

Quarterly Update

**Investment Category**

Intermediate Investment Grade Debt

**Investment Objective**

A high level of total return consistent with the preservation of capital

**Investment Process**

The Fund's investment process combines active duration management with bottom-up security selection, focusing on undervalued sectors of the fixed income market. Duration strategy is based on a model in which current inflation-adjusted interest rates are evaluated relative to historical norms. Bottom-up security selection is based on a scenario analysis to identify which bonds might perform best under possible interest rate and credit scenarios. The investment team then compares investment opportunities and the portfolio is assembled from the best values.

**Portfolio Management Team (left to right)**

Mark M. Egan, Thomas M. Fink, Todd C. Thompson and Stephen T. Vincent



**Mark M. Egan, CFA – Lead Portfolio Manager**

- Joined Reams Asset Management in 1990
- 25 years of investment experience

**Thomas M. Fink, CFA – Co-Portfolio Manager**

- Joined Reams Asset Management in 2000
- 25 years of investment experience

**Todd C. Thompson, CFA – Co-Portfolio Manager**

- Joined Reams Asset Management in 2001
- 17 years of investment experience

**Stephen T. Vincent, CFA – Co-Portfolio Manager**

- Joined Reams Asset Management in 1994
- 20 years of investment experience

**Market Review – Eurozone, U.S. Tackle Debt Challenges**

It was an autumn of fiscal change. In October, all 17 Euro nations approved a continent-wide bank bailout fund called the European Financial Stability Facility (EFSF) to address Mediterranean countries' sovereign debt problems. Although passage of the EFSF was initially hailed in the market, its size and ability to stem the crisis was quickly questioned. A few weeks later, the market's focus shifted to Italy as the country's interest rates rose sharply, above 7%. This was an unsustainable level for the world's fourth largest debt market. Later in November, a poor 10-year German Bund (bond) auction, in which about 40% of the issue was not placed, led to questions regarding the ability of even the strongest European countries to access the capital markets effectively.

Leadership changes for three of the major players in the European crisis took place during November. Greece and Italy have new prime ministers following resignations of their former prime ministers and Mario Draghi took over as the head of the European Central Bank (ECB). The new leadership ushered in optimism that more aggressive action would be taken to deal with the crisis situation. It was not much of a wait as the world's major central banks made a surprise coordinated action to increase liquidity for banks in Europe. This action did not improve the European Union's fiscal situation, but it provided the necessary liquidity to help prevent a funding crisis for Europe's banks. Market reaction was positive as it showed multi-country coordination, something that has been noticeably absent, as European leaders wrestle with solutions to the longstanding crisis. The ECB also lowered rates by 50 basis points during the fourth quarter.

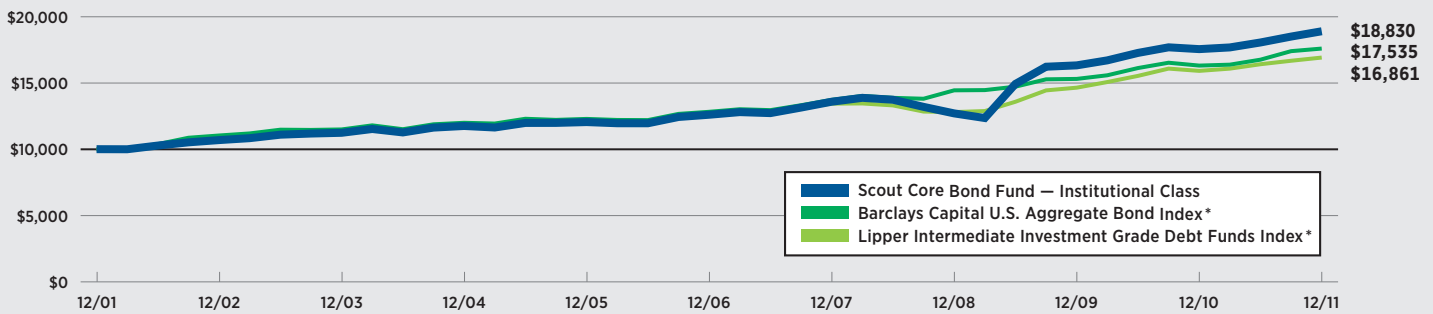
In December, S&P put nearly every Euro country on negative credit watch. This move placed additional pressure on these nations to make progress toward a permanent debt resolution. Later in the month, the ECB announced that European banks used €489 billion in loans under the Long-Term Repo Operation (LTRO), in an effort to spur borrowing by providing inexpensive capital. Mario Draghi had previously made comments that banks could use these loans to buy sovereign debt. However, it remains uncertain what the banks will ultimately decide to do.

U.S. fiscal policy debates also generated market uncertainty during the quarter. The Congressional Super Committee's failure to reach agreement to cut the federal budget deficit started the clock ticking on automatic cuts in defense and Medicare slated to begin in 2013. The rating agencies did not downgrade the U.S. sovereign rating on the failure of the Super Committee, but the

*continued on back*

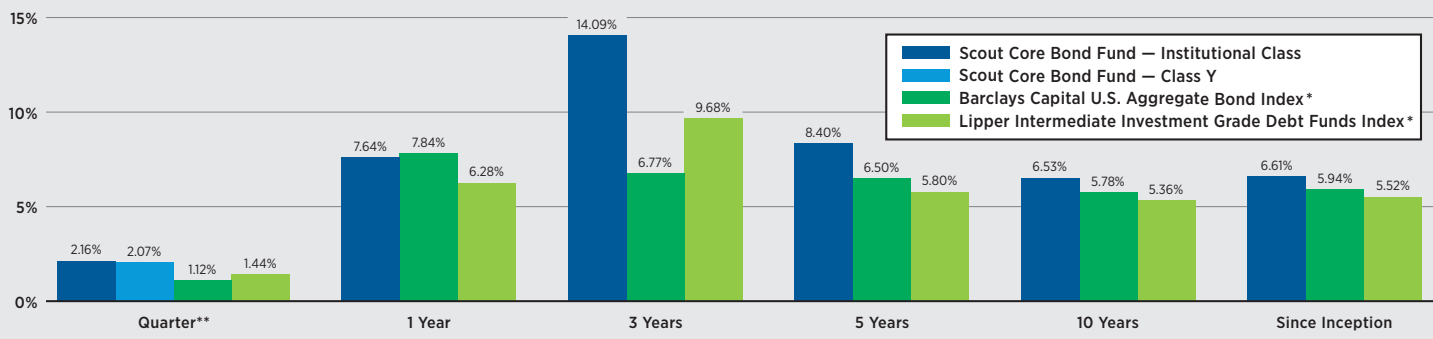
as of December 31, 2011

**Hypothetical Growth of \$10,000**



For illustrative purposes only; may not represent your returns.

**Average Annual Total Returns**



	Quarter**	1 Year	3 Years	5 Years	10 Years	Since Inception	Gross Expense	Net Expense
<b>Scout Core Bond Fund — Institutional Class</b> . . . . .	<b>2.16%</b>	<b>7.64%</b>	<b>14.09%</b>	<b>8.40%</b>	<b>6.53%</b>	<b>6.61%</b>	<b>0.64%<sup>(1)</sup></b>	<b>0.40%<sup>(1)</sup></b>
Barclays Capital U.S. Aggregate Bond Index* . . . . .	1.12%	7.84%	6.77%	6.50%	5.78%	5.94%		
Lipper Intermediate Investment Grade Debt Funds Index* . . . . .	1.44%	6.28%	9.68%	5.80%	5.36%	5.52%		
<b>Scout Core Bond Fund — Class Y</b> . . . . .	<b>2.07%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>5.94%**</b>	<b>1.04%<sup>(1)</sup></b>	<b>0.80%<sup>(1)</sup></b>
Barclays Capital U.S. Aggregate Bond Index* . . . . .	1.12%	N/A	N/A	N/A	N/A	6.71%**		
Lipper Intermediate Investment Grade Debt Funds Index* . . . . .	1.44%	N/A	N/A	N/A	N/A	4.23%**		

The Institutional Class's inception date was Feb. 23, 2001. The Class Y inception date was April 25, 2011.

\* Unmanaged index of stocks, bonds or mutual funds. It is not possible to invest directly in an index. The Barclays Capital U.S. Aggregate Bond Index represents the securities of the U.S. dollar denominated investment grade bond market. The Lipper Intermediate Investment Grade Debt Funds Index is an unmanaged index consisting of mutual funds that invest primarily in investment-grade debt issues (rated in the top four grades) with dollar-weighted average maturities of five to ten years.

\*\* Returns for periods less than one year are not annualized.

<sup>(1)</sup> The Advisor has entered into an agreement to waive advisory fees and/or assume certain fund expenses through April 21, 2013 in order to limit the total annual fund operating expenses, excluding certain expenses, before taking into account any Rule 12b-1 fees, shareholder servicing fees or acquired fund fees and expenses to no more than 0.40%. If total annual fund operating expenses would fall below the expense limit, the Advisor may cause the Fund's expenses to remain at the expense limit while it is reimbursed for fees that it waived or expenses that it assumed during the previous three year period. The gross expense ratio was 0.64% for the Institutional Class and 1.04% for Class Y. The net expense ratio was 0.40% for the Institutional Class and 0.80% for Class Y.

Performance returns for the Scout Core Bond Fund, Barclays Capital U.S. Aggregate Bond Index and Lipper Intermediate Investment Grade Debt Funds Index assume dividends were reinvested.

Gross and net expense ratios are as of the most recent Prospectus dated 10/31/11.

**The performance data quoted represents past performance and is not a guarantee of future results. 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. Current performance may be lower or higher than the performance information quoted. To obtain performance information current to the most recent month-end, please call 800-996-2862.**

**The performance returns for the Fund reflect a fee waiver in effect. In the absence of such a waiver, the returns would be reduced.**

The performance of the Scout Core Bond Fund Institutional Class Shares reflects the historical performance of the Frontegra Columbus Core Fund Institutional Class Shares (the "Predecessor Fund"). Effective as of the close of business on April 21, 2011, the Predecessor Fund was reorganized into the Fund. The Predecessor Fund and the Fund have substantially similar principal investment strategies. The Predecessor Fund's original Institutional Class Shares returns reflect the total annual operating fees and expenses, net of any fee and expense waivers, of the Scout Core Bond Fund Institutional Class Shares.

The Fund may, at times, experience higher-than-average portfolio turnover which may generate significant taxable gains and increased trading expenses which in turn may lower the Fund's return.

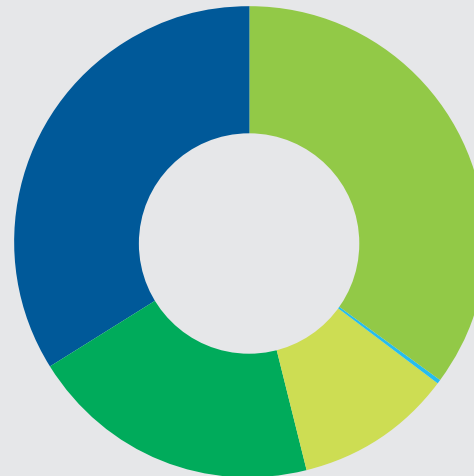
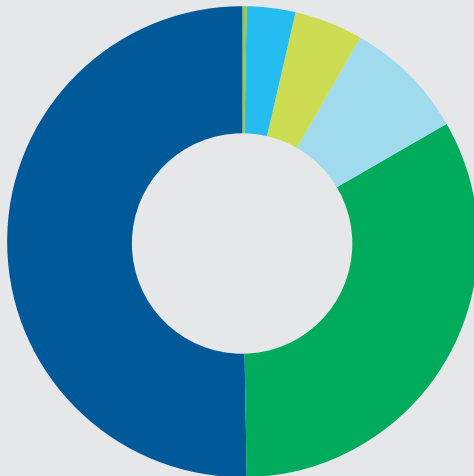
Prior to March 11, 2011, the Fund was known as the Scout Bond Fund.

as of December 31, 2011

**Sector Allocation**

**Scout Core Bond Fund**

**Barclays Capital U.S. Aggregate Bond Index\*\***



Security Type	Scout Core Bond*	Barclays Capital U.S. Aggregate Bond**
Mortgage-Backed Securities	50.3%	33.8%
Investment Grade Corporate Bonds	33.4%	19.9%
Cash/Cash Equivalents	8.4%	0.0%
Government Related	4.7%	10.9%
Asset-Backed Securities	3.1%	0.2%
U.S. Treasury	0.1%	35.2%
<b>Total</b>	<b>100%</b>	<b>100%</b>

**Portfolio Characteristics**

	Scout Core Bond	Barclays Capital U.S. Aggregate Bond**
Average Maturity . . . . .	5.3 years	7.1 years
Average Duration . . . . .	4.1 years	5.0 years
Yield to Maturity/Call . . . . .	2.8%	2.2%
Number of Holdings . . . . .	122	7,829
Total Assets (in millions, all share classes) . . . . .	\$136.2	—
Scout Core Bond — Institutional Class Inception Date . . . . .	2/23/01	—
Scout Core Bond — Y Class Inception Date . . . . .	4/25/11	—

\* Sector holdings are based on total investments.

\*\* Unmanaged index of stocks, bonds or mutual funds. It is not possible to invest directly in an index.

**Average Maturity** is computed by weighting the maturity of each security in the portfolio by the market value of the security, then averaging these weighted figures. **Average Duration** is a time measure of a bond's interest-rate sensitivity, based on the weighted average of the time periods over which a bond's cash flows accrue to the bondholder. Time periods are weighted by multiplying by the present value of its cash flow divided by the bond's price. **Yield To Maturity** is the rate of return anticipated on a bond if it is held until the maturity date. The calculation of YTM takes into account the current market price, par value, coupon interest rate and time to maturity. It is also assumed that all coupons are reinvested at the same rate.

Portfolio composition will change due to ongoing management of the Fund. References to specific securities or sectors should not be construed as a recommendation by the Fund, its Advisor or Distributor.

as of December 31, 2011

continued from page 1

inability to reach a compromise agreement increased the likelihood of a future downgrade. Fitch moved the U.S. to negative watch at the end of November, the last of the three major agencies to take this action.

The Federal Reserve announced plans to stress test banks in 2012, using hypothetical market shocks like Euro debt crisis deterioration as well as price and spread movements from the second half of 2008. This stress test will attempt to address criticism aimed at previous tests, particularly those in Europe, for their lack of rigor in evaluating the potential for significant impairment of sovereign debt. Results will be published to highlight needs for additional capital and to increase confidence in those deemed to have appropriate capital levels.

### **Contributors and Detractors — Tighter Spreads Helped Drive Results**

We outpaced the Fund's benchmark in four sectors within the bond market during the quarter as a result of a combination security and sector selection. Our positioning in government securities, an area where we were substantially underweight for the period, had a slightly positive effect on the portfolio's results. We had only one area of mild weakness in the quarter, the asset-backed securities (ABS) sector. Our overweight position and security selection in ABS had slight negative effects.

One area that we did not fully participate in was the strong quarterly performance of long-term Treasuries (more than 10-year maturities), which we felt was a temporary condition resulting from market intervention by the Federal Reserve. Long-term Treasuries were the single best performing sector within the fixed income market in 2011, and also returned more than the overall bond market for the quarter, as measured by the Barclays Capital U.S. Aggregate Bond Index.

The most significant factor in our results was overweight positions in investment grade credit bonds. We focused on corporate fixed-income securities of banks, insurance companies, and airline-enhanced equipment trust securities.

Effective security selection in the mortgage-backed securities (MBS) sector also added to performance for the quarter. The Fund was focused on lower coupon, agency-backed MBS that outperformed. Strong performance in the commercial mortgage-backed securities (CMBS) sector also added to performance. The Fund was overweight in the sector relative to our benchmark.

The Fund's duration and yield curve positioning during the quarter were modestly positive factors in our results. Interest rate moves in the quarter were muted. By emphasizing the 10-year maturity range, known as a "bulleted position" within the curve, we added to the Fund's returns. This approach worked better than a barbell approach (holding a combination of the shortest and longest maturities available).

### **Outlook — Waiting for the Turn in Rates**

Nominal interest rates are extremely low and real rates are negative for all maturities up to 10 years. Facing this interest rate landscape, the investment team maintains an emphasis towards a shorter-than-benchmark duration. In response to market movements, the Fund may fluctuate between a short and neutral duration position. Until real interest rates (rate of interest minus inflation) return to an attractive level, we expect our short duration approach to remain.

The Fund continues to be overweight in investment-grade credit. Financial issuers remain a focus within the Fund as we believe these corporate fixed income securities offer attractive risk-adjusted spreads relative to industrial and utility issuers.

Within the structured sectors, the Fund is overweight in the MBS, CMBS, and ABS sectors. Low coupon, agency-backed MBS provide superior prepayment protection and have been favored by the investment team relative to high coupon issues. What we believe to be well-structured CMBS backed by seasoned loans make up our positions in this sector. Auto finance ABS have experienced very low delinquency levels. We continue to favor this segment of the ABS sector. The Fund is underweight in both U.S. Treasuries and the government-related sector to emphasize other sectors. The investment team views U.S. Treasuries as a high risk investment.

**Risk Considerations:** *The return of principal in a bond fund is not guaranteed. Bond funds have the same interest rate, inflation and credit risks associated with underlying bonds owned by the Fund. Mortgage- and Asset-Backed Securities are subject to prepayment risk and the risk of default on the underlying mortgages or other assets. Credit default swaps and related instruments are derivatives used for hedging against a credit default and may involve greater risks than if the Fund invested in the referenced obligation directly.*

[scoutinv.com](http://scoutinv.com)

Please see page 2 for the Scout Core Bond Fund's average annual total returns as of Dec. 31, 2011.

**You should consider the Fund's investment objectives, risks, charges and expenses carefully before investing. To obtain a Prospectus, which contains this and other information about the Fund, call 800-996-2862 or visit [scoutfunds.com](http://scoutfunds.com). Please read the Prospectus carefully before investing.**

The Scout Funds are distributed by UMB Distribution Services, LLC, an affiliate of UMB Financial Corporation, and managed by Scout Investments, Inc., a subsidiary of UMB Financial Corporation.

"UMB," "Scout" and the Scout design are registered service marks of UMB Financial Corporation.