

Walthausen Small Cap Value Fund

December 31, 2014
Fourth Quarter

Investment Objective:

The Walthausen Small Cap Value Fund seeks long-term capital appreciation.

Investment Policy:

The Fund invests primarily in common stocks of small capitalization companies defined as those with a market capitalization of \$2 billion or less at the time of purchase. Normally, the Fund will invest at least 80% of its net assets in small capitalization stocks.

Investor Profile:

The Fund may be suitable to investors seeking long-term growth of capital, who can tolerate the risks associated with investing in small capitalization common stocks. The earnings and prospects of these companies are generally more volatile than larger companies.

PERFORMANCE SUMMARY (%)

(as of 12/31/14)

	Q4 2014	1 Year*	3 Year*	5 Year*	Since Inception* (2/1/08)
Walthausen Small Cap Value Fund	7.20	3.82	22.87	19.87	16.07
Russell 2000 Value Index	9.40	4.22	18.29	14.26	8.34

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. The current performance may be lower or higher than the performance data quoted. Investors may obtain performance data current to the most recent month-end by calling (888) 925-8428. Investors should consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing.

* Average Annualized Total Return

The Russell 2000 Value Index measures the performance of small cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

FUND INVESTMENT STYLE:

The Fund's investment advisor searches for securities across the broad universe of small capitalization companies, using a proprietary scoring model to identify companies that are trading at a discount to intrinsic value. Research is generated internally, avoiding external sell-side analysis. The two critical areas for analysis are the cash flow statement and balance sheet which allow an evaluation of a company's sustainable free cash flow. This cash flow can be used to invest and expand, acquire other companies, reduce debt, buy in stock or pay dividends. Investment decisions are made on the basis of whether the company is selling at a discount valuation, management has an achievable plan for building shareholder value, and their track record suggests they are capable of implementing the strategy.

Key Fund Facts:

Inception Date: 02/01/08
Net Assets \$861.9 million

Ticker Symbol:	WSCVX
Cusip:	933310104
NAV:	\$22.20
Total Expense Ratio:	1.25%*

Investment Minimums

Regular Account..... \$2,500
Automatic Reinvestment Plan... \$2,500
IRA Account.....\$2,500

* From the prospectus dated June 1, 2014.

PORTFOLIO MANAGER:

The Portfolio Manager of the Fund is John Walthausen, CFA, a thirty year veteran in small cap investing. He is CIO of the Investment Adviser to the Fund, Walthausen & Co., LLC, which he formed in August, 2007. He is assisted by the investment team that joined him from his former employer, Paradigm Capital Management. At Paradigm, he was the portfolio manager of the Paradigm Value Fund, which he managed from the fund's inception in January, 2003 through the time of his departure in July, 2007.

Investment Adviser: Walthausen & Co., LLC
2691 Route 9, Suite 102
Malta, NY 12020
(518) 371-3450

Transfer Agent: Mutual Shareholder Services
Custodian Bank: Huntington National Bank

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WALTHAUSEN FUNDS
(888) 925-8428

www.walthausenfunds.com

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Fund Characteristics:

(as of 12/31/14)

	WSCVX	Russell 2000 Value
No. of Holdings	83	1377
Median Market Cap (\$m)	893.2	639.4
Average Weighted Market Cap (\$m)	1,239.3	1726.8
Price-to-Book	1.8	1.5

Source: FactSet Research

TOP TEN HOLDINGS

(as of 12/31/14)
(% of net assets)

Gentiva Health Services, Inc.	2.1
Capella Education Co.	1.9
Trimas Corp.	1.9
Unifi, Inc.	1.8
Primerica, Inc.	1.8
Multi-Color Corp.	1.8
Standex International Corp.	1.7
Sonus Networks, Inc.	1.7
Hexcel Corp.	1.6
Ply Gem Holdings, Inc.	1.6
Total % of Portfolio	17.9

Fund holdings and asset allocations are subject to change, and are not recommendations to buy or sell any security.

SECTOR ALLOCATION

(as of 12/31/14)
(% of net assets)

	WSCVX	Russell 2000 Value
Financials	25.3	40.9
Industrials	25.2	13.0
Consumer Discretionary	17.7	11.7
Information Technology	10.9	10.1
Materials	9.1	4.4
Healthcare	4.0	5.4
Energy	3.3	4.1
Consumer Staples	1.3	2.8
Telecom Services	0.0	0.8
Utilities	0.0	6.9
Net Cash*	3.2	

* Net cash represents cash equivalents and other assets less liabilities. Sectors are defined by GICS. ** Allocations are subject to change.

**The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of the McGraw-Hill Companies, Inc. (S&P) and is licensed for use by Licensee". Neither MSCI, S&P nor any third party involved in making or compiling the GICS classification makes any express or implied warranties or representations with respect to such standard or classification nor shall any such party have any liability there from.

TOP FIVE HOLDINGS PROFILE (12/31/14)

Gentiva Health Services, Inc. (2.1%)

Provides home health, hospice and community care services in the United States.

Capella Education Co. (1.9%)

Operates as an online postsecondary education services company primarily in the United States.

Trimas Corp. (1.9%)

Designs, manufactures, and distributes various products for commercial, industrial and consumer markets worldwide.

Unifi, Inc. (1.8%)

Manufactures and sells polyester and nylon yarn products in the United States and internationally operating through three segments: Polyester, Nylon and International.

Primerica, Inc. (1.8%)

Distributes financial products to middle income households in the United States and Canada, including term life insurance, and investment and savings products.

An investment in the Fund is subject to investment risks, including the possible loss of the principal amount invested. The Fund invests in the stocks of small capitalization companies, which may subject the Fund to additional risks. The earnings and prospects of these companies are generally more volatile, and they may experience higher failure rates than do larger companies. Their stocks are subject to a greater degree of volatility, trade in lower volume and may be less liquid. Investment in the Fund is also subject to common stocks risk, value investing risk, sector risk, securities lending risk, and investment management risk.

Fund holdings and asset allocations are subject to change and are not recommendations to buy or sell any security. Investors should consider the investment objectives, risks, and charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund. You may obtain a prospectus by calling (888) 925-8428. The prospectus should be read carefully before investing. Distributed by Rafferty Capital Markets, LLC - Garden City, NY 11530, Member FINRA

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