



LADDER SELECT BOND FUND

INSTITUTIONAL CLASS (LSBIX)

Managed by
Ladder Capital Asset Management LLC

ANNUAL REPORT
February 28, 2017

LADDER SELECT BOND FUND

LETTER TO SHAREHOLDERS

March 17, 2017

Dear Ladder Select Bond Fund Shareholders,

From inception on October 18, 2016 to February 28, 2017, the Ladder Select Bond Fund (the “Fund”) returned +0.85%. For the same period, the Fund’s benchmark, the Bloomberg Barclays Intermediate Government/Credit Bond Index, returned -1.15%. The Fund outperformed its benchmark by 2.00%.

The Fund seeks to capitalize on the sector-specific knowledge of commercial real estate (“CRE”) and commercial mortgage-backed securities (“CMBS”) of its adviser, Ladder Capital Asset Management (“LCAM”), to select investments that satisfy the Fund’s investment objective of seeking a combination of current income and capital preservation.

Consistent with LCAM’s philosophy of seeking outperformance through deep sector expertise, the strong performance of the Fund versus its benchmark during the period was driven by three of its larger holdings.

- JPMCC 2016-WPT D – This investment is secured by a highly diverse office portfolio of 108 properties with 417 tenant leases. A significant proportion of those tenants are rated investment grade. The floating rate investment grade security owned by the Fund is rated BBB by S&P and has a coupon of one-month dollar LIBOR (“LIBOR”) +3.75%.
- WFCM 2013-LC12 A3FL – The Fund’s investment in this conduit last cash flow floating rate security allowed the Fund to be exposed to the AAA CMBS basis without the exposure to Treasury rates or the potential cost of interest rate hedges. The position was bought and sold during the period.
- COMM 2014-BBG A – The Fund invested in a single pass-through security secured by the Bloomberg world headquarters located at East 59th Street and Lexington Avenue in Manhattan. Rated AAA, this floating rate security was bought at a discount to par value given its coupon of LIBOR+0.90%. The Fund has been able to realize a mark to market price increase with the tightening of spreads during the period.

Underperformance during the period in a number of Fund positions was a result of the rise in U.S. Treasury yields as further discussed below. The following three fixed rate Fund positions: HILT 2016-SFP A, HILT 2016-SFP B and GSMS 2005-ROCK X1 were the most significant underperformers during the period.

To minimize exposure to interest rate moves, the Fund diversified its investments in shorter-duration and floating-rate CMBS investments, ending the period with a portfolio comprised of 48.9% floating-rate securities indexed to LIBOR, 36.5% fixed rate securities, and 14.6% cash. To further mitigate the portfolio’s exposure to interest rate movements, the Fund expects to employ hedging strategies using derivatives. At the end of the period, the Fund’s portfolio included a short position in 5-year interest rate swap future contracts.

Market Environment:

Since the Fund's inception, improved consumer sentiment, expectations of a potential tax code overhaul, modification and/or repeal of numerous government regulations and the relative strength of domestic economic data have propelled U.S. stock market indices to all-time highs. The U.S. Treasury curve has been range bound, with the 2-year to 10-year Treasury curve steepening slightly. From the Fund's inception through February 28, 2017, the 2-year Treasury yield increased 46 basis points, the 5-year Treasury yield increased 70 basis points, and the 10-year Treasury yield increased 65 basis points. Three to four rate hikes by the Federal Reserve are expected during 2017 with the first rate increase of 25 basis points announced at the recent March Federal Open Market Committee meeting.

Spreads on CMBS during the period tightened as investors searched for yield, with last cash flow 2016 AAAs tighter by 16 basis points and 2016 BBB- bonds tighter by 135 basis points. The market's expectations for higher interest rates in the future also created an aggressive investor bid for floating rate and shorter duration investments. Spreads on 2013 last cash flow AAA bonds, which LCAM looks at as an example of intermediate-duration performance, tightened by 22 basis points over the period.

LCAM generally views current CMBS underwriting standards as supportive of capital preservation. According to Wells Fargo's monthly CMBS Research Briefing – January 6, 2017, loan-to-value ratios at origination for CRE loans underlying conduit transactions since 2010 have ranged from 59.2% to 65.8%, with 2016 originations at 61.0% loan-to-value. Debt service coverage ratios for the same transactions have ranged from 1.61x to 1.89x, with the 2016 vintage posting the highest post-crisis debt service coverage ratio of 1.89x. These relatively conservative credit metrics are supported by an active CRE acquisition market, which provides support for the overall level of CRE valuations.

Outlook:

LCAM continues to monitor market volatility and financial market expectations of the new U.S. Presidential administration. We anticipate some increase in U.S. economic growth in the medium term as a result of positive consumer sentiment, potential for lower personal and corporate taxes, government spending increases directed at infrastructure and defense, and deregulation. However, these potential policy changes could lead to larger U.S. budget deficits, higher inflation rates, rising interest rates and increased market volatility.

In this environment, CRE values may benefit via an increase in sector and individual property cash flows, but higher interest rates could put pressure on CRE cap rates. Increased CRE cap rates could have a negative effect on the fundamentals, as higher cap rates could make it more difficult to refinance existing debt. New loans may require more leverage or new capital in the form of mezzanine debt, preferred equity, or entirely new equity via an outright sale either by the existing owner or the CMBS servicer.

Consistent with its capital preservation objective, the Fund will continue its strategy of investing in CRE debt exhibiting strong fundamental credit metrics while focusing on relative value within each respective transaction's capital structure. The Fund will also continue to be cautious with respect to credit exposure given the potential for increased refinance risk in a higher interest rate environment.

On behalf of everyone at Ladder Capital Asset Management, we would like to thank you for investing with us. We look forward to the Fund's continued success.

Sincerely,



Brian Harris
Principal Executive Officer and Portfolio Manager



Craig Sedmak
Portfolio Manager

Past performance is not predictive of future performance. Investment results and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. Performance data current to the most recent month-end are available by calling 1-888-859-5867.

An investor should consider the investment objectives, risks, charges, and expenses of the Fund carefully before investing. The Fund's prospectus contains this and other important information. To obtain a copy of the Fund's prospectus please visit the Fund's website at www.ladderfunds.com or call 1-888-859-5867 and a copy will be sent to you free of charge. Please read the prospectus carefully before you invest. The Fund is distributed by Ultimus Fund Distributors, LLC.

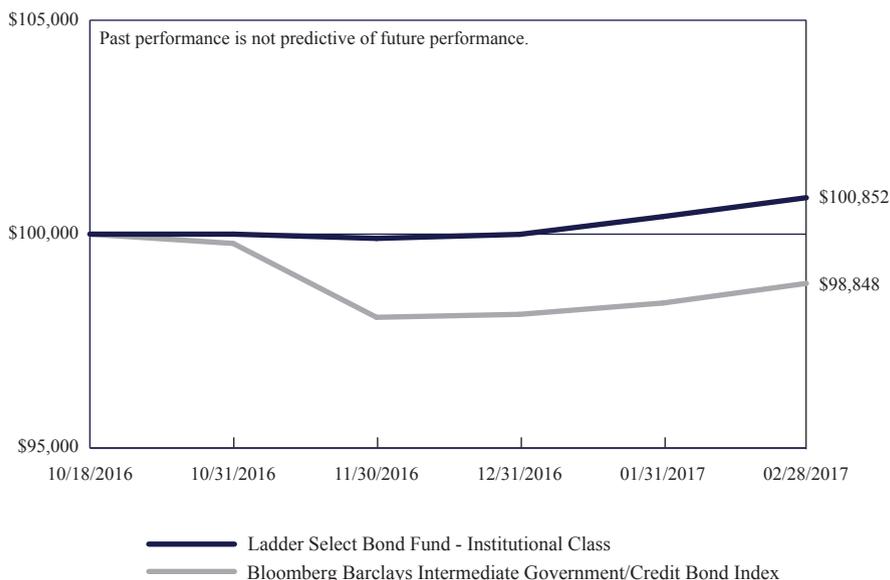
The Letter to Shareholders seeks to describe some of the Adviser's current opinions and views of the financial markets. Although the Adviser believes it has a reasonable basis for any opinions or views expressed, actual results may differ, sometimes significantly so, from those expected or expressed. The securities held by the Fund that are discussed in the Letter to Shareholders were held during the period covered by this Report. They do not comprise the entire investment portfolio of the Fund, may be sold at any time, and may no longer be held by the Fund. For a complete list of securities held by the Fund as of February 28, 2017, please see the Schedule of Investments section of the annual report. The opinions of the Fund's adviser with respect to those securities may change at any time.

Statements in the Letter to Shareholders that reflect projections or expectations for future financial or economic performance of the Fund and the market in general and statements of the Fund's plans and objectives for future operations are forward-looking statements. No assurance can be given that actual results or events will not differ materially from those projected, estimated, assumed, or anticipated in any such forward-looking statements. Important factors that could result in such differences, in addition to factors noted with such forward-looking statements, include, without limitation, general economic conditions, such as inflation, recession, and interest rates. Past performance is not a guarantee of future results.

LADDER SELECT BOND FUND PERFORMANCE INFORMATION

February 28, 2017 (Unaudited)

Comparison of the Change in Value of a \$100,000 Investment in Ladder Select Bond Fund - Institutional Class versus the Bloomberg Barclays Intermediate Government/Credit Bond Index



Total Returns (for the period ended February 28, 2017)

	<u>Since Inception^(b)</u>
Ladder Select Bond Fund - Institutional Class ^(a)	0.85%
Bloomberg Barclays Intermediate Government/Credit Bond Index	(1.15%)

^(a) The Fund's total return does not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

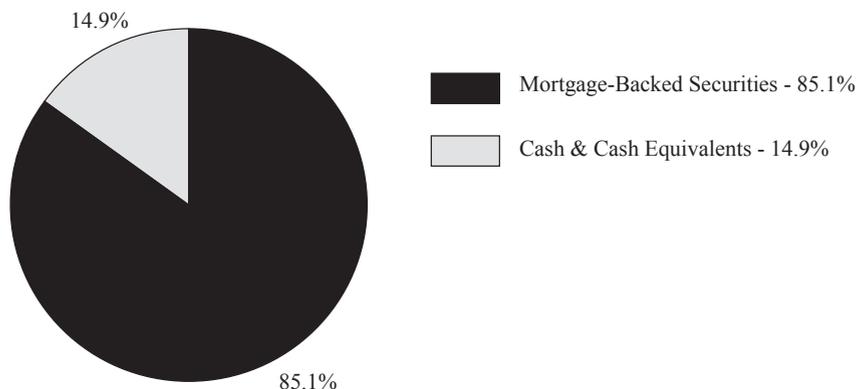
^(b) The Fund commenced operations on October 18, 2016.

LADDER SELECT BOND FUND

PORTFOLIO INFORMATION

February 28, 2017 (Unaudited)

Portfolio Allocation (% of Net Assets)



Top 10 Long-Term Holdings

Security Description	% of Net Assets
Commercial Mortgage Trust, Series 2014-BBG, Class A, 144A, 1.5700% ^(a) , due 03/15/2029	21.5%
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2016-WPT, Class D, 144A, 4.5200% ^(a) , due 10/15/2033	14.4%
Hilton USA Trust, Series 2016-SFP, Class A, 144A, 2.8284%, due 11/05/2035	4.8%
Commercial Mortgage Trust, Series 2012-LC4, Class AM, 4.0630%, due 12/10/2044	4.7%
Hilton USA Trust, Series 2016-SFP, Class B, 144A, 3.3228%, due 11/05/2035	4.5%
Progressive Residential Trust, Series 2016-SFR1, Class A, 144A, 2.2722% ^(a) , due 09/17/2033	4.4%
Wells Fargo Commercial Mortgage Trust, Series 2012-LC5, Class B, 4.1420%, due 10/15/2045	4.3%
Commercial Mortgage Trust, Series 2013-WWP, Class B, 144A, 3.7255%, due 03/10/2031	4.3%
Morgan Stanley Capital I Trust, Series 2017-PRME, Class B, 144A, 2.1200% ^(a) , due 02/15/2034	4.1%
Commercial Mortgage Trust, Series 2014-TWC, Class B, 144A, 2.3761% ^(a) , due 02/13/2032	3.6%

^(a) Variable rate security. The rate shown is the effective interest rate as of February 28, 2017.

LADDER SELECT BOND FUND
SCHEDULE OF INVESTMENTS
February 28, 2017

MORTGAGE-BACKED SECURITIES — 85.1%	Coupon	Maturity	Par Value	Value
Commercial — 85.1%				
Citigroup Commercial Mortgage Trust, Series 2016-SMPL, Class A, 144A	2.2280%	09/10/2031	\$ 51,000	\$ 50,096
Cobalt CMBS Commercial Trust, Series 2007-C2, Class A1A	5.4770%	04/15/2047	33,308	33,372
Commercial Mortgage Trust, Series 2014-BBG, Class A, 144A	1.5700%(a)	03/15/2029	2,655,000	2,659,166
Commercial Mortgage Trust, Series 2013-WWP, Class A2, 144A	3.4244%	03/10/2031	62,500	64,706
Commercial Mortgage Trust, Series 2013-WWP, Class B, 144A	3.7255%	03/10/2031	509,000	526,349
Commercial Mortgage Trust, Series 2014-TWC, Class B, 144A	2.3761%(a)	02/13/2032	450,000	450,703
Commercial Mortgage Trust, Series 2012-LC4, Class AM	4.0630%	12/10/2044	550,000	582,023
Commercial Mortgage Trust, Series 2013-LC6, Class AM	3.2820%	01/10/2046	107,000	108,412
Commercial Mortgage Trust, Series 2013-LC13, Class AM, 144A	4.5570%	08/10/2046	206,000	222,299
Goldman Sachs Mortgage Securities Trust, IO, Series 2005-ROCK, Class X1, 144A	0.2072%(a)	05/03/2032	14,016,000	272,499
Hilton USA Trust, Series 2016-SFP, Class A, 144A	2.8284%	11/05/2035	600,000	592,569
Hilton USA Trust, Series 2016-SFP, Class B, 144A	3.3228%	11/05/2035	565,000	562,430
JPMorgan Chase Commercial Mortgage Securities Trust, Series 2016-WPT, Class D, 144A	4.5200%(a)	10/15/2033	1,750,000	1,778,416
LSTAR Commercial Mortgage Trust, Series 2014-2, Class B, 144A	4.2050%	01/20/2041	150,000	150,023
Morgan Stanley Capital Group Trust, Series 2016-SNR, Class A, 144A	3.3480%	11/15/2034	375,000	374,350
Morgan Stanley Capital I Trust, Series 2017-PRME, Class B, 144A	2.1200%(a)	02/15/2034	500,000	502,365
Progressive Residential Trust, Series 2016-SFR1, Class A, 144A	2.2722%(a)	09/17/2033	534,466	540,780
Resource Capital Corporation Ltd., Series 2015-CRE4, Class A, 144A (b)	2.1722%(a)	08/17/2032	126,442	125,812

LADDER SELECT BOND FUND

SCHEDULE OF INVESTMENTS (Continued)

MORTGAGE-BACKED SECURITIES — 85.1% (Continued)	Coupon	Maturity	Par Value	Value
Commercial — 85.1% (Continued)				
Wells Fargo Commercial Mortgage Trust, Series 2013-120B, Class D, 144A	2.7096% ^(a)	03/18/2028	\$ 39,000	\$ 38,291
Wells Fargo Commercial Mortgage Trust, Series 2012-LC5, Class B	4.1420%	10/15/2045	506,000	526,799
WTC Depositor, LLC Trust, Series 2012-7WTC, Class A, 144A	4.0824%	03/13/2031	47,112	47,715
WTC Depositor, LLC Trust, Series 2012-7WTC, Class B, 144A	5.9649%	03/13/2031	315,000	<u>329,017</u>
Total Mortgage-Backed Securities (Cost \$10,506,718)				<u>\$ 10,538,192</u>

MONEY MARKET FUNDS — 14.6%	Shares	Value
Fidelity Institutional Money Market Government Portfolio - Class I, 0.45% ^(c) (Cost \$1,802,925)	1,802,925	<u>\$ 1,802,925</u>
Total Investments at Value — 99.7% (Cost \$12,309,643)		\$ 12,341,117
Other Assets in Excess of Liabilities — 0.3%		<u>33,831</u>
Net Assets — 100.0%		<u>\$ 12,374,948</u>

144A - Security was purchased in a transaction exempt under Rule 144A of the Securities Act of 1933. This security may be sold in transactions exempt from registration, normally to qualified institutional buyers. The total value of such securities is \$9,287,586 as of February 28, 2017, representing 75.1% of net assets (Note 8).

IO - Interest only strip.

^(a) Variable rate security. The rate shown is the effective interest rate as of February 28, 2017.

^(b) Security has been determined to be illiquid by the Fund's investment adviser. Total value of illiquid securities held as of February 28, 2017, was \$125,812, representing 1.0% of net assets.

^(c) The rate shown is the 7-day effective yield as of February 28, 2017.

See accompanying notes to financial statements.

LADDER SELECT BOND FUND
SCHEDULE OF FUTURES CONTRACTS SOLD SHORT
February 28, 2017

FUTURES CONTRACTS SOLD SHORT	Expiration Date	Contracts	Notional Value of Contracts	Unrealized Depreciation
Swap Futures				
Primary Fixed Rate 5-Year USD Deliverable Interest Rate Swap Future	03/13/2017	12	<u>\$ 1,169,438</u>	<u>\$ (902)</u>

See accompanying notes to financial statements.

LADDER SELECT BOND FUND
STATEMENT OF ASSETS AND LIABILITIES
February 28, 2017

ASSETS

Investments in securities:	
At cost	\$ 12,309,643
At value (Note 2)	\$ 12,341,117
Margin deposits for futures contracts (Notes 2 and 5)	25,000
Interest receivable	21,303
Receivable from Adviser (Note 4)	2,393
Other assets	781
Total assets	<u>12,390,594</u>

LIABILITIES

Dividends payable	420
Unrealized depreciation on futures contracts (Notes 2 and 5)	902
Payable to administrator (Note 4)	6,090
Other accrued expenses	8,234
Total liabilities	<u>15,646</u>

NET ASSETS \$ 12,374,948

NET ASSETS CONSIST OF:

Paid-in capital	\$ 12,318,086
Undistributed net investment income	984
Accumulated net realized gains from security transactions and other financial instruments	25,306
Net unrealized appreciation (depreciation) on:	
Investments	31,474
Futures contracts	(902)
NET ASSETS	<u>\$ 12,374,948</u>

PRICING OF INSTITUTIONAL SHARES (Note 1)

Net assets applicable to Institutional Shares	\$ 12,374,948
Shares of Institutional Shares outstanding (unlimited number of shares authorized, no par value)	1,231,854
Net asset value, offering price and redemption price per share (Note 2)	<u>\$ 10.05</u>

See accompanying notes to financial statements.

LADDER SELECT BOND FUND
STATEMENT OF OPERATIONS
For the Period Ended February 28, 2017 (a)

INVESTMENT INCOME	
Interest	\$ 80,116
Dividends	4,350
	<u>84,466</u>
EXPENSES	
Investment advisory fees (Note 4)	33,179
Professional fees	12,871
Fund accounting fees (Note 4)	9,345
Administration fees (Note 4)	8,903
Registration and filing fees	7,368
Trustees' fees and expenses (Note 4)	6,375
Compliance fees (Note 4)	4,452
Transfer agent fees (Note 4)	4,452
Custody and bank service fees	3,094
Pricing fees	2,801
Postage and supplies	2,729
Other expenses	4,673
Total expenses	<u>100,242</u>
Less fee reductions and expense reimbursements by the Adviser (Note 4)	<u>(58,216)</u>
Net expenses	<u>42,026</u>
NET INVESTMENT INCOME	<u>42,440</u>
REALIZED AND UNREALIZED GAINS (LOSSES) ON INVESTMENTS AND FUTURES CONTRACTS	
Net realized gains from:	
Investments	26,989
Futures contracts (Note 5)	—
Net change in unrealized appreciation (depreciation) on:	
Investments	31,474
Futures contracts (Note 5)	<u>(902)</u>
NET REALIZED AND UNREALIZED GAINS ON INVESTMENTS AND FUTURES CONTRACTS	<u>57,561</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 100,001</u>

(a) Represents the period from the commencement of operations (October 18, 2016) through February 28, 2017.

See accompanying notes to financial statements.

LADDER SELECT BOND FUND

STATEMENT OF CHANGES IN NET ASSETS

	Period Ended February 28, 2017 ^(a)
FROM OPERATIONS	
Net investment income	\$ 42,440
Net realized gains from:	
Investments	26,989
Futures contracts (Note 5)	—
Net change in unrealized appreciation (depreciation) on:	
Investments	31,474
Futures contracts (Note 5)	(902)
Net increase in net assets from operations	<u>100,001</u>
DISTRIBUTIONS TO SHAREHOLDERS	
From net investment income, Institutional Shares	<u>(43,139)</u>
FROM CAPITAL SHARE TRANSACTIONS	
Institutional Shares	
Proceeds from shares sold	12,276,000
Net asset value of shares issued in reinvestment of distributions to shareholders	<u>42,086</u>
Net increase in Institutional Shares net assets from capital share transactions	<u>12,318,086</u>
TOTAL INCREASE IN NET ASSETS	12,374,948
NET ASSETS	
Beginning of period	—
End of period	<u>\$ 12,374,948</u>
UNDISTRIBUTED NET INVESTMENT INCOME	<u>\$ 984</u>
CAPITAL SHARE ACTIVITY	
Institutional Shares	
Shares sold	1,227,655
Shares reinvested	<u>4,199</u>
Net increase in shares outstanding	1,231,854
Shares outstanding at beginning of period	—
Shares outstanding at end of period	<u>1,231,854</u>

^(a) Represents the period from the commencement of operations (October 18, 2016) through February 28, 2017.

See accompanying notes to financial statements.

LADDER SELECT BOND FUND

INSTITUTIONAL SHARES

FINANCIAL HIGHLIGHTS

Per Share Data for a Share Outstanding Throughout the Period

	Period Ended February 28, 2017 ^(a)
Net asset value at beginning of period	\$ 10.00
Income from investment operations:	
Net investment income	0.03
Net realized and unrealized gains on investments and futures contracts ^(b)	0.06
Total from investment operations	0.09
Less distributions:	
From net investment income	(0.04)
Net asset value at end of period	\$ 10.05
Total return ^(c)	0.85% ^(d)
Net assets at end of period (000's)	\$ 12,375
Ratios/supplementary data:	
Ratio of total expenses to average net assets	2.26% ^(e)
Ratio of net expenses to average net assets ^(f)	0.95% ^(e)
Ratio of net investment income to average net assets ^(f)	0.96% ^(e)
Portfolio turnover rate	91% ^(d)

^(a) Represents the period from the commencement of operations (October 18, 2016) through February 28, 2017.

^(b) Net realized and unrealized gains on investments and futures contracts per share in this caption are balancing amounts necessary to reconcile with the aggregate gains and losses in the Statement of Operations due to share transactions for the period.

^(c) Total return is a measure of the change in value of an investment in the Fund over the period covered. The return shown does not reflect the deduction of taxes a shareholder would pay on Fund distributions, if any, or the redemption of Fund shares. The total return would be lower if the Adviser had not reduced advisory fees and reimbursed expenses.

^(d) Not annualized.

^(e) Annualized.

^(f) Ratio was determined after advisory fee reductions and expense reimbursements (Note 4).

See accompanying notes to financial statements.

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS

February 28, 2017

1. Organization

Ladder Select Bond Fund (the “Fund”) is a non-diversified series of Ultimus Managers Trust (the “Trust”), an open-end investment company established as an Ohio business trust under a Declaration of Trust dated February 28, 2012. Other series of the Trust are not incorporated in this report. The Fund commenced operations on October 18, 2016.

The investment objective of the Fund is to seek a combination of current income and capital preservation.

The Fund currently offers one class of shares: Institutional Class shares (sold without any sales loads or distribution fees and subject to a \$100,000 initial investment requirement). As of February 28, 2017, the Advisor Class shares (to be sold without any sales loads, but subject to a distribution fee of up to 0.25% of the class’ average daily net assets and subject to a \$2,500 initial investment requirement) are not currently offered. When both classes are offered, each share class will represent an ownership interest in the same investment portfolio.

2. Significant Accounting Policies

The following is a summary of the Fund’s significant accounting policies. These policies are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). As an investment company, as defined in Financial Accounting Standards Board (“FASB”) Accounting Standards Update 2013-08, the Fund follows accounting and reporting guidance under FASB Accounting Standards Codification Topic 946, “Financial Services – Investment Companies.”

In October 2016, the Securities and Exchange Commission (the “SEC”) released its final rule on Investment Company Reporting Modernization (the “Rule”). The Rule, which introduces two new regulatory reporting forms for investment companies – Form N-PORT and Form N-CEN, also contains amendments to Regulation S-X which impact financial statement presentation, particularly the presentation of derivative investments. Although it is still evaluating the impact of the Rule, management believes that many of the Regulation S-X amendments are consistent with the Fund’s current financial statement presentation and expects that the Fund will be able to comply with the Rule’s Regulation S-X amendments by the August 1, 2017 compliance date.

Securities and futures valuation – The Fund’s fixed income securities, including mortgage-backed securities and interest-only strips (“IOs”), are typically valued using evaluated bid prices provided by an independent pricing service approved by the Trust’s Board of Trustees (the “Board”). The independent pricing service uses information with respect to transactions in bonds, quotations from bond dealers, market transactions in comparable securities, and various relationships between securities in determining these prices. The methods used by the independent pricing service and the quality of valuations established are reviewed by

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

Ladder Capital Asset Management LLC (the “Adviser”), under the general supervision of the Board. The Fund values its futures contracts at their last sale price as of the close of regular trading on the NYSE. Prices for these futures contracts are monitored daily by the Adviser until the close of regular trading to determine if fair valuation is required. Securities for which market quotations are not readily available are valued at fair value as determined in good faith under procedures adopted by the Board.

GAAP establishes a single authoritative definition of fair value, sets out a framework for measuring fair value, and requires additional disclosures about fair value measurements.

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 – quoted prices in active markets for identical securities
- Level 2 – other significant observable inputs
- Level 3 – significant unobservable inputs

Fixed income securities, including mortgage-backed securities and IOs, held by the Fund are classified as Level 2 since values are based on prices provided by an independent pricing service that utilizes various “other significant observable inputs” including bid and ask quotations, prices of similar securities, and interest rates, among other factors. The inputs or methods used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. 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 within which the fair value measurement falls in its entirety is determined based on the lowest level input that is significant to the fair value measurement.

The following is a summary of the inputs used to value the Fund’s investments and other financial instruments as of February 28, 2017:

	Level 1	Level 2	Level 3	Total
<u>Investments in Securities</u>				
Mortgage-Backed Securities	\$ —	\$ 10,538,192	\$ —	\$ 10,538,192
Money Market Funds	1,802,925	—	—	1,802,925
Total	<u>\$ 1,802,925</u>	<u>\$ 10,538,192</u>	<u>\$ —</u>	<u>\$ 12,341,117</u>
<u>Other Financial Instruments</u>				
Futures Contracts				
Sold Short	<u>\$ (902)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (902)</u>

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

As of February 28, 2017, the Fund did not have any transfers between Levels. In addition, the Fund did not have any assets or liabilities that were measured at fair value on a recurring basis using significant unobservable inputs (Level 3) as of February 28, 2017. It is the Fund's policy to recognize transfers between Levels at the end of the reporting period.

Share valuation – The net asset value (“NAV”) per share of each class of the Fund is calculated daily by dividing the total value of the assets attributable to that class, less liabilities attributable to that class, by the number of shares outstanding of that class. The offering price and redemption price per share of each class of the Fund is equal to the NAV per share of such class.

Investment income – Interest income is accrued as earned. Discounts and premiums on fixed income securities purchased are accreted or amortized using the effective interest method. Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturing of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are also included in interest income on the Statement of Operations. Gains and losses on paydowns of mortgage-backed securities are reflected in interest income on the Statement of Operations. Dividend income is recorded on the ex-dividend date.

Security transactions – Security transactions are accounted for on the trade date. Realized gains and losses on securities sold are determined on a specific identification basis.

Common expenses – Common expenses of the Trust are allocated among the Fund and other series of the Trust based on the relative net assets of each series or the nature of the services performed and the relative applicability to each series.

Distributions to shareholders – Dividends from net investment income are declared and paid monthly to shareholders. Net realized capital gains, if any, are distributed at least once each year. The amount of distributions from net investment income and net realized capital gains are determined in accordance with federal income tax regulations, which may differ from GAAP. Dividends and distributions to shareholders are recorded on the ex-dividend date. The tax character of the Fund's distributions during the period ended February 28, 2017 was ordinary income. On March 31, 2017, the Fund paid an ordinary income dividend of \$0.0157 per share to shareholders of record on March 30, 2017.

Futures contracts – The Fund may use futures contracts to gain exposure to or to hedge against changes in interest rates, credit spread, and other risks. A futures contract represents a commitment for the future purchase or sale of an asset at a specified price on a specified date. When the Fund purchases or sells a futures contract, no price is paid to or received by the Fund. Instead, the Fund is required to deposit in a segregated asset account an amount of cash or qualifying securities currently ranging from 2% to 10% of the contract amount. This is called the “initial margin deposit.” Daily fluctuations in the fair value of the assets of the Fund are

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

accumulated in an account each day. The total of this account is received or paid by the Fund when the position is closed. If market conditions move unexpectedly, the Fund may not achieve the anticipated benefits of the futures contracts and may realize a loss. See Note 5.

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 as of the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates.

Federal income tax – The Fund has qualified and intends to continue to qualify as a regulated investment company under the Internal Revenue Code of 1986, as amended (the “Code”). Qualification generally will relieve the Fund of liability for federal income taxes to the extent 100% of its net investment income and net realized capital gains are distributed in accordance with the Code.

In order to avoid imposition of the excise tax applicable to regulated investment companies, it is also the Fund’s intention to declare as dividends in each calendar year at least 98% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the 12 months ended October 31) plus undistributed amounts from prior years.

The following information is computed on a tax basis for each item as of February 28, 2017:

Tax cost of portfolio investments	\$ 12,309,643
Gross unrealized appreciation	\$ 51,213
Gross unrealized depreciation	(19,739)
Net unrealized appreciation on investments	31,474
Undistributed ordinary income	25,808
Dividends payable	(420)
Accumulated earnings	\$ 56,862

For the period ended February 28, 2017, the following reclassification was made as a result of permanent differences between the financial statement and income tax reporting requirements:

Undistributed net investment income	\$ 1,683
Accumulated net realized gains from security transactions and other financial instruments	(1,683)

Such reclassification has no effect on the Fund’s net assets or NAV per share.

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has reviewed the Fund’s tax positions for the tax period ended February 28, 2017 and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements. The Fund identifies its major tax jurisdiction as U.S. Federal.

3. Investment Transactions

During the period ended February 28, 2017, cost of purchases and proceeds from sales of investment securities, other than short-term investments, were \$17,296,952 and \$6,806,804, respectively.

4. Transactions with Related Parties

INVESTMENT ADVISORY AGREEMENT

The Fund’s investments are managed by the Adviser pursuant to the terms of an Investment Advisory Agreement. Under the Investment Advisory Agreement, the Fund pays the Adviser an advisory fee, computed and accrued daily and paid monthly, at the annual rate of 0.75% of its average daily net assets.

Pursuant to an Expense Limitation Agreement (“ELA”) between the Fund and the Adviser, the Adviser has contractually agreed until July 31, 2019, to reduce investment advisory fees and reimburse other operating expenses in order to limit total annual operating expenses (exclusive of portfolio transactions and other investment-related costs (including brokerage costs); taxes; interest; costs to organize the Fund; acquired fund fees and expenses; extraordinary expenses such as litigation and merger or reorganization costs and other expenses not incurred in the ordinary course of the Fund’s business; and amounts, if any, payable pursuant to a distribution or service plan adopted in accordance with Rule 12b-1 under the Investment Company Act of 1940, as amended (the “1940 Act”)) to an amount not exceeding 0.95% of average daily net assets of the applicable class of shares. Accordingly, the Adviser did not collect any of its advisory fees and in addition, reimbursed other operating expenses totaling \$25,037 during the period ended February 28, 2017.

Under the terms of the ELA, investment advisory fee reductions and expense reimbursements by the Adviser are subject to repayment by the Fund for a period of three years after such fees and expenses were incurred, provided that the repayments do not cause total annual operating expenses (exclusive of such reductions and reimbursements) to exceed: (i) the expense limitation then in effect, if any; and (ii) the expense limitation in effect at the time the expenses to be repaid were incurred. As of February 28, 2017, the Adviser may seek repayment of investment advisory fee reductions and expense reimbursements in the amount of \$58,216 no later than February 29, 2020.

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

The Adviser has paid all expenses incurred related to the organization, offering and initial registration of the Fund. Such expenses are not subject to recoupment by the Fund to the Adviser.

Until April 25, 2017, an officer of the Fund was also an officer of the Adviser.

OTHER SERVICE PROVIDERS

Ultimus Fund Solutions, LLC (“Ultimus”) provides administration, fund accounting, compliance and transfer agency services to the Fund. The Fund pays Ultimus fees in accordance with the agreements for such services. In addition, the Fund pays out-of-pocket expenses including, but not limited to, postage, supplies, and costs of pricing the Fund’s portfolio securities.

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 officers of Ultimus and the Distributor.

TRUSTEE COMPENSATION

Each Trustee who is not an “interested person” of the Trust (“Independent Trustee”) receives a \$1,000 annual retainer from the Fund, paid quarterly, except for the Board Chairperson who receives a \$1,200 annual retainer from the Fund, paid quarterly. Each Independent Trustee also receives from the Fund a fee of \$500 for each Board meeting attended plus reimbursement for travel and other meeting-related expenses.

PRINCIPAL HOLDERS OF FUND SHARES

As of February 28, 2017, the following shareholders owned of record 5% or more of the outstanding shares of the Fund:

Name of Record Owner	% Ownership
Ladder Capital Finance Portfolio II	81%
Betsy A Harris 2012 Family Trust	8%

A beneficial owner of 25% or more of the Fund’s outstanding shares may be considered a controlling person. That shareholder’s vote could have a more significant effect on matters presented at a shareholder’s meeting.

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

5. Derivatives Transactions

The Fund's positions in derivative instruments as of February 28, 2017 are recorded in the following location in the Statement of Assets and Liabilities:

Derivative Investment Type	Risk	Location
Futures contracts	Interest Rate	Unrealized depreciation on futures contracts

The Fund's transactions in derivative instruments during the period ended February 28, 2017 are recorded in the following locations in the Statement of Operations:

Derivative Investment Type	Location
Futures contracts	Net change in unrealized appreciation (depreciation) on futures contracts

The following is a summary of the Fund's net realized gains (losses) and net change in unrealized appreciation (depreciation) on derivative instruments recognized in the Statement of Operations during the period ended February 28, 2017:

Type of Derivative	Net Realized Gains (Losses)	Net Change in Unrealized Appreciation (Depreciation)
Futures contracts	\$ —	\$ (902)

The average monthly notional amount of futures contracts sold short during the period ended February 28, 2017 was \$(467,850), and the gross notional amount of future contracts sold short outstanding at February 28, 2017 was \$(1,169,438). See Note 2.

In the ordinary course of business, the Fund may enter into transactions subject to enforceable netting agreements or other similar arrangements ("netting agreements"). Generally, the right to offset in netting agreements allows the Fund to offset any exposure to a specific counterparty with any collateral received or delivered to that counterparty based on the terms of the agreements. Generally, the Fund manages its cash collateral on a counterparty basis.

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

As of February 28, 2017, the offsetting of financial liabilities is as follows:

Description	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in Statements of Assets and Liabilities	Net Amounts Presented in Statements of Assets and Liabilities	Collateral Pledged*	Net Amount
Short - futures contracts	\$ (902)	\$ —	\$ (902)	\$ 902	\$ —
Total subject to a master netting or similar arrangement	<u>\$ (902)</u>	<u>\$ —</u>	<u>\$ (902)</u>	<u>\$ 902</u>	<u>\$ —</u>

* The amount is limited to the net amounts of financial liabilities and accordingly does not include excess collateral pledged.

6. Contingencies and Commitments

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

7. Risks Associated with Commercial Mortgage-Backed Securities ("CMBS")

CMBS are securities that reflect an interest in, and are secured by, a pool of mortgage loans on commercial real property. The mortgage loan pool is transferred to a CMBS trust and distributed as various classes of CMBS (some of which are rated by nationally recognized statistical rating organizations). CMBS are a type of debt security and are subject to the risks generally associated with debt securities. CMBS are subject to credit risk, interest rate risk, prepayment risk, extension risk, and many of the risks of investing in the real estate that secures the underlying mortgage loans. The ability of borrowers to pay interest and repay principal on the mortgage loans held in a CMBS trust is not guaranteed and depends on the cash flows of the underlying commercial real estate property, which in turn depends on many factors, including the overall economic landscape, the refinancing markets for commercial mortgages, and sub-market and property specific characteristics. If one or more of the mortgages that are part of a CMBS trust defaults on its interest or principal obligations, securities held by the Fund may experience losses, the Fund's current income may be reduced, and the Fund's NAV may decline. The value of CMBS held by the Fund may also be affected by, among other things, changes or perceived changes in: interest rates;

LADDER SELECT BOND FUND

NOTES TO FINANCIAL STATEMENTS (Continued)

factors concerning the interests in and structure of the issuer or originator of the mortgages or other assets; the creditworthiness of the entities that provide any supporting letters of credit, surety bonds, or other credit enhancements; or the market's assessment of the quality of underlying assets. CMBS may be deemed illiquid for a period due to a variety of reasons, such as current market conditions, the bonds' seniority in the CMBS trust's capital structure, and trading conditions such as the number of market makers or trade volume. As a result, CMBS may exhibit greater price volatility than other types of mortgage- or asset-backed securities. CMBS are generally not guaranteed by the U.S. Government or any other entity and are subject to the risk of default on the underlying mortgages. CMBS react differently to changes in interest rates than other debt securities and the prices of CMBS may reflect adverse economic and market conditions. Some CMBS have experienced extraordinary weakness and volatility in recent years. As of February 28, 2017, the Fund had 85.1% of the value of its net assets invested in CMBS.

8. Risks Associated with Rule 144A Securities

Rule 144A securities are securities that are exempt from registration under the Securities Act of 1933, as amended and the rules thereunder, and may have legal restrictions on resale. Under Rule 144A, these privately placed securities may be resold to qualified institutional buyers ("QIBs"), subject to certain conditions. An insufficient number of QIBs interested in purchasing Rule 144A securities at a particular time could adversely affect the marketability of the securities and the Fund might be unable to dispose of the securities promptly or at a reasonable price. As of February 28, 2017, the Fund had 75.1% of the value of its net assets invested in Rule 144A securities.

9. Subsequent Events

The Fund is required to recognize in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed as of the date of the Statement of Assets and Liabilities. For non-recognized subsequent events that must be disclosed to keep the financial statements from being misleading, the Fund is required to disclose the nature of the event as well as an estimate of its financial effect, or a statement that such an estimate cannot be made. Management has evaluated subsequent events through the issuance of these financial statements and has noted the following:

- Ordinary income dividend paid on March 31, 2017, as noted in Note 2.
- On April 25, 2017, David R. Carson was elected Principal Executive Officer of the Fund, replacing Brian Harris.

LADDER SELECT BOND FUND

REPORT OF INDEPENDENT REGISTERED

PUBLIC ACCOUNTING FIRM

To the Shareholders of Ladder Select Bond Fund and
Board of Trustees of Ultimus Managers Trust

We have audited the accompanying statement of assets and liabilities, including the schedules of investments and futures contracts sold short, of Ladder Select Bond Fund (the “Fund”), a series of Ultimus Managers Trust, as of February 28, 2017, and the related statements of operations and changes in net assets, and the financial highlights for the period October 18, 2016 (commencement of operations) through February 28, 2017. These financial statements and financial highlights are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of February 28, 2017, by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Ladder Select Bond Fund as of February 28, 2017, the results of its operations, the changes in its net assets, and the financial highlights for the period indicated above, in conformity with accounting principles generally accepted in the United States of America.

COHEN & COMPANY, LTD.
Cleveland, Ohio
May 1, 2017

LADDER SELECT BOND FUND

ABOUT YOUR FUND'S EXPENSES (Unaudited)

We believe it is important for you to understand the impact of costs on your investment. As a shareholder of the Fund, you incur ongoing costs, including management fees, distribution (12b-1) fees and other operating expenses. The following 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.

A mutual fund's ongoing costs are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The expenses in the table below are based on an investment of \$1,000 made at the beginning of the most recent period (October 18, 2016) and held until the end of the period (February 28, 2017).

The table below illustrates the Fund's ongoing costs in two ways:

Actual fund return – This section helps you to estimate the actual expenses that you paid over the period. The “Ending Account Value” shown is derived from the Fund's actual return, and the fourth column shows the dollar amount of operating expenses that would have been paid by an investor who started with \$1,000 in the Fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, 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 given for the Fund under the heading “Expenses Paid During Period.”

Hypothetical 5% return – This section is intended to help you compare the Fund's ongoing costs with those of other mutual funds. It assumes that the Fund had an annual return of 5% before expenses during the period shown, but that the expense ratio is unchanged. In this case, because the return used is not the Fund's actual return, the results do not apply to your investment. The example is useful in making comparisons because the SEC requires all mutual funds to calculate expenses based on a 5% return. You can assess the Fund's ongoing costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that expenses shown in the table are meant to highlight and help you compare ongoing costs only. The Fund does not charge transaction fees, such as purchase or redemption fees, nor does it carry a “sales load.” The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

LADDER SELECT BOND FUND

ABOUT YOUR FUND'S EXPENSES (Unaudited) (Continued)

More information about the Fund's expenses can be found in this report. For additional information on operating expenses and other shareholder costs, please refer to the Fund's prospectus.

Institutional Class	Beginning Account Value September 1, 2016 ^(a)	Ending Account Value February 28, 2017	Net Expense Ratio ^(b)	Expenses Paid During Period ^(c)
Based on Actual Fund Return	\$ 1,000.00	\$ 1,008.50	0.95%	\$ 3.50
Based on Hypothetical 5% Return (before expenses)	\$ 1,000.00	\$ 1,020.08	0.95%	\$ 4.76

^(a) Beginning Account Value is as of October 18, 2016 (date of commencement of operations) for the Actual Fund Return.

^(b) Annualized, based on the Fund's expenses for the period since inception.

^(c) Expenses are equal to the Fund's annualized net expense ratio multiplied by the average account value over the period, multiplied by 134/365 (to reflect the period since inception) and 181/365 (to reflect the one-half year period), for the Actual Fund Return and Hypothetical 5% Return, respectively.

LADDER SELECT BOND FUND

OTHER INFORMATION (Unaudited)

A description of the policies and procedures that the Fund uses to vote proxies relating to portfolio securities is available without charge upon request by calling toll-free 1-888-859-5867, or on the SEC's website at <http://www.sec.gov>. Information regarding how the Fund voted proxies relating to portfolio securities during the period ended June 30, 2017 will be available without charge upon request no later than August 31, 2017 by calling toll-free 1-888-859-5867, or on the SEC's website at <http://www.sec.gov>.

The Trust files a complete listing of portfolio holdings for the Fund with the SEC as of the end of the first and third quarters of each fiscal year on Form N-Q. These filings are available upon request by calling 1-888-859-5867. Furthermore, you may obtain a copy of the filings on the SEC's website at <http://www.sec.gov>. The Trust's Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC, and information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

LADDER SELECT BOND FUND

BOARD OF TRUSTEES AND EXECUTIVE OFFICERS

(Unaudited)

The Board has overall responsibility for management of the Trust's affairs. The Trustees serve during the lifetime of the Trust and until its termination, or until death, resignation, retirement, or removal. The Trustees, in turn, elect the officers of the Fund to actively supervise its day-to-day operations. The officers have been elected for an annual term. Unless otherwise noted, each Trustee's and officer's address is 225 Pictoria Drive, Suite 450, Cincinnati, Ohio 45246.

Name and Year of Birth	Length of Time Served	Position(s) Held with Trust	Principal Occupation(s) During Past 5 Years	Number of Funds Overseen by Trustee	Directorships of Public Companies Held by Trustee During Past 5 Years
Interested Trustees:					
Robert G. Dorsey* Year of Birth: 1957	Since February 2012	Trustee (February 2012 to present) President (June 2012 to October 2013)	President and Managing Director of Ultimus Fund Solutions, LLC and Ultimus Fund Distributors, LLC (1999 to present)	26	None
Independent Trustees:					
Janine L. Cohen Year of Birth: 1952	Since January 2016	Trustee	Retired since 2013; Chief Financial Officer from 2004 to 2013 and Chief Compliance Officer from 2008 to 2013 at AER Advisors, Inc.	26	None
David M. Deptula Year of Birth: 1958	Since June 2012	Trustee	Vice President of Legal and Special Projects at Dayton Freight Lines, Inc. since 2016; Vice President of Tax Treasury at The Standard Register Inc. (formerly the Standard Register Company) from 2011 to 2016	26	None
John J. Discepoli Year of Birth: 1963	Since June 2012	Chairman (May 2016 to present) Trustee (June 2012 to present)	Owner of Discepoli Financial Planning, LLC (personal financial planning company) since 2004	26	None

* Mr. Dorsey is considered an "interested person" of the Trust within the meaning of Section 2(a)(19) of the 1940 Act, because of his relationship with the Trust's administrator, transfer agent and distributor.

LADDER SELECT BOND FUND

BOARD OF TRUSTEES AND EXECUTIVE OFFICERS

(Unaudited) (Continued)

Name and Year of Birth	Length of Time Served	Position(s) Held with Trust	Principal Occupation(s) During Past 5 Years
<i>Executive Officers:</i>			
David R. Carson Year of Birth: 1958	Since April 2013	Principal Executive Officer (April 2017 to present) President (October 2013 to present) Vice President (April 2013 to October 2013)	Vice President and Director of Client Strategies of Ultimus Fund Solutions, LLC (2013 to present); President, Unified Series Trust (2016 to present); Chief Compliance Officer, FSI LBAR Fund (2013 to 2016), The Huntington Funds (2005 to 2013), Huntington Strategy Shares (2012 to 2013), and Huntington Asset Advisors (2013); Vice President, Huntington National Bank (2001 to 2013)
Jennifer L. Leamer Year of Birth: 1976	Since April 2014	Treasurer (October 2014 to present) Assistant Treasurer (April 2014 to October 2014)	Vice President, Mutual Fund Controller of Ultimus Fund Solutions, LLC (2014 to present); Business Analyst of Ultimus Fund Solutions, LLC (2007 to 2014)
Bo J. Howell Year of Birth: 1981	Since October 2014	Secretary (April 2015 to present) Assistant Secretary (October 2014 to April 2015)	President, Valued Advisers Trust (2017 to present); Secretary, Unified Series Trust (2016 to present); Vice President, Director of Fund Administration for Ultimus Fund Solutions, LLC (2014 to present); Counsel – Securities and Mutual Funds for Western & Southern Financial Group (2012 to 2014)
Charles C. Black Year of Birth: 1979	Since April 2015	Chief Compliance Officer (January 2016 to present) Assistant Chief Compliance Officer (April 2015 to January 2016)	Chief Compliance Officer of The Caldwell & Orkin Funds, Inc. (2016 to present); Senior Compliance Officer of Ultimus Fund Solutions, LLC (2015 to present); Senior Compliance Manager at Touchstone Mutual Funds (2013 to 2015); Senior Compliance Manager at Fund Evaluation Group (2011 to 2013)

Additional information about members of the Board and executive officers is available in the Funds' Statement of Additional Information ("SAI"). To obtain a free copy of the SAI, please call 1-866-859-5867.

LADDER SELECT BOND FUND

DISCLOSURE REGARDING APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited)

The Board, including the Independent Trustees voting separately, has reviewed and approved the Fund's Investment Advisory Agreement (the "Agreement") with the Adviser for an initial two-year term. The Board approved the Agreement at an in-person meeting held on July 25-26, 2016, at which all of the Trustees were present.

Legal counsel advised the Board during its deliberations. Additionally, the Board received and reviewed a substantial amount of information provided by the Adviser in response to requests of the Board and counsel. In considering whether to approve the Agreement and in reaching its conclusions with respect thereto, the Board reviewed and analyzed various factors that it determined were relevant to the Agreement, including the following factors.

The nature, extent, and quality of the services to be provided by the Adviser. In this regard, the Board considered the responsibilities the Adviser would have under the Agreement. The Board also considered the Adviser's proposed services to the Fund including, without limitation: the Adviser's procedures for formulating investment recommendations and assuring compliance with the Fund's investment objective and limitations; the proposed initial marketing and distribution efforts; and the Adviser's compliance procedures and practices. After reviewing the foregoing and further information provided to the Board (e.g., a description of the Adviser's business and Form ADV), the Board concluded that the quality, extent, and nature of the services to be provided by the Adviser to the Fund were satisfactory and adequate.

The investment management capabilities and experience of the Adviser. The Board considered the investment management experience of the Adviser and thoroughly discussed with the Adviser the investment objective and strategies for the Fund. The Board also discussed the Adviser's experience in managing similar types of strategies, and its plans for implementing such strategies. After consideration of these and other factors, the Board determined that the Adviser has the requisite experience to serve as investment adviser for the Fund.

The costs of the services to be provided and profits to be realized by the Adviser and its affiliates from the relationship with the Fund. The Board considered the Adviser's personnel and methods of operation; the education and experience of its personnel; its compliance program, policies, and procedures; its financial condition and the level of financial commitment to the Fund; the projected asset levels of the Fund; and the overall expenses of the Fund, including the advisory fee. The Board reviewed the Adviser's ELA with the Fund and noted the benefit to the Fund from the Adviser's contractual obligation to reduce its advisory fee or reimburse other operating expenses through July 31, 2019. The Board discussed the Adviser's financial condition and its ability to satisfy its financial commitments to the Fund. The Board also considered potential benefits for the Adviser in managing the Fund, including promotion of the Adviser's name. The Board noted that the Fund's advisory fee of 0.75% was above the average and the median for the Fund's custom peer group, and

LADDER SELECT BOND FUND

DISCLOSURE REGARDING APPROVAL OF INVESTMENT ADVISORY AGREEMENT

(Unaudited) (Continued)

the fee was in the twentieth percentile of the larger Morningstar Intermediate-Term Bond Category. The Board further noted that the proposed total expense ratio of 0.95% is above the average and median for the Fund's custom peer group, but below the average and above the median of the Morningstar Intermediate-Term Bond Category. Upon further consideration and discussion of the foregoing, the Board concluded that the proposed advisory fee and total expense limit for the Fund is within the range of what would have been negotiated at arms-length in light of all the surrounding circumstances.

The extent to which the Fund and its investors would benefit from economies of scale. In this regard, the Board considered the Agreement and the ELA. The Board determined that the shareholders of the Fund would benefit from the ELA until the Fund's assets grew to a level where its expenses otherwise fall below the expense limit. Following further discussion of the Fund's projected asset levels, expectations for growth, and level of fees, the Board determined that the Fund's fee arrangements with the Adviser would provide benefits for the next two years, and the Board could review the arrangements going forward as necessary.

Brokerage and portfolio transactions. The Board considered the Adviser's policies and procedures as it relates to seeking best execution for its clients. The Board also considered the anticipated portfolio turnover rate for the Fund; the method and basis for selecting and evaluating the broker-dealers used to complete the Fund's portfolio transactions; any anticipated allocation of portfolio business to persons affiliated with the Adviser; and the extent to which the Fund's trades may be allocated to soft-dollar arrangements. After further review and discussion, the Board determined that the Adviser's practices regarding brokerage and portfolio transactions were satisfactory.

Possible conflicts of interest. In evaluating the possibility for conflicts of interest, the Board considered such matters as the Adviser's process for allocating trades among its different clients, including the Fund other clients with similar types of investment objectives and strategies as the Fund. The Board also considered the substance and administration of the Adviser's Code of Ethics and policies and procedures regarding affiliated transactions. Following further consideration and discussion, the Board determined that the Adviser's standards and practices relating to the identification and mitigation of potential conflicts of interests were satisfactory.

After full consideration of the above factors as well as other factors, the Board unanimously concluded that approval of the Agreement was in the best interests of the Fund and its shareholders.

