



CHANNEL
FUNDS

**Channel Short Duration
Income Fund**

**Semi-Annual Report
March 31, 2021**

Fund Adviser:

*Channel Investment Partners LLC
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INVESTMENT RESULTS – (UNAUDITED)

Average Annual Total Returns* (for the periods ended March 31, 2021)

	<u>Six Months</u>	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Channel Short Duration Income Fund	1.67%	7.02%	3.22%	2.98%
Bloomberg Barclays U.S. 1-5 Year Government/Credit Index**	(0.25)%	1.90%	2.33%	2.10%
Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index***	(1.39)%	2.01%	2.75%	2.88%

Total annual operating expenses, as disclosed in the Channel Short Duration Income Fund (the “Fund”) prospectus dated January 28, 2021 were 0.90%, which included acquired fund fees and expenses of 0.01%, of average daily net assets. Channel Investment Partners LLC (the “Adviser”) contractually has agreed to waive its fee and to the extent necessary, reimburse certain Fund operating expenses so that the total annual operating expenses, excluding portfolio transaction and other investment-related costs (including brokerage fees and commissions); taxes; borrowing costs (such as interest and dividend expenses on securities sold short); acquired fund fees and expenses; fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including for example option and swap fees and expenses); any amounts payable pursuant to a distribution or service plan adopted in accordance with Rule 12b-1 under the Investment Company Act of 1940; any administrative and/or shareholder servicing fees payable pursuant to a plan adopted by the Board; expenses incurred in connection with any merger or reorganization; extraordinary expenses (such as litigation expenses, indemnification of Trust officers and Trustees and contractual indemnification of Fund service providers); and other expenses that the Trustees agree have not been incurred in the ordinary course of the Fund’s business, do not exceed 0.95% of the Fund’s average daily net assets. The contractual agreement is in place through January 31, 2022. Prior to October 1, 2020, total operating expenses were capped at 0.80%. Each waiver/expense payment by the Adviser is subject to recoupment by the Adviser from the Fund in the three years following the date the particular waiver/expense payment occurred, but only if such recoupment can be achieved without exceeding the annual expense limitation in effect at the time of the waiver/expense payment and any expense limitation in effect at the time of the recoupment. Additional information pertaining to the Fund’s expense ratios as of March 31, 2021 can be found in the financial highlights.

INVESTMENT RESULTS – (UNAUDITED) – (continued)

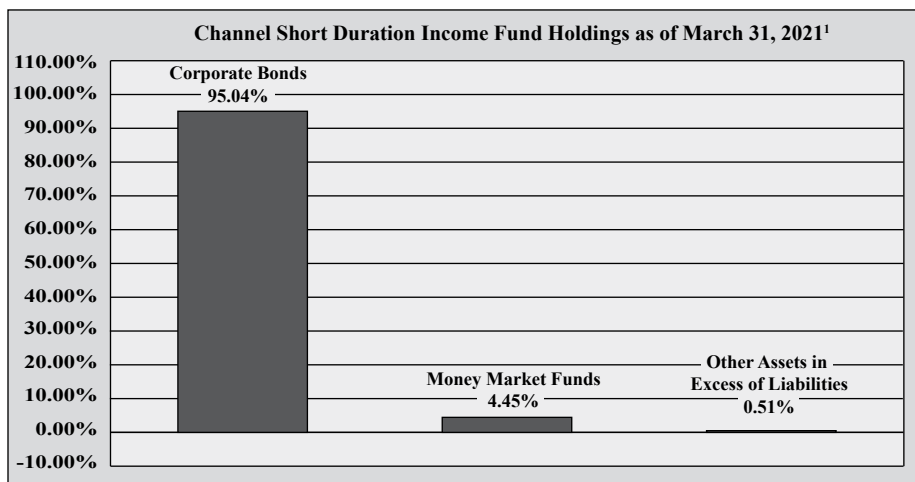
The performance quoted represents past performance, which does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The returns shown do not reflect deduction of taxes that a shareholder would pay on Channel Short Duration Income Fund (the "Fund") distributions or the redemption of Fund shares. Current performance may be lower or higher than the performance quoted. The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. Performance data current to the most recent month end may be obtained by calling (877) 627-8504.

- * Return figures reflect any change in price per share and assume the reinvestment of all distributions. The Fund's returns reflect any fee reductions during the applicable periods. If such fee reductions had not occurred, the quoted performance would have been lower. Total returns for periods less than one year are not annualized.
- ** The Bloomberg Barclays U.S. 1-5 Year Government/Credit Bond Index (the "U.S. 1-5 Year Government/Credit Bond Index") is an unmanaged benchmark that assumes reinvestment of all distributions and excludes the effect of taxes and fees. The U.S. 1-5 Year Government/Credit Bond Index is a widely recognized unmanaged index of bond prices and is representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in the U.S. 1-5 Year Government/Credit Bond Index; however, an individual may invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.
- *** The Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index (the "U.S. Intermediate Government/Credit Bond Index") is an unmanaged benchmark that assumes reinvestment of all distributions and excludes the effect of taxes and fees. The U.S. Intermediate Government/Credit Bond Index is a widely recognized unmanaged index of bond prices and is representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in the U.S. Intermediate Government/Credit Bond Index; however, an individual may invest in exchange traded funds or other investment vehicles that attempt to track the performance of a benchmark index.

You should consider the Fund's investment objectives, risks, charges and expenses carefully before you invest. The Fund's prospectus contains important information about the Fund's investment objectives, potential risks, management fees, charges and expenses, and other information and should be read carefully before investing. You may obtain a current copy of the Fund's prospectus or performance data current to the most recent month by calling (877) 627-8504.

The Fund is distributed by Ultimus Fund Distributors, LLC, member FINRA/SIPC.

FUND HOLDINGS – (UNAUDITED)



¹ As a percent of net assets.

The investment objective of the Channel Short Duration Income Fund is total return, comprised of both income and capital appreciation.

Portfolio holdings are subject to change.

AVAILABILITY OF PORTFOLIO SCHEDULE – (UNAUDITED)

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission (the “SEC”) for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund’s Form N-PORT reports are available on the SEC’s website at <http://www.sec.gov>.

CHANNEL SHORT DURATION INCOME FUND
SCHEDULE OF INVESTMENTS

March 31, 2021 – (Unaudited)

CORPORATE BONDS – 95.04%	Principal Amount	Fair Value
Corporate Bonds - Domestic – 82.46%		
Ally Financial, Inc., 5.75%, 11/20/2025	\$ 750,000	\$ 853,038
American Airlines Pass Through Trust, Series 2013-2, 4.95%, 1/15/2023	950,029	950,491
Apple, Inc., 0.70%, 2/8/2026	500,000	490,631
Atmos Energy Corp., 0.63%, 3/9/2023	600,000	600,272
B&G Foods, Inc., 5.25%, 4/1/2025	250,000	257,125
B&G Foods, Inc., 5.25%, 9/15/2027	500,000	520,780
Bank of America Corp., 3.95%, 4/21/2025	1,000,000	1,096,603
BNSF Funding Trust I, 6.61%, 12/15/2055 (3MO LIBOR + 235bps) ^(a)	200,000	229,662
Boeing Co. (The), 2.75%, 2/1/2026	500,000	514,806
Boeing Co. (The), 2.20%, 2/4/2026	250,000	249,290
Boeing Co. (The), 3.63%, 2/1/2031	250,000	261,680
Bunge Ltd. Finance Group, 1.63%, 8/17/2025	400,000	400,350
Charles Schwab Corp. (The), 0.90%, 3/11/2026	750,000	741,875
Citigroup, Inc., 4.40%, 6/10/2025	750,000	833,780
Continental Airlines Pass Through Trust, Series 2-A, 4.00%, 10/29/2024	196,398	203,154
Delta Air Lines, Inc., 3.40%, 4/19/2021	500,000	500,000
Discover Financial Services, 5.20%, 4/27/2022	475,000	498,065
Dominion Energy, Inc., 1.45%, 4/15/2026	500,000	498,368
Edison International, 5.38%, Perpetual (3MO LIBOR + 370bps) ^(a)	500,000	510,000
Ford Motor Co., 8.50%, 4/21/2023	900,000	1,004,625
General Motors Financial Co., Inc., 3.55%, 4/9/2021	300,000	300,106
General Motors Financial Co., Inc., 4.35%, 4/9/2025	500,000	548,612
Genworth Financial, Inc., 7.63%, 9/24/2021	850,000	874,438
Genworth Holdings, Inc., 2.20%, 11/15/2036 (3MO LIBOR + 200bps) ^(a)	1,000,000	540,000
Gilead Sciences, Inc., 3.50%, 2/1/2025	650,000	706,356
Goldman Sachs Group, Inc., 0.93%, 2/23/2023 (3MO LIBOR + 75bps) ^(a)	300,000	302,529
Goldman Sachs Group, Inc., 1.97%, 10/28/2027 (3MO LIBOR + 175bps) ^(a)	250,000	261,781

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
SCHEDULE OF INVESTMENTS – (continued)

March 31, 2021 – (Unaudited)

CORPORATE BONDS – 95.04% – continued	<u>Principal Amount</u>	<u>Fair Value</u>
Corporate Bonds - Domestic – 82.46% – continued		
iHeartCommunications, Inc., 6.38%, 5/1/2026	\$ 250,000	\$ 265,781
JPMorgan Chase & Co., 3.88%, 9/10/2024	500,000	548,314
JPMorgan Chase & Co., 4.13%, 12/15/2026	500,000	563,165
LYB International Finance III, LLC, 1.24%, 10/1/2023 (3MO LIBOR + 100bps) ^(a)	250,000	250,757
LYB International Finance III, LLC, 2.88%, 5/1/2025	550,000	580,905
Masco Corp., 1.50%, 2/15/2028	500,000	480,473
Morgan Stanley, 5.00%, 11/24/2025	750,000	862,631
National Oilwell Varco, Inc., 2.60%, 12/1/2022	128,000	131,244
Ovintiv Exploration, Inc., 5.63%, 7/1/2024	300,000	330,018
Ovintiv, Inc., 3.90%, 11/15/2021	450,000	454,935
Ross Stores, Inc., 0.88%, 4/15/2026	550,000	532,439
United Airlines 2020-1 Class A Pass Through Trust, Series 20-1, 5.88%, 4/15/2029	243,956	270,966
US Airlines Pass Through Trust, 6.75%, 6/3/2021	469,396	470,786
US Airways Pass Through Trust, 5.38%, 11/15/2021	757,517	761,120
Verizon Communications, Inc., 3.38%, 2/15/2025	500,000	542,373
VMware, Inc., 4.70%, 5/15/2030	500,000	576,811
Wells Fargo & Co., 3.90%, Perpetual (3MO LIBOR + 264bps) ^(a)	750,000	757,894
Welltower Inc., 2.80%, 6/1/2031	250,000	<u>248,833</u>
TOTAL CORPORATE BONDS - DOMESTIC		
(Cost \$23,198,561)		<u>23,377,862</u>
Corporate Bonds - Foreign – 12.58%		
Corporate Bonds - Canada – 1.93%		
Toronto-Dominion Bank (The), 3.63%, 9/15/2031	500,000	<u>548,135</u>
Corporate Bonds - Finland – 1.88%		
Nokia Oyj, 4.38%, 6/12/2027	500,000	<u>530,938</u>
Corporate Bonds - Ireland – 3.49%		
AerCap Ireland Capital DAC, 6.50%, 7/15/2025	850,000	<u>990,924</u>

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
SCHEDULE OF INVESTMENTS – (continued)

March 31, 2021 – (Unaudited)

CORPORATE BONDS – 95.04% – continued	<u>Principal Amount</u>	<u>Fair Value</u>
Corporate Bonds - Japan – 3.49%		
Mizuho Financial Group, Inc., 0.82%, 5/25/2024 (3MO LIBOR + 63bps) ^(a)	\$ 500,000	\$ 502,460
Mizuho Financial Group, Inc., 1.23%, 5/22/2027 (3MO LIBOR + 80bps) ^(a)	500,000	<u>486,786</u>
		<u>989,246</u>
Corporate Bonds - United Kingdom – 1.79%		
Barclays PLC, 1.57%, 5/16/2024 (3MO LIBOR + 138bps) ^(a)	500,000	<u>507,301</u>
TOTAL CORPORATE BONDS - FOREIGN (Cost \$3,619,482)		<u>3,566,544</u>
TOTAL CORPORATE BONDS (Cost \$26,818,043)		<u>26,944,406</u>
MONEY MARKET FUNDS – 4.45%		
	<u>Shares</u>	
Fidelity Investments Money Market Government Portfolio, Class I, 0.01% ^(b)	1,262,105	<u>1,262,105</u>
TOTAL MONEY MARKET FUNDS (Cost \$1,262,105)		<u>1,262,105</u>
TOTAL INVESTMENTS – 99.49% (Cost \$28,080,148)		<u>28,206,511</u>
Other Assets in Excess of Liabilities – 0.51%		<u>143,623</u>
NET ASSETS – 100.00%		<u>\$ 28,350,134</u>

(a) Variable rate security. The rate shown is the effective interest rate as of March 31, 2021. The benchmark on which the rate is calculated is shown parenthetically.

(b) Rate disclosed is the seven day effective yield as of March 31, 2021.

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES

March 31, 2021 – (Unaudited)

Assets

Investments in securities at fair value (cost \$28,080,148)	\$ 28,206,511
Cash	445,446
Receivable for fund shares sold	79
Receivable for investments sold	1,331,133
Dividends and interest receivable	259,722
Prepaid expenses	<u>5,121</u>
Total Assets	<u>30,248,012</u>

Liabilities

Payable for investments purchased	1,832,016
Payable for distribution to shareholders	44,989
Payable to Adviser	5,808
Payable to Administrator	4,134
Other accrued expenses	<u>10,931</u>
Total Liabilities	<u>1,897,878</u>

Net Assets

\$ 28,350,134

Net Assets consist of:

Paid-in capital	27,803,945
Accumulated earnings	<u>546,189</u>

Net Assets

\$ 28,350,134

Shares outstanding (unlimited number of shares authorized, no par value)	<u>2,743,895</u>
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Net asset value (“NAV”), offering and redemption price per share ^(a)	<u><u>\$ 10.33</u></u>
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- (a) The Fund charges a 1.00% redemption fee on shares redeemed within 60 days or less of purchase. Shares are redeemed at the NAV if held longer than 60 calendar days.

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
STATEMENT OF OPERATIONS

For the six months ended March 31, 2021 – (Unaudited)

Investment Income

Interest income	\$ 345,921
Dividend income	<u>67</u>
Total investment income	<u>345,988</u>

Expenses

Adviser	55,615
Administration	13,441
Fund accounting	12,125
Legal	10,884
Audit and tax preparation	9,524
Trustee	6,870
Transfer agent	5,984
Compliance services	5,834
Pricing	5,614
Registration	5,053
Report printing	4,713
Custodian	3,453
Insurance	1,640
Miscellaneous	<u>13,937</u>
Total expenses	154,687
Fees waived by Adviser	<u>(22,469)</u>
Net operating expenses	<u>132,218</u>
Net investment income	<u>213,770</u>

Net Realized and Change in Unrealized Gain (Loss) on Investments

Net realized gain on investment securities transactions	416,147
Net change in unrealized depreciation of investment securities	<u>(170,117)</u>
Net realized and change in unrealized gain on investments	<u>246,030</u>
Net increase in net assets resulting from operations	<u>\$ 459,800</u>

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
STATEMENTS OF CHANGES IN NET ASSETS

	For the Six Months Ended March 31, 2021 (Unaudited)	For the Year Ended September 30, 2020
Increase (Decrease) in Net Assets due to: Operations		
Net investment income	\$ 213,770	\$ 650,599
Net realized gain on investment securities transactions	416,147	2,430,306
Net change in unrealized depreciation of investment securities	<u>(170,117)</u>	<u>(883,255)</u>
Net increase in net assets resulting from operations	<u>459,800</u>	<u>2,197,650</u>
Distributions to Shareholders From:		
Earnings	<u>(2,248,280)</u>	<u>(694,955)</u>
Total distributions	<u>(2,248,280)</u>	<u>(694,955)</u>
Capital Transactions		
Proceeds from shares sold	2,883,178	2,756,089
Reinvestment of distributions	87	26,293
Amount paid for shares redeemed	<u>(3,176,852)</u>	<u>(11,196,356)</u>
Net decrease in net assets resulting from capital transactions	<u>(293,587)</u>	<u>(8,413,974)</u>
Total Decrease in Net Assets	<u>(2,082,067)</u>	<u>(6,911,279)</u>
Net Assets		
Beginning of period	<u>30,432,201</u>	<u>37,343,480</u>
End of period	<u>\$ 28,350,134</u>	<u>\$ 30,432,201</u>
Share Transactions		
Shares sold	275,006	254,348
Shares issued in reinvestment of distributions	8	2,440
Shares redeemed	<u>(287,610)</u>	<u>(1,018,245)</u>
Net decrease in shares outstanding	<u>(12,594)</u>	<u>(761,457)</u>

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
FINANCIAL HIGHLIGHTS
(For a share outstanding during each period)

	For the Six Months Ended March 31, 2021 (Unaudited)	Year Ended September 30,				
		2020	2019	2018	2017	2016
Selected Per Share Data:						
Net asset value, beginning of period	\$ 11.04	\$ 10.62	\$ 10.05	\$ 10.38	\$ 10.58	\$ 10.39
Investment operations:						
Net investment income	0.08	0.19	0.22	0.21	0.20	0.20
Net realized and unrealized gain (loss)	<u>0.10</u>	<u>0.43</u>	<u>0.57</u>	<u>(0.33)</u>	<u>(0.20)</u>	<u>0.19</u>
Total from investment operations	<u>0.18</u>	<u>0.62</u>	<u>0.79</u>	<u>(0.12)</u>	<u>—</u>	<u>0.39</u>
Less distributions to shareholders from:						
Net investment income	(0.08)	(0.20)	(0.22)	(0.21)	(0.20)	(0.20)
Net realized gains	<u>(0.81)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total distributions	<u>(0.89)</u>	<u>(0.20)</u>	<u>(0.22)</u>	<u>(0.21)</u>	<u>(0.20)</u>	<u>(0.20)</u>
Paid in capital from redemption fees	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u> ^(a)	<u>—</u>
Net asset value, end of period	<u>\$ 10.33</u>	<u>\$ 11.04</u>	<u>\$ 10.62</u>	<u>\$ 10.05</u>	<u>\$ 10.38</u>	<u>\$ 10.58</u>
Total Return^(b)	1.67% ^(c)	5.92%	7.98%	(1.16)%	0.04%	3.78%
Ratios and Supplemental Data:						
Net assets, end of period (000 omitted)	\$28,350	\$30,432	\$37,343	\$36,001	\$41,021	\$41,458
Ratio of net expenses to average net assets	0.95% ^(d)	0.80%	0.80%	0.80%	0.80%	0.80%
Ratio of expenses to average net assets before reimbursement/recoupment	1.11% ^(d)	0.89%	0.90%	0.91%	0.88%	0.88%
Ratio of net investment income to average net assets	1.54% ^(d)	1.73%	2.16%	2.02%	1.92%	1.84%
Portfolio turnover rate	400% ^(e)	178% ^(e)	18%	21%	39%	29%

(a) Rounds to less than \$0.005 per share.

(b) Total return represents the rate that the investor would have earned or lost on an investment in the Fund, assuming reinvestment of distributions.

(c) Not annualized.

(d) Annualized.

(e) Elevated portfolio turnover rate is due to adviser change during the fiscal year ended September 30, 2020.

See accompanying notes which are an integral part of these financial statements.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS

March 31, 2021 – (Unaudited)

NOTE 1. ORGANIZATION

Channel Short Duration Income Fund, formerly the FCI Bond Fund, (the “Fund”), was organized as a diversified series of Unified Series Trust (the “Trust”) on June 13, 2005, and is registered under the Investment Company Act of 1940, as amended (“1940 Act”). The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated October 17, 2002 (the “Trust Agreement”), as amended. The Trust Agreement permits the Board of Trustees of the Trust (the “Board”) to issue an unlimited number of shares of beneficial interest of separate series. The Fund is one of a series of funds currently authorized by the Board. The Fund commenced operations on October 4, 2005. The investment adviser to the Fund is Channel Investment Partners LLC (the “Adviser”). From commencement of operations through July 31, 2020, the investment adviser to the Fund was Financial Counselors, Inc. (“FCI”). The Fund seeks to provide total return, comprised of both income and capital appreciation.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board Accounting Standards Codification (“ASC”) Topic 946, “Financial Services-Investment Companies.” The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements. These policies are in conformity with generally accepted accounting principles in the United States of America (“GAAP”).

In March 2017, FASB issued Accounting Standards Update No. 2017-08 (“ASU 2017-08”), “Receivables - Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities.” ASU 2017-08 shortens the amortization period for certain callable debt securities, held at a premium, to be amortized to the earliest call date. ASU 2017-08 does not require an accounting change for securities held at a discount, which continue to accrete to maturity. ASU 2017-08 is effective for fiscal years and interim periods within those fiscal years beginning after December 15, 2018. The Fund is complying with ASU 2017-08 and the impact is not deemed to be material.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

Federal Income Taxes – The Fund makes no provision for federal income or excise tax. The Fund has qualified and intends to qualify each year as a regulated investment company (“RIC”) under subchapter M of the Internal Revenue Code of 1986, as amended, by complying with the requirements applicable to RICs and by distributing substantially all of its taxable income. The Fund also intends to distribute sufficient net investment income and net realized capital gains, if any, so that it will not be subject to excise tax on undistributed income and gains. If the required amount of net investment income or gains is not distributed, the Fund could incur a tax expense.

As of and during the six months ended March 31, 2021, the Fund did not have any liabilities for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expense in the Statement of Operations when incurred. During the period, the Fund did not incur any interest or penalties. Management of the Fund has reviewed tax positions taken in tax years that remain subject to examination by all major tax jurisdictions, including federal (i.e., the previous three tax year ends and the interim tax period since then, as applicable) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements and does not expect this to change over the next twelve months.

Expenses – Expenses incurred by the Trust that do not relate to a specific fund of the Trust are allocated to the individual funds based on each fund’s relative net assets or another appropriate basis (as determined by the Board).

Security Transactions and Related Income – The Fund follows industry practice and records security transactions on the trade date for financial reporting purposes. The specific identification method is used for determining gains or losses for financial statement and income tax purposes. Dividend income is recorded on the ex-dividend

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

date and interest income is recorded on an accrual basis. Discounts and premiums on securities purchased are accreted or amortized using the effective interest method, if applicable. Withholding taxes on foreign dividends, if any, have been provided for in accordance with the Fund's understanding of the applicable country's tax rules and rates.

Dividends and Distributions – The Fund intends to distribute substantially all of its net investment income, if any, monthly. The Fund intends to distribute its net realized long-term and short-term capital gains, if any, annually. Distributions to shareholders, which are determined in accordance with income tax regulations, are recorded on the ex-dividend date. The treatment for financial reporting purposes of distributions made to shareholders during the year from net investment income or net realized capital gains may differ from their ultimate treatment for federal income tax purposes. These differences are caused primarily by differences in the timing of the recognition of certain components of income, expense or realized capital gain for federal income tax purposes. Where such differences are permanent in nature, they are reclassified in the components of the net assets based on their ultimate characterization for federal income tax purposes. Any such reclassifications will have no effect on net assets, results of operations or net asset value (“NAV”) per share of the Fund.

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS

The Fund values its portfolio securities at fair value as of the close of regular trading on the New York Stock Exchange (the “NYSE”) (normally 4:00 p.m. Eastern time) on each business day the NYSE is open for business. Fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. GAAP establishes a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes.

Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk (the risk inherent in a particular valuation technique used to measure fair value including a pricing model and/or the risk inherent in the inputs to the valuation technique). Inputs may be observable

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained and available from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

- Level 1 – unadjusted quoted prices in active markets for identical investments and/or registered investment companies where the value per share is determined and published and is the basis for current transactions for identical assets or liabilities at the valuation date
- Level 2 – other significant observable inputs (including, but not limited to, quoted prices for an identical security in an inactive market, quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining fair value of investments based on the best information available)

The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy which is reported is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Debt securities are valued by using the mean between the closing bid and ask prices provided by a pricing service. If the closing bid and ask prices are not readily available, the pricing service may provide a price determined by a matrix pricing method. Matrix pricing is a mathematical technique used to value fixed income securities without relying exclusively on quoted prices. Matrix pricing takes into consideration recent transactions, yield, liquidity, risk, credit quality, coupon, maturity, type of

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

issue and any other factors or market data the pricing service deems relevant for the actual security being priced and for other securities with similar characteristics. These securities will generally be categorized as Level 2 securities. If the Adviser decides that a price provided by the pricing service does not accurately reflect the fair value of the securities or when prices are not readily available from a pricing service, securities are valued at fair value as determined by the Adviser, in conformity with guidelines adopted by and subject to review of the Board. These securities will generally be categorized as Level 3 securities.

Investments in mutual funds, including money market mutual funds, are generally priced at the ending NAV provided by the service agent of the mutual funds. These securities are categorized as Level 1 securities.

In accordance with the Trust's valuation policies, the Adviser is required to consider all appropriate factors relevant to the value of securities for which it has determined other pricing sources are not available or reliable as described above. No single method exists for determining fair value, because fair value depends upon the circumstances of each individual case. As a general principle, the current fair value of a security being valued by the Adviser would be the amount that the Fund might reasonably expect to receive upon the current sale. Methods that are in accordance with this principle may, for example, be based on (i) a multiple of earnings; (ii) a discount from market prices of a similar freely traded security (including a derivative security or a basket of securities traded on other markets, exchanges or among dealers); or (iii) yield to maturity with respect to debt issues, or a combination of these and other methods. Fair-value pricing is permitted if, in the Adviser's opinion, the validity of market quotations appears to be questionable based on factors such as evidence of a thin market in the security based on a small number of quotations, a significant event occurs after the close of a market but before the Fund's NAV calculation that may affect a security's value, or the Adviser is aware of any other data that calls into question the reliability of market quotations.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

The following is a summary of the inputs used to value the Fund’s investments as of March 31, 2021:

<u>Assets</u>	<u>Valuation Inputs</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Domestic Corporate Bonds	\$ —	\$ 23,377,862	\$ —	\$ 23,377,862
Foreign Corporate Bonds	—	3,566,544	—	3,566,544
Money Market Funds	1,262,105	—	—	1,262,105
Total	\$ 1,262,105	\$ 26,944,406	\$ —	\$ 28,206,511

The Fund did not hold any investments at the end of the reporting period for which significant unobservable inputs (Level 3) were used in determining fair value; therefore, no reconciliation of Level 3 securities is included for this reporting period. The Fund did not hold any derivative instruments during the reporting period.

NOTE 4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES

The Adviser, under the terms of the management agreement with the Trust with respect to the Fund (the “Agreement”), manages the Fund’s investments. As compensation for its management services, the Fund is obligated to pay the Adviser a fee computed and accrued daily and paid monthly at an annual rate of 0.40% of the Fund’s average daily net assets. For the six months ended March 31, 2021, before the waiver described below, the Adviser earned fees of \$55,615, from the Fund. At March 31, 2021, the Adviser was owed \$5,808 from the Fund.

The Adviser has agreed contractually to waive its management fee and/or reimburse expenses so that the Fund’s total annual operating expenses, excluding portfolio transaction and other investment-related costs (including brokerage fees and commissions); taxes; borrowing costs (such as interest and dividend expenses on securities sold short); acquired fund fees and expenses; fees and expenses associated with investments in other collective investment vehicles or derivative instruments (including, for example, option and swap fees and expenses); any amounts payable pursuant to a distribution or service plan adopted in accordance with Rule 12b-1

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

**NOTE 4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES –
continued**

under the Investment Company Act of 1940, as amended; any administrative and/or shareholder servicing fees payable pursuant to a plan adopted by the Board of Trustees; expenses incurred in connection with any merger or reorganization; extraordinary expenses (such as litigation expenses, indemnification of Trust officers and Trustees and contractual indemnification of Fund service providers); and other expenses that the Trustees agree have not been incurred in the ordinary course of Fund's business, do not exceed 0.95% of the Fund's average daily net assets through January 31, 2022. Prior to October 1, 2020, the expense cap was 0.80% of the Fund's average daily net assets. For the six months ended March 31, 2021, the Adviser waived fees of \$22,469.

Due to an assignment of rights from FCI to the Adviser, the Adviser also has the right to recoup fees waived and/or expenses reimbursed by FCI that are eligible for reimbursement in the three years following the date the particular waiver/expense payment occurred, if such recoupment can be achieved without exceeding the Annual Limit in effect at the time of the waiver/expense payment and any Annual Limit in effect at the time of the recoupment.

Each waiver/expense payment by the Adviser is subject to recoupment by the Adviser from the Fund in the three years following the date the particular waiver/expense payment occurred, but only if such recoupment can be achieved without exceeding the applicable annual expense limitation in effect at the time of the waiver/expense payment and any expense limitation in effect at the time of recoupment. As of March 31, 2021, the Adviser may seek repayment of investment advisory fees waived and expense reimbursements pursuant to the aforementioned conditions, from the Fund no later than the dates stated below:

<u>Recoverable through</u>	
September 30, 2021	\$ 23,307
September 30, 2022	34,613
September 30, 2023	35,678
March 31, 2024	22,469

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

**NOTE 4. FEES AND OTHER TRANSACTIONS WITH AFFILIATES –
continued**

Ultimus Fund Solutions, LLC (the “Administrator”) and its affiliate, Northern Lights Compliance Services, LLC (“Northern Lights”) provide the Fund with administration, fund accounting, transfer agent and compliance services, including all regulatory reporting. For six months ended March 31, 2021, the Administrator earned fees of \$13,441 for administration services, \$12,125 for fund accounting services, \$5,984 for transfer agent services, and \$5,834 for compliance services. At March 31, 2021, the Fund owed the Administrator \$4,134 for such services.

The Board supervises the business activities of the Trust. Each Trustee serves as a trustee until termination of the Trust unless the Trustee dies, resigns, retires, or is removed. The Chairman of the Board and more than 75% of the Trustees are “Independent Trustees,” which means that they are not “interested persons” as defined in the 1940 Act. Each Independent Trustee of the Trust receives annual compensation of \$2,510 per fund from the Trust, except that the Chairman of the Audit Committee, the Chairman of the Governance & Nominating Committee, and the Chairman of the Pricing & Liquidity Committee each receives annual compensation of \$2,960 per fund from the Trust, and the Chairman of the Board receives \$3,160 per fund from the Trust. Independent Trustees also receive \$1,000 for attending each special in-person meeting. Prior to January 1, 2021, these fees were \$2,290 for non-chairmen and \$2,740 for all chairmen. In addition, the Trust reimburses Independent Trustees for out-of-pocket expenses incurred in conjunction with attendance at meetings.

One Trustee and certain officers of the Trust are employees of the Administrator or Ultimus Fund Distributors, LLC (the “Distributor”). The Distributor acts as the principal distributor of the Fund’s shares. The Distributor operates as a wholly-owned subsidiary of the Administrator. An officer of the Trust is an officer of the Distributor and such person may be deemed to be an affiliate of the Distributor. Officers are not paid for services to the Trust, however, the Fund pays Northern Lights, which compensates the Assistant Chief Compliance Officer.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 5. INVESTMENT TRANSACTIONS

For the six months ended March 31, 2021, purchases and sales of investment securities, other than short-term investments and short-term U.S. government obligations were as follows:

Purchases

U.S. Government Obligations	\$ 66,755,977
Other	39,185,339

Sales

U.S. Government Obligations	\$ 70,732,951
Other	36,885,733

NOTE 6. FEDERAL TAX INFORMATION

At March 31, 2021, the net unrealized appreciation (depreciation) and tax cost of investments for tax purposes was as follows:

Gross unrealized appreciation	\$ 308,538
Gross unrealized depreciation	<u>(182,405)</u>
Net unrealized appreciation/(depreciation) on investments	<u>\$ 126,133</u>
Tax cost of investments	<u>\$ 28,080,378</u>

The tax character of distributions paid for the fiscal year ended September 30, 2020, the Fund's most recent fiscal year end, was as follows:

Distributions paid from:

Ordinary income ^(a)	<u>\$ 663,923</u>
Total distributions paid	<u>\$ 663,923</u>

(a) Short-term capital gain distributions are treated as ordinary income for tax purposes.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 6. FEDERAL TAX INFORMATION – continued

At September 30, 2020, the components of accumulated earnings (deficit) on a tax basis were as follows:

Undistributed ordinary income	\$ 424,582
Undistributed long-term capital gains	1,644,869
Distributions payable	(31,032)
Unrealized appreciation on investments	<u>296,250</u>
Total accumulated earnings	<u>\$ 2,334,669</u>

As of September 30, 2020, the Fund had short-term and long-term capital loss carryforwards available to offset future gains and not subject to expiration in the amount of \$87,352 and \$302,767, respectively.

NOTE 7. CORONAVIRUS (COVID-19) PANDEMIC

The COVID-19 pandemic has caused financial markets to experience periods of increased volatility due to uncertainty that exists around its long-term effects. COVID-19 has resulted in varying levels of travel restrictions, quarantines, disruptions to supply chains and customer activity, leading to general concern and economic uncertainty. The full impact and duration of the pandemic cannot necessarily be foreseen. Management continues to monitor developments and navigate accordingly, further evaluating the anticipated impact to financial markets.

NOTE 8. COMMITMENTS AND CONTINGENCIES

The Trust indemnifies its officers and Trustees for certain liabilities that may arise from their performance of their duties to the Trust or the Fund. Additionally, in the normal course of business, the Trust enters into contracts that contain a variety of representations and warranties which provide general indemnifications. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
March 31, 2021 – (Unaudited)

NOTE 9. SUBSEQUENT EVENTS

Management of the Fund has evaluated the need for disclosures and/or adjustments resulting from subsequent events through the date at which these financial statements were issued. Based upon this evaluation, management has determined there were no items requiring adjustment of the financial statements or additional disclosure.

LIQUIDITY RISK MANAGEMENT PROGRAM – (UNAUDITED)

The Fund has adopted and implemented a written liquidity risk management program (the “Program”) as required by Rule 22e-4 (the “Liquidity Rule”) under the 1940 Act. The Program is reasonably designed to assess and manage the Fund’s liquidity risk, taking into consideration, among other factors, the Fund’s investment strategy and the liquidity of its portfolio investments during normal and reasonably foreseeable stressed conditions; its short and long-term cash flow projections; and its cash holdings and access to other funding sources. The Board approved the appointment of the Liquidity Administrator Committee, comprising certain Trust officers and employees of the Adviser. The Liquidity Administrator Committee maintains Program oversight and reports to the Board on at least an annual basis regarding the Program’s operational effectiveness through a written report (the “Report”). The Program’s initial Report, which was presented to the Board for consideration at its meeting held on November 17, 2020, outlined the operation of the Program and the adequacy and effectiveness of the Program’s implementation. During the review period, the Fund did not experience unusual stress or disruption to its operations related to purchase and redemption activity. Also, during the review period the Fund held adequate levels of cash and highly liquid investments to meet shareholder redemption activities in accordance with applicable requirements. The Report concluded that the Program is reasonably designed to prevent violation of the Liquidity Rule and has been effectively implemented.

SUMMARY OF FUND EXPENSES – (UNAUDITED)

As a shareholder of the Fund, you incur two types of costs: (1) transaction and (2) ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period from October 1, 2020 through March 31, 2021.

Actual Expenses

The first line of the table below provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading 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 table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the second line of the table below is useful in comparing ongoing costs only and will not help you determine the relative costs of owning different funds. In addition, if transaction costs were included, your costs would have been higher.

	Beginning Account Value October 1, 2020	Ending Account Value March 31, 2021	Expenses Paid During Period^(a)	Annualized Expense Ratio
Actual	\$1,000.00	\$1,016.70	\$4.78	0.95%
Hypothetical ^(b)	\$1,000.00	\$1,020.19	\$4.78	0.95%

(a) Expenses are equal to the Fund’s annualized expense ratios, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period).

(b) Hypothetical assumes 5% annual return before expenses.

FACTS	WHAT DOES CHANNEL SHORT DURATION INCOME FUND (THE “FUND”) DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number • account balances and account transactions • transaction or loss history and purchase history • checking account information and wire transfer instructions <p>When you are <i>no longer</i> our customer, we continue to share your information as described in this notice.</p>
How?	All financial companies need to share customers’ personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers’ personal information; the reasons the Fund chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does the Fund share?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes
For our marketing purposes— to offer our products and services to you	No
For joint marketing with other financial companies	No
For our affiliates’ everyday business purposes— information about your transactions and experiences	No
For our affiliates’ everyday business purposes— information about your creditworthiness	No
For nonaffiliates to market to you	No

Questions?	Call (877) 627-8504
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Who we are	
Who is providing this notice?	Channel Short Duration Income Fund Ultimus Fund Distributors, LLC (Distributor) Ultimus Fund Solutions, LLC (Administrator)
What we do	
How does the Fund protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Our service providers are held accountable for adhering to strict policies and procedures to prevent any misuse of your nonpublic personal information.
How does the Fund collect my personal information?	We collect your personal information, for example, when you <ul style="list-style-type: none"> • open an account or deposit money • buy securities from us or sell securities to us • make deposits or withdrawals from your account or provide account information • give us your account information • make a wire transfer • tell us who receives the money • tell us where to send the money • show your government-issued ID • show your driver's license
Why can't I limit all sharing?	Federal law gives you the right to limit only <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for nonaffiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • <i>Channel Investment Partners LLC, the investment adviser to the Fund, could be deemed to be an affiliate.</i>
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> • <i>The Fund does not share your personal information with nonaffiliates so they can market to you</i>
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> • <i>The Fund doesn't jointly market.</i>

PROXY VOTING

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information regarding how the Fund voted those proxies during the most recent twelve month period ended June 30, are available (1) without charge upon request by calling the Fund at (877) 627-8504 and (2) in Fund documents filed with the Securities and Exchange Commission (“SEC”) on the SEC’s website at www.sec.gov.

TRUSTEES

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David R. Carson
Daniel J. Condon
Gary E. Hippenstiel
Stephen A. Little
Ronald C. Tritschler

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Martin R. Dean, Vice President /
Chief Compliance Officer
Zachary P. Richmond, Treasurer and
Chief Financial Officer
Lynn E. Wood, Assistant Chief
Compliance Officer

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This report is intended only for the information of shareholders or those who have received the Fund’s prospectus which contains information about the Fund’s management fee and expenses. Please read the prospectus carefully before investing.

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