

# WESTCORE LARGE-CAP DIVIDEND FUND

## FACT SHEET | March 31, 2017

Formerly the Westcore Growth Fund.

### Performance<sup>1,2</sup>

Periods Ended 3/31/17 (%)	QTD	YTD	Annualized Returns				Since Inception
			1 Year	3 Years	5 Years	10 Years	
Retail Class	3.50	3.50	6.19	5.11	8.37	6.28	8.64
Institutional Class	3.51	3.51	6.50	5.33	8.59	6.44	8.69
Russell 1000® Index	6.03	6.03	17.43	9.99	13.26	7.58	10.46
Large-Cap Dividend Custom Index	6.03	6.03	12.69	10.28	12.71	8.84	9.99
Russell 1000® Growth Index	8.91	8.91	15.76	11.27	13.32	9.13	10.09
<b>Calendar Year (%)</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Retail Class	-0.38	4.43	6.79	32.93	15.13	-0.64	15.26
Institutional Class	-0.14	4.68	6.98	33.13	15.37	-0.48	15.44
Russell 1000® Index	12.05	0.92	13.24	33.11	16.42	1.50	16.10
Large-Cap Dividend Custom Index	7.08	5.67	13.05	33.49	15.26	2.63	16.72
Russell 1000® Growth Index	7.08	5.67	13.05	33.49	15.26	2.63	16.72

Retail Class Annual Expense Ratio: 1.30% Gross, 0.89% Net

Institutional Class Annual Expense Ratio: 1.49% Gross, 0.67% Net

<sup>1</sup>Performance data quoted represents past performance and does not guarantee future results. Performance information for the institutional class shares prior to their inception is based on the performance of the retail class. Current performance may be lower or higher than the performance quoted. To obtain current performance as of the most recent month-end, visit [www.westcore.com](http://www.westcore.com). Average annual total returns reflect the reinvestment of dividends, capital gains distributions, all fee waivers and expense reimbursements. Without the fee waivers and expense reimbursements, total return figures would have been lower. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Westcore fund shares are not insured by the FDIC, the Federal Reserve Board or any other agency and are subject to investment risk.

<sup>2</sup>Denver Investments (the "Adviser") has contractually agreed to waive certain investment advisory and/or administration fees and/or to reimburse other expenses from April 30, 2017 until at least April 30, 2018. The first waiver/reimbursement applies so that the ratio of expenses to average net assets, as reported in the Fund's financial statements, will be no more than a fixed percentage for the Fund's Retail Class for such period. Please see the Fund's Prospectus for more information. The second waiver/reimbursement applies so that Fund level Other Expenses (as defined in the Fund's financial statements) for the Institutional Class will be in the same proportion as the Retail Class waivers/reimbursements. The third waiver/reimbursement applies so that the institutional class-specific Other Expenses are reimbursed. The Adviser has contractually agreed to waive/reimburse all of these class-specific Other Expenses, but only to the extent that the difference between the net Institutional Class and net Retail Class expense ratios, after applying the waiver/reimbursement, does not exceed 25 basis points. These agreements may not be terminated or modified prior to April 30, 2018 without the approval of the Board of Trustees.

### Sector Allocation<sup>4</sup> (%)

	Large-Cap Dividend	Russell 1000®	Relative Weights
Consumer Discretionary	21.1	12.8	8.3
Consumer Staples	15.4	8.8	6.6
Energy	3.3	6.3	-3.0
Financials	7.4	14.6	-7.2
Health Care	15.0	13.4	1.6
Industrials	7.8	10.4	-2.6
Information Technology	18.3	21.4	-3.1
Materials	3.9	3.2	0.7
Real Estate	0.0	3.6	-3.6
Telecommunication Services	0.0	2.4	-2.4
Utilities	7.6	3.1	4.5
Cash & Cash Equivalents	0.2	0.0	0.2

<sup>4</sup>Sector classifications presented are based on the GICS methodology.

## STRATEGY

- Seek to invest in large-cap companies with catalysts for growth that can create enduring competitive advantages
- Analyze companies based on proprietary fundamental research focused on understanding drivers of growth and profitability
- Employ bottom-up, team-based decision-making process

## FUND INFORMATION

Class	Retail	Institutional
Ticker	WTEIX	WILGX
Cusip	957904667	957904634
Inception	6/1/1988	9/28/2007

## PORTFOLIO MANAGEMENT

Derek R. Anguilm, CFA  
Mark M. Adelman, CFA, CPA  
Troy Dayton, CFA  
Paul A. Kuppinger, CFA  
Lisa Z. Ramirez, CFA  
Alex A. Ruehle, CFA

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### Top Ten Holdings<sup>3</sup> (%)

Kimberly-Clark Corp	4.2
Lowe's Cos Inc	4.2
Edison International	4.1
Cardinal Health Inc	4.0
Apple Inc	4.0
Nestle SA	3.9
L3 Technologies Inc	3.9
McDonald's Corp	3.9
CSX Corp	3.9
Eastman Chemical Co	3.9
<b>Total</b> (% of portfolio)	<b>40.0%</b>

<sup>3</sup>Top ten holdings do not include any cash or cash equivalents and are subject to change. There are no guarantees that the Fund will continue to remain invested in any particular company or holding and current and future portfolio holdings are subject to risk. For a complete list of holdings, please visit [www.westcore.com](http://www.westcore.com).

## Portfolio Characteristics<sup>5</sup>

	Large-Cap Dividend	Russell 1000 <sup>®</sup>
Total Fund Assets (\$ Mil)	\$12.1	-
Total Strategy Assets (\$ Mil)	\$12.1	-
Weighted Average Market Capitalization (\$ Mil)	\$97,323	\$148,825
Median Market Capitalization (\$ Mil)	\$46,935	\$9,002
5 Year Dividend Growth	12.1%	14.1%
Price/Book Value	4.3x	3.8x
Price/Earnings (1 year trailing)	18.2x	21.2x
Return on Assets	7.8%	6.6%
Long-Term Debt/Capital	51.1%	42.8%
Beta (3 Years)	0.99	1.00
Standard Deviation (3 Years)	11.34%	10.52%
Tracking Error (3 Years)	3.18%	-
Turnover (12 month trailing)	114.41%	-
Number of Holdings	27	-

There is no assurance that a dividend yield will be earned.

<sup>5</sup>Standard Deviation, Beta and Tracking Error statistics versus the Russell 1000<sup>®</sup> Index and based on monthly data. Three years. Source: eVestment Alliance.

## Morningstar Ratings<sup>7</sup>

	Morningstar Ratings™ As of 3/31/17		Number of Funds in Large Growth Category
	Retail Class	Institutional Class	
Overall	★★	★	1306
3 Year	★★	★★	1306
5 Year	★	★	1154
10 Year	★★	★★	800

<sup>7</sup>Morningstar proprietary ratings reflect historical risk-adjusted performance as of 3/31/17 and are subject to change every month.

Effective 12/27/2016, the Westcore Growth Fund has been renamed the Westcore Large-Cap Dividend Fund.

Effective 1/1/2017, the benchmark for the Westcore Large-Cap Dividend Fund is the Russell 1000<sup>®</sup> Index.

Source for Russell 1000<sup>®</sup> Index and Russell 1000<sup>®</sup> Growth Index data, FactSet.

The **Russell 1000<sup>®</sup> Index** measures the performance of the largest 1,000 firms in the Russell 3000<sup>®</sup> Index, which represents approximately 98% of the investable U.S. equity market.

The **Westcore Large-Cap Dividend Fund Custom Index** is comprised of the Russell 1000<sup>®</sup> Growth Index from the Fund's inception to 12/31/2016 and the Russell 1000<sup>®</sup> Index for the time period 1/1/2017 to the most recent period end to reflect the change in the Fund's investment strategy on 12/27/2016. The Adviser believes that the Custom Index is the best benchmark measurement for periods prior to 12/31/2016.

The **Russell 1000<sup>®</sup> Growth Index** is an unmanaged market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values than the threshold determined by Frank Russell Company. The Russell 1000 includes the largest 1000 firms in the Russell 3000, which represents approximately 98% of the investable U.S. equity market. Investors cannot invest directly in the index.

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For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10%

## Stock Performance<sup>6</sup> (%)

Top 5 Stocks (3 Months Ended 3/31/17)	Average Weight	Contribution to Return
CSX Corporation	4.30	1.13
Apple Inc.	3.98	0.89
Kimberly-Clark Corporation	3.91	0.58
Lowe's Companies, Inc.	3.81	0.57
Cardinal Health, Inc.	3.78	0.48

Bottom 5 Stocks (3 Months Ended 3/31/17)	Average Weight	Contribution to Return
Mattel, Inc.	3.42	-0.22
Ralph Lauren Corporation Class A	3.23	-0.34
Occidental Petroleum Corporation	3.32	-0.36
QUALCOMM Incorporated	3.16	-0.43
Target Corporation	3.09	-0.82

<sup>6</sup>Past performance does not guarantee future results. These stocks do not represent all of the securities purchased, sold or recommended by the Funds' Adviser. The methodology used to construct this chart took into account the weighting of every holding in the Fund that contributed to the Fund's performance during the measurement period. The contribution of each Fund holding was consistently determined by calculating the weight of each holding multiplied by the rate of return for that holding during the measurement period. To request a complete list of the contribution of each Fund holding to overall Fund performance, please call 800.392.CORE (2673) or email invest@westcore.com.

receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Morningstar Rating are for the share class specified only; rankings for other share classes will vary. Past performance is no guarantee of future results.

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### DEFINITION OF TERMS

**Beta:** A measure of a fund's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta above 1 is more volatile than the overall market, while a beta below 1 is less volatile.

**EPS Growth:** Earnings per share is the portion of a company's profit allocated to each outstanding share of common stock. EPS growth serves as an indicator of a company's profitability.

**Market Capitalization:** Represents the total value of a company or stock.

**Price/Earnings:** A stock's per share price divided by its per share earnings.

**Standard Deviation:** A statistical measure of the historical volatility of a fund.

**Tracking Error:** A measure of how closely a fund follows the index to which it is benchmarked.

### Market Overview

Domestic large-cap stocks continued their climb higher in the first quarter, even as market enthusiasm following the election waned, particularly in March. We witnessed a clear change in sector leadership in the quarter, as more cyclical sectors, such as energy and interest rate sensitive, underperformed in the quarter while more defensive sectors, such as medical/healthcare and consumer, were among the top-performing sectors. The energy sector's drop coincided with West Texas Intermediate oil (a benchmark that refers to oil extracted from wells in the United States) falling 5.8% in the quarter. The top-performing sector was information technology, which showed broad-based strength driven in part from a recovery of large-cap growth stocks. Within interest rate sensitive, banks pulled back, reversing some of their fourth quarter gains. This occurred as the Federal Reserve raised rates during the quarter and suggested more near-term rate hikes might be appropriate. Stocks with international exposure recovered from the pullback that was seen following the U.S. presidential election as market participants reconsidered the new administration's ability to enact protectionist trade policies. The market's excitement around potential U.S. policy changes, such as infrastructure spending, de-regulation, and tax reform appeared to fade somewhat. At the same time, signs of an improving global economy began to take shape.

### Fund Performance

The Westcore Large-Cap Dividend Fund returned 3.50% for the first quarter, underperforming its benchmark, the Russell 1000® Index, which returned 6.03%.

### Contributors to Return

Those sectors that contributed most relative to the benchmark were the industrials, energy, and telecommunications services sectors. Specific individual top performers for the quarter were led by CSX Corp., a provider of rail-based transportation services in the United States. Its solid performance was driven by new CEO, E. Hunter Harrison, an industry veteran skilled in precision scheduled railroading, taking the helm. Under Mr. Harrison's leadership and with his proven operating efficiency programs, expectations for operating ratio improvements, and thus improving cash flow and returns, have increased beyond original expectations. Mobile device and personal computer manufacturer, Apple Inc., added to performance with a better-than-expected quarterly report. Its record results were attributable to strong iPhone and services sales, while improved expectations for the iPhone 8 product cycle helped support the move higher. Kimberly-Clark Corp., a paper based and cleaning solutions manufacturer, contributed to performance during the quarter. During the period, the company announced results that exceeded expectations despite effectively flat commodities, which was attributed to its sustainable cost savings program. We believe the company can continue to power through a challenging macroeconomic environment with the help of its increasingly robust cost savings platform.

### Detractors from Return

The Fund's most significant detractors relative to its benchmark in the quarter were the consumer discretionary, information technology, and health care sectors. The Fund's largest detractor was consumer discretionary sector holding Target Corp., an operator of general merchandise stores. The company lowered its fiscal year 2018 guidance for earnings estimates to better reflect the challenging retail environment and more clearly indicate the impact of newly announced investments in physical and digital assets and new brands. While its plans to reinvest in support of its strategic plan will prove costly near term, we believe they are necessary in order to restore Target's competitive position. In our opinion, the company has sufficient operating cash flow to support these increased capital expenditures, grow its dividend, and buy back shares. QUALCOMM Inc., a provider of digital telecommunications products and services, was negatively impacted in the quarter following complaints issued in China alleging monopolistic practices and leading to a review of patent royalty terms. Despite the recent complaints, we believe in the durability of QUALCOMM's royalties base, which, coupled with its recent diversification into growing markets, should support future, sustainable dividend growth. Exploration and production company Occidental Petroleum Corp. provided a headwind to the Fund's performance during the quarter. Oil prices dropped with the normal seasonal inventory build-up in the United States and the associated inventory boost from importers stocking up on OPEC crude prior to its production cuts. We believe we are entering the early innings of a global inventory rebalance that started in January and think that Occidental's onshore program will prove to be rewarding.

### Outlook and Positioning

We believe uncertainty regarding the outlook for domestic and global economic growth will continue and that concerns around successful policy implementation will remain heightened. This uncertainty has resulted in a wavering of the post-election market euphoria, as questions regarding economic growth and policy changes remain unanswered. This, coupled with historically high valuations, in our opinion, is a recipe for continued volatility. In this type of environment, we believe any company-specific disappointments are likely to be severely and often overly punished. This would create near-term pain, but also offer opportunities to invest in companies at prices below what we believe they are worth.

### Past performance does not guarantee future results.

The Manager Commentaries contain certain forward-looking statements about the factors that may affect the performance of the Funds in the future. These statements are based on Fund management's predictions and expectations concerning certain future events and their expected impact on the Funds, such as performance of the economy as a whole and of specific industry sectors, changes in the levels of interest rates, the impact of developing world events, and other factors that may influence the future performance of the Funds. Management believes these forward-looking statements to be reasonable, although they are inherently uncertain and difficult to predict. Actual events may cause adjustments in portfolio management strategies from those currently expected to be employed.

FOR MORE INFORMATION ABOUT WESTCORE FUNDS, PLEASE CONTACT:

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**An investor should consider investment objectives, risks, charges and expenses of the Fund(s) carefully before investing. To obtain a prospectus, which contains this and other important information about the Fund(s), please call 800.392.CORE (2673) or visit [www.westcore.com](http://www.westcore.com). Please read the prospectus carefully before investing.**

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