurants, Inc. ....	1,053,807
5,922	Texas Roadhouse, Inc. ....	265,365
		<u>2,053,956</u>
	<b>Furniture and Related</b>	
	<b>Product Manufacturing - 0.45%</b>	
4,291	La-Z-Boy, Inc. ....	<u>113,626</u>
	<b>Insurance Carriers and</b>	
	<b>Related Activities - 5.82%</b>	
6,467	Selective Insurance Group, Inc. ....	240,249
9,077	UnitedHealth Group, Inc. ....	1,213,323
		<u>1,453,572</u>
	<b>Machinery Manufacturing - 1.58%</b>	
16,885	Vestas Wind Systems A/S - ADR ....	<u>395,616</u>
	<b>Management of Companies</b>	
	<b>and Enterprises - 1.00%</b>	
7,269	Renasant Corp. ....	<u>250,126</u>
	<b>Medical Equipment and</b>	
	<b>Supplies Manufacturing - 2.04%</b>	
7,333	STERIS plc (b) ....	<u>509,130</u>
	<b>Motion Picture and Sound</b>	
	<b>Recording Industries - 0.94%</b>	
6,513	Cinemark Holdings, Inc. ....	<u>235,641</u>
	<b>Oil and Gas Extraction - 0.90%</b>	
2,901	BASF SE - ADR ....	<u>224,305</u>
	<b>Primary Metal Manufacturing - 2.79%</b>	
28,206	Steel Dynamics, Inc. ....	<u>696,406</u>
	<b>Printing and Related</b>	
	<b>Support Activities - 2.93%</b>	
9,829	Avery Dennison Corp. ....	<u>731,081</u>
	<b>Professional, Scientific, and</b>	
	<b>Technical Services - 5.46%</b>	
5,220	Exponent, Inc. ....	281,410
5,392	GEA Group AG - ADR ....	250,674
24,250	Hackett Group, Inc. ....	354,535
6,136	Pandora A/S - ADR ....	227,830

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

## WBI Tactical DG Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares		Value
	<b>Professional, Scientific, and Technical Services - 5.46%, Continued</b>	
8,884	Sabre Corp. ....	\$ 250,262
		<u>1,364,711</u>
	<b>Publishing Industries (Except Internet) - 5.33%</b>	
16,689	MSCI, Inc. ....	<u>1,331,615</u>
	<b>Transportation Equipment Manufacturing - 4.20%</b>	
4,370	Autoliv, Inc. ....	535,806
11,081	Harley-Davidson, Inc. ....	514,047
		<u>1,049,853</u>
	<b>Utilities - 1.75%</b>	
7,273	WEC Energy Group, Inc. ....	<u>437,398</u>
	<b>TOTAL COMMON STOCKS</b>	
	(Cost \$19,409,899) ....	<u>20,391,744</u>
	<b>EXCHANGE-TRADED FUNDS - 10.64%</b>	
13,138	iShares iBoxx \$ Investment Grade Corporate Bond ETF ....	1,568,546
19,774	SPDR Barclays International Treasury Bond ETF (a) ....	<u>1,088,954</u>
	<b>TOTAL EXCHANGE-TRADED FUNDS</b>	
	(Cost \$2,524,173) ....	<u>2,657,500</u>
	<b>REITs - 6.77%</b>	
12,540	DuPont Fabros Technology, Inc. ....	530,568
15,524	Geo Group, Inc. ....	516,328
9,161	National Retail Properties, Inc. ....	415,268
11,174	RLJ Lodging Trust ....	<u>228,955</u>
	<b>TOTAL REITs</b>	
	(Cost \$1,682,186) ....	<u>1,691,119</u>

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

## WBI Tactical DG Fund

### SCHEDULE OF INVESTMENTS at May 31, 2016 (Unaudited), Continued

Shares	SHORT-TERM INVESTMENTS - 7.07%	Value
1,767,693	Invesco STIT-Treasury Portfolio - Institutional Class, 0.24% (c) . . . . .	\$ 1,767,693
	<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$1,767,693) . . . . .	<u>1,767,693</u>
	<b>TOTAL INVESTMENTS IN SECURITIES</b> (Cost \$25,383,951) - 106.10% . . . . .	26,508,056
	Liabilities in Excess of Other Assets - (6.10)% . . . . .	<u>(1,524,402)</u>
	<b>NET ASSETS - 100.00%</b> . . . . .	<u><u>\$24,983,654</u></u>

ADR - American Depositary Receipt

ETF - Exchange-Traded Fund

REIT - Real Estate Investment Trust

(a) Non-income producing security.

(b) U.S. traded security of a foreign issuer.

(c) Rate shown is the 7-day annualized yield as of May 31, 2016.

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

## WBI Tactical DG Fund

### SCHEDULE OF OPTIONS WRITTEN at May 31, 2016 (Unaudited)

Contracts	OPTIONS WRITTEN	Value
	<b>Call Options</b>	
71	B&G Foods, Inc. Expiration: June 2016, Exercise Price: \$45.00 .....	\$ 1,598
241	Intel Corp. Expiration: June 2016, Exercise Price: \$32.00 .....	6,025
36	Northrop Grumman Corp. Expiration: June 2016, Exercise Price: \$220.00 .....	1,260
90	UnitedHealth Group, Inc. Expiration: June 2016, Exercise Price: \$135.00 .....	10,890
69	Walt Disney Co. Expiration: July 2016, Exercise Price: \$105.00 .....	<u>2,415</u>
	<b>TOTAL OPTIONS WRITTEN</b> (Premiums received \$28,732) .....	<u><u>\$22,188</u></u>

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

## WBI Funds

### STATEMENTS OF ASSETS AND LIABILITIES as of May 31, 2016 (Unaudited)

	WBI Tactical BA Fund	WBI Tactical BP Fund
<b>ASSETS</b>		
Investments in securities, at value (identified cost \$36,588,493 and \$36,026,371, respectively) .....	\$37,084,923	\$36,688,733
Cash .....	3	3
Receivables		
Investment securities sold .....	2,004,776	2,484,553
Fund shares sold .....	61,010	88,573
Dividends and interest .....	68,912	30,155
Dividend tax reclaim .....	—	2,706
Prepaid expenses .....	16,503	31,941
Total assets .....	<u>39,236,127</u>	<u>39,326,664</u>
<b>LIABILITIES</b>		
Payables		
Investment securities purchased .....	1,697,564	3,285,279
Fund shares redeemed .....	140,405	165,366
Advisory fees .....	24,103	27,366
Shareholder servicing fees .....	16,349	8,563
Administration and fund accounting fees .....	12,975	5,575
Audit fees .....	10,351	10,351
Shareholder reporting .....	8,761	4,356
12b-1 fees .....	7,993	2,889
Transfer agent fees and expenses .....	6,234	1,628
Custody fees .....	2,991	1,360
Chief Compliance Officer fee .....	1,500	1,500
Legal fees .....	903	444
Trustee fees .....	313	—
Total liabilities .....	<u>1,930,442</u>	<u>3,514,677</u>
<b>NET ASSETS</b> .....	<u>\$37,305,685</u>	<u>\$35,811,987</u>

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

## WBI Funds

### STATEMENTS OF ASSETS AND LIABILITIES as of May 31, 2016 (Unaudited), Continued

	WBI Tactical BA Fund	WBI Tactical BP Fund
<b>CALCULATION OF NET ASSET VALUE PER SHARE</b>		
<b>No Load Shares</b>		
Net assets applicable to shares outstanding . . . . .	\$18,088,433	\$ 6,347,302
Shares issued and outstanding [unlimited number of shares (par value \$0.01) authorized] . . . . .	1,811,725	652,247
<b>Net asset value, offering and redemption price per share . . . . .</b>	<b>\$ 9.98</b>	<b>\$ 9.73</b>
<b>Institutional Shares</b>		
Net assets applicable to shares outstanding . . . . .	\$19,217,252	\$29,464,685
Shares issued and outstanding [unlimited number of shares (par value \$0.01) authorized] . . . . .	1,913,686	3,020,682
<b>Net asset value, offering and redemption price per share . . . . .</b>	<b>\$ 10.04</b>	<b>\$ 9.75</b>
<b>COMPONENTS OF NET ASSETS</b>		
Paid-in capital . . . . .	\$41,487,658	\$38,278,661
Undistributed net investment income . . . . .	22,702	26,550
Accumulated net realized loss from investments and options . . . . .	(4,701,105)	(3,155,586)
Net unrealized appreciation on investments . . . . .	493,815	662,362
Prior Year REIT Return of Capital . . . . .	2,615	—
Net assets . . . . .	<b>\$37,305,685</b>	<b>\$35,811,987</b>

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

## WBI Funds

### STATEMENTS OF ASSETS AND LIABILITIES as of May 31, 2016 (Unaudited), Continued

	WBI Tactical DI Fund	WBI Tactical DG Fund
<b>ASSETS</b>		
Investments in securities, at value (identified cost \$4,296,713 and \$25,383,951, respectively) .....	\$4,410,961	\$26,508,056
Cash .....	—	2
Receivables		
Investment securities sold .....	475,161	734,110
Fund shares sold .....	—	8,897
Due from Advisor (Note 4) .....	2,882	—
Dividends and interest .....	6,262	37,031
Dividend tax reclaim .....	1,042	2,395
Prepaid expenses .....	27,330	19,398
Total assets .....	4,923,638	27,309,889
<b>LIABILITIES</b>		
Options written, at value (premiums received \$0 and \$28,732, respectively)	—	22,188
Payables		
Investment securities purchased .....	362,295	2,208,653
Audit fees .....	10,351	10,351
Administration and fund accounting fees .....	2,885	11,160
Custody fees .....	2,334	3,875
Shareholder reporting .....	1,817	7,059
Chief Compliance Officer fee .....	1,500	1,500
Transfer agent fees and expenses .....	1,210	6,140
12b-1 fees .....	409	5,553
Legal fees .....	391	952
Trustee fees .....	247	326
Shareholder servicing fees .....	239	11,841
Fund shares redeemed .....	—	25,357
Advisory fees .....	—	11,280
Total liabilities .....	383,678	2,326,235
<b>NET ASSETS</b> .....	<b>\$4,539,960</b>	<b>\$24,983,654</b>

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



## WBI Funds

### STATEMENTS OF ASSETS AND LIABILITIES as of May 31, 2016 (Unaudited), Continued

	WBI Tactical DI Fund	WBI Tactical DG Fund
<b>CALCULATION OF NET ASSET VALUE PER SHARE</b>		
<b>No Load Shares</b>		
Net assets applicable to shares outstanding . . . . .	\$ 741,883	\$12,697,793
Shares issued and outstanding [unlimited number of shares (par value \$0.01) authorized] . . . . .	81,735	1,234,132
<b>Net asset value, offering and redemption price per share . . . . .</b>	<b>\$ 9.08</b>	<b>\$ 10.29</b>
<b>Institutional Shares</b>		
Net assets applicable to shares outstanding . . . . .	\$3,798,077	\$12,285,861
Shares issued and outstanding [unlimited number of shares (par value \$0.01) authorized] . . . . .	417,171	1,188,502
<b>Net asset value, offering and redemption price per share . . . . .</b>	<b>\$ 9.10</b>	<b>\$ 10.34</b>
<b>COMPONENTS OF NET ASSETS</b>		
Paid-in capital . . . . .	\$6,095,512	\$30,183,644
Undistributed net investment income . . . . .	16,098	12,905
Accumulated net realized loss on investments and options . . . . .	(1,685,898)	(6,343,545)
Net unrealized appreciation on:		
Investments . . . . .	114,248	1,124,105
Written options . . . . .	—	6,545
Net unrealized appreciation on investments and options . . . . .	114,248	1,130,650
Net assets . . . . .	<b>\$4,539,960</b>	<b>\$24,983,654</b>

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

## WBI Funds

### STATEMENTS OF OPERATIONS For the six months ended May 31, 2016 (Unaudited)

	WBI Tactical BA Fund	WBI Tactical BP Fund
<b>INVESTMENT INCOME</b>		
Income		
Dividends (Net of foreign taxes withheld and issuance fees of \$4,262 and \$2,029, respectively) .	\$ 290,205	\$ 325,865
Interest . . . . .	90,305	14,375
Total investment income . . . . .	380,510	340,240
Expenses		
Advisory fees (Note 4) . . . . .	181,748	148,315
Administration and fund accounting fees (Note 4) . . . . .	38,869	26,627
Distribution fees - No Load Shares (Note 5) . . . . .	25,937	9,174
Shareholder servicing fees - No Load Shares (Note 6) . . . . .	11,526	5,335
Shareholder servicing fees - Institutional Shares (Note 6) . . . . .	10,360	29,691
Transfer agent fees and expenses (Note 4) . . . . .	18,139	11,487
Registration fees . . . . .	14,946	16,033
Audit fees . . . . .	10,351	10,350
Reports to shareholders . . . . .	5,252	3,296
Legal fees . . . . .	5,089	4,994
Custody fees (Note 4) . . . . .	4,959	3,666
Trustee fees . . . . .	4,774	4,831
Chief Compliance Officer fee (Note 4) . . . . .	4,500	4,500
Other expenses . . . . .	2,869	3,201
Insurance expense . . . . .	1,328	1,034
Total expenses . . . . .	340,647	282,534
Advisory fee waiver and expense reimbursement (Note 4) . . . . .	(18,943)	(17,408)
Net expenses . . . . .	321,704	265,126
<b>Net investment income</b> . . . . .	<b>\$ 58,806</b>	<b>\$ 75,114</b>

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

## WBI Funds

### STATEMENTS OF OPERATIONS For the six months ended May 31, 2016 (Unaudited), Continued

	<u>WBI Tactical BA Fund</u>	<u>WBI Tactical BP Fund</u>
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS AND OPTIONS		
Net realized loss on investments and options . . . . .	\$(521,958)	\$(1,375,347)
Capital gain distributions from regulated investment companies . . . . .	7,189	7,049
Net change in unrealized appreciation on investments . . . . .	<u>254,451</u>	<u>764,938</u>
Net realized and unrealized loss on investments and options . . . . .	<u>(260,318)</u>	<u>(603,360)</u>
<b>Net Decrease in Net Assets Resulting from Operations . . . . .</b>	<u><u>\$(201,512)</u></u>	<u><u>\$ (528,246)</u></u>

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

## WBI Funds

### STATEMENTS OF OPERATIONS For the six months ended May 31, 2016 (Unaudited), Continued

	WBI Tactical DI Fund	WBI Tactical DG Fund
<b>INVESTMENT INCOME</b>		
Income		
Dividends (Net of foreign taxes withheld and issuance fees of \$4,739 and \$11,842, respectively) .	\$ 62,773	\$ 314,955
Interest . . . . .	2,127	7,942
Total investment income . . . . .	64,900	322,897
Expenses		
Advisory fees (Note 4) . . . . .	23,640	130,833
Registration fees . . . . .	14,932	16,974
Audit fees . . . . .	10,350	10,351
Shareholder servicing fees - No Load Shares (Note 6) . . . . .	1,208	9,460
Shareholder servicing fees - Institutional Shares (Note 6) . . . . .	4,674	14,124
Administration and fund accounting fees (Note 4) . . . . .	5,417	32,109
Legal fees . . . . .	4,819	5,002
Chief Compliance Officer fee (Note 4) . . . . .	4,500	4,500
Trustee fees . . . . .	4,490	4,747
Other expenses . . . . .	3,010	2,775
Custody fees (Note 4) . . . . .	3,825	6,700
Transfer agent fees and expenses (Note 4) . . . . .	2,263	14,736
Distribution fees - No Load Shares (Note 5) . . . . .	1,644	18,426
Reports to shareholders . . . . .	1,096	4,271
Insurance expense . . . . .	799	1,226
Total expenses . . . . .	86,667	276,234
Less: advisory fee waiver and expense reimbursement (Note 4) . . . . .	(45,370)	(37,362)
Net expenses . . . . .	41,297	238,872
<b>Net investment income</b> . . . . .	<b>23,603</b>	<b>84,025</b>

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

## WBI Funds

### STATEMENTS OF OPERATIONS For the six months ended May 31, 2016 (Unaudited), Continued

	WBI Tactical DI Fund	WBI Tactical DG Fund
REALIZED AND UNREALIZED GAIN/(LOSS) ON INVESTMENTS AND OPTIONS		
Net realized loss on investments and options . . . . .	\$(288,844)	\$(1,724,104)
Capital gain distributions from regulated investment companies . . . . .	788	—
Net change in unrealized appreciation/(depreciation) on:		
Investments . . . . .	(84,603)	(166,786)
Written options . . . . .	<u>—</u>	<u>6,545</u>
Net realized and unrealized loss on investments and options . . . . .	<u>(372,659)</u>	<u>(1,884,345)</u>
<b>Net Decrease in Net Assets</b>		
<b>Resulting from Operations</b> . . . . .	<u><u>\$(349,056)</u></u>	<u><u>\$(1,800,320)</u></u>

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

# WBI Tactical BA Fund

## STATEMENTS OF CHANGES IN NET ASSETS

	<b>Six Months Ended</b>	<b>Year Ended</b>
	<b>May 31, 2016</b>	<b>November 30, 2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>INCREASE/(DECREASE) IN NET ASSETS FROM:</b>		
<b>OPERATIONS</b>		
Net investment income .....	\$ 58,806	\$ 144,328
Net realized loss on:		
Investments .....	(503,564)	(4,077,543)
Purchased options .....	(18,394)	(93,774)
Written options .....	—	(1,350)
Capital gain distributions from regulated investment companies .....	7,189	11,960
Net change in unrealized appreciation on investments .....	<u>254,451</u>	<u>(1,906,315)</u>
<b>Net decrease in net assets resulting from operations .....</b>	<b><u>(201,512)</u></b>	<b><u>(5,922,694)</u></b>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income		
No Load Shares .....	(5,800)	(58,684)
Institutional Shares .....	(30,304)	(132,261)
From net realized gain on investments		
No Load Shares .....	—	(1,398,880)
Institutional Shares .....	—	(2,105,939)
<b>Total distributions to shareholders .....</b>	<b><u>(36,104)</u></b>	<b><u>(3,695,764)</u></b>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Net decrease in net assets derived from net change in outstanding shares (a) .....	<u>(11,901,824)</u>	<u>(22,413,537)</u>
<b>Total decrease in net assets .....</b>	<b><u>(12,139,440)</u></b>	<b><u>(32,031,995)</u></b>
<b>NET ASSETS</b>		
Beginning of period .....	<u>49,445,125</u>	<u>81,477,120</u>
<b>End of period .....</b>	<b><u>\$ 37,305,685</u></b>	<b><u>\$ 49,445,125</u></b>
Undistributed net investment loss at end of period .....	<u>\$ 22,702</u>	<u>\$ —</u>

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

## WBI Tactical BA Fund

### STATEMENTS OF CHANGES IN NET ASSETS, Continued

(a) A summary of share transactions is as follows:

	No Load Shares		No Load Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	220,576	\$ 2,161,154	928,245	\$ 9,917,095
Shares issued on reinvestments of distributions . . . . .	584	5,779	135,726	1,457,376
Shares redeemed* . . . . .	(846,805)	(8,339,482)	(1,409,201)	(14,714,833)
Net decrease . . . . .	(625,645)	\$(6,172,549)	(345,230)	\$ (3,340,362)
* Net of redemption fees of		\$ 3,758		\$ 3,373
	Institutional Shares		Institutional Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	485,349	\$ 4,765,358	1,896,508	\$ 20,182,468
Shares issued on reinvestments of distributions . . . . .	2,977	29,631	206,235	2,219,284
Shares redeemed* . . . . .	(1,060,400)	(10,524,264)	(3,975,974)	(41,474,927)
Net decrease . . . . .	(572,074)	\$ (5,729,275)	(1,873,231)	\$(19,073,175)
* Net of redemption fees of		\$ 477		\$ 91,938

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

# WBI Tactical BP Fund

## STATEMENTS OF CHANGES IN NET ASSETS

	<b>Six Months Ended</b>	<b>Year Ended</b>
	<b>May 31, 2016</b>	<b>November 30, 2015</b>
	<b>(Unaudited)</b>	<b></b>
<b>INCREASE/(DECREASE) IN</b>		
<b>NET ASSETS FROM:</b>		
<b>OPERATIONS</b>		
Net investment income .....	\$ 75,114	\$ 285,312
Net realized loss on:		
Investments .....	(1,360,784)	(1,748,700)
Purchased options .....	(14,563)	(34,028)
Written options .....	—	(8,854)
Capital gain distributions from regulated investment companies .....	7,049	10,989
Net change in unrealized appreciation on investments .....	<u>764,938</u>	<u>(800,968)</u>
<b>Net decrease in net assets</b> <b>resulting from operations</b> .....	<u>(528,246)</u>	<u>(2,296,249)</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income		
No Load Shares .....	(16,407)	(54,416)
Institutional Shares .....	(60,986)	(208,749)
From net realized gain on investments		
No Load Shares .....	—	(118,480)
Institutional Shares .....	—	(362,293)
<b>Total distributions to shareholders</b> .....	<u>(77,393)</u>	<u>(743,938)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Net increase in net assets derived from net change in outstanding shares (a) .....	<u>2,922,520</u>	<u>9,242,391</u>
<b>Total increase in net assets</b> .....	<u>2,316,881</u>	<u>6,202,204</u>
<b>NET ASSETS</b>		
Beginning of period .....	<u>33,495,106</u>	<u>27,292,902</u>
<b>End of period</b> .....	<u>\$35,811,987</u>	<u>\$33,495,106</u>
Undistributed net investment income at end of period .....	<u>\$ 26,550</u>	<u>\$ 28,829</u>

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



## WBI Tactical BP Fund

### STATEMENTS OF CHANGES IN NET ASSETS, Continued

(a) A summary of share transactions is as follows:

	No Load Shares		No Load Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	271,794	\$ 2,668,230	532,306	\$ 5,541,618
Shares issued on reinvestments of distributions . . . . .	1,664	16,407	16,461	172,896
Shares redeemed* . . . . .	(301,691)	(2,930,444)	(488,456)	(5,030,214)
Net increase/(decrease) . .	(28,233)	\$ (245,807)	60,311	\$ 684,300
* Net of redemption fees of		\$ —		\$ 404
	Institutional Shares		Institutional Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	1,393,313	\$ 13,445,486	2,016,735	\$ 21,159,817
Shares issued on reinvestments of distributions . . . . .	6,178	60,978	54,459	571,042
Shares redeemed* . . . . .	(1,067,077)	(10,338,137)	(1,271,374)	(13,172,768)
Net increase . . . . .	332,414	\$ 3,168,327	799,820	\$ 8,558,091
* Net of redemption fees of		\$ 4,950		\$ 9,548

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

# WBI Tactical DI Fund

## STATEMENTS OF CHANGES IN NET ASSETS

	<b>Six Months Ended</b>	<b>Year Ended</b>
	<b>May 31, 2016</b>	<b>November 30, 2015</b>
	<b>(Unaudited)</b>	<b></b>
<b>INCREASE/(DECREASE) IN</b>		
<b>NET ASSETS FROM:</b>		
<b>OPERATIONS</b>		
Net investment income .....	\$ 23,603	\$ 80,185
Net realized gain/(loss) on:		
Investments .....	(287,824)	(1,395,611)
Purchased options .....	(1,020)	(10,788)
Written options .....	—	8,557
Capital gain distributions from regulated investment companies .....	788	—
Net change in unrealized appreciation on investments .....	(84,603)	9,566
<b>Net increase/(decrease) in net assets resulting from operations .....</b>	<b>(349,056)</b>	<b>(1,308,091)</b>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
From net investment income		
No Load Shares .....	(1,545)	(14,753)
Institutional Shares .....	(5,960)	(66,723)
From net realized gain on investments		
No Load Shares .....	—	(21,887)
Institutional Shares .....	—	(184,253)
<b>Total distributions to shareholders .....</b>	<b>(7,505)</b>	<b>(287,616)</b>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Net decrease in net assets derived from net change in outstanding shares (a) .....	(2,438,551)	(9,954,267)
<b>Total decrease in net assets .....</b>	<b>(2,795,112)</b>	<b>(11,549,974)</b>
<b>NET ASSETS</b>		
Beginning of period .....	7,335,072	18,885,046
<b>End of period .....</b>	<b>\$ 4,539,960</b>	<b>\$ 7,335,072</b>
Undistributed net investment income at end of period .....	\$ 16,098	\$ —

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

## WBI Tactical DI Fund

### STATEMENTS OF CHANGES IN NET ASSETS, Continued

(a) A summary of share transactions is as follows:

	No Load Shares		No Load Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	3,411	\$ 30,808	105,649	\$ 1,070,580
Shares issued on reinvestments of distributions . . . . .	167	1,545	3,498	36,639
Shares redeemed* . . . . .	(100,232)	(894,751)	(107,373)	(1,064,181)
Net increase/(decrease) . .	(96,654)	\$(862,398)	1,774	\$ 43,038
* Net of redemption fees of		\$ —		\$ 618

	Institutional Shares		Institutional Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	47,463	\$ 420,346	375,953	\$ 3,847,221
Shares issued on reinvestments of distributions . . . . .	644	5,960	23,575	250,961
Shares redeemed* . . . . .	(220,493)	(2,002,459)	(1,363,441)	(14,095,487)
Net decrease . . . . .	(172,386)	\$(1,576,153)	(963,913)	\$ (9,997,305)
* Net of redemption fees of		\$ 779		\$ 5,885

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

# WBI Tactical DG Fund

## STATEMENTS OF CHANGES IN NET ASSETS

	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30, 2015
INCREASE/(DECREASE) IN		
NET ASSETS FROM:		
OPERATIONS		
Net investment income .....	\$ 84,025	\$ 168,802
Net realized gain/(loss) on:		
Investments .....	(1,718,789)	(4,516,449)
Purchased options .....	(5,315)	(194,753)
Written options .....	—	72,210
Net change in unrealized appreciation on:		
Investments .....	(166,786)	(2,332,101)
Written options .....	6,545	—
<b>Net decrease in net assets</b>		
<b>resulting from operations</b> .....	(1,800,320)	(6,802,291)
DISTRIBUTIONS TO SHAREHOLDERS		
From net investment income		
No Load Shares .....	(25,319)	(39,538)
Institutional Shares .....	(45,801)	(96,591)
From return of capital		
No Load Shares .....	—	(19,076)
Institutional Shares .....	—	(42,069)
From net realized gain on investments		
No Load Shares .....	—	(1,812,149)
Institutional Shares .....	—	(3,233,017)
<b>Total distributions to shareholders</b> .....	(71,120)	(5,242,440)
CAPITAL SHARE TRANSACTIONS		
Net decrease in net assets derived from		
net change in outstanding shares (a) .....	(14,283,789)	(37,882,892)
<b>Total decrease in net assets</b> .....	(16,155,229)	(49,927,623)
NET ASSETS		
Beginning of period .....	41,138,883	91,066,506
<b>End of period</b> .....	\$ 24,983,654	\$ 41,138,883
Undistributed net investment		
income at end of period .....	\$ 12,905	\$ —

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

## WBI Tactical DG Fund

### STATEMENTS OF CHANGES IN NET ASSETS, Continued

(a) A summary of share transactions is as follows:

	No Load Shares		No Load Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	55,093	\$ 561,402	562,140	\$ 6,394,037
Shares issued on reinvestments of distributions . . . . .	2,405	25,233	159,716	1,870,629
Shares redeemed* . . . . .	(578,105)	(5,910,483)	(1,521,493)	(17,121,948)
Net decrease . . . . .	(520,607)	\$(5,323,848)	(799,637)	\$ (8,857,282)
* Net of redemption fees of		\$ 371		\$ 291
	Institutional Shares		Institutional Shares	
	Six Months Ended		Year Ended	
	May 31, 2016		November 30, 2015	
	(Unaudited)			
	Shares	Paid-in Capital	Shares	Paid-in Capital
Shares sold . . . . .	47,701	\$ 489,196	701,989	\$ 8,129,642
Shares issued on reinvestments of distributions . . . . .	4,340	45,745	286,057	3,360,027
Shares redeemed* . . . . .	(923,124)	(9,494,882)	(3,535,899)	(40,515,279)
Net decrease . . . . .	(871,083)	\$(8,959,941)	(2,547,853)	\$(29,025,610)
* Net of redemption fees of		\$ 998		\$ 3,462

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

# WBI Tactical BA Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	No Load Shares					
	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30,				December 29, 2010* to November 30, 2011
		2015	2014	2013	2012	
<b>Net asset value,</b>						
<b>beginning of period</b> . . . . .	\$10.01	\$11.39	\$10.55	\$10.65	\$ 9.83	\$10.00
<b>Income from</b>						
<b>investment operations:</b>						
Net investment income/(loss)^	0.00#	0.01	0.03	0.05	0.08	0.08
Net realized and unrealized gain/(loss) on investments . . .	(0.03)	(0.89)	0.87	(0.02)	0.83	(0.25)
Total from investment operations. . . . .	(0.03)	(0.88)	0.90	0.03	0.91	(0.17)
Less distributions:						
From net investment income . .	0.00#	(0.02)	(0.06)	(0.05)	(0.09)	—
From net realized gain on investments . . . . .	—	(0.48)	—	(0.08)	—	—
Total distributions. . . . .	0.00#	(0.50)	(0.06)	(0.13)	(0.09)	—
Redemption fees retained^#. . . .	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net asset value, end of period</b> . .	<u>\$ 9.98</u>	<u>\$10.01</u>	<u>\$11.39</u>	<u>\$10.55</u>	<u>\$10.65</u>	<u>\$ 9.83</u>
<b>Total return</b> . . . . .	-0.37%‡	-8.03%	8.58%	0.32%	9.34%	-1.70%‡
<b>Ratios/supplemental data:</b>						
Net assets, end of period (thousands) . . . . .	\$18,088	\$24,409	\$31,683	\$29,383	\$20,826	\$5,010
Ratio of expenses to average net assets (a):						
Before expense reimbursement/recoupment . .	1.73%†	1.67%	2.06%	1.93%	2.21%	6.66%†
After expense reimbursement/recoupment . .	1.64%†	1.68%**	2.00%	2.00%	2.00%	2.00%†
Ratio of net investment income/ (loss) to average net assets (b):						
Before expense reimbursement/recoupment . .	0.05%†	0.10%	0.19%	0.59%	0.51%	(3.77)%†
After expense reimbursement/recoupment . .	0.14%†	0.09%	0.25%	0.52%	0.72%	0.89%†
Portfolio turnover rate . . . . .	159.09%‡	331.35%	176.43%	247.36%	202.76%	225.23%‡

\* Commencement of operations.

\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.75%.

^ Per share numbers have been calculated using the average shares method.

# Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical BA Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	Institutional Shares					
	Six Months Ended May 31, 2016	Year Ended November 30,				December 29, 2010*
	(Unaudited)	2015	2014	2013	2012	November 30, 2011
<b>Net asset value, beginning of period</b> . . . . .	\$10.07	\$11.42	\$10.58	\$10.68	\$ 9.85	\$10.00
<b>Income from investment operations:</b>						
Net investment income <sup>^</sup> . . . . .	0.02	0.03	0.06	0.08	0.10	0.10
Net realized and unrealized gain/(loss) on investments . . .	(0.04)	(0.89)	0.88	(0.03)	0.84	(0.25)
Total from investment operations . . . . .	(0.02)	(0.86)	0.94	0.05	0.94	(0.15)
Less distributions:						
From net investment income . .	(0.01)	(0.03)	(0.10)	(0.07)	(0.11)	—
From net realized gain on investments . . . . .	—	(0.48)	—	(0.08)	—	—
Total distributions . . . . .	(0.01)	(0.51)	(0.10)	(0.15)	(0.11)	—
Redemption fees retained <sup>#</sup> . . . . .	0.00#	0.02	0.00#	0.00#	0.00#	0.00#
<b>Net asset value, end of period</b> . .	<u>\$10.04</u>	<u>\$10.07</u>	<u>\$11.42</u>	<u>\$10.58</u>	<u>\$10.68</u>	<u>\$ 9.85</u>
<b>Total return</b> . . . . .	-0.16%‡	-7.61%	8.89%	0.51%	9.65%	-1.50%‡
<b>Ratios/supplemental data:</b>						
Net assets, end of period (thousands) . . . . .	\$19,217	\$25,037	\$49,794	\$41,083	\$33,602	\$6,174
Ratio of expenses to average net assets (a):						
Before expense reimbursement/recoupment . .	1.46%†	1.50%	1.74%	1.66%	1.94%	5.80%†
After expense reimbursement/recoupment . .	1.37%†	1.51%***	1.68%**	1.73%	1.75%	1.75%†
Ratio of net investment income/ (loss) to average net assets (b):						
Before expense reimbursement/recoupment . .	0.33%†	0.29%	0.48%	0.84%	0.76%	(2.97)%†
After expense reimbursement/recoupment . .	0.42%†	0.28%	0.54%	0.77%	0.95%	1.08%†
Portfolio turnover rate . . . . .	159.09%‡	331.35%	176.43%	247.36%	202.76%	225.23%‡

\* Commencement of operations.

\*\* Effective July 1, 2014, the advisor contractually agreed to lower the net annual operating expense limit to 1.60%.

\*\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.50%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

<sup>#</sup> Amount is less than \$0.01.

<sup>‡</sup> Not annualized.

<sup>†</sup> Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical BP Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	No Load Shares			
	Six Months	Year Ended		June 17,
	Ended	November 30,		2013*
	May 31, 2016 (Unaudited)	2015	2014	to November 30, 2013
<b>Net asset value, beginning of period</b> . . . . .	\$ 9.93	\$10.87	\$10.00	\$10.00
<b>Income from investment operations:</b>				
Net investment income <sup>^</sup> . . . . .	0.01	0.08	0.06	0.04
Net realized and unrealized gain/(loss) on investments . . . . .	(0.19)	(0.77)	0.94	(0.03)
Total from investment operations . . . . .	(0.18)	(0.69)	1.00	0.01
Less distributions:				
From net investment income . . . . .	(0.02)	(0.07)	(0.13)	(0.01)
From net realized gain on investments . . . . .	—	(0.18)	—	—
Total distributions . . . . .	(0.02)	(0.25)	(0.13)	(0.01)
Redemption fees retained <sup>^</sup> . . . . .	—	0.00#	0.00#	—
<b>Net asset value, end of period</b> . . . . .	<b>\$ 9.73</b>	<b>\$ 9.93</b>	<b>\$10.87</b>	<b>\$10.00</b>
<b>Total return</b> . . . . .	-1.81%‡	-6.47%	10.05%	0.08%‡
<b>Ratios/supplemental data:</b>				
Net assets, end of period (thousands) . . . . .	\$6,347	\$6,758	\$6,742	\$1,312
Ratio of expenses to average net assets (a):				
Before expense reimbursement . . . . .	1.76%†	1.76%	3.31%	16.32%†
After expense reimbursement . . . . .	1.68%†	1.64%**	1.97%	2.00%†
Ratio of net investment income/(loss) to average net assets (b):				
Before expense reimbursement . . . . .	0.21%†	0.62%	(0.75)%	(13.36)%†
After expense reimbursement . . . . .	0.29%†	0.74%	0.59%	0.96%†
Portfolio turnover rate . . . . .	135.95%‡	381.27%	200.20%	86.29%‡

\* Commencement of operations.

\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.75%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

# Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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



# WBI Tactical BP Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	Institutional Shares			
	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30,		June 17, 2013* to November 30, 2013
		2015	2014	
<b>Net asset value, beginning of period</b> . . . . .	\$ 9.95	\$10.88	\$10.00	\$10.00
<b>Income from investment operations:</b>				
Net investment income <sup>^</sup> . . . . .	0.02	0.09	0.11	0.07
Net realized and unrealized gain/(loss) on investments . . . . .	(0.20)	(0.76)	0.92	(0.06)
Total from investment operations . . . . .	(0.18)	(0.67)	1.03	0.01
Less distributions:				
From net investment income . . . . .	(0.02)	(0.08)	(0.15)	(0.01)
From net realized gain on investments . . .	—	(0.18)	—	—
Total distributions . . . . .	(0.02)	(0.26)	(0.15)	(0.01)
Redemption fees retained <sup>#</sup> . . . . .	0.00	0.00	0.00	0.00
<b>Net asset value, end of period</b> . . . . .	<u>\$ 9.75</u>	<u>\$ 9.95</u>	<u>\$10.88</u>	<u>\$10.00</u>
<b>Total return</b> . . . . .	-1.67%‡	-6.28%	10.39%	0.13%‡
<b>Ratios/supplemental data:</b>				
Net assets, end of period (thousands) . . . . .	\$29,465	\$26,737	\$20,551	\$5,129
Ratio of expenses to average net assets (a):				
Before expense reimbursement . . . . .	1.58%†	1.64%	3.10%	9.12%†
After expense reimbursement . . . . .	1.48%†	1.53%***	1.65%**	1.75%†
Ratio of net investment income/(loss) to average net assets (b):				
Before expense reimbursement . . . . .	0.39%†	0.73%	(0.39)%	(5.76)%†
After expense reimbursement . . . . .	0.49%†	0.84%	1.06%	1.61%†
Portfolio turnover rate . . . . .	135.95%‡	381.27%	200.20%	86.29%‡

\* Commencement of operations.

\*\* Effective July 1, 2014, the advisor contractually agreed to lower the net annual operating expense limit to 1.60%.

\*\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.50%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

<sup>#</sup> Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical DI Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	No Load Shares			
	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30,		June 17, 2013* to November 30, 2013
		2015	2014	
<b>Net asset value, beginning of period</b> . . . . .	\$ 9.54	\$10.90	\$10.61	\$10.00
<b>Income from investment operations:</b>				
Net investment income <sup>^</sup> . . . . .	0.00#	0.07	0.01	—
Net realized and unrealized gain/(loss) on investments . . . . .	(0.45)	(1.24)	0.33	0.61
Total from investment operations . . . . .	(0.45)	(1.17)	0.34	0.61
Less distributions:				
From net investment income . . . . .	(0.01)	(0.07)	(0.06)	—
From net realized gain on investments . . .	—	(0.12)	—	—
From return of capital . . . . .	—	—	—	(0.00)#
Total distributions . . . . .	(0.01)	(0.19)	(0.06)	(0.00)#
Redemption fees retained <sup>^</sup> . . . . .	0.00	0.00#	0.01	—
<b>Net asset value, end of period</b> . . . . .	<b>\$ 9.08</b>	<b>\$ 9.54</b>	<b>\$10.90</b>	<b>\$10.61</b>
<b>Total return</b> . . . . .	-4.84%‡	-10.85%‡	3.27%	6.14%‡
<b>Ratios/supplemental data:</b>				
Net assets, end of period (thousands) . . . . .	\$742	\$1,702	\$1,926	\$656
Ratio of expenses to average net assets (a):				
Before expense reimbursement . . . . .	3.25%†	2.24%	4.33%	17.07%†
After expense reimbursement . . . . .	1.71%†	1.53%**	1.97%	2.00%†
Ratio of net investment income/(loss) to average net assets (b):				
Before expense reimbursement . . . . .	(1.00)%†	(0.06)%	(2.24)%	(15.07)%†
After expense reimbursement . . . . .	0.54%†	0.65%	0.12%	0.00%†
Portfolio turnover rate . . . . .	283.54%‡	398.80%	223.18%	49.43%‡

\* Commencement of operations.

\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.75%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

# Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical DI Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	Institutional Shares			
	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30,		June 17, 2013* to November 30, 2013
		2015	2014	
<b>Net asset value, beginning of period</b> . . . . .	\$ 9.56	\$10.92	\$10.61	\$10.00
<b>Income from investment operations:</b>				
Net investment income <sup>^</sup> . . . . .	0.04	0.08	0.04	0.00#
Net realized and unrealized gain/(loss) on investments . . . . .	(0.49)	(1.26)	0.34	0.62
Total from investment operations . . . . .	(0.45)	(1.18)	0.38	0.62
Less distributions:				
From net investment income . . . . .	(0.01)	(0.07)	(0.07)	—
From net realized gain on investments . . .	—	(0.12)	—	—
From return of capital . . . . .	—	—	—	(0.01)
Total distributions . . . . .	(0.01)	(0.19)	(0.07)	(0.01)
Redemption fees retained <sup>^</sup> . . . . .	0.00#	0.01	0.00#	0.00#
<b>Net asset value, end of period</b> . . . . .	<b>\$ 9.10</b>	<b>\$ 9.56</b>	<b>\$10.92</b>	<b>\$10.61</b>
<b>Total return</b> . . . . .	-4.69%‡	-10.86%	3.55%	6.19%‡
<b>Ratios/supplemental data:</b>				
Net assets, end of period (thousands) . . . . .	\$3,798	\$5,634	\$16,959	\$4,195
Ratio of expenses to average net assets (a):				
Before expense reimbursement . . . . .	3.08%†	2.35%	3.89%	13.46%†
After expense reimbursement . . . . .	1.42%†	1.55%***	1.66%**	1.75%†
Ratio of net investment income/(loss) to average net assets (b):				
Before expense reimbursement . . . . .	(0.69)%†	(0.03)%	(1.83)%	(11.69)%†
After expense reimbursement . . . . .	0.97%†	0.77%	0.40%	0.02%†
Portfolio turnover rate . . . . .	283.54%‡	398.80%	223.18%	49.43%‡

\* Commencement of operations.

\*\* Effective July 1, 2014, the advisor contractually agreed to lower the net annual operating expense limit to 1.60%.

\*\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.50%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

# Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical DG Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	No Load Shares					
	Six Months Ended May 31, 2016 (Unaudited)	Year Ended November 30,				December 29, 2010* to November 30,
		2015	2014	2013	2012	2011
<b>Net asset value,</b>						
<b>beginning of period</b> . . . . .	\$10.76	\$12.69	\$12.83	\$10.86	\$ 9.50	\$10.00
<b>Income from</b>						
<b>investment operations:</b>						
Net investment income <sup>^</sup> . . . . .	0.01	0.02	0.01	0.04	0.06	0.03
Net realized and unrealized gain/(loss) on investments . . .	(0.46)	(1.21)	0.51	2.01	1.37	(0.55)
Total from investment operations. . . . .	(0.45)	(1.19)	0.52	2.05	1.43	(0.52)
Less distributions:						
From net investment income . .	(0.02)	(0.02)	(0.03)	(0.08)	(0.07)	—
From net realized gain on investments . . . . .	—	(0.71)	(0.63)	—	—	—
From return of capital . . . . .	—	(0.01)	—	—	—	—
Total distributions. . . . .	(0.02)	(0.74)	(0.66)	(0.08)	(0.07)	—
Redemption fees retained <sup>^</sup> . . . . .	0.00#	0.00#	0.00#	0.00#	0.00#	0.02
<b>Net asset value, end of period</b> . .	<u>\$10.29</u>	<u>\$10.76</u>	<u>\$12.69</u>	<u>\$12.83</u>	<u>\$10.86</u>	<u>\$ 9.50</u>
<b>Total return</b> . . . . .	-4.22%‡	-9.85%	4.12%	18.96%	15.16%	-5.00%‡
<b>Ratios/supplemental data:</b>						
Net assets, end of period (thousands) . . . . .	\$12,698	\$18,879	\$32,402	\$26,985	\$12,866	\$4,815
Ratio of expenses to average net assets (a):						
Before fee waivers and expense reimbursement . . . . .	1.90%†	1.70%	2.03%	2.07%	2.31%	4.56%†
After fee waivers and expense reimbursement . . . . .	1.66%†	1.70%**	2.00%	2.00%	2.00%	2.00%†
Ratio of net investment income/ (loss) to average net assets (b):						
Before fee waivers and expense reimbursement . . . . .	0.22%†	0.16%	0.08%	0.29%	0.23%	(2.20)%†
After fee waivers and expense reimbursement . . . . .	0.46%†	0.16%	0.11%	0.36%	0.54%	0.36%†
Portfolio turnover rate . . . . .	205.47%‡	384.28%	266.42%	219.78%	261.95%	301.31%‡

\* Commencement of operations.

\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.75%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

# Amount is less than \$0.01.

‡ Not annualized.

† Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Tactical DG Fund

## FINANCIAL HIGHLIGHTS – For a share outstanding throughout each period

	Institutional Shares					
	Six Months Ended May 31, 2016	Year Ended November 30,				December 29, 2010*
	(Unaudited)	2015	2014	2013	2012	November 30, 2011
<b>Net asset value,</b>						
<b>beginning of period</b> . . . . .	\$10.81	\$12.73	\$12.87	\$10.89	\$ 9.50	\$10.00
<b>Income from</b>						
<b>investment operations:</b>						
Net investment income <sup>^</sup> . . . . .	0.05	0.04	0.06	0.07	0.10	0.05
Net realized and unrealized gain/(loss) on investments . . . . .	(0.50)	(1.21)	0.49	2.01	1.39	(0.55)
Total from investment operations . . . . .	(0.45)	(1.17)	0.55	2.08	1.49	(0.50)
Less distributions:						
From net investment income . . . . .	(0.02)	(0.03)	(0.06)	(0.10)	(0.10)	—
From net realized gain on investments . . . . .	—	(0.71)	(0.63)	—	—	—
From return of capital . . . . .	—	(0.01)	—	—	—	—
Total distributions . . . . .	(0.02)	(0.75)	(0.69)	(0.10)	(0.10)	—
Redemption fees retained <sup>#</sup> . . . . .	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net asset value, end of period</b> . . . . .	<u>\$10.34</u>	<u>\$10.81</u>	<u>\$12.73</u>	<u>\$12.87</u>	<u>\$10.89</u>	<u>\$ 9.50</u>
<b>Total return</b> . . . . .	-4.13%‡	-9.60%	4.40%	19.29%	15.75%	-5.00%‡

**Ratios/supplemental data:**

Net assets, end of period (thousands) . . . . .	\$12,286	\$22,260	\$58,664	\$48,203	\$13,351	\$15,226
Ratio of expenses to average net assets (a):						
Before fee waivers and expense reimbursement . . . . .	1.69%†	1.51%	1.69%	1.79%	1.95%	2.92%†
After fee waivers and expense reimbursement . . . . .	1.45%†	1.51%***	1.66%**	1.70%	1.57%	1.75%†
Ratio of net investment income/ (loss) to average net assets (b):						
Before fee waivers and expense reimbursement . . . . .	0.44%†	0.35%	0.41%	0.53%	0.61%	(0.59)%†
After fee waivers and expense reimbursement . . . . .	0.68%†	0.35%	0.44%	0.62%	0.99%	0.58%†
Portfolio turnover rate . . . . .	205.47%‡	384.28%	266.42%	219.78%	261.95%	301.31%‡

\* Commencement of operations.

\*\* Effective July 1, 2014, the advisor contractually agreed to lower the net annual operating expense limit to 1.60%.

\*\*\* Effective March 30, 2015, the advisor contractually agreed to lower the net annual operating expense limit to 1.50%.

<sup>^</sup> Per share numbers have been calculated using the average shares method.

<sup>#</sup> Amount is less than \$0.01.

<sup>‡</sup> Not annualized.

<sup>†</sup> Annualized.

(a) Does not include expenses of the investment companies in which the Fund invests.

(b) Recognition of net investment income by the Fund is affected by the timing of the declaration of dividends by the underlying investment companies in which the Fund invests.

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

# WBI Funds

## NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited)

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### NOTE 1 – ORGANIZATION

The WBI Tactical BA Fund, WBI Tactical BP Fund, WBI Tactical DI Fund, and the WBI Tactical DG Fund (collectively, the “Funds”) are each a diversified series of Advisors Series Trust (the “Trust”), which is registered under the Investment Company Act of 1940, as amended, (the “1940 Act”) as an open-end management investment company. The Funds follow the investment company accounting and reporting guidance of the Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 946 “Financial Services – Investment Companies”.

Each Fund offers No Load Shares and Institutional Shares. The investment objective of the WBI Tactical BA Fund and the WBI Tactical BP Fund is to seek current income and long-term appreciation, while also seeking to protect principal during unfavorable market conditions. The investment objective of the WBI Tactical DI Fund and the WBI Tactical DG Fund is to seek long-term capital appreciation and current income. The WBI Tactical BA Fund and the WBI Tactical DG Fund commenced operations on December 29, 2010. The WBI Tactical BP Fund and the WBI Tactical DI Fund commenced operations on June 17, 2013.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Funds. These policies are in conformity with accounting principles generally accepted in the United States of America.

- A. *Security Valuation:* All investments in securities are recorded at their estimated fair value, as described in note 3.
- B. *Federal Income Taxes:* It is the Funds’ policy to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute substantially all of its taxable income to shareholders. Therefore, no Federal income or excise tax provision is required.

The Funds recognize the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Funds’ tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on returns filed for the open tax years 2013-2015, or expected to be taken in the Funds’ 2016 tax returns. The Funds identify their major tax jurisdictions as U.S. Federal and the state of Wisconsin; however the Funds are not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next twelve months.

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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C. *Security Transactions, Income and Distributions:* Security transactions are accounted for on the trade date. Realized gains and losses on securities sold are determined on the basis of identified cost. Interest income is recorded on an accrual basis. Discounts and premiums on securities purchased are accreted/amortized over the life of the respective security. Dividend income and capital gain distributions from underlying funds, and distributions to shareholders are recorded on the ex-dividend date. Withholding taxes on foreign dividends have been provided for in accordance with the Funds' understanding of the applicable country's tax rules and rates.

Investment income, expenses (other than those specific to the class of shares), and realized and unrealized gains and losses on investments are allocated to the separate classes of each Fund based upon their relative net assets on the date income is earned or expensed and realized and unrealized gains and losses are incurred.

Each Fund is charged for those expenses that are directly attributable to the Fund, such as investment advisory, custody and transfer agent fees. Expenses that are not attributable to a Fund are typically allocated among the Funds proportionately based on allocation methods approved by the Board of Trustees (the "Board").

The Funds distribute substantially all net investment income, if any, quarterly, and net realized capital gains, if any, annually. Distributions from net realized gains for book purposes may include short-term capital gains. All short-term capital gains are included in ordinary income for tax purposes.

The amount of dividends and distributions to shareholders from net investment income and net realized capital gains is determined in accordance with Federal income tax regulations, which differs from accounting principles generally accepted in the United States of America. To the extent these book/tax differences are permanent, such amounts are reclassified within the capital accounts based on their Federal tax treatment.

D. *Reclassification of Capital Accounts:* Accounting principles generally accepted in the United States of America require that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share.

E. *Use of Estimates:* The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets during the reporting period. Actual results could differ from those estimates.

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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- F. *Redemption Fees:* The Funds charge a 2.00% redemption fee to shareholders who redeem shares held for 60 days or less. Such fees are retained by the Funds and accounted for as an addition to paid-in capital. During the six months ended May 31, 2016, the Funds retained the following amounts in redemption fees:

	<u>Redemption Fees</u>
<b>WBI Tactical BA Fund</b>	
No Load Shares	\$3,758
Institutional Shares	477
<b>WBI Tactical BP Fund</b>	
No Load Shares	—
Institutional Shares	4,950
<b>WBI Tactical DI Fund</b>	
No Load Shares	—
Institutional Shares	779
<b>WBI Tactical DG Fund</b>	
No Load Shares	371
Institutional Shares	998

- G. *Derivative Transactions:* The Funds have adopted the financial accounting reporting rules as required by the Derivatives and Hedging Topic of the FASB Accounting Standards Codification. The Funds are required to include enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position.

The Funds may utilize options for economic hedging purposes as well as direct investment. Some options strategies, including buying puts, tend to economically hedge the Funds' investments against price fluctuations. Other strategies, such as writing puts and calls and buying calls, tend to increase market exposure. Options contracts may be combined with each other in order to adjust the risk and return characteristics of each Fund's overall strategy in a manner deemed appropriate to the Advisor and consistent with each Fund's investment objective and policies. When a Fund writes an option, an amount equal to the premium received by the Fund is reflected as an asset and an equivalent liability. The amount of the liability is subsequently marked to market to reflect the current market value of the option written. When a security is purchased or sold through an exercise of an option, the related premium paid (or received) is added (or deducted from) the basis of the security acquired or deducted from (or added to) the proceeds of the security sold. When an option expires, the Fund realizes a gain or loss on the option to the extent of the premiums received or paid. When a Fund enters into a closing transaction, the Fund



## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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realizes a gain or loss to the extent the cost of the closing transactions exceeds the premiums paid or received. Written uncovered call options subject the Funds to unlimited risk of loss. Written covered call options limit the upside potential of a security above the strike price. Put options written subject the Funds to risk of loss if the value of the security declines below the exercise price minus the put premium.

With options, there is minimal counterparty credit risk to the Funds since the options are covered or secured, which means that the Funds will own the underlying security or, to the extent they do not hold the security, will maintain liquid assets consisting of cash, short-term securities, or equity or debt securities equal to the market value of the security underlying the option, marked-to-market daily.

Options purchased are recorded as investments and marked-to-market daily to reflect the current fair value of the option contract. If an option purchased expires, a loss is realized in the amount of the cost of the option contract. If a closing transaction is entered into, a gain or loss is realized to the extent that the proceeds from the sale are greater or less than the cost of the option. If a purchase put option is exercised, a gain or loss is realized from the sale of the underlying security by adjusting the proceeds from such sale by the amount of the premium originally paid. If a purchased call option is exercised, the cost of the security purchased upon exercise is increased by the premium originally paid.

The effect of derivative instruments on the statements of operations for the six months ended May 31, 2016 is as follows:

#### WBI Tactical BA Fund

<u>Derivative Type</u>	<u>Location of Gain/(Loss) on Derivatives Recognized in Income</u>	<u>Value</u>
Equity Contracts	Net realized loss on purchased options	\$(18,394)

#### WBI Tactical BP Fund

<u>Derivative Type</u>	<u>Location of Loss on Derivatives Recognized in Income</u>	<u>Value</u>
Equity Contracts	Net realized loss on purchased options	\$(14,563)

#### WBI Tactical DI Fund

<u>Derivative Type</u>	<u>Location of Loss on Derivatives Recognized in Income</u>	<u>Value</u>
Equity Contracts	Net realized loss on purchased options	\$(1,020)

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

#### WBI Tactical DG Fund

<u>Derivative Type</u>	<u>Location of Loss on Derivatives Recognized in Income</u>	<u>Value</u>
Equity Contracts	Net realized loss on purchased options	\$(5,315)

The average monthly market values of purchased and written options during the six months ended May 2016, is as follows:

	<u>Purchased Options</u>	<u>Written Options</u>
WBI Tactical BA Fund	\$5,982	\$ —
WBI Tactical BP Fund	4,850	—
WBI Tactical DI Fund	647	—
WBI Tactical DG Fund	4,203	3,698

Transactions in written options contracts for the six months ended May 31, 2016, are as follows:

#### WBI Tactical DG Fund

	<u>Contracts</u>	<u>Premiums Received</u>
Beginning Balance	—	\$ —
Options Written	<u>507</u>	<u>28,732</u>
Outstanding as of May 31, 2016	<u>507</u>	<u>\$28,732</u>

H. *Events Subsequent to the Fiscal Period End:* In preparing the financial statements as of May 31, 2016, management considered the impact of subsequent events for potential recognition or disclosure in the financial statements.

### NOTE 3 – SECURITIES VALUATION

The Funds have 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 in 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 Funds have 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,

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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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 Funds’ 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.

Following is a description of the valuation techniques applied to the Funds’ major categories of assets and liabilities measured at fair value on a recurring basis.

Each Fund determines the fair value of its investments and computes its net asset value per share as of the close of regular trading on the New York Stock Exchange (4:00 pm EST).

*Equity Securities:* The Funds’ investments are carried at fair value. Equity securities, including common stocks and exchange-traded funds, that are primarily traded on a national securities exchange shall be 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 asked prices. Securities primarily traded in the NASDAQ Global Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price (“NOCP”). If the NOCP is not available, such securities shall be 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 asked prices. Over-the-counter securities which are not traded in the NASDAQ Global Market System shall be valued at the most recent sales price. Investments in open-end mutual funds are valued at their net asset value per share. To the extent, these securities are actively traded, they are categorized in level 1 of the fair value hierarchy.

*Fixed Income Securities:* Debt securities, such as corporate bonds, asset backed securities, municipal bonds, and U.S. Government agency issues are valued at market 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. In addition, the model may incorporate market observable data such as reported sales of similar securities, broker quotes, yields, bids, offers, and reference data. Certain securities are valued principally using dealer quotations. These securities are generally classified in level 2 of the fair value hierarchy.

*Options:* Exchange-traded options are valued at the composite price, using the National Best Bid and Offer quotes. Specifically, composite pricing looks at

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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the last trades on the exchanges where the options are traded. If there are no trades for the option on a given business day, composite option pricing calculates the mean of the highest bid price and the lowest ask price across the exchanges where the option is traded. Exchange-traded options that are actively traded are categorized in level 1 of the fair value hierarchy.

*Short-Term Securities:* Short-term debt securities, including those securities having a maturity of 60 days or less, are valued at the evaluated mean between the bid and asked prices. To the extent the inputs are observable and timely, these securities are classified in level 2 of the fair value hierarchy. Investments in open-end mutual funds, including money market funds, are categorized in level 1 of the fair value hierarchy.

The Board has delegated day-to-day valuation issues to a Valuation Committee of the Trust which is comprised of representatives from U.S. Bancorp Fund Services, LLC, the Funds' administrator. The function of the Valuation Committee is to value securities where current and reliable market quotations are not readily available or the closing price does not represent fair value by following procedures approved by the Board. These procedures consider many factors, including the type of security, size of holding, trading volume and news events. All actions taken by the Valuation Committee are subsequently reviewed and ratified by the Board.

Depending on the relative significance of the valuation inputs, fair valued securities may be classified in either level 2 or level 3 of the fair value hierarchy.

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 Funds' securities as of May 31, 2016:

## WBI Funds

NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

### WBI Tactical BA Fund

	Level 1	Level 2	Level 3	Total
<b>Common Stocks</b>				
Accommodation and				
Food Services	\$ 1,600,856	\$ —	\$ —	\$ 1,600,856
Finance and Insurance	1,692,717	—	—	1,692,717
Information	976,933	—	—	976,933
Management of Companies				
and Enterprises	416,540	—	—	416,540
Manufacturing	3,575,718	—	—	3,575,718
Mining, Quarrying, and				
Oil and Gas Extraction	756,267	—	—	756,267
Retail Trade	1,664,190	—	—	1,664,190
Utilities	755,539	—	—	755,539
<b>Total Common Stocks</b>	<b>11,438,760</b>	<b>—</b>	<b>—</b>	<b>11,438,760</b>
<b>Exchange-Traded Funds</b>	<b>12,131,829</b>	<b>—</b>	<b>—</b>	<b>12,131,829</b>
<b>Corporate Bonds</b>	<b>—</b>	<b>5,967,617</b>	<b>—</b>	<b>5,967,617</b>
<b>Short-Term Investments</b>	<b>7,546,717</b>	<b>—</b>	<b>—</b>	<b>7,546,717</b>
<b>Total Investments in Securities</b>	<b>\$31,117,306</b>	<b>\$5,967,617</b>	<b>\$ —</b>	<b>\$37,084,923</b>

### WBI Tactical BP Fund

	Level 1	Level 2	Level 3	Total
<b>Common Stocks</b>				
Accommodation and				
Food Services	\$ 1,783,757	\$ —	\$ —	\$ 1,783,757
Finance and Insurance	2,249,158	—	—	2,249,158
Management of Companies				
and Enterprises	827,330	—	—	827,330
Manufacturing	4,022,709	—	—	4,022,709
Mining, Quarrying, and				
Oil and Gas Extraction	720,390	—	—	720,390
Retail Trade	283,038	—	—	283,038
Utilities	708,389	—	—	708,389
<b>Total Common Stocks</b>	<b>10,594,771</b>	<b>—</b>	<b>—</b>	<b>10,594,771</b>
<b>Exchange-Traded Funds</b>	<b>16,905,033</b>	<b>—</b>	<b>—</b>	<b>16,905,033</b>
<b>Short-Term Investments</b>	<b>9,188,929</b>	<b>—</b>	<b>—</b>	<b>9,188,929</b>
<b>Total Investments in Securities</b>	<b>\$36,688,733</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$36,688,733</b>

## WBI Funds

NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

### WBI Tactical DI Fund

	Level 1	Level 2	Level 3	Total
<b>Common Stocks</b>				
Accommodation and Food Services	\$ 355,968	\$ —	\$ —	\$ 355,968
Finance and Insurance	811,637	—	—	811,637
Information	274,831	—	—	274,831
Management of Companies and Enterprises	132,787	—	—	132,787
Manufacturing	954,991	—	—	954,991
Mining, Quarrying, and Oil and Gas Extraction	91,856	—	—	91,856
Professional, Scientific, and Technical Services	36,775	—	—	36,775
Retail Trade	307,184	—	—	307,184
Utilities	356,626	—	—	356,626
<b>Total Common Stocks</b>	<b>3,322,655</b>	<b>—</b>	<b>—</b>	<b>3,322,655</b>
<b>Exchange-Traded Funds</b>	563,122	—	—	563,122
<b>REITs</b>	219,886	—	—	219,886
<b>Short-Term Investments</b>	305,298	—	—	305,298
<b>Total Investments in Securities</b>	<b>\$4,410,961</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$4,410,961</b>

### WBI Tactical DG Fund

	Level 1	Level 2	Level 3	Total
<b>Common Stocks</b>				
Accommodation and Food Services	\$ 2,053,956	\$ —	\$ —	\$ 2,053,956
Finance and Insurance	3,291,946	—	—	3,291,946
Information	3,174,312	—	—	3,174,312
Management of Companies and Enterprises	250,126	—	—	250,126
Manufacturing	8,597,950	—	—	8,597,950
Mining, Quarrying, and Oil and Gas Extraction	224,305	—	—	224,305
Professional, Scientific, and Technical Services	1,364,711	—	—	1,364,711
Retail Trade	997,040	—	—	997,040
Utilities	437,398	—	—	437,398
<b>Total Common Stocks</b>	<b>20,931,744</b>	<b>—</b>	<b>—</b>	<b>20,931,744</b>
<b>Exchange-Traded Funds</b>	2,657,500	—	—	2,657,500
<b>REITs</b>	1,691,119	—	—	1,691,119
<b>Short-Term Investments</b>	1,767,693	—	—	1,767,693
<b>Total Investments in Securities</b>	<b>\$26,508,056</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$26,508,056</b>

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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Refer to the Funds' schedule of investments for a detailed break-out of securities by industry classification. Transfers between levels are recognized as of May 31, 2016, the end of the reporting period. The Funds recognized no transfers to/from Level 1 or Level 2 during the six months ended May 31, 2016. There were no Level 3 securities held in the Funds during the six months ended May 31, 2016.

#### NOTE 4 – INVESTMENT ADVISORY FEE AND OTHER AGREEMENTS

For the six months ended May 31, 2016, WBI Investments, Inc. (the "Advisor") provided the Funds with investment management services under an Investment Advisory Agreement. The Advisor furnished all investment advice, office space, facilities, and provided most of the personnel needed by the Funds. As compensation for its services, the Advisor is entitled to a monthly fee at the annual rate of 0.85% based upon the average daily net assets of each Fund. For the six months ended May 31, 2016, the Funds incurred the following in advisory fees:

	<u>Advisory Fees</u>
<b>WBI Tactical BA Fund</b>	\$181,748
<b>WBI Tactical BP Fund</b>	148,315
<b>WBI Tactical DI Fund</b>	23,640
<b>WBI Tactical DG Fund</b>	130,833

The Funds are responsible for their own operating expenses. For the six months ended May 31, 2016, the Advisor has contractually agreed to reduce fees payable to it by the Funds and to pay the Funds' operating expenses to the extent necessary to limit each Fund's No Load Shares net annual operating expenses to 1.75% of average daily net assets and each Fund's Institutional Shares net annual operating expenses to 1.50% of average daily net assets. The Advisor is permitted to be reimbursed only for fee reductions and expense payments made in the previous three fiscal years. Any such reimbursement is also contingent upon Board of Trustees review and approval at the time the reimbursement is made. Such reimbursement may not be paid prior to the Funds' payment of current ordinary operating expenses. For the six months ended May 31, 2016, the Advisor reduced its fees and absorbed Fund expenses in the amount of \$18,943, \$17,408, \$45,370 and \$37,362 for the WBI Tactical BA Fund, WBI Tactical BP Fund, WBI Tactical DI Fund, and the WBI Tactical DG Fund, respectively. The Funds' cumulative expenses subject to recapture pursuant to the aforementioned conditions expire as follows:

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

WBI Tactical BA Fund		WBI Tactical BP Fund		WBI Tactical DI Fund		WBI Tactical DG Fund	
Year	Amount	Year	Amount	Year	Amount	Year	Amount
2016	\$ —	2016	\$111,157	2016	\$113,659	2016	\$ 37,833
2017	42,951	2017	192,288	2017	205,107	2017	27,713
2018	—	2018	39,866	2018	84,132	2018	—
2019	18,943	2019	17,408	2019	45,370	2019	37,362
	<u>\$61,894</u>		<u>\$360,719</u>		<u>\$448,268</u>		<u>\$102,908</u>

U.S. Bancorp Fund Services, LLC (the “Administrator”) acts as the Funds’ Administrator under an Administration Agreement. The Administrator prepares various federal and state regulatory filings, reports and returns for the Funds; prepares reports and materials to be supplied to the Trustees; monitors the activities of the Funds’ custodian, transfer agent and accountants; coordinates the preparation and payment of the Funds’ expenses and reviews the Funds’ expense accruals. U.S. Bancorp Fund Services, LLC also serves as the fund accountant and transfer agent to the Funds. U.S. Bank N.A., an affiliate of U.S. Bancorp Fund Services, serves as the Funds’ custodian.

For the six months ended May 31, 2016, the WBI Tactical BA Fund, WBI Tactical BP Fund, WBI Tactical DI Fund, and the WBI Tactical DG Fund incurred the following expenses for administration and fund accounting, transfer agency, chief compliance officer, and custody fees:

	WBI Tactical BA Fund	WBI Tactical BP Fund	WBI Tactical DI Fund	WBI Tactical DG Fund
Administration and Fund Accounting	\$38,869	\$26,627	\$5,417	\$32,109
Transfer Agency (a)	18,020	11,405	2,248	14,642
Custody	4,959	3,666	3,825	6,700
Chief Compliance Officer	4,500	4,500	4,500	4,500

(a) Does not include out-of-pocket expenses.

As of May 31, 2016, the Funds had payables due to Administrator for administration and fund accounting, transfer agency, Chief Compliance Officer fees and to U.S. Bank, N.A. for custody fees in the following amounts:

	WBI Tactical BA Fund	WBI Tactical BP Fund	WBI Tactical DI Fund	WBI Tactical DG Fund
Administration and Fund Accounting	\$12,975	\$5,575	\$2,885	\$11,160
Transfer Agency (a)	6,428	1,786	1,238	6,282
Custody	2,991	1,360	2,334	3,875
Chief Compliance Officer	1,500	1,500	1,500	1,500

(a) Does not include out-of-pocket expenses.



## **WBI Funds**

### **NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued**

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Quasar Distributors, LLC (the “Distributor”) acts as the Funds’ principal underwriter in a continuous public offering of the Funds’ shares. The Distributor is an affiliate of the Administrator.

Certain officers of the Funds are also employees of the Administrator. The Trust’s Chief Compliance Officer is also an employee of the Administrator. A Trustee of the Trust is affiliated with the Administrator and U.S. Bank N.A. This same Trustee is an interested person of the distributor.

#### **NOTE 5 – DISTRIBUTION (12B-1) FEE**

The Funds have adopted a Distribution Plan pursuant to Rule 12b-1 (the “Plan”) for the No Load Shares only. The Plan permits the Funds to pay for distribution and related expenses at an annual rate of 0.25% of the average daily net assets of each Fund’s No Load Shares. The expenses covered by the Plan may include the cost in connection with the promotion and distribution of shares and the provision of personal services to shareholders, including, but not necessarily limited to, advertising, compensation to underwriters, dealers and selling personnel, the printing and mailing of prospectuses to other than current Fund shareholders, and the printing and mailing of sales literature. Payments made pursuant to the Plan will represent compensation for distribution and service activities, not reimbursements for specific expenses incurred. For the six months ended May 31, 2016, the WBI Tactical BA Fund - No Load Shares, WBI Tactical BP Fund - No Load Shares, WBI Tactical DI Fund - No Load Shares, and the WBI Tactical DG Fund - No Load Shares paid the Distributor \$25,937, \$9,174, \$1,644, and \$18,426, respectively.

#### **NOTE 6 – SHAREHOLDER SERVICING FEE**

Effective April 1, 2016, the Funds entered into a Shareholder Servicing Agreement (the “Agreement”) with the Advisor, under which they may pay servicing fees at an annual rate of up to 0.15% of the average daily net assets of each Fund’s share class. Prior to April 1, 2016, the Fund’s servicing fees were at an annual rate of up to 0.25% of the average daily net assets of each Fund’s share class. Payments to the Advisor under the Agreement may reimburse the Advisor for payments it makes to selected brokers, dealers and administrators which have entered into Service Agreements with the Advisor for services provided to shareholders of the Funds. The services provided by such intermediaries are primarily designed to assist shareholders of the Funds and include the furnishing of office space and equipment, telephone facilities, personnel and assistance to the Funds in servicing such shareholders. Services provided by such intermediaries also include the provision of support services to the Funds and include establishing and maintaining shareholders’ accounts and record processing, purchase and redemption transactions, answering routine client inquiries regarding

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

the Funds, and providing such other personal services to shareholders as the Funds may reasonably request. For the six months ended May 31, 2016, the Funds incurred the following shareholder servicing fees under the agreement:

	<u>Shareholder Servicing Fees</u>
<b>WBI Tactical BA Fund</b>	
No Load Shares	\$11,526
Institutional Shares	10,360
<b>WBI Tactical BP Fund</b>	
No Load Shares	5,335
Institutional Shares	29,691
<b>WBI Tactical DI Fund</b>	
No Load Shares	1,208
Institutional Shares	4,674
<b>WBI Tactical DG Fund</b>	
No Load Shares	9,460
Institutional Shares	14,124

#### NOTE 7 – PURCHASES AND SALES OF SECURITIES

For the six months ended May 31, 2016, the cost of purchases and the proceeds from sales of securities, excluding short-term securities were as follows:

	<u>Purchases</u>	<u>Sales</u>
<b>WBI Tactical BA Fund</b>	\$44,139,528	\$53,306,626
<b>WBI Tactical BP Fund</b>	36,521,460	37,313,694
<b>WBI Tactical DI Fund</b>	10,924,610	9,879,638
<b>WBI Tactical DG Fund</b>	50,556,939	36,292,125

The Funds made no purchases or sales of U.S. government securities during the six months ended May 31, 2016.

#### NOTE 8 – LINES OF CREDIT

The WBI Tactical BA Fund and the WBI Tactical DG Fund had lines of credit in the amount of \$1,600,000 and \$2,800,000, respectively. These lines of credit are intended to provide short-term financing, if necessary, subject to certain restrictions, in connection with shareholder redemptions. The credit facility is with the Funds' custodian, U.S. Bank N.A. During the six months ended May 31, 2016, the Funds did not draw upon their lines of credit.

#### NOTE 9 – INCOME TAXES AND DISTRIBUTIONS TO SHAREHOLDERS

The distributions paid by the Fund during the six months ended May 31, 2016, and the year ended November 30, 2015, were characterized as follows:

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

	WBI Tactical BA Fund		WBI Tactical BP Fund	
	May 31, 2016	Nov. 30, 2015	May 31, 2016	Nov. 30, 2015
	Ordinary Income	\$36,104	\$3,293,249	\$77,393
Long-Term Capital Gains	—	402,515	—	—

	WBI Tactical DI Fund		WBI Tactical DG Fund	
	May 31, 2016	Nov. 30, 2015	May 31, 2016	Nov. 30, 2015
	Ordinary Income	\$7,505	\$280,848	\$71,120
Long-Term Capital Gains	—	6,768	—	1,192,778
Return of Capital	—	—	—	61,145

Ordinary income distributions may include dividends paid from short-term capital gains.

As of November 30, 2015, the Funds' most recently completed fiscal year end, the components of accumulated earnings/(losses) were as follows:

	WBI Tactical BA Fund	WBI Tactical BP Fund
Cost of investments (a)	\$48,291,522	\$33,841,449
Gross tax unrealized appreciation	\$ 685,163	\$ 282,141
Gross tax unrealized depreciation	(459,768)	(387,135)
Net tax unrealized appreciation (a)	225,395	(104,994)
Undistributed ordinary income	—	28,829
Total distributable earnings	—	28,829
Other accumulated gains/(losses)	(4,169,752)	(1,784,870)
Total accumulated earnings/(losses)	\$ (3,944,357)	\$ (1,861,035)

	WBI Tactical DI Fund	WBI Tactical DG Fund
Cost of investments (a)	\$ 7,340,205	\$39,754,851
Gross tax unrealized appreciation	\$ 292,439	\$ 1,810,309
Gross tax unrealized depreciation	(96,495)	(523,591)
Net tax unrealized appreciation (a)	195,944	1,286,718
Other accumulated gains/(losses)	(1,394,935)	(4,615,268)
Total accumulated earnings/(losses)	\$ (1,198,991)	\$ (3,328,550)

(a) The difference between book-basis and tax basis net unrealized appreciation is attributable primarily to the tax deferral of losses on wash sales.

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

Under the Regulated Investment Company Modernization Act of 2010 (the “Act”), net capital losses recognized after December 31, 2010, may be carried forward indefinitely, and their character is retained as short-term and/or long-term losses. Under the law in effect prior to the Act, pre-enactment net capital losses were carried forward for eight years and treated as short-term losses. As a transition rule, the Act requires that post-enactment net capital losses be used before pre-enactment net capital losses.

As of November 30, 2015, the Fund had capital loss carryforwards as follows:

	<u>Short-Term Capital Loss Carryover</u>	<u>Long-Term Capital Loss Carryover</u>
<b>WBI Tactical BA Fund</b>	\$4,169,751	\$ —
<b>WBI Tactical BP Fund</b>	1,775,038	9,832
<b>WBI Tactical DI Fund</b>	1,394,935	—
<b>WBI Tactical DG Fund</b>	4,615,268	—

These capital losses may be carried forward indefinitely to offset future gains.

#### NOTE 10 – UNDERLYING INVESTMENT IN OTHER INVESTMENT COMPANIES

As of May 31, 2016, the WBI Tactical BP Fund currently invests 25.66% of its net assets in Invesco STIT - Treasury Portfolio – Institutional Class. The investment of each Fund in Invesco STIT - Treasury Portfolio – Institutional Class, represents less than 0.5% of Invesco STIT - Treasury Portfolio – Institutional Class net assets, which was approximately \$15.9 billion as of May 31, 2016. If the Advisor determines that it is in the best interest of the Funds and their shareholders, it may redeem its investment.

The performance of the Funds may be directly affected by the performance of the Invesco STIT - Treasury Portfolio – Institutional Class. The investment strategy of Invesco STIT - Treasury Portfolio – Institutional Class: investing at least 80% of assets in U.S. Government securities; primarily investing in high quality U.S. dollar-denominated short-term debt obligations including municipal securities, tax-exempt commercial paper, and cash equivalents; generally maintaining a dollar-weighted average maturity of 60 days or less. The net expense ratio per the August 31, 2015 Annual Report of Invesco STIT - Treasury Portfolio – Institutional Class was 0.07%. The financial statements of the Invesco STIT - Treasury Portfolio – Institutional Class can be found at Invesco website [www.invesco.com](http://www.invesco.com) or the Securities and Exchange Commission’s website [www.sec.gov](http://www.sec.gov) and should be read in conjunction with the Funds’ financial statements.

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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#### NOTE 11 – PRINCIPAL RISKS

Below is a summary of some, but not all, of the principal risks of investing in the Funds, each of which may adversely affect a Fund's net asset value and total return. The Funds' most recent prospectus provides further descriptions of each Fund's investment objective, principal investment strategies and principal risks.

- **Market Risk.** The prices of the securities in which the Funds invest may decline for a number of reasons. The stock market as a whole, or the value of an individual company, may go down resulting in a decrease in the value of a Fund.

- **Equity Risk.** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

- **Foreign and Emerging Market Risk.** Foreign investments may carry risks associated with investing outside the United States, such as currency fluctuation, economic or financial instability, lack of timely or reliable financial information or unfavorable political or legal developments. Foreign securities can be more volatile than domestic (U.S.) securities. Securities markets of other countries are generally smaller than U.S. securities markets. Many foreign securities may also be less liquid than U.S. securities, which could affect the Funds' investments. Investments in emerging markets may have more risk because the markets are less developed and less liquid as well as being subject to increased economic, political, regulatory or other uncertainties.

- **Small and Medium Companies Risk.** Investing in securities of small and medium capitalization companies may involve greater volatility than investing in larger and more established companies because small and medium capitalization companies can be subject to more abrupt or erratic share price changes than larger, more established companies.

- **ETF and Mutual Fund Risk.** When a Fund invests in an ETF or mutual fund, including money market funds for its cash position, it will bear additional expenses based on its pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. The Funds also will incur brokerage costs when it purchases ETFs.

- **Options Risk.** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

## WBI Funds

### NOTES TO FINANCIAL STATEMENTS as of May 31, 2016 (Unaudited), Continued

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• **Debt Securities Risk.** The market value of debt securities held by the Funds typically change as interest rates change, as demand for the instrument changes, and as actual or perceived creditworthiness of an issuer changes. During periods of rising interest rates, the market value of debt securities held by the Funds will generally decline. Credit risk is the risk that an issuer will not make timely payments of principal and interest. There is also the risk that an issuer may “call,” or repay, its high-yielding bonds before their maturity rates. Debt securities subject to prepayment risk can offer less potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. Limited trading opportunities for certain debt securities may make it more difficult to sell or buy a security at a favorable price or time. Because interest rates in the United States are at historical lows, the Funds may have an increased risk associated with debt securities and rising interest rates. Also, the risk of rising interest rates may result in less liquidity in debt markets overall, making it more difficult for the Funds to sell the instruments at or near the market value used to compute the Funds’ NAV.

• **High-Yield Securities Risk.** The debt income securities that are rated below investment grade (*i.e.*, “junk bonds”) are subject to additional risk factors such as increased possibility of default liquidation of the security, and changes in value based on public perception of the issuer.

# WBI Funds

**NOTICE TO SHAREHOLDERS as of May 31, 2016 (Unaudited)**

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## **How to Obtain a Copy of the Funds' Proxy Voting Policies**

A description of the policies and procedures that the Funds use to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling 1-855-WBI-FUND (1-855-924-3863) or on the U.S. Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>.

## **How to Obtain a Copy of the Funds' Proxy Voting Records for the 12-Month Period ended June 30, 2016**

Information regarding how the Funds voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling 1-855-WBI-FUND (1-855-924-3863). Furthermore, you can obtain the Funds' proxy voting records on the SEC's website at <http://www.sec.gov>.

## **Quarterly Filings on Form N-Q**

The Funds file their complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Funds' Form N-Q is available on the SEC's website at <http://www.sec.gov>. The Funds' Form N-Q may 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. Information included in the Funds' Form N-Q is also available, upon request, by calling 1-855-WBI-FUND (1-855-924-3863).

## **Trustees and Officers**

The Fund's Statement of Additional Information includes additional information about the Funds' Trustees and Officers and is available, without charge, upon request by calling 1-855-WBIFUND (1-855-924-3863) or by visiting the Funds' website at [www.wbifunds.com](http://www.wbifunds.com).

## **HOUSEHOLDING**

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In an effort to decrease costs, the Funds intend to reduce the number of duplicate prospectuses, annual and semi-annual reports, proxy statements and other similar documents you receive by sending only one copy of each to those addresses shared by two or more accounts and to shareholders the Transfer Agent reasonably believes are from the same family or household. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-855-WBI-FUND (1-855-924-3863) to request individual copies of these documents. Once the Transfer Agent receives notice to stop householding, the Transfer Agent will begin sending individual copies thirty days after receiving your request. This policy does not apply to account statements.

# **WBI Funds**

## **APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited)**

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At a meeting held on December 2-3, 2015, the Board (which is comprised of five persons, four of whom are Independent Trustees as defined under the Investment Company Act of 1940, as amended), considered and approved the continuance of the investment advisory agreement (the “Advisory Agreement”) between Advisors Series Trust (the “Trust”) and WBI Investments, Inc. (the “Advisor”) for another annual term for the WBI Tactical BA Fund (formerly “WBI Absolute Return Balanced Fund”), WBI Tactical DG Fund (formerly “WBI Absolute Return Dividend Growth Fund”), WBI Tactical BP Fund (formerly “WBI Absolute Return Balanced Plus Fund”) and WBI Tactical DI Fund (formerly “WBI Absolute Return Dividend Income Fund”) (collectively, the “Funds”). At this meeting, and at a prior meeting held on October 14-15, 2015, the Board received and reviewed substantial information regarding the Funds, the Advisor and the services provided by the Advisor to the Funds under the Advisory Agreement. This information, together with the information provided to the Board throughout the course of the year, formed the primary (but not exclusive) basis for the Board’s determinations. Below is a summary of the factors considered by the Board and the conclusions that formed the basis for the Board’s approval of the continuance of the Advisory Agreement:

1. **THE NATURE, EXTENT AND QUALITY OF THE SERVICES PROVIDED AND TO BE PROVIDED BY THE ADVISOR UNDER THE ADVISORY AGREEMENT.** The Board considered the nature, extent and quality of the Advisor’s overall services provided to the Funds as well as its specific responsibilities in all aspects of day-to-day investment management of the Funds. The Board considered the qualifications, experience and responsibilities of the portfolio managers, as well as the responsibilities of other key personnel of the Advisor involved in the day-to-day activities of the Funds. The Board also considered the resources and compliance structure of the Advisor, including information regarding its compliance program, its chief compliance officer, the Advisor’s compliance record, and the Advisor’s disaster recovery plan/business continuity plan. The Board also considered its knowledge of the Advisor’s operations, and noted that during the course of the prior year they had met with the Advisor in person to discuss Fund performance and investment outlook as well as various marketing and compliance topics, including the Advisor’s risk management process. The Board concluded that the Advisor had the quality and depth of personnel, resources, investment methods and compliance policies and procedures essential to performing its duties under the Advisory Agreement and that the nature, overall quality and extent of such management services are satisfactory.
2. **THE FUNDS’ HISTORICAL PERFORMANCE AND THE OVERALL PERFORMANCE OF THE ADVISOR.** In assessing the quality of the



## WBI Funds

### APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited), Continued

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portfolio management delivered by the Advisor, the Board reviewed the short-term and long-term performance of the Funds as of June 30, 2015 on both an absolute basis and in comparison to appropriate securities benchmarks and their peer funds utilizing Lipper and Morningstar classifications. While the Board considered both short-term and long-term performance, it placed greater emphasis on longer term performance. In reviewing the performance of the Funds, the Board considered that WBI Tactical BP Fund and WBI Tactical DI Fund were relatively new, with just over two years of performance information. When reviewing performance against the comparative peer group universe, the Board took into account that the investment objectives and strategies of the Funds, as well as each Fund's level of risk tolerance, may differ significantly from funds in the peer universe. The Board noted that the Advisor represented the minor differences in performance between the Funds and their similarly managed accounts may be due to the effects of investing significant inflows during volatile market conditions as the Funds were growing from their seed capital to their current level.

**WBI Tactical BA Fund:** The Board noted that the Fund's performance, with regard to its Lipper comparative universe, was below its peer group median for the one-year and three-year period, and above its peer group median for the since inception period.

The Board noted that the Fund's performance, with regard to its Morningstar comparative universe, was below its peer group median for all relevant periods.

The Board also considered any differences in performance between similarly managed accounts and the performance of the Fund and reviewed the performance of the Fund against broad-based securities market benchmarks.

**WBI Tactical DG Fund:** The Board noted that the Fund's performance, with regard to its Lipper comparative universe, was significantly below its peer group median for the one-year period, and significantly above its peer group median for the three-year and since inception periods.

The Board noted that the Fund's performance, with regard to the Morningstar comparative universe, was significantly below its peer group median for the one-year period, and significantly above its peer group median for the three-year and since inception periods.

The Board also considered any differences in performance between similarly managed accounts and the performance of the Fund and reviewed the performance of the Fund against a broad-based securities market benchmark.

## WBI Funds

### APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited), Continued

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**WBI Tactical BP Fund:** The Board noted that the Fund's performance, with regard to its Lipper comparative universe, was below its peer group median for the one-year period, and above its peer group median for the since inception period.

The Board noted that the Fund's performance, with regard to the Morningstar comparative universe, was above the peer group median for the one-year period, and below the peer group median for the since inception period.

The Board also considered any differences in performance between similarly managed accounts and the performance of the Fund and reviewed the performance of the Fund against a broad-based securities market benchmark.

**WBI Tactical DI Fund:** The Board noted that the Fund's performance, with regard to its Lipper comparative universe, was significantly below its peer group median for the one-year period and slightly below its peer group median for the since inception period.

The Board noted that the Fund's performance, with regard to the Morningstar comparative universe, was below its peer group median for the one-year and since inceptions periods.

The Board also considered any differences in performance between similarly managed accounts and the performance of the Fund and reviewed the performance of the Fund against a broad-based securities market benchmark.

3. **THE COSTS OF THE SERVICES TO BE PROVIDED BY THE ADVISOR AND THE STRUCTURE OF THE ADVISOR'S FEE UNDER THE ADVISORY AGREEMENT.** In considering the appropriateness of the advisory fee, the Board considered the level of the fee itself as well as the total fees and expenses of each Fund. The Board reviewed information as to the fees and expenses of advisers and funds within relevant peer funds and similarly managed separate accounts for other types of clients advised by the Advisor, as well as all expense waivers and reimbursements. When reviewing fees charged to other similarly managed accounts, the Board took into account the type of account and the differences in the management of that account that might be germane to the difference, if any, in the fees charged to such accounts. The Board also took into consideration the services the Advisor provided to its separately managed account clients, comparing the fees charged for those management services to the management fees charged to the Funds. The Board found that the

## WBI Funds

### APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited), Continued

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fees charged to the Funds were generally in line with or comparable to the fees charged by the Advisor to its similarly managed separate account clients, and to the extent fees charged to the Funds were higher than for the average similarly managed separate accounts, it was largely a reflection of more investment management, compliance and operational complexity involved in managing the Funds that is not present in managing the separately managed accounts.

**WBI Tactical BA Fund:** The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio for the Fund of 1.50% for Institutional shares and 1.75% for No Load shares (the “Expense Caps”). The Board noted that the Fund’s total expense ratio for No Load shares was above the median and average of its peer group, and the total expense ratio for Institutional Class shares was below the median and average of its peer group. The Board also noted that the contractual advisory fee was equal to its peer group median and only slightly above its peer group average, and when the Fund’s peer group was adjusted to include only funds with similar asset sizes, the advisory fee was below the peer group median and average. As a result, the Trustees noted that the Fund’s expenses and advisory fee were not outside the range of its peer group.

**WBI Tactical DG Fund:** The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio for the Fund of 1.50% for Institutional shares and 1.75% for No Load shares (the “Expense Caps”). The Board noted that the Fund’s total expense ratio for No Load shares was above the median and average of its peer group, and the total expense ratio for Institutional Class shares was below the median and average of its peer group. The Board also noted that the contractual advisory fee was below its peer group median and average. As a result, the Trustees noted that the Fund’s expenses and advisory fee were not outside the range of its peer group.

**WBI Tactical BP Fund:** The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio for the Fund of 1.50% for Institutional shares and 1.75% for No Load shares (the “Expense Caps”). The Board noted that the Fund’s total expense ratio for No Load shares was above the median and average of its peer group, and the total expense ratio for Institutional Class shares was below the median and average of its peer group. The Board also noted that the contractual advisory fee was below its peer group median and average. As a result, the Trustees noted that the Fund’s expenses and advisory fee were not outside the range of its peer group.

## WBI Funds

### APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited), Continued

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**WBI Tactical DI Fund:** The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio for the Fund of 1.50% for Institutional shares and 1.75% for No Load shares (the “Expense Caps”). The Board noted that the Fund’s total expense ratio for No Load shares was above the median and average of its peer group, and the total expense ratio for Institutional Class shares was below the median and average of its peer group. The Board also noted that the contractual advisory fee was below its peer group median and average. As a result, the Trustees noted that the Fund’s expenses and advisory fee were not outside the range of its peer group.

4. **ECONOMIES OF SCALE.** The Board also considered whether economies of scale were being realized by the Advisor that should be shared with shareholders. The Board noted that the Advisor has contractually agreed to reduce its advisory fees or reimburse Fund expenses so that each Fund does not exceed its specified Expense Caps. The Board noted that at current asset levels, it did not appear that there were additional significant economies of scale being realized by the Advisor that should be shared with shareholders and concluded that it would continue to monitor economies of scale in the future as circumstances changed and assuming asset levels continued to increase.
5. **THE PROFITS TO BE REALIZED BY THE ADVISOR AND ITS AFFILIATES FROM THEIR RELATIONSHIP WITH THE FUNDS.** The Board reviewed the Advisor’s financial information and took into account both the direct benefits and the indirect benefits to the Advisor from advising the Funds. The Board considered the profitability to the Advisor from its relationship with the Funds and considered any additional benefits derived by the Advisor from its relationship with the Funds, including benefits received in the form of Rule 12b-1 fees and shareholder servicing plan fees received from the Funds and “soft dollar” benefits that may be received by the Advisor and its affiliates in exchange for Fund brokerage. The Board noted that the Advisor has terminated all soft dollar arrangements with executing broker dealers. The Board considered that an affiliated broker-dealer of the Advisor receives and retains cash payments in the form of payment for order flow (“PFOF”) from other dealers and market centers in connection with Fund brokerage activities. In this regard, the Board took into account that the affiliated broker-dealer does not charge the Fund any commission or other fees in connection with fund brokerage. The Board also reviewed information indicating that the Advisor does not charge a separate fee for separately managed account

## **WBI Funds**

### **APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited), Continued**

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clients (managed by the Advisor or its affiliates) invested in the Funds and determined that the Advisor (or its affiliate) was not receiving an advisory fee both at the separate account and at the Fund level for these accounts. After such review, the Board determined that the profitability to the Advisor with respect to the Advisory Agreement was not excessive, and that the Advisor had maintained adequate profit levels to support the services it provides to the Funds.

No single factor was determinative of the Board's decision to approve the continuance of the Advisory Agreement for the WBI Tactical BA Fund, WBI Tactical DG Fund, WBI Tactical BP Fund, and the WBI Tactical DI Fund but rather the Board based its determination on the total combination of information available to them. Based on a consideration of all the factors in their totality, the Board determined that the advisory arrangements with the Advisor, including the advisory fees, were fair and reasonable. The Board therefore determined that the continuance of the Advisory Agreement for the WBI Tactical BA Fund, WBI Tactical DG Fund, WBI Tactical BP Fund, and the WBI Tactical DI Fund would be in the best interest of each Fund and its shareholders.

# WBI Funds

## PRIVACY NOTICE

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The Funds collect non-public information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us orally; and/or
- Information about your transactions with us or others.

We do not disclose any non-public personal information about our customers or former customers without the customer's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated and unaffiliated third parties with whom we have contracts for servicing the Funds. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibilities. We maintain physical, electronic and procedural safeguards to guard your non-public personal information and require third parties to treat your personal information with the same high degree of confidentiality.

In the event that you hold shares of the Funds through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared with unaffiliated third parties.

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This report is intended for the shareholders of the Funds and may not be used as sales literature unless preceded or accompanied by a current prospectus. To obtain a free prospectus, please call 1-855-924-3863

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