



CHANNEL
FUNDS

**Channel Short Duration
Income Fund**

**Annual Report
September 30, 2021**

Fund Adviser:

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MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE – (UNAUDITED)

Dear Shareholders:

Market Review

If there was a music album title to represent the last 12 months, Grateful Dead's "What a Long Strange Trip It's Been" would likely be a consensus pick. And like the double album songs, Chairman Jerome Powell's Federal Reserve stuck to some of the familiar and mixed in some new policy surprises. "Truckin'," The Dead song with the most commercial success, also reflects Powell's transition between two political parties in power, scandal, and efforts to curtail QE without a market tantrum.

*"Sometimes the light's all shinin' on me
Other times, I can barely see
Lately, it occurs to me
What a long, strange trip it's been"*

With the Federal Reserve ("Fed") Funds target 0.00-0.25%, traditional measures of risk like equity markets climbed to record highs and new measures of risk like crypto markets became mainstream. Investors scrambled to spend, gamble, and invest government fiscal stimulus in ways few could have imagined, helping to create worker shortages and supply chain disruptions. In anticipation the Fed will let the economy "run hot" and be forced to raise the Fed Funds Rate more quickly in the future to slow inflation, the US 5-year treasury note rose from 0.278% on 9/30/20 to 0.966% on 9/30/21, one year later. For the same 12-month period, the US 10-year treasury note went from 0.685% to 1.488%. Keep in mind, these moves occurred despite the Fed not yet tapering its asset purchases nor making a rate adjustment beyond moving the Reverse Repo Operations (RRO) rate to 0.05% to ensure money market funds do not "break the buck" as fees erode returns. Market dislocations occur when the cost to borrow is closer to zero. The longer the Fed maintains a Zero Interest Rate Policy (ZIRP), the harder it is to raise rates in the future due to the economy structurally being dependent upon lower and lower borrowing rates. It's not the absolute rate that matters as much as the relative rate and eventually Fed influence reaches its limits. Fiscal stimulus played an important part over the past year and it will play an important role in future Fed and Congressional policy decisions.

The 5-10 year US treasury note curve was a difference of 0.41% on 9/30/20, steepening as much as 0.84% on 3/17/21, and came back down to 0.52% on 9/30/21. We read this to mean the economy's growth, as measured by GDP, has peaked without additional stimulus and the Fed has boxed themselves into rate hikes that the market

MANAGEMENT'S DISCUSSION OF FUND PERFORMANCE – (UNAUDITED) – (continued)

has already priced in. Higher funding rates, albeit still historically low, have begun to do the Fed's work through markets such as mortgage and asset backed securities and corporate debt. R-star, the natural rate of interest, is never achievable when Fed communication leads the markets into pricing in Fed rate moves before they happen.

Corporate investment grade credit spreads, an area of focus for us, became less volatile as investors piled in to support the record debt supply from corporations wisely using proceeds to deleverage, make acquisitions, and/or adjust their capital structures. The weighted average spread of the Bloomberg US Credit Index on 9/30/20 was +128 basis points (bps) and compressed to +80 bps on 9/30/21 with only minor back-ups during that period. Within the Index, sectors most beaten up due to COVID-19 concerns and lockdowns, like REITS, Energy, Lodging, Gaming, and Airlines, came roaring back as the economy began to reopen. Corporate credits across sectors that are rated between investment grade and high yield ("Crossover") did extremely well with improving credit fundamentals and less interest rate sensitivity that can cushion returns in a rising rate environment.

Portfolio Overview

The Channel Short Duration Income Fund (the "Fund") maintained higher than benchmark corporate credit exposure as we saw opportunity for spread compression to drive capital appreciation while receiving relatively attractive coupon income. More specifically, oversold credits with exposure to the reopening economy, fundamental credit improvement and deleveraging situations, and subordinated bank bonds were prominent holdings in the fund. The general view was corporate credit is for holding and US treasuries are for trading in the previous and current market.

Performance

For the 12-month period ended September 30, 2021, the Fund's total return was 3.96%, net of fees. This compares to the Bloomberg US 1-5 year Government/Credit Index total return of 0.08% for the same period. For additional comparison, the Bloomberg US Intermediate Government/Credit Index total return was -0.40%, also for the same period. A higher concentration of investment grade credit risk along with some high yield credit risk contributed to strong absolute performance while Fund expenses detracted from relative performance. The Fund's relative duration vs. respective benchmarks also contributed modestly to comparative under and outperformance. An active US treasury systematic rates trading strategy also contributed to the Fund's total returns.

INVESTMENT RESULTS – (UNAUDITED)

Average Annual Total Returns* (for the periods ended September 30, 2021)

	<u>1 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Channel Short Duration Income Fund	3.96%	3.29%	3.06%
Bloomberg U.S. 1-5 Year Government/ Credit Index**	0.08%	2.19%	1.89%
Bloomberg U.S. Intermediate Government/ Credit Bond Index***	(0.40)%	2.60%	2.52%

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 September 30, 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.

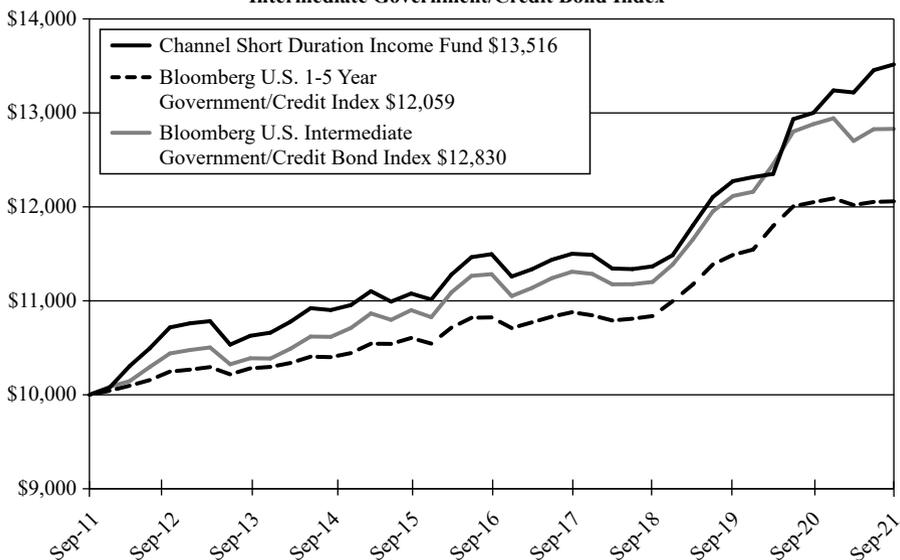
- * Return figures reflect any change in price per share and assume the reinvestment of all distributions. The Fund's returns reflect any fee reductions during the applicable periods. If such fee reductions had not occurred, the quoted performance would have been lower.
- ** The Bloomberg Barclays U.S. 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.

INVESTMENT RESULTS – (UNAUDITED) – (continued)

Comparison of the Growth of a \$10,000 Investment in the Channel Short Duration Income Fund, Bloomberg Barclays U.S. 1-5 Year Government/Credit Index and the Bloomberg Barclays U.S. Intermediate Government/Credit Bond Index*

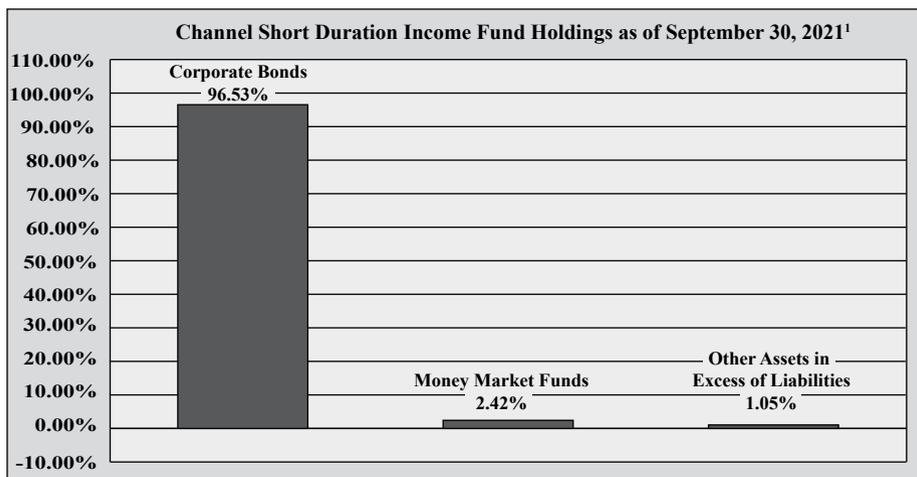


This graph shows the value of a hypothetical initial investment of \$10,000 made on September 30, 2011 for the Fund and held through September 30, 2021. The Bloomberg U.S. 1-5 Year Government/Credit Bond Index and the Bloomberg U.S. Intermediate Government/Credit Bond Index are widely recognized unmanaged indices of bond prices and are representative of a broader market and range of securities than is found in the Fund's portfolio. Individuals cannot invest directly in the 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 FUND'S RETURN REPRESENTS PAST PERFORMANCE AND DOES NOT GUARANTEE OR PREDICT FUTURE RESULTS.** The returns shown do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Investment returns and principal values will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than the performance data quoted. For more information on the Fund, and to obtain performance data current to the most recent month-end, or to request a prospectus, please call (877) 627-8504. You should carefully consider the investment objectives, risks, charges and expenses of the Fund before investing. The Fund's prospectus contains this and other information about the Fund and should be read carefully before investing.

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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> and on the Fund’s website at <https://channelfunds.com/>.

CHANNEL SHORT DURATION INCOME FUND
SCHEDULE OF INVESTMENTS

September 30, 2021

CORPORATE BONDS – 96.53%	Principal Amount	Fair Value
Corporate Bonds - Domestic – 83.94%		
Ally Financial, Inc., 5.75%, 11/20/2025	\$ 500,000	\$ 571,791
Ally Financial, Inc., 4.70%, Perpetual (3MO LIBOR + 348bps) ^(a)	250,000	261,875
American Airlines Pass Through Trust, Series 2013-2, 4.95%, 1/15/2023	956,839	979,214
Antero Resources Corp., 5.00%, 3/1/2025	300,000	307,650
AT&T, Inc., 4.45%, 4/1/2024	500,000	541,827
AT&T, Inc., 3.80%, 2/15/2027	300,000	332,134
B&G Foods, Inc., 5.25%, 4/1/2025	250,000	256,275
B&G Foods, Inc., 5.25%, 9/15/2027	500,000	522,190
Bank of America Corp., 3.95%, 4/21/2025	1,000,000	1,089,948
Boeing Co. (The), 2.75%, 2/1/2026	1,000,000	1,041,701
Broadcom, Inc., 4.70%, 4/15/2025	500,000	557,077
Bunge Ltd. Finance Group, 1.63%, 8/17/2025	500,000	505,314
Calumet Specialty Products Partners LP, 7.75%, 4/15/2023	850,000	843,625
Charles Schwab Corp. (The), 4.00%, Perpetual (3MO LIBOR + 231bps) ^(a)	250,000	257,428
Continental Airlines Pass Through Trust, Series 2012-1 A, 4.15%, 4/11/2024	369,813	390,946
Continental Airlines Pass Through Trust, Series 2-A, 4.00%, 10/29/2024	408,396	430,920
Dominion Energy, Inc., 1.45%, 4/15/2026	350,000	351,198
Edison International, 5.38%, 9/15/2069 (3MO LIBOR + 370bps) ^(a)	500,000	517,650
Energy Transfer LP, 6.50%, Perpetual (3MO LIBOR + 465bps) ^(a)	500,000	521,935
Ford Motor Co., 8.50%, 4/21/2023	1,000,000	1,101,190
General Motors Co., 6.13%, 10/1/2025	300,000	351,508
General Motors Financial Co., Inc., 4.35%, 4/9/2025	750,000	823,578
Genworth Holdings, Inc., 4.80%, 2/15/2024	500,000	510,625
Genworth Holdings, Inc., 2.13%, 11/15/2036 (3MO LIBOR + 200bps) ^(a)	500,000	321,250
Hawaiian Airlines Pass Through Trust, Series 2013-1B, 4.95%, 1/15/2022	387,773	387,443
HCA, Inc., 5.38%, 2/1/2025	750,000	839,062

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

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

September 30, 2021

CORPORATE BONDS – 96.53% – continued	<u>Principal Amount</u>	<u>Fair Value</u>
Corporate Bonds - Domestic – 83.94% – continued		
Hyatt Hotels Corp., 1.80%, 10/1/2024	\$ 500,000	\$ 501,105
iHeartCommunications, Inc., 8.38%, 5/1/2027	250,000	267,500
JPMorgan Chase & Co., 3.88%, 9/10/2024	500,000	543,720
Marathon Petroleum Corp., 4.70%, 5/1/2025	250,000	279,100
Morgan Stanley, 5.00%, 11/24/2025	1,200,000	1,372,408
Nordstrom, Inc., 2.30%, 4/8/2024	250,000	250,035
Nordstrom, Inc., 4.00%, 3/15/2027	500,000	517,031
Occidental Petroleum Corp., 6.95%, 7/1/2024	300,000	339,558
Occidental Petroleum Corp., 2.90%, 8/15/2024	300,000	305,745
Plains All American Pipeline LP/ PAA Finance Corp., 3.60%, 11/1/2024	650,000	693,943
Quanta Services, Inc., 0.95%, 10/1/2024	200,000	200,098
Range Resources Corp., 5.00%, 3/15/2023	500,000	519,375
Range Resources Corp., 4.88%, 5/15/2025	250,000	264,263
Ross Stores, Inc., 4.60%, 4/15/2025	550,000	613,950
Southern California Edison Co., 1.10%, 4/1/2024	300,000	301,493
Sprint Corp., 7.88%, 9/15/2023	500,000	559,375
Tyson Foods Inc., 3.95%, 8/15/2024	300,000	324,396
UAL 2007-1 Pass Through Trust , Series 071A, 6.64%, 7/2/2022	278,274	286,991
United Airlines 2020-1 Class A Pass Through Trust, Series 20-1, 5.88%, 4/15/2029	231,869	259,893
US Airways Pass Through Trust, Series 13-1B, 5.38%, 11/15/2021	728,276	729,045
VeriSign, Inc., 5.25%, 4/1/2025	500,000	568,940
Verizon Communications, Inc., 3.38%, 2/15/2025	700,000	757,836
VMware Inc., 3.90%, 8/21/2027	900,000	1,003,341
VMware, Inc., 0.60%, 8/15/2023	200,000	200,298
Wells Fargo & Co., 3.90%, Perpetual (3MO LIBOR + 264bps) ^(a)	400,000	412,750
Welltower, Inc., 2.05%, 1/15/2029	500,000	<u>496,722</u>
TOTAL CORPORATE BONDS - DOMESTIC (Cost \$26,830,934)		<u>27,184,265</u>

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

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

September 30, 2021

CORPORATE BONDS – 96.53% – continued	<u>Principal Amount</u>	<u>Fair Value</u>
Corporate Bonds - Foreign – 12.59%		
Corporate Bonds - Finland – 1.70%		
Nokia Oyj, 4.38%, 6/12/2027	\$ 500,000	\$ <u>549,375</u>
Corporate Bonds - Ireland – 2.14%		
AerCap Ireland Capital DAC, 6.50%, 7/15/2025	600,000	<u>695,728</u>
Corporate Bonds - Japan – 2.83%		
Mizuho Financial Group, Inc., 2.56%, 9/13/2025 (3MO LIBOR + 43bps) ^(a)	400,000	418,752
Mizuho Financial Group, Inc., 1.55%, 7/9/2027 (3MO LIBOR + 62bps) ^(a)	500,000	<u>498,918</u>
		<u>917,670</u>
Corporate Bonds - Netherlands – 2.55%		
ING Groep NV, 4.25%, Perpetual (3MO LIBOR + 306bps) ^(a)	400,000	388,960
LYB International Finance II B.V., 3.50%, 3/2/2027	400,000	<u>435,749</u>
		<u>824,709</u>
Corporate Bonds - United Kingdom – 3.37%		
Astrazeneca PLC, 3.38%, 11/16/2025	500,000	545,639
Barclays PLC, 4.38%, 9/11/2024	500,000	<u>544,886</u>
		<u>1,090,525</u>
TOTAL CORPORATE BONDS - FOREIGN (Cost \$4,085,158)		<u>4,078,007</u>
TOTAL CORPORATE BONDS (Cost \$30,916,092)		<u>31,262,272</u>

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

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

September 30, 2021

MONEY MARKET FUNDS – 2.42%	Shares	Fair Value
Fidelity Investments Money Market Government Portfolio, Class I, 0.01% ^(b)	784,478	\$ 784,478
TOTAL MONEY MARKET FUNDS (Cost \$784,478)		784,478
TOTAL INVESTMENTS – 98.95% (Cost \$31,700,570)		32,046,750
Other Assets in Excess of Liabilities – 1.05%		338,953
NET ASSETS – 100.00%		\$ 32,385,703

(a) Variable rate security. The rate shown is the effective interest rate as of September 30, 2021. The benchmark on which the rate is calculated is shown parenthetically.

(b) Rate disclosed is the seven day effective yield as of September 30, 2021.

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

CHANNEL SHORT DURATION INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES

September 30, 2021

Assets

Investments in securities at fair value (cost \$31,700,570)	\$ 32,046,750
Receivable for fund shares sold	46,776
Receivable for investments sold	4,912,744
Dividends and interest receivable	365,835
Prepaid expenses	<u>12,557</u>
Total Assets	<u>37,384,662</u>

Liabilities

Payable for fund shares redeemed	46
Payable for investments purchased	4,916,279
Payable for distribution to shareholders	43,571
Payable to Adviser	6,881
Payable to affiliates	6,820
Other accrued expenses	<u>25,362</u>
Total Liabilities	<u>4,998,959</u>

Net Assets

\$ 32,385,703

Net Assets consist of:

Paid-in capital	31,474,758
Accumulated earnings	<u>910,945</u>

Net Assets

\$ 32,385,703

Shares outstanding (unlimited number of shares authorized, no par value)	<u>3,094,237</u>
Net asset value ("NAV"), offering and redemption price per share ^(a)	<u><u>\$ 10.47</u></u>

- (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 year ended September 30, 2021

Investment Income	
Interest income	\$ 735,589
Dividend income	<u>10,574</u>
Total investment income	<u>746,163</u>
Expenses	
Adviser	115,323
Administration	25,230
Fund accounting	23,826
Legal	22,465
Audit and tax preparation	19,059
Trustee	13,983
Custodian	12,541
Report printing	12,279
Compliance services	12,001
Transfer agent	12,000
Pricing	10,649
Registration	9,906
Insurance	3,290
Miscellaneous	<u>26,106</u>
Total expenses	318,658
Fees waived by Adviser	<u>(44,501)</u>
Net operating expenses	<u>274,157</u>
Net investment income	<u>472,006</u>
Net Realized and Change in Unrealized Gain (Loss) on Investments	
Net realized gain on investment securities transactions	567,759
Net change in unrealized appreciation of investment securities	<u>49,700</u>
Net realized and change in unrealized gain on investments	<u>617,459</u>
Net increase in net assets resulting from operations	<u><u>\$ 1,089,465</u></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 Year Ended September 30, 2021	For the Year Ended September 30, 2020
Increase (Decrease) in Net Assets due to:		
Operations		
Net investment income	\$ 472,006	\$ 650,599
Net realized gain on investment securities transactions	567,759	2,430,306
Net change in unrealized appreciation (depreciation) of investment securities	<u>49,700</u>	<u>(883,255)</u>
Net increase in net assets resulting from operations	<u>1,089,465</u>	<u>2,197,650</u>
Distributions to Shareholders From:		
Earnings	<u>(2,513,189)</u>	<u>(694,955)</u>
Total distributions	<u>(2,513,189)</u>	<u>(694,955)</u>
Capital Transactions		
Proceeds from shares sold	6,928,463	2,756,089
Reinvestment of distributions	8,117	26,293
Amount paid for shares redeemed	<u>(3,559,354)</u>	<u>(11,196,356)</u>
Net increase (decrease) in net assets resulting from capital transactions	<u>3,377,226</u>	<u>(8,413,974)</u>
Total Increase (Decrease) in Net Assets	<u>1,953,502</u>	<u>(6,911,279)</u>
Net Assets		
Beginning of year	<u>30,432,201</u>	<u>37,343,480</u>
End of year	<u>\$ 32,385,703</u>	<u>\$ 30,432,201</u>
Share Transactions		
Shares sold	661,202	254,348
Shares issued in reinvestment of distributions	775	2,440
Shares redeemed	<u>(324,229)</u>	<u>(1,018,245)</u>
Net increase (decrease) in shares outstanding	<u>337,748</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)

	Year Ended September 30,				
	2021	2020	2019	2018	2017
Selected Per Share Data:					
Net asset value, beginning of year	\$ 11.04	\$ 10.62	\$ 10.05	\$ 10.38	\$ 10.58
Investment operations:					
Net investment income	0.17	0.19	0.22	0.21	0.20
Net realized and unrealized gain (loss)	0.24	0.43	0.57	(0.33)	(0.20)
Total from investment operations	0.41	0.62	0.79	(0.12)	—
Less distributions to					
shareholders from:					
Net investment income	(0.17)	(0.20)	(0.22)	(0.21)	(0.20)
Net realized gains	(0.81)	—	—	—	—
Total distributions	(0.98)	(0.20)	(0.22)	(0.21)	(0.20)
Paid in capital from redemption fees	—	—	—	—	— ^(a)
Net asset value, end of year	\$ 10.47	\$ 11.04	\$ 10.62	\$ 10.05	\$ 10.38
Total Return^(b)	3.96%	5.92%	7.98%	(1.16)%	0.04%
Ratios and Supplemental Data:					
Net assets, end of year (000 omitted)	\$32,386	\$30,432	\$37,343	\$36,001	\$41,021
Ratio of net expenses to average net assets	0.95%	0.80%	0.80%	0.80%	0.80%
Ratio of expenses to average net assets before reimbursement/recoupment	1.10%	0.89%	0.90%	0.91%	0.88%
Ratio of net investment income to average net assets	1.64%	1.73%	2.16%	2.02%	1.92%
Portfolio turnover rate	1,659% ^(d)	178% ^(c)	18%	21%	39%

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

(d) Turnover may be elevated in times of market volatility as part of a systematic U.S. Treasury trading strategy used to manage overall portfolio risk with the possibility of generating excess returns.

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

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2021

NOTE 1. ORGANIZATION

Channel Short Duration Income Fund, formerly the FCI Bond Fund, (the “Fund”) was registered under the Investment Company Act of 1940, as amended (“1940 Act”), as a diversified series of Unified Series Trust (the “Trust”) on June 13, 2005. The Trust is an open-end investment company established under the laws of Ohio by an Agreement and Declaration of Trust dated October 14, 2002 (the “Trust Agreement”). 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. Currently, 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,” including Accounting Standard Update 2013-08. 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”).

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

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

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 fiscal year ended September 30, 2021, the fiscal year ended September 30, 2021, 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 fiscal year ended September 30, 2021, 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 date and interest income is recorded on an accrual basis. 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, at least 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

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES – continued

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 (“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 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

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

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 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

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

NOTE 3. SECURITIES VALUATION AND FAIR VALUE MEASUREMENTS – continued

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)

September 30, 2021

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 September 30, 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	\$ —	\$ 27,184,265	\$ —	\$ 27,184,265
Foreign Corporate Bonds	—	4,078,007	—	4,078,007
Money Market Funds	784,478	—	—	784,478
Total	\$ 784,478	\$ 31,262,272	\$ —	\$ 32,046,750

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 fiscal year ended September 30, 2021, the Adviser earned fees of \$115,323, from the Fund. At September 30, 2021, the Adviser was owed \$6,881 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 under

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

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

the 1940 Act; 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 fiscal year ended September 30, 2021, the Adviser waived fees of \$44,501.

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 September 30, 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, 2022	\$	34,613
September 30, 2023		35,678
September 30, 2024		44,501

Ultimus Fund Solutions, LLC (“Ultimus”) provides administration, fund accounting and transfer agent services to the Fund. The Fund pays Ultimus fees in accordance with the agreements for such services.

Northern Lights Compliance Services, LLC (“NLCS”), an affiliate of Ultimus, provides a Chief Compliance Officer to the Trust, as well as related compliance services, pursuant to a consulting agreement between NLCS and the Trust. Under the terms of such agreement, NLCS receives fees from the Fund, which are approved

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)
September 30, 2021

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

annually by the Board. Prior to April 1, 2021, Ultimus provided certain compliance services and Buttonwood Compliance Partners provided the Chief Compliance Officer to the Trust.

Under the terms of a Distribution Agreement with the Trust, Ultimus Fund Distributors, LLC (the “Distributor”) serves as principal underwriter to the Fund. The Distributor is a wholly-owned subsidiary of Ultimus. The Distributor is compensated by the Adviser (not the Fund) for acting as principal underwriter.

Certain officers and a Trustee of the Trust are also employees of Ultimus and such persons are not paid by the Fund for serving in such capacities.

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 Independent Chairman of the Board receives \$3,160 per fund from the Trust. Independent Trustees also receive \$1,000 for attending any special meeting that requires an in person approval of a contract and \$250 for the first hour and \$200 for each additional hour for attending other special meetings. Prior to January 1, 2021, the annual per fund 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.

CHANNEL SHORT DURATION INCOME FUND
NOTES TO THE FINANCIAL STATEMENTS – (continued)

September 30, 2021

NOTE 5. INVESTMENT TRANSACTIONS

For the fiscal year ended September 30, 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	\$ 387,342,986
Other	78,970,007

Sales

U.S. Government Obligations	\$ 392,488,161
Other	69,707,732

NOTE 6. FEDERAL TAX INFORMATION

At September 30, 2021, the net unrealized appreciation (depreciation) and tax cost of investments for tax purposes was as follows:

Gross unrealized appreciation	\$ 349,802
Gross unrealized depreciation	<u>(37,006)</u>
Net unrealized appreciation/(depreciation) on investments	<u>\$ 312,796</u>
Tax cost of investments	<u>\$ 31,733,954</u>

The tax character of distributions paid for the fiscal years ended September 30, 2021 and September 30, 2020 were as follows:

	<u>2021</u>	<u>2020</u>
Distributions paid from:		
Ordinary income ^(a)	\$ 853,318	\$ 663,923
Net long term capital gains	<u>1,644,869</u>	<u>—</u>
Total distributions paid	<u>\$ 2,498,187</u>	<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)
September 30, 2021

NOTE 6. FEDERAL TAX INFORMATION – continued

At September 30, 2020, the difference between book basis and tax basis unrealized appreciation (depreciation) was primarily attributable to wash sales.

At September 30, 2021, the components of accumulated earnings (deficit) on a tax basis were as follows:

Undistributed ordinary income	\$ 315,225
Accumulated capital and other losses	328,958
Distributions payable	(46,034)
Unrealized appreciation on investments	<u>312,796</u>
Total accumulated earnings	<u><u>\$ 910,945</u></u>

NOTE 7. 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.

NOTE 8. 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.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders of Channel Short Duration Income Fund and
Board of Trustees of Unified Series Trust

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Channel Short Duration Income Fund (the “Fund”), a series of Unified Series Trust, as of September 30, 2021, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the related notes, and the financial highlights for each of the five years in the period then ended (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of September 30, 2021, the results of its operations the year then ended, the changes in net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of September 30, 2021, by correspondence with the custodian and brokers; when replies were not received from brokers, we performed other auditing procedures. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

We have served as the Fund’s auditor since 2006.

COHEN & COMPANY, LTD.
Chicago, Illinois
November 24, 2021

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 “Committee”). The 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 Committee most recently reported to the Board on August 17, 2021, outlining the operation of the Program and the adequacy and effectiveness of the Program’s implementation.. The report covered the period from June 1, 2020 through May 31, 2021. 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 April 1, 2021 through September 30, 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 the 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 April 1, 2021	Ending Account Value September 30, 2021	Expenses Paid During Period^(a)	Annualized Expense Ratio
Actual	\$1,000.00	\$1,022.50	\$4.82	0.95%
Hypothetical ^(b)	\$1,000.00	\$1,020.30	\$4.81	0.95%

(a) Expenses are equal to the Fund’s annualized expense ratios, multiplied by the average account value over the period, multiplied by 183/365 (to reflect the one-half year period).

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

***ADDITIONAL FEDERAL INCOME
TAX INFORMATION – (UNAUDITED)***

The Form 1099-DIV you receive in January 2022 will show the tax status of all distributions paid to your account in calendar year 2021. Shareholders are advised to consult their own tax adviser with respect to the tax consequences of their investment in the Fund. As required by the Internal Revenue Code and/or regulations, shareholders must be notified regarding the status of qualified dividend income for individuals and the dividends received deduction for corporations.

Qualified Dividend Income. The Fund designates approximately 0% or up to the maximum amount of such dividends allowable pursuant to the Internal Revenue Code, as qualified dividend income eligible for a reduced tax rate.

Qualified Business Income. The Fund designates approximately 0% of its ordinary income dividends, or up to the maximum amount of such dividends allowable pursuant to the Internal Revenue Code, as qualified business income.

Dividends Received Deduction. Corporate shareholders are generally entitled to take the dividends received deduction on the portion of the Fund's dividend distribution that qualifies under tax law. For the Fund's calendar year 2021 ordinary income dividends, 0% qualifies for the corporate dividends received deduction.

For the year ended September 30, 2021, the Fund designated \$1,644,869 as long-term capital gain distributions.

TRUSTEES AND OFFICERS – (UNAUDITED)

GENERAL QUALIFICATIONS. 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) of the Trust or any adviser, sub-adviser or distributor of the Trust.

The following table provides information regarding the Independent Trustees.

Name, Address*, (Year of Birth), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
Kenneth G.Y. Grant (1949) Chairman, January 2017 to present; Independent Trustee, May 2008 to present	Current: Director, Standpoint Multi-Asset (Cayman) Fund, Ltd. (2019 – present); Director, Advisors Charitable Gift Fund (2020 - present), a Donor Advised Fund. Previous: EVP, Benefit Plans Administrative Services, Inc., provider of retirement benefit plans administration (2019 – 2020); Director, Northeast Retirement Services (NRS) LLC, a transfer agent and fund administrator; and Director, Global Trust Company (GTC), a non-depository trust company sponsoring private investment product (2003 – 2019); EVP, NRS (2003 – 2019); GTC, EVP (2008 – 2019); EVP, Savings Banks Retirement Association (2003 – 2019), provider of qualified retirement benefit plans.
Daniel J. Condon (1950) Chairman of the Audit Committee; Chairman of the Governance & Nominating Committee; Independent Trustee, December 2002 to present	Current: Retired (2017 - present)

TRUSTEES AND OFFICERS (UNAUDITED) – (continued)

Name, Address*, (Year of Birth), Position with Trust**, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
Gary E. Hippenstiel (1947) Chairman of the Pricing & Liquidity Committee; Independent Trustee, December 2002 to present	Current: President and founder of Hippenstiel Investment Counsel LLC (“Hippenstiel”) since 2008. Hippenstiel was registered as an investment adviser from 2008 to December 31, 2019.
Stephen A. Little (1946) Independent Trustee, December 2002 to present; Chairman, December 2004 to December 2016	Current: President and founder of The Rose, Inc., a registered investment adviser, since 1993.
Ronald C. Tritschler (1952) Independent Trustee, January 2007 to present; Interested Trustee, December 2002 to December 2006	Current: Chief Executive Officer, Director and Legal Counsel of The Webb Companies, a national real estate company, since 2001; Director, Standpoint Multi-Asset (Cayman) Fund, Ltd. (2020 – present).

* The address for each Trustee is 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246.

** As of the date of this report, the Trust consists of 21 series.

TRUSTEES AND OFFICERS (UNAUDITED) – (continued)

The following table provides information regarding the interested Trustee and officers of the Trust.

Name, Address*, (Year of Birth), Position with Trust, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
David R. Carson (1958) President, January 2016 to August 2021; Interested Trustee, August 2020 to present	Current: Senior Vice President Client Strategies of Ultimus Fund Solutions, LLC, since 2013; Interested Trustee of Ultimus Managers Trust, since 2020.
Zachary P. Richmond (1980) Treasurer and Chief Financial Officer, November 2014 to present	Current: Vice President, Director of Financial Administration for Ultimus Fund Solutions, LLC, since 2015.
Martin R. Dean (1963) President, August 2021 to present; Vice President, November 2020 to August 2021; Chief Compliance Officer, April 2021 to August 2021; Assistant Chief Compliance Officer, January 2016 to April 2021	Current: Senior Vice President, Head of Fund Compliance of Ultimus Fund Solutions, LLC, since 2016.
Gweneth K. Gosselink (1955) Chief Compliance Officer, August 2021 to present	Current: Assistant Vice President, Senior Compliance Officer of Ultimus Fund Solutions, LLC, since 2019. Previous: Chief Operating Officer & CCO at Miles Capital, Inc. (2013 – 2019).
Elisabeth Dahl (1962) Secretary, May 2017 to present; Assistant Secretary, March 2016 to May 2017	Current: Attorney, Ultimus Fund Solutions, LLC since March 2016.

TRUSTEES AND OFFICERS (UNAUDITED) – (continued)

Name, Address*, (Year of Birth), Position with Trust, Term of Position with Trust	Principal Occupation During Past 5 Years and Other Directorships
Stephen Preston (1966) AML Compliance Officer, May 2017 to present	Current: Vice President and Chief Compliance Officer, Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC, since 2011.
Lynn E. Wood (1946) Assistant Chief Compliance Officer, April 2021 to present; Chief Compliance Officer, October 2004 to April 2021	Current: Managing Member, Buttonwood Compliance Partners, LLC, since 2013.

* The address for each Officer is 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246.

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>

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OTHER INFORMATION (Unaudited)

The Fund's Statement of Additional Information ("SAI") includes additional information about the trustees and is available without charge, upon request. You may call toll-free at (877) 627-8504 to request a copy of the SAI or to make shareholder inquiries.

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.

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

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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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