



## **Otter Creek Long/Short Opportunity Fund**

Annual Report  
October 31, 2019

Investor Class  
(OTCRX)

Institutional Class  
(OTTRX)

**Important Notice:** The U.S. Securities and Exchange Commission will permit funds to make shareholder reports available electronically beginning January 1, 2021. Accordingly, paper copies will no longer be mailed. Instead, at that time, the Otter Creek Long/Short Opportunity Fund will send a notice, either by mail or e-mail, each time the Fund's updated report is available on our website at [www.ottercreekfunds.com](http://www.ottercreekfunds.com). Investors enrolled in electronic delivery will receive the notice by e-mail, with links to the updated report and don't need to take any action. Investors who are not enrolled in electronic delivery by January 1, 2021 will receive the notice in the mail. All investors who prefer to receive shareholder reports in a printed format may, at any time, choose that option free of charge by calling (855) 681-5261.

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# Otter Creek Long/Short Opportunity Fund

December 16, 2019

Dear Fellow Shareholders,

For the fiscal year ended October 31, 2019, the Otter Creek Long/Short Opportunity Fund (the “Fund”) (Institutional Class Shares) has produced a total return of +9.10%, compared to a +14.33% total return for the S&P 500<sup>®</sup> Index (“S&P 500”). The Fund’s long and short investments contributed approximately 12.8% and -3.3% to the total return, respectively. Our put options detracted approximately 1.97% to the return on the short side of the book. In an effort to generate additional income for the Fund, we sold our first option. Although a small initial transaction, contributing approximately 2 basis points to our performance, it is our intent to continue the practice in the New Year. The largest positive contributor during the period was our short common equity and long put option position in Ollie’s Bargain Outlet which contributed 2.2%. The largest detractor was our short position in lululemon athletica which reduced performance by 0.9%. We averaged long exposure of 89.0% and short exposure of -79.0% during the period, resulting in an average net exposure of 10.1%. All equity exposures are expressed as delta-adjusted percentages.

As of October 31, 2019, we maintained the following exposures:

	<b>LONG</b>	<b>SHORT</b>	<b>NET</b>	<b>GROSS</b>
MARKET VALUE AS A % OF EQUITY	85.9%	-45.7%	40.2%	131.6%
DELTA-ADJUSTED EQUITY EXPOSURE	82.3%	-66.3%	16.1%	148.6%

The goal of the Fund is to generate absolute risk-adjusted returns with a focus on long-term capital appreciation and below-average volatility by investing in opportunities, both long and short, that are driven by intensive fundamental analysis. Below we show the Fund’s volatility and correlation, as expressed by its standard deviation relative to the S&P 500.

	<b>OTTRX</b>	<b>S&amp;P 500</b>
DAILY STANDARD DEVIATION	6.6%	12.7%
S&P 500 (WEEKLY)		
CORRELATION COEFFICIENT (r)	-0.16	
COEFFICIENT OF DETERMINATION (r <sup>2</sup> )	0.03	

The Fund’s standard deviation has been significantly less than that of the S&P 500 and its return stream has had very little correlation to the S&P 500 return. In fact, its correlation has been negative.

As we approach Year End, and the beginning of a new decade, we cannot help but think of a quote by Warren Buffet, “In the business world, the rearview mirror is always clearer than the windshield.” As shepherds of capital we try to focus on the risks and opportunities ahead as we reflect on those that have occurred.

In order to frame opportunities, we feel it prudent to reflect briefly on the last decade. Over that period dollar denominated assets have greatly out performed non-dollar denominated investment opportunities. In fact, since January 1, 2010 the S&P 500 has returned 246% while MSCI World ex USA Index has returned 72%. There are numerous reasons for the outperformance including, but not limited to, U.S. dollar strength, falling domestic interest rates, an accommodative Federal Reserve and finally tax reform. During that period, investors flocked to growth orientated and passive investments that offered accelerating growth opportunities coupled with little regard for historical valuation metrics. Indeed, the ten largest components of the S&P 500 now represent over 25% of the index, the largest concentration since inception. It will be interesting to see if the winners of the last decade, will continue to lead in the next.

As we often state, Otter Creek Advisors, LLC (“Otter Creek”) has a value-orientated fundamental investment approach that is rooted in our core belief of allocating capital, both long and short, with a margin of safety (focusing on risk before reward). In that light, as we look through the windshield as opposed to the rearview mirror, we are currently focused on trying to answer a few different questions.

In December 2010, Energy represented approximately 13% of the S&P 500 while Technology as measured by Software and Services represented less than 6.5%. As of September 2019, Technology as measured by Software and Services represented over 12% of the S&P 500 while Energy was less than 5%. In no way are we suggesting that these numbers will fully mean revert over the next decade. However, what if, against common belief, there is a modest reversion of a few hundred basis points? If that were to occur, there may be numerous long opportunities in the Energy sector while offering short ones in the Technology sector as investors and capital rotate.

## Otter Creek Long/Short Opportunity Fund

In addition, over the last decade there has been little to no inflation as measured by Consumer Price Index (CPI). Globalization, a rising dollar and advances in technology have been three of the largest contributors to suppressing inflation. Imagine a world where the dollar moderates its historical ascent, or reverses course, in conjunction with a modest slowdown to outsource manufacturing to the cheapest source with little or no regard for the political risks? If such were to occur, forgotten assets over the last decade by investors such as non-dollar denominated assets, commodities and hard assets might significantly outperform asset light investments.

In closing, we believe 2020 and beyond will offer numerous opportunities for our strategy to deliver attractive idiosyncratic risk adjusted returns for our partners. As stewards of capital we feel it is our duty to both protect and compound capital regardless of the market's direction.

The members of Otter Creek appreciate your support and trust. If you have any questions concerning the Fund or firm, please do not hesitate to reach out.

Otter Creek Advisors, LLC

### **Past performance is not a guarantee of future results.**

Opinions expressed are those of the advisor and are subject to change, are not guaranteed, and should not be considered investment advice.

**Mutual fund investing involves risk; Principal loss is possible. Investments in debt securities typically decrease when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher rated securities. Investments in Asset-Backed and Mortgage-Backed securities include additional risks that investors should be aware of including credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. Investments in foreign securities involve political, economic, and currency risks, greater volatility, and differences in accounting methods. The Fund may use certain types of exchange traded funds or investment derivatives. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. ETF investments involve additional risks such as the market price trading at a discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. Short sales of securities involve the risk that losses may exceed the original amount invested.**

Fund holdings and industry allocations are subject to change and should not be considered a recommendation to buy or sell any security. For a complete list of Fund holdings, please refer to the Schedule of Investments in this report.

The Standard and Poor's 500 Index (S&P 500) is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The MSCI World ex USA Index captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries\*—excluding the United States. With 1,010 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

One cannot invest directly in an index.

Delta is the ratio comparing the change in price of the underlying asset to the corresponding change in the price of a derivative.

Standard deviation is a measure of the dispersion of a set of data from its mean.

Correlation is a statistical measure of how two variables move in relation to each other. The correlation coefficient (r) measures the strength and direction of a linear relationship between two variables.

Basis points are a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01%.

The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care, which is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.

## **Otter Creek Long/Short Opportunity Fund**

The coefficient of determination ( $r^2$ ) is a measure used in statistical analysis to assess how well a model explains variance and predicts future outcomes; it allows us to determine how certain one can be in making predictions from a certain model.

This report must be preceded or accompanied by a prospectus.

The Otter Creek Long/Short Opportunity Fund is distributed by Quasar Distributors, LLC.

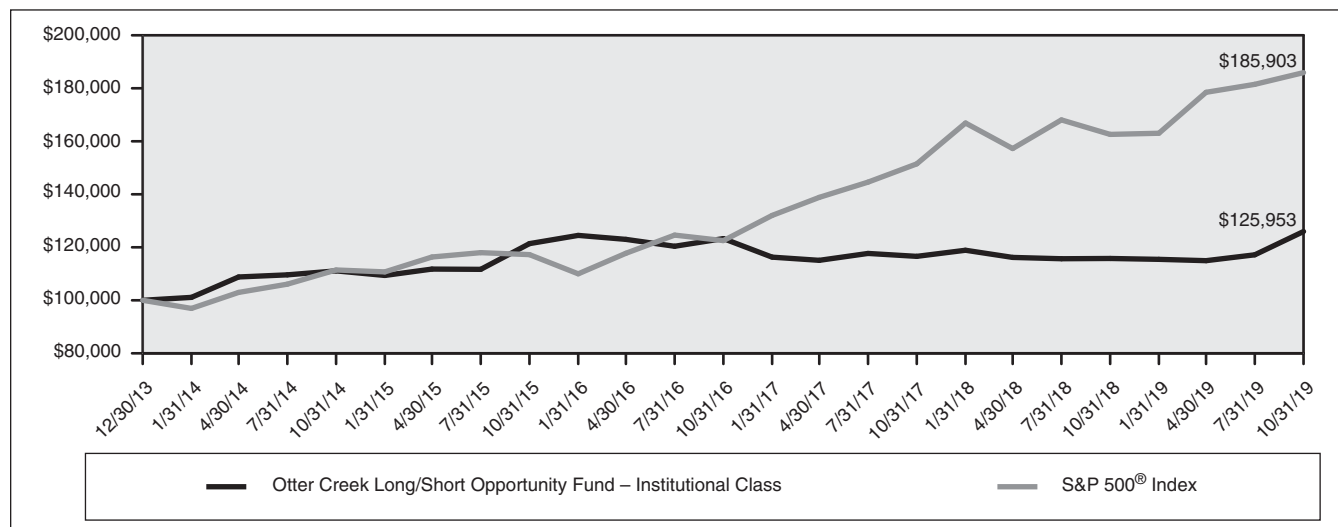
# Otter Creek Long/Short Opportunity Fund

## PERFORMANCE INFORMATION (Unaudited)

For the periods ended October 31, 2019

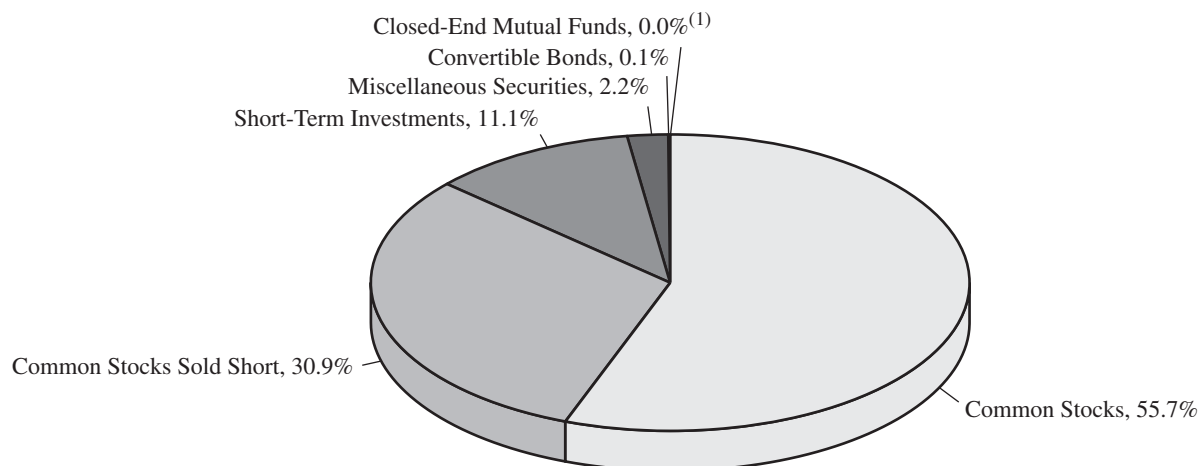
	1 Year	3 Year	5 Year	Since Inception Annualized Return (12/30/2013)
Otter Creek Long/Short Opportunity Fund – Investor Class	8.86%	0.55%	2.36%	3.84%
Otter Creek Long/Short Opportunity Fund – Institutional Class	9.10%	0.81%	2.60%	4.09%
S&P 500® Index	14.33%	14.91%	10.78%	11.21%

### A \$100,000 investment in the Otter Creek Long/Short Opportunity Fund – Institutional Class



This chart illustrates the performance of a hypothetical \$100,000 investment made on December 30, 2013, and is not intended to imply any future performance. The returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. The returns reflect fee waivers in effect. In the absence of such fee waivers, total return would be reduced. The chart assumes reinvestment of capital gains, dividends, and return of capital, if applicable, for a Fund and dividends for an index.

## ALLOCATION OF PORTFOLIO HOLDINGS & SECURITIES SOLD SHORT at October 31, 2019 (Unaudited)



Reflected as a percent of absolute value of investments and securities sold short.

<sup>(1)</sup> Does not round to 0.1% or (0.1)%, as applicable.

## Otter Creek Long/Short Opportunity Fund

### SCHEDULE OF INVESTMENTS at October 31, 2019

Shares	Value
<b>COMMON STOCKS: 82.3%</b>	
<b>Aerospace &amp; Defense: 6.6%</b>	
30,199 L3Harris Technologies, Inc. <sup>(2)</sup>	\$ 6,230,356
13,790 United Technologies Corp.	<u>1,979,968</u>
	<u>8,210,324</u>
<b>Application Software: 1.5%</b>	
13,040 Microsoft Corp.	<u>1,869,545</u>
<b>Construction &amp; Engineering: 7.0%</b>	
48,126 Jacobs Engineering Group, Inc.	4,503,631
102,320 Quanta Services, Inc.	<u>4,302,556</u>
	<u>8,806,187</u>
<b>Consumer Finance: 3.0%</b>	
36,636 PayPal Holdings, Inc. <sup>(1,2)</sup>	<u>3,813,808</u>
<b>Diversified Metals &amp; Mining: 3.1%</b>	
98,907 Newmont Goldcorp Corp. <sup>(2)</sup>	<u>3,929,575</u>
<b>Electronic Equipment &amp; Instruments: 4.9%</b>	
119,981 FLIR Systems, Inc. <sup>(2)</sup>	<u>6,186,220</u>
<b>Electronic Manufacturing Services: 2.6%</b>	
82,001 Trimble, Inc. <sup>(1)</sup>	<u>3,266,920</u>
<b>Fertilizers &amp; Agricultural Chemicals: 1.5%</b>	
38,150 Nutrien Ltd.	<u>1,823,189</u>
<b>Health Care Equipment: 7.2%</b>	
22,101 Abbott Laboratories	1,847,864
51,451 Zimmer Biomet Holdings, Inc. <sup>(2)</sup>	<u>7,112,072</u>
	<u>8,959,936</u>
<b>Holding Companies: 1.6%</b>	
9,485 Berkshire Hathaway, Inc. – Class B <sup>(1)</sup>	<u>2,016,321</u>
<b>Industrial Machinery: 3.6%</b>	
58,569 Xylem, Inc. <sup>(2)</sup>	<u>4,491,656</u>
<b>Insurance Brokers: 3.2%</b>	
20,980 Aon PLC	<u>4,052,497</u>
<b>Internet &amp; Direct Marketing Research: 2.5%</b>	
1,516 Booking Holdings, Inc. <sup>(1)</sup>	<u>3,105,935</u>
<b>Investment Banking &amp; Brokerage: 1.7%</b>	
53,604 The Charles Schwab Corp.	<u>2,182,219</u>

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### SCHEDULE OF INVESTMENTS at October 31, 2019 (Continued)

Shares	Value
<b>COMMON STOCKS: 82.3%</b> (Continued)	
<b>IT Consulting &amp; Services: 2.8%</b>	
40,150 Leidos Holdings, Inc.	<u>\$ 3,462,134</u>
<b>Leisure Facilities: 3.0%</b>	
16,066 Vail Resorts, Inc.	<u>3,733,256</u>
<b>Medical Equipment: 3.4%</b>	
13,945 Thermo Fisher Scientific, Inc. <sup>(2)</sup>	<u>4,211,111</u>
<b>Movies &amp; Entertainment: 3.1%</b>	
29,724 The Walt Disney Co.	<u>3,861,742</u>
<b>Oil &amp; Gas Equipment &amp; Services: 1.6%</b>	
101,233 Halliburton Co.	<u>1,948,735</u>
<b>Regional Banks: 5.9%</b>	
107,899 CenterState Bank Corp.	2,736,319
168,422 Seacoast Banking Corporation of Florida <sup>(1,2)</sup>	<u>4,715,816</u>
	<u>7,452,135</u>
<b>Reinsurance: 1.1%</b>	
125,871 Greenlight Capital Re, Ltd. – Class A <sup>(1)</sup>	<u>1,359,407</u>
<b>Renewable Electricity: 3.0%</b>	
72,211 NextEra Energy Partners LP	<u>3,805,520</u>
<b>Specialized Real Estate Investment Trusts: 3.3%</b>	
97,750 Potlatch Corp.	<u>4,151,443</u>
<b>Specialty Chemicals: 3.6%</b>	
57,660 Ashland Global Holdings, Inc.	<u>4,461,154</u>
<b>Utilities: 1.5%</b>	
15,208 American Water Works Company, Inc.	<u>1,874,690</u>
<b>TOTAL COMMON STOCKS</b>	
(Cost \$89,626,713)	<u>103,035,659</u>

The accompanying notes are an integral part of these financial statements.



## Otter Creek Long/Short Opportunity Fund

### SCHEDULE OF INVESTMENTS at October 31, 2019 (Continued)

Principal	Value
<b>CONVERTIBLE BONDS: 0.2%</b>	
<b>Mortgage Insurance: 0.2%</b>	
\$200,000 MGIC Investment Corp. 9.000%, 4/1/2063 <sup>(2,3)</sup>	\$ 270,181
<b>TOTAL CONVERTIBLE BONDS</b> (Cost \$234,794)	<u>270,181</u>
<b>Shares</b>	
<b>CLOSED-END MUTUAL FUNDS: 0.1%</b>	
5,800 BlackRock Municipal 2020 Term Trust	87,232
<b>TOTAL CLOSED-END MUTUAL FUNDS</b> (Cost \$87,145)	<u>87,232</u>
<b>SHORT-TERM INVESTMENTS: 16.4%</b>	
<b>Money Market Funds: 16.4%</b>	
20,543,682 Morgan Stanley Institutional Liquidity Funds – Treasury Portfolio, 1.680% <sup>(4)</sup>	20,543,682
<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$20,543,682)	<u>20,543,682</u>
	<b>Notional Value</b>
<b>TOTAL MISCELLANEOUS SECURITIES: 3.3%</b> <sup>(5)</sup> (Cost \$4,835,172)	\$85,286,558
<b>TOTAL INVESTMENTS IN SECURITIES: 102.3%</b> (Cost \$115,327,506)	128,052,182
Liabilities in Excess of Other Assets: (2.3)%	(2,885,086)
<b>TOTAL NET ASSETS: 100.0%</b>	<u>\$125,167,096</u>

(1) Non-income producing security.

(2) All or a portion of the shares of this security have been committed as collateral for securities sold short.

(3) Security is exempt from registration under Rule 144A of the Securities Act of 1933. This security may be resold in transactions exempt from registration, normally to qualified institutional buyers. At October 31, 2019, the value of this security was \$270,181 or 0.2% of net assets.

(4) Annualized seven-day effective yield as of October 31, 2019.

(5) Represents unrestricted previously undisclosed exchange-traded purchased options which the Fund has held for less than one year.

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### SCHEDULE OF SECURITIES SOLD SHORT at October 31, 2019

Shares	Value
<b>COMMON STOCKS: 45.7%</b> <sup>(1)</sup>	
<b>Aerospace &amp; Defense: 0.9%</b>	
20,784 Axon Enterprise, Inc.	<u>\$ 1,062,686</u>
<b>Apparel, Accessories &amp; Luxury: 1.0%</b>	
29,573 Canada Goose Holdings, Inc.	<u>1,237,039</u>
<b>Application Software: 2.5%</b>	
25,827 Ceridian HCM Holding, Inc.	1,246,153
12,003 salesforce.com, Inc.	<u>1,878,349</u>
	<u>3,124,502</u>
<b>Asset Management &amp; Custody Banks: 3.3%</b>	
9,000 BlackRock, Inc.	<u>4,155,300</u>
<b>Automobile Manufacturers: 1.4%</b>	
5,737 Tesla Motors, Inc.	<u>1,806,696</u>
<b>Automotive Retail: 2.7%</b>	
36,464 CarMax, Inc.	<u>3,397,351</u>
<b>Building Products: 2.4%</b>	
23,543 AAON, Inc.	1,145,603
21,282 Trex Co., Inc.	<u>1,870,475</u>
	<u>3,016,078</u>
<b>Education Services: 1.3%</b>	
17,061 Grand Canyon Education, Inc.	<u>1,568,930</u>
<b>Food &amp; Beverage: 1.7%</b>	
26,740 Anheuser-Busch InBev SA/NV	<u>2,159,790</u>
<b>Health Care Equipment: 2.6%</b>	
30,832 Hill-Rom Holdings, Inc.	<u>3,227,802</u>
<b>Home Improvement Retail: 2.4%</b>	
66,186 Floor & Decor Holdings, Inc.	<u>3,033,304</u>
<b>Household Products: 1.2%</b>	
21,163 Church & Dwight Co., Inc.	<u>1,480,140</u>
<b>Industrial Machinery: 2.6%</b>	
26,362 The Middleby Corp.	<u>3,188,484</u>
<b>Internet Retail: 2.3%</b>	
10,140 Netflix, Inc.	<u>2,914,337</u>
<b>Internet Software &amp; Services: 0.9%</b>	
3,472 Shopify, Inc. – Class A	<u>1,088,715</u>

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### SCHEDULE OF SECURITIES SOLD SHORT at October 31, 2019 (Continued)

Shares	Value
<b>COMMON STOCKS: 45.7%</b> <sup>(1)</sup> (Continued)	
<b>Investment Banking &amp; Brokerage: 0.5%</b>	
11,145 Stifel Financial Corp.	<u>\$ 623,897</u>
<b>Leisure Facilities: 1.3%</b>	
26,038 Planet Fitness, Inc. – Class A	<u>1,657,579</u>
<b>Life Sciences Tools &amp; Services: 1.3%</b>	
2,327 Mettler-Toledo International, Inc.	<u>1,640,395</u>
<b>Packaged Foods &amp; Meats: 2.7%</b>	
21,214 McCormick & Company, Inc. <sup>(2)</sup>	<u>3,408,878</u>
<b>Regional Banks: 3.1%</b>	
17,492 SVB Financial Group	<u>3,874,128</u>
<b>Restaurants: 2.0%</b>	
43,393 Texas Roadhouse, Inc.	<u>2,451,704</u>
<b>Semiconductors: 1.9%</b>	
8,144 Broadcom, Inc.	<u>2,384,970</u>
<b>Specialty Chemicals: 2.5%</b>	
25,487 International Flavors & Fragrances, Inc.	<u>3,109,669</u>
<b>Trading Companies &amp; Distributors: 1.2%</b>	
43,337 Fastenal Co.	<u>1,557,532</u>
<b>TOTAL COMMON STOCKS</b>	
(Proceeds \$58,243,565)	<u>57,169,906</u>
<b>TOTAL SECURITIES SOLD SHORT: 45.7%</b>	
(Proceeds \$58,243,565)	<u><u>\$57,169,906</u></u>

Percentages are stated as a percent of net assets.

(1) Non-income producing securities.

(2) Non-voting shares.

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### STATEMENT OF ASSETS AND LIABILITIES at October 31, 2019

**ASSETS:**

Investments in securities, at value (cost \$115,327,506)	\$128,052,182
Deposit at broker	54,092,467
Restricted cash	57,570
Receivables:	
Investment securities sold	881,826
Fund shares sold	70,962
Dividends and interest	159,121
Prepaid expenses	13,853
Total assets	183,327,981

**LIABILITIES:**

Securities sold short, at value (proceeds \$58,243,565)	57,169,906
Payables:	
Investment securities purchased	604,645
Fund shares redeemed	147,846
Investment advisory fees, net	145,040
Audit fees	22,100
Sub-transfer agent fees	21,094
Fund administration fees	12,287
Fund accounting fees	8,965
Transfer agent fees	6,905
Trustee fees	4,899
Custody fees	2,845
Distribution fees – Investor Class	2,268
Chief Compliance Officer fees	1,888
Other accrued expenses	10,197
Total liabilities	58,160,885

**NET ASSETS**

\$125,167,096

**NET ASSETS CONSIST OF:**

Paid-in capital	\$113,138,780
Total distributable earnings	12,028,316
<b>NET ASSETS</b>	<b>\$125,167,096</b>

**Net Asset Value (unlimited shares authorized):**

**Investor Class:**

Net assets	\$ 6,873,776
Shares issued (unlimited number of shares authorized without par value)	555,162
Net asset value, offering price, and redemption price per share	\$ 12.38

**Institutional Class:**

Net assets	\$118,293,320
Shares issued (unlimited number of shares authorized without par value)	9,425,920
Net asset value, offering price, and redemption price per share	\$ 12.55

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### STATEMENT OF OPERATIONS For the Year Ended October 31, 2019

**INVESTMENT INCOME:**

Dividends (net of \$13,634 foreign withholding tax)	\$ 1,779,737
Interest	1,517,590
Other income	465
Total investment income	3,297,792

**EXPENSES:**

Investment advisory fees	2,077,365
Sub-transfer agent fees	122,118
Administration fees	74,696
Fund accounting fees	53,816
Transfer agent fees	39,581
Registration expenses	37,366
Audit fees	21,979
Trustees fees	20,367
Distribution fees – Investor Class	17,978
Custody fees	15,940
Miscellaneous expenses	14,090
Legal fees	12,326
Chief Compliance Officer fees	10,932
Reports to shareholders	8,912
Insurance expenses	3,003
Total expenses before dividends on securities sold short	2,530,469
Plus: dividends on securities sold short	859,994
Total expenses	3,390,463
Less: fees waived	(158,143)
Net expenses	3,232,320
<b>Net investment income</b>	<b>\$ 65,472</b>

**REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, SECURITIES SOLD SHORT & OPTIONS WRITTEN**

Net realized gain (loss) on transactions from:	
Investments	2,738,438
Securities sold short	(729,153)
Options written	(23,624)
Total net realized gain on transactions	1,985,661
Net change in unrealized appreciation/depreciation on:	
Investments	10,363,010
Securities sold short	(955,315)
Total net change in unrealized appreciation/depreciation	9,407,695
Net realized and unrealized gain on investments	11,393,356
<b>Net increase in net assets resulting from operations</b>	<b>\$11,458,828</b>

The accompanying notes are an integral part of these financial statements.

# Otter Creek Long/Short Opportunity Fund

## STATEMENTS OF CHANGES IN NET ASSETS

	<u>Year Ended</u> <u>October 31, 2019</u>	<u>Year Ended</u> <u>October 31, 2018</u>
<b>INCREASE (DECREASE) IN NET ASSETS FROM:</b>		
<b>OPERATIONS</b>		
Net investment income	\$ 65,472	\$ 454,861
Net realized gain on investments	2,738,438	28,217,600
Net realized loss on securities sold short	(729,153)	(23,808,292)
Net realized loss on options written	(23,624)	—
Change in net unrealized appreciation/depreciation on investments	10,363,010	(21,233,008)
Change in net unrealized appreciation/depreciation on securities sold short	(955,315)	13,199,698
<b>Net increase (decrease) in net assets resulting from operations</b>	<u>11,458,828</u>	<u>(3,169,141)</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS</b>		
Net distributions to shareholders – Investor Class	(46,110)	—
Net distributions to shareholders – Institutional Class	(809,808)	—
<b>Total distributions to shareholders</b>	<u>(855,918)</u>	<u>—</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Decrease in net assets derived from net change in outstanding shares – Investor Class <sup>(1)</sup>	(1,331,634)	(17,537,393)
Decrease in net assets derived from net change in outstanding shares – Institutional Class <sup>(1)</sup>	(42,811,945)	(94,822,210)
<b>Total decrease in net assets from capital share transactions</b>	<u>(44,143,579)</u>	<u>(112,359,603)</u>
<b>TOTAL DECREASE IN NET ASSETS</b>	<u>(33,540,669)</u>	<u>(115,528,744)</u>
<b>NET ASSETS</b>		
Beginning of year	158,707,765	274,236,509
End of year	<u>\$125,167,096</u>	<u>\$ 158,707,765</u>

(1) Summary of share transactions is as follows:

	<u>Year Ended</u> <u>October 31, 2019</u>		<u>Year Ended</u> <u>October 31, 2018</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
<b>Investor Class:</b>				
Shares sold	68,378	\$ 790,683	149,884	\$ 1,719,900
Shares issued in reinvestment of distributions	3,912	45,581	—	—
Shares redeemed <sup>(2)</sup>	(188,767)	(2,167,898)	(1,685,394)	(19,257,293)
Net decrease	<u>(116,477)</u>	<u>\$ (1,331,634)</u>	<u>(1,535,510)</u>	<u>\$ (17,537,393)</u>

(2) Net of redemption fees of \$200 and \$275, respectively.

	<u>Year Ended</u> <u>October 31, 2019</u>		<u>Year Ended</u> <u>October 31, 2018</u>	
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>
<b>Institutional Class:</b>				
Shares sold	2,333,394	\$ 27,180,647	3,552,086	\$ 41,219,529
Shares issued in reinvestment of distributions	66,241	780,980	—	—
Shares redeemed <sup>(3)</sup>	(6,039,716)	(70,773,572)	(11,834,933)	(136,041,739)
Net decrease	<u>(3,640,081)</u>	<u>\$(42,811,945)</u>	<u>(8,282,847)</u>	<u>\$ (94,822,210)</u>

(3) Net of redemption fees of \$4,905 and \$2,413, respectively.

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year

#### Investor Class

	Year Ended October 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of year	\$11.43	\$11.55	\$12.24	\$12.08	\$11.09
<b>INCOME FROM</b>					
<b>INVESTMENT OPERATIONS:</b>					
Net investment loss <sup>(1)</sup>	(0.02)	(0.02)	(0.17)	(0.26)	(0.16)
Net realized and unrealized gain (loss) on investments	1.04	(0.10)	(0.52)	0.42	1.16
Total from investment operations	1.02	(0.12)	(0.69)	0.16	1.00
<b>LESS DISTRIBUTIONS:</b>					
From net realized gain	(0.07)	—	—	—	(0.01)
Total distributions	(0.07)	—	—	—	(0.01)
Paid-in capital from redemption	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>
Net asset value, end of year	\$12.38	\$11.43	\$11.55	\$12.24	\$12.08
<b>Total return</b>	8.86%	(0.95)%	(5.71)%	1.41%	9.00%
<b>SUPPLEMENTAL DATA:</b>					
Net assets, end of year (millions)	\$6.9	\$7.7	\$25.5	\$51.1	\$19.2
Portfolio turnover rate	59%	163%	134%	80%	108%
<b>RATIO OF EXPENSES</b>					
<b>TO AVERAGE NET ASSETS:</b>					
Before fees waived <sup>(3)</sup>	2.69%	2.62%	2.58%	3.09%	2.67%
After fees waived <sup>(3)</sup>	2.57%	2.53%	2.55%	3.06%	2.56%
<b>RATIO OF NET INVESTMENT LOSS</b>					
<b>TO AVERAGE NET ASSETS:</b>					
Before fees waived <sup>(4)</sup>	(0.32)%	(0.30)%	(1.48)%	(2.18)%	(1.54)%
After fees waived <sup>(4)</sup>	(0.20)%	(0.21)%	(1.45)%	(2.15)%	(1.43)%

(1) Calculated using the average shares outstanding method.

(2) Does not round to \$0.01 or \$(0.01), as applicable.

(3) The ratio of expenses to average net assets includes dividends and interest on securities sold short. The expense ratio excluding dividends and interest on securities sold short were as follows:

2.07% before fees waived and 1.95% after fees waived for the year ended October 31, 2019

2.04% before fees waived and 1.95% after fees waived for the year ended October 31, 2018

1.98% before fees waived and 1.95% after fees waived for the year ended October 31, 2017

1.98% before fees waived and 1.95% after fees waived for the year ended October 31, 2016

2.06% before fees waived and 1.95% after fees waived for the year ended October 31, 2015

(4) The net investment loss ratios include dividends and interest on securities sold short.

The accompanying notes are an integral part of these financial statements.

## Otter Creek Long/Short Opportunity Fund

### FINANCIAL HIGHLIGHTS For a capital share outstanding throughout each year

#### Institutional Class

	Year Ended October 31,				
	2019	2018	2017	2016	2015
Net asset value, beginning of year	\$11.56	\$11.65	\$12.32	\$12.12	\$11.10
<b>INCOME FROM</b>					
<b>INVESTMENT OPERATIONS:</b>					
Net investment income (loss) <sup>(1)</sup>	0.01	0.03	(0.14)	(0.23)	(0.13)
Net realized and unrealized gain (loss) on investments	1.05	(0.12)	(0.53)	0.43	1.16
Total from investment operations	1.06	(0.09)	(0.67)	0.20	1.03
<b>LESS DISTRIBUTIONS:</b>					
From net realized gain	(0.07)	—	—	—	(0.01)
Total distributions	(0.07)	—	—	—	(0.01)
Paid-in capital from redemption	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>	0.00 <sup>(2)</sup>
Net asset value, end of year	\$12.55	\$11.56	\$11.65	\$12.32	\$12.12
<b>Total return</b>	9.10%	(0.69)%	(5.44)%	1.57%	9.26%
<b>SUPPLEMENTAL DATA:</b>					
Net assets, end of year (millions)	\$118.3	\$151.0	\$248.7	\$305.0	\$126.5
Portfolio turnover rate	59%	163%	134%	80%	108%
<b>RATIO OF EXPENSES</b>					
<b>TO AVERAGE NET ASSETS:</b>					
Before fees waived <sup>(3)</sup>	2.44%	2.39%	2.32%	2.79%	2.42%
After fees waived <sup>(3)</sup>	2.32%	2.30%	2.29%	2.76%	2.31%
<b>RATIO OF NET INVESTMENT INCOME (LOSS)</b>					
<b>TO AVERAGE NET ASSETS:</b>					
Before fees waived <sup>(4)</sup>	(0.06)%	0.16%	(1.19)%	(1.91)%	(1.26)%
After fees waived <sup>(4)</sup>	0.06%	0.25%	(1.16)%	(1.88)%	(1.15)%

(1) Calculated using the average shares outstanding method.

(2) Does not round to \$0.01 or \$(0.01), as applicable.

(3) The ratio of expenses to average net assets includes dividends and interest on securities sold short. The expense ratio excluding dividends and interest on securities sold short were as follows:

1.82% before fees waived and 1.70% after fees waived for the year ended October 31, 2019

1.79% before fees waived and 1.70% after fees waived for the year ended October 31, 2018

1.73% before fees waived and 1.70% after fees waived for the year ended October 31, 2017

1.73% before fees waived and 1.70% after fees waived for the year ended October 31, 2016

1.81% before fees waived and 1.70% after fees waived for the year ended October 31, 2015

(4) The net investment income (loss) ratios include dividends and interest on securities sold short.

The accompanying notes are an integral part of these financial statements.



# Otter Creek Long/Short Opportunity Fund

## NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019

### NOTE 1 – ORGANIZATION

The Otter Creek Long/Short Opportunity Fund (the “Fund”) is a diversified series of shares of beneficial interest of Professionally Managed Portfolios (the “Trust”), which is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company. The Fund is an investment company and accordingly follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification topic 946 “Financial Services-Investment Companies.” The Fund commenced operations on December 30, 2013.

The Fund currently offers two classes of shares: Investor Class and Institutional Class. Each class of shares has equal rights as to earnings and assets except that each class bears different distribution expenses. Each class of shares has exclusive voting rights with respect to matters that affect just that class. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains or losses on investments are allocated to each class of shares based on its relative net assets.

The Fund’s objective is to seek long-term capital appreciation.

### NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Fund. These policies are in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

A. *Security Valuation.* All equity securities, which may include Real Estate Investment Trusts (“REITs”), Business Development Companies (“BDCs”), and Master Limited Partnerships (“MLPs”), that are traded on U.S. national or foreign securities exchanges, are valued at the last reported sale price on the exchange on which the security is principally traded or the exchange’s official closing price, if applicable. If, on a particular day, an exchange-traded security does not trade, then the mean between the most recent quoted bid and asked prices will be used. All equity securities, which may include REITs, BDCs, and MLPs that are not traded on a listed exchange are valued at the last sale price in the over-the-counter market. If a non-exchange traded security does not trade on a particular day, then the mean between the last quoted closing bid and asked price will be used.

Debt securities are valued by using the evaluated mean price supplied by an approved independent pricing service. The independent pricing service may use various valuation methodologies including, matrix pricing and other analytical pricing models as well as market transactions and dealer quotations. These models generally consider such factors as yields or prices of bonds of comparable quality, type of issue, coupon, maturity, ratings and general market conditions.

Exchange traded options are valued at the composite price, using the National Best Bid and Offer quotes (“NBBO”). NBBO consists of the highest bid price and lowest ask price across any of the exchanges on which an option is quoted, thus providing a view across the entire U.S. options marketplace. Composite option pricing calculates the mean of the highest bid price and lowest ask price across the exchanges where the option is traded.

Securities for which quotations are not readily available are valued at their respective fair values as determined in good faith by the Valuation Committee. When a security is “fair valued,” consideration is given to the facts and circumstances relevant to the particular situation, including a review of various factors set forth in the pricing procedures adopted by the Board of Trustees (the “Board”). Fair value pricing is an inherently subjective process, and no single standard exists for determining fair value. Different funds could reasonably arrive at different values for the same security. The use of fair value pricing by the Fund may cause the net asset value of its shares to differ significantly from the net asset value that would be calculated without regard to such considerations.

As described above, the Fund utilizes various methods to measure the fair value of its investments on a recurring basis. U.S. GAAP establishes a hierarchy that prioritizes inputs to valuation methods. The three levels of inputs are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.

Level 2 – Observable inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.

## Otter Creek Long/Short Opportunity Fund

### NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

Level 3 – Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available; representing the Fund’s own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

The availability of observable inputs can vary from security to security and is affected by a wide variety of factors, including, for example, the type of security, whether the security is new and not yet established in the marketplace, the liquidity of markets, and other characteristics particular to the security. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

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 in its entirety.

The following is a summary of the inputs used to value the Fund’s investments and securities sold short as of October 31, 2019. See the Schedules of Investments and Securities Sold Short for industry breakouts.

<b>Investments in Securities</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$103,035,659	\$ —	\$ —	\$103,035,659
Convertible Bonds	—	270,181	—	270,181
Closed-End Mutual Funds	87,232	—	—	87,232
Short-Term Investments	20,543,682	—	—	20,543,682
Miscellaneous Securities	64,750	4,050,678	—	4,115,428
<b>Total Investments in Securities</b>	<u>\$123,731,323</u>	<u>\$ 4,320,859</u>	<u>\$ —</u>	<u>\$128,052,182</u>

<b>Securities Sold Short</b>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$ 57,169,906	\$ —	\$ —	\$ 57,169,906
<b>Total Securities Sold Short</b>	<u>\$ 57,169,906</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 57,169,906</u>

The Fund has adopted financial reporting rules and regulations that require enhanced disclosure regarding derivatives and hedging activity intending to improve financial reporting of derivative instruments by enabling investors to understand how an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity’s results of operations and financial position.

The Fund may invest in options on equities, debt and stock indices. The Fund may make these investments as a substitute for a comparable market position in the underlying security, to attempt to hedge or limit the exposure of the Fund’s position, to create a synthetic money market position for certain tax-related purposes and to effect closing transactions. The Fund may write covered put and call options on securities, securities indices and currencies in which it may invest to serve as a partial hedge against a price decline of the underlying security.

#### Statement of Assets and Liabilities

Values of derivative instruments as of October 31, 2019:

<b>Derivative Instruments</b>	<b>Asset Derivatives as of October 31, 2019</b>		<b>Liability Derivatives as of October 31, 2019</b>	
	<b>Balance Sheet Location</b>	<b>Value</b>	<b>Balance Sheet Location</b>	<b>Value</b>
Equity Contracts:	Investments in			
Put Options Purchased	securities, at value	\$4,115,428	None	\$ —
<b>Total</b>		<u>\$4,115,428</u>		<u>\$ —</u>

## Otter Creek Long/Short Opportunity Fund

### NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

#### Statement of Operations

The effect of derivative instruments on the Statement of Operations for the year ended October 31, 2019:

Instruments	Location of Gain (Loss) on Derivatives Recognized in Income	Realized Gain (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation/ Depreciation on Derivatives Recognized in Income
Equity Contracts:			
Call Options Purchased	Realized and unrealized gain (loss) on investments, securities sold short, and options written	\$ (170,427)	\$ 78,572
Put Options Purchased	Realized and unrealized gain (loss) on investments, securities sold short, and options written	(3,262,862)	381,747
Put Options Written	Realized and unrealized gain (loss) on investments, securities sold short, and options written	(23,624)	—
Total		<u>\$(3,456,913)</u>	<u>\$460,319</u>

The average absolute notional value of options held during the year ended October 31, 2019 was \$153,471,843.

- B. *Federal Income Taxes.* The Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all taxable income to its shareholders and otherwise comply with the provisions of the Internal Revenue Code applicable to regulated investment companies. Therefore, no provision for federal income taxes or excise taxes has been made.

In order to avoid imposition of the excise tax applicable to regulated investment companies, the Fund intends to declare each year as dividends in each calendar year at least 98.0% of its net investment income (earned during the calendar year) and 98.2% of its net realized capital gains (earned during the twelve months ended October 31) plus undistributed amounts, if any, from prior years.

As of fiscal year end October 31, 2019, the Fund did not have late year losses, and had \$667,110 in short-term capital loss carry-forwards available for federal income tax purposes, which do not expire and retain their original character.

As of October 31, 2019, the Fund did not have any tax positions that did not meet the threshold of being sustained by the applicable tax authority. Generally, tax authorities can examine all the tax returns filed for the last three years. The Fund identifies its major tax jurisdiction as U.S. Federal and the Commonwealth of Massachusetts. As October 31, 2019, the Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially.

- C. *Restricted Cash.* Restricted cash represents cash committed as collateral for securities sold short. Such cash is isolated from cash held in the Fund’s custody account in the Statement of Assets and Liabilities. See Note 2, part I, for more information on securities sold short.
- D. *Security Transactions and Investment Income.* Investment securities transactions are accounted for on the trade date. Gains and losses realized on sales of securities or closing transactions of securities sold short, are determined on a specific identification basis. Discounts/premiums on debt securities purchased are accreted/amortized over the life of the respective securities using the effective interest method. Dividend income is recorded on the ex-dividend date. Dividends received from MLPs and REITs generally are comprised of ordinary income, capital gains, and may include return of capital. Interest income is recorded on an accrual basis. Other non-cash dividends are recognized as investment income at the fair value of the property received. Withholding taxes on foreign dividends have been provided for in accordance with the Trust’s understanding of the applicable country’s tax rules and rates.
- E. *Distributions to Shareholders.* Distributions to shareholders from net investment income and net realized gains on securities for the Fund are normally declared and paid on an annual basis. Distributions are recorded on the ex-dividend date.

## Otter Creek Long/Short Opportunity Fund

### NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

- F. *Use of Estimates.* The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.
- G. *Share Valuation.* The net asset value (“NAV”) per share of the Fund is calculated by dividing the sum of the value of the securities held by the Fund, plus cash or other assets, minus all liabilities (including estimated accrued expenses) by the total number of shares outstanding, rounded to the nearest cent. The Fund’s shares will not be priced on the days on which the New York Stock Exchange is closed for trading. The offering and redemption price is equal to the Fund’s NAV per share. The Fund charges a 1.00% redemption fee on shares held less than 60 days. This fee is deducted from the redemption proceeds otherwise payable to the shareholder. The Fund will retain the fee charged as paid-in-capital and such fees become part of the Fund’s daily NAV calculation.
- H. *Guarantees and Indemnifications.* In the normal course of business, the Fund enters into contracts with service providers that contain general indemnification clauses. 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.
- I. *Securities Sold Short.* The Fund may engage in short sales of securities, provided the securities are fully listed on a national securities exchange. In a short sale, the Fund sells a security it does not own, in anticipation of a decline in the market value of the security. To complete the transaction, the Fund must borrow the security to make delivery to the buyer. The Fund is then obligated to replace the security borrowed by purchasing it at the market price at the time of replacement. This price may be more or less than the price at which the security was sold by the Fund. The Fund will incur a loss on a short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The Fund will realize a gain if the security declines in price between those dates. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of the premium, dividends, interest or expenses the Fund may be required to pay in connection with the short sale. The Fund is liable for any dividends or interest payable on securities while those securities are in a short position. Such dividend amounts are recorded on the ex-dividend date as a dividend expense.

Typically, the Fund will segregate liquid assets, which are marked-to-market daily, equal to the difference between the value of the securities sold short at the time they were sold short and the value of the collateral deposited with the broker in connection with the short sale (not including the proceeds from the short sale). While the short position is open, the Fund must maintain segregated assets at such a level that the amount segregated plus the amount deposited with the broker as collateral is equal to the current market value of the securities sold short.

- J. *Options Contracts.* The Fund may invest in options contracts that may be used to modify or hedge the Fund’s exposure to a particular investment market related risk, as well as to manage the volatility of the Fund. When the Fund purchases an option, an amount equal to the premium paid by the Fund is recorded as an investment and is subsequently adjusted to the current value of the option purchased. If an option expires on the stipulated expiration date or if the Fund enters into a closing sale transaction, a gain or loss is realized. If a call option is exercised, the cost of the security acquired is increased by the premium paid for the call. If a put option is exercised, a gain or loss is realized from the sale of the underlying security, and the proceeds from such sale are decreased by the premium originally paid. Options are non-income producing securities. At October 31, 2019, the Fund had 3.3% of net assets invested in purchased options.
- K. *Reclassifications of Capital Accounts.* U.S. GAAP requires that certain components of net assets relating to permanent differences be reclassified between financial and tax reporting. These reclassifications have no effect on net assets or net asset value per share. For the year ended October 31, 2019, the following adjustments were made<sup>(1)</sup>:

<u>Total Distributable Earnings</u>	<u>Paid-in Capital</u>
\$(32,876)	\$32,876

<sup>(1)</sup> These differences were primarily due to foreign currency, net operating loss, and distribution adjustments.

- L. *Recently Issued Accounting Pronouncements.* In August 2018, the FASB issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement, which changes the fair value measurement disclosure requirements of Topic 820. The amendments in ASU No. 2018-13 are the result of a broader disclosure project called FASB Concept Statement, Conceptual Framework

# Otter Creek Long/Short Opportunity Fund

## NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

for Financial Reporting—Chapter 8: Notes to Financial Statements. The objective and primary focus of the project are to improve the effectiveness of disclosures in the notes to the financial statements by facilitating clear communication of the information required by GAAP that is most important to users of the financial statements. ASU No. 2018-13 is effective for all entities for fiscal years beginning after December 15, 2019, including interim periods therein. Early adoption is permitted for any eliminated or modified disclosures upon issuance of ASU No. 2018-13. Management has chosen to early adopt the eliminated or modified disclosures.

M. *Subsequent Events.* In preparing these financial statements, the Fund has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued. On November 25, 2019, U.S. Bancorp, the parent company of Quasar Distributors, LLC (“Quasar”), the Fund’s distributor, announced that it had signed a purchase agreement to sell Quasar to Foreside Financial Group, LLC (“Foreside”) such that Quasar will become a wholly-owned broker-dealer subsidiary of Foreside. The transaction is expected to close by the end of March 2020. Quasar will remain the Fund’s distributor at the close of the transaction, subject to Board approval.

Effective as of November 1, 2019, Otter Creek Advisors, LLC (the “Advisor”), has contractually agreed to lower its management fee from 1.50% to 1.35% of the Fund’s average daily net assets. This contractual waiver is in effect until February 28, 2021, and may not be terminated without the approval of the Board. In addition, the Advisor has contractually agreed to waive a portion or all of its management fees and pay Fund expenses (excluding acquired fund fees and expenses, interest, taxes, interest and dividend expense on securities sold short and extraordinary expenses) in order to limit the expense ratios to 1.55% and 1.80% of average daily net assets of the Fund’s Institutional Class shares and Investor Class shares, respectively. The Advisor will not be able to recoup or recapture any portion of the fee waiver at any time.

### NOTE 3 – COMMITMENTS AND OTHER RELATED PARTY TRANSACTIONS

The Advisor provides the Fund with investment management services under an Investment Advisory Agreement (the “Advisory Agreement”). Under the Advisory Agreement, the Advisor furnishes all investment advice, office space, certain administrative services, and provides most of the personnel needed by the Fund. As compensation for its services, the Advisor is entitled to a monthly fee at the annual rate of 1.50% based upon the average daily net assets of the Fund. Please see Note 2, Section M for an important update to the Advisor’s management fee. For the year ended October 31, 2019, the advisory fees incurred are disclosed in the Statement of Operations. The investment advisory fees incurred are paid monthly to the Advisor, net of any monthly waiver or reimbursement discussed below.

The Advisor has contractually agreed to limit the Fund’s Investor Class annual expense ratio before dividends and interest on short positions to 1.95% and the Fund’s Institutional Class annual expense ratio before dividends and interest on short positions to 1.70% of each Class’ average daily net assets. The contract’s term is indefinite and may be terminated only by the Board. Please see Note 2, Section M for an important update to the contractual waiver of management fees and Fund expenses. For the year ended October 31, 2019, the fees waived are disclosed in the Statement of Operations. Amounts due from the Advisor are paid monthly to the Fund, if applicable.

At October 31, 2019, the remaining cumulative unreimbursed amount paid and/or waived by the Advisor on behalf of the Fund that may be reimbursed was \$439,054. The Advisor may recapture a portion of the above amount no later than the dates as stated below. Any recapture of a fee waived or expense reimbursed should occur prior to the end of the third year after the reimbursement was paid, provided the aggregate amount of the Fund’s current operating expenses for such year does not exceed the lesser expense cap in place at the time of waiver or reimbursement.

<u>Years of Expiration</u>	<u>Amount</u>
October 31, 2020	\$ 94,654
October 31, 2021	186,257
October 31, 2022	158,143

The Fund must pay its current ordinary operating expenses before the Advisor is entitled to any reimbursement. Any such reimbursement is also contingent upon Board’s review and approval.

U.S. Bancorp Fund Services, LLC, doing business as U.S. Bank Global Fund Services (“Fund Services”), serves as the Fund’s administrator, fund accountant, and transfer agent. In those capacities, Fund Services maintains the Fund’s books and records, calculates the Fund’s NAV, prepares various federal and state regulatory filings, coordinates the payment of the

## Otter Creek Long/Short Opportunity Fund

### NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

Fund's expenses, reviews expense accruals, and prepares materials supplied to the Board. The officers of the Trust and the Chief Compliance Officer are also employees of Fund Services. Fees paid by the Fund to Fund Services for these services for the year ended October 31, 2019, are disclosed in the Statement of Operations.

Quasar Distributors, LLC (the "Distributor") acts as the Fund's principal underwriter in a continuous public offering of the Fund's shares. U.S. Bank N.A. serves as custodian to the Fund. Both the Distributor and U.S. Bank N.A. are affiliates of Fund Services.

The Fund has adopted a Distribution Plan (the "Plan") in accordance with Rule 12b-1 under the 1940 Act. The Plan provides that the Fund's Investor Class may pay a fee to the Distributor at an annual rate of up to 0.25% of the average daily net assets of that class. No distribution fees are paid by the Institutional Class. These fees may be used by the Distributor to provide compensation for sales support, distribution activities, or shareholder servicing activities. Fees paid by the Fund to the Distributor for the year ended October 31, 2019, are disclosed in the Statement of Operations.

The Fund has entered into sub-transfer agent arrangements ("Arrangements"), for sub-transfer agent fees paid to third-party intermediaries, with respect to the Fund. All Arrangements must be approved by the Board. For the year ended October 31, 2019, sub-transfer agent fees incurred by the Fund are disclosed in the Statement of Operations.

#### NOTE 4 – PURCHASES AND SALES OF SECURITIES

Investment transactions (excluding short-term investments and U.S. Government securities) for the year ended October 31, 2019, were as follows:

<u>Purchases at Cost</u>	<u>Sales or Maturity Proceeds</u>
\$73,075,840	\$129,237,325

There were no purchases or sales of long-term U.S. Government securities for the year ended October 31, 2019.

#### NOTE 5 – DISTRIBUTIONS TO SHAREHOLDERS

The tax character of distributions paid during the years ended October 31, 2019 and October 31, 2018, was as follows:

	<u>2019</u>	<u>2018</u>
Ordinary income	\$ 32,955	\$ —
Long-term capital gain <sup>(1)</sup>	822,963	—
	<u>\$855,918</u>	<u>\$ —</u>

<sup>(1)</sup> Designated as long-term capital gain dividend, pursuant to Internal Revenue Code Section 852(b)(3).

As of October 31, 2019, the components of distributable earnings on a tax basis were as follows<sup>(2)</sup>:

Cost of investments	<u>\$57,975,919</u>
Gross tax unrealized appreciation	17,710,919
Gross tax unrealized depreciation	<u>(4,804,562)</u>
Gross tax unrealized appreciation	<u>12,906,357</u>
Undistributed ordinary income	17,552
Undistributed long-term capital gain	—
Total distributable earnings	<u>17,552</u>
Other accumulated loss	<u>(895,593)</u>
Total accumulated gain	<u>\$12,028,316</u>

<sup>(2)</sup> The difference between book basis and tax basis unrealized appreciation (depreciation) was attributable to wash sale deferrals.

## Otter Creek Long/Short Opportunity Fund

### NOTES TO THE FINANCIAL STATEMENTS – October 31, 2019 (Continued)

#### NOTE 6 – CREDIT FACILITY

U.S. Bank N.A. has made available to the Fund a credit facility pursuant to a separate Loan and Security Agreement for temporary or extraordinary purposes. Loan activity for the year ended October 31, 2019 was as follows:

Maximum available credit	\$20,000,000
Largest amount outstanding on an individual day	—
Average balance when in use	—
Credit facility outstanding as of October 31, 2019	—
Average interest rate when in use	—

Interest expense for the year ended October 31, 2019, is disclosed in the Statement of Operations, if applicable.

# Otter Creek Long/Short Opportunity Fund

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

**To the Board of Trustees of Professionally Managed Portfolios  
and Shareholders of Otter Creek Long/Short Opportunity Fund**

### **Opinion on the Financial Statements**

We have audited the accompanying statement of assets and liabilities of Otter Creek Long/Short Opportunity Fund (the “Fund”), a series of Professionally Managed Portfolios, including the schedule of investments, as of October 31, 2019, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the five years in the period then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of October 31, 2019, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

These financial statements are the responsibility of the Fund’s management. Our responsibility is to express an opinion on the Fund’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We have served as the Fund’s auditor since 1995.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Fund’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of October 31, 2019 by correspondence with the custodian and brokers or by other appropriate auditing procedures where replies from brokers were not received. We believe that our audits provide a reasonable basis for our opinion.

**TAIT, WELLER & BAKER LLP**

**Philadelphia, Pennsylvania  
December 27, 2019**



## Otter Creek Long/Short Opportunity Fund

### EXPENSE EXAMPLES For the Six Months Ended October 31, 2019 (Unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, distribution fees, and other Fund expenses. The example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds. The example is based on an investment of \$1,000 invested at the beginning of the period and held for the entire period (May 1, 2019 – October 31, 2019).

#### Actual Expenses

The “Actual” lines of the following tables provide information about actual account values based on actual returns and actual expenses. Although the Fund charges no sales load, you will be assessed fees for outgoing wire transfers, returned checks and stop payment orders at prevailing rates charged by Fund Services, the Fund’s transfer agent. If you request that a redemption be made by wire transfer, currently, the Fund’s transfer agent charges a \$15.00 fee. You will be charged a redemption fee equal to 1.00% of the net amount of the redemption if you redeem shares that have been held for less than 60 days. Individual Retirement Accounts will be charged a \$15.00 annual maintenance fee. To the extent the Fund invests in shares of other investment companies as part of its investment strategy, you will indirectly bear your proportionate share of any fees and expenses charged by the underlying funds in which the Fund invests in addition to the expenses of the Fund. Actual expenses of the underlying funds may vary. These expenses are not included in the following examples. The following examples include, but are not limited to, investment advisory, fund accounting, fund administration, custody, and transfer agent fees. However, the following examples do not include portfolio trading commissions and related expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6). Then, multiply the result by the number in the first line under the heading titled “Expenses Paid During the Period” to estimate the expenses you paid on your account during this period.

#### Hypothetical Example for Comparison Purposes

The “Hypothetical” lines of the following tables provide information about hypothetical account values based on a hypothetical return and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. Please note that the expenses shown in the tables are meant to highlight your ongoing costs only and do not reflect any transaction costs, such as redemption fees. Therefore, the hypothetical lines of the tables are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. In addition, if these transaction costs were included, your costs would have been higher.

	<b>Beginning Account Value 5/1/2019</b>	<b>Ending Account Value 10/31/2019</b>	<b>Expenses Paid During the Period<sup>(1)</sup> 5/1/2019 – 10/31/2019</b>
<b>Investor Class</b>			
Actual	\$1,000.00	\$1,097.50	\$13.80
Hypothetical (5% annual return before expenses)	1,000.00	1,012.05	13.24

<sup>(1)</sup> The actual expenses are equal to the annualized expense ratio of 2.61% (reflecting fees waivers in effect), multiplied by the average account value over the period, multiplied by 184/365 to reflect the most recent six-month period.

	<b>Beginning Account Value 5/1/2019</b>	<b>Ending Account Value 10/31/2019</b>	<b>Expenses Paid During the Period<sup>(2)</sup> 5/1/2019 – 10/31/2019</b>
<b>Institutional Class</b>			
Actual	\$1,000.00	\$1,098.90	\$12.49
Hypothetical (5% annual return before expenses)	1,000.00	1,013.31	11.98

<sup>(2)</sup> The actual expenses are equal to the annualized expense ratio of 2.36% (reflecting fees waivers in effect), multiplied by the average account value over the period, multiplied by 184/365 to reflect the most recent six-month period.

## Otter Creek Long/Short Opportunity Fund

### TRUSTEES AND EXECUTIVE OFFICERS (Unaudited)

The Board is responsible for the overall management of the Trust, including general supervision and review of the investment activities of the Fund. The Board, in turn, elects the officers of the Trust, who are responsible for the day-to-day operations of the Trust and its separate series. The current Trustees and executive officers of the Trust, their birth dates, positions with the Trust, terms of office with the Trust and length of time served, their principal occupations during the past five years and other directorships are set forth in the table below.

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Trustees</u>	<u>Other Directorships Held During the Past Five Years</u>
<b>Independent Trustees of the Trust<sup>(1)</sup></b>					
Kathleen T. Barr (born 1955) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since November 2018.	Former owner of a registered investment adviser, Productive Capital Management, Inc.; formerly, Chief Administrative Officer, Senior Vice President and Senior Managing Director of Allegiant Asset Management Company (merged with PNC Capital Advisors, LLC in 2009); formerly, Chief Administrative Officer, Chief Compliance Officer and Senior Vice President of PNC Funds and PNC Advantage Funds (f/k/a Allegiant Funds) (registered investment companies).	1	Independent Director, Muzinich BDC, Inc. (August 2019 to present); Independent Trustee for the William Blair Funds (2013 to present) (21 series); Independent Trustee for the AmericaFirst Quantitative Funds (2012 to 2016).
Wallace L. Cook (born 1939) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Investment Consultant; formerly, Chief Executive Officer, Rockefeller Trust Co., (prior thereto Senior Vice President), and Managing Director, Rockefeller & Co. (Investment Manager and Financial Advisor); formerly, Senior Vice President, Norton Simon, Inc. (international consumer products conglomerate).	1	Trustee, The Dana Foundation.

## Otter Creek Long/Short Opportunity Fund

### TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Trustees</u>	<u>Other Directorships Held During the Past Five Years</u>
Eric W. Falkeis (born 1973) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since September 2011.	Chief Executive Officer, Tidal ETF Services LLC (2018 to present); formerly, Chief Operating Officer, Direxion Funds (2013 to 2018); formerly, Senior Vice President and Chief Financial Officer (and other positions), U.S. Bancorp Fund Services, LLC.	1	Independent Director, Muzinich BDC, Inc. (August 2019 to present); Interested Trustee, Tidal ETF Trust (2018 to present) (8 series); Former Interested Trustee, Direxion Funds (22 series), Direxion Shares ETF Trust (112 series) and Direxion Insurance Trust (2013 to 2018).
Carl A. Froebel (born 1938) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Formerly, President and Founder, National Investor Data Services, Inc. (investment related computer software).	1	None.

## Otter Creek Long/Short Opportunity Fund

### TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Trustees</u>	<u>Other Directorships Held During the Past Five Years</u>
Steven J. Paggioli (born 1950) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	Trustee	Indefinite Term; Since May 1991.	Consultant; formerly, Executive Vice President, Investment Company Administration, LLC (mutual fund administrator).	1	Independent Director, Muzinich BDC, Inc. (August 2019 to present); Independent Trustee, AMG Funds (55 series); Advisory Board Member, Sustainable Growth Advisers, LP.
<b>Officers of the Trust</b>					
Elaine E. Richards (born 1968) c/o U.S. Bank Global Fund Services 2020 E. Financial Way Suite 100 Glendora, CA 91741	President	Indefinite Term; Since March 2013.	Senior Vice President, U.S. Bank Global Fund Services, since July 2007.	Not Applicable.	Not Applicable.
	Secretary	Indefinite Term; Since February 2008.			
Aaron J. Perkovich (born 1973) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Vice President	Indefinite Term; Since March 2017.	Vice President, U.S. Bank Global Fund Services, since June 2006.	Not Applicable.	Not Applicable.
	Treasurer	Indefinite Term; Since August 2016.			
Melissa Breitzman (born 1983) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bank Global Fund Services, since June 2005.	Not Applicable.	Not Applicable.

## Otter Creek Long/Short Opportunity Fund

### TRUSTEES AND EXECUTIVE OFFICERS (Unaudited) (Continued)

<u>Name, Address and Age</u>	<u>Position with the Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Principal Occupation During Past Five Years</u>	<u>Number of Portfolios in Fund Complex<sup>(2)</sup> Overseen by Trustees</u>	<u>Other Directorships Held During the Past Five Years</u>
Craig Benton (born 1985) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2016.	Assistant Vice President, U.S. Bank Global Fund Services, since November 2007.	Not Applicable.	Not Applicable.
Cory Akers (born 1978) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Assistant Treasurer	Indefinite Term; Since August 2017.	Assistant Vice President, U.S. Bank Global Fund Services, since October 2006.	Not Applicable.	Not Applicable.
Donna Barrette (born 1966) c/o U.S. Bank Global Fund Services 615 East Michigan St. Milwaukee, WI 53202	Chief Compliance Officer	Indefinite Term; Since July 2011.	Senior Vice President and Compliance Officer, U.S. Bank Global Fund Services, since August 2004.	Not Applicable.	Not Applicable.
	Anti-Money Laundering Officer	Indefinite Term; Since July 2011.			
	Vice President	Indefinite Term; Since July 2011.			

(1) All Trustees of the Trust are not “interested persons” of the Trust as defined under the 1940 Act (“Independent Trustees”).

(2) The Trust is comprised of numerous series managed by unaffiliated investment advisers. The term “Fund Complex” applies only to the Fund. The Fund does not hold itself out as related to any other series within the Trust for purposes of investment and investor services, nor does it share the same investment advisor with any other series.

# Otter Creek Long/Short Opportunity Fund

## APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited)

At a meeting held on August 22, 2019, the Board (which is comprised of five persons, all of whom are Independent Trustees as defined under the Investment Company Act of 1940) considered and approved the continuance of the Investment Advisory Agreement (the “Advisory Agreement”), between Professionally Managed Portfolios (the “Trust”) and Otter Creek Advisors, LLC (the “Advisor”) for the Otter Creek Long/Short Opportunity Fund (the “Fund”) for another annual term. At this meeting and at a prior meeting held on May 21, 2019, the Board received and reviewed substantial information regarding the Fund, the Advisor and the services provided by the Advisor to the Fund under the Advisory Agreement. This information, together with the information provided to the Board throughout the course of the year, formed the primary (but not exclusive) basis for the Board’s determinations. Below is a summary of the factors considered by the Board and the conclusions that formed the basis for the Board’s approval of the continuance of the Advisory Agreement:

- 1. The nature, extent and quality of the services provided and to be provided by the Advisor under the Advisory Agreement.** The Trustees considered the nature, extent and quality of the Advisor’s overall services provided to the Fund as well as its specific responsibilities in all aspects of the day-to-day investment management of the Fund. The Board considered the qualifications, experience and responsibilities of the portfolio managers, as well as the responsibilities of other key personnel of the Advisor involved in the day-to-day activities of the Fund. The Board also considered the resources and compliance structure of the Advisor, including information regarding its compliance program, its chief compliance officer and the Advisor’s compliance record, as well as the Advisor’s cybersecurity program, business continuity plan and risk management process. In this regard, the Board considered efforts underway by the Advisor to enhance its compliance oversight, including the devotion of additional resources and expanding the use of third-party consultants to assist in the maintenance of a robust compliance program. The Board also considered the prior relationship between the Advisor and the Trust, as well as the Board’s knowledge of the Advisor’s operations, and noted that during the course of the prior year they had met with certain personnel of the Advisor in person to discuss fund performance and investment outlook, as well as, various marketing and compliance topics. The Board concluded that the Advisor had the quality and depth of personnel, resources and investment processes essential to performing its duties under the Advisory Agreement. The Board also concluded that the Advisor’s commitment to enhance its compliance program and procedures reflected a serious commitment from the Advisor to protect the interests of shareholders. The Board therefore concluded that they were satisfied with the nature, overall quality, and extent of such management services.
- 2. The Fund’s historical performance and the overall performance of the Fund.** In assessing the quality of the portfolio management delivered by the Advisor, the Board reviewed the performance of the Fund on both an absolute basis, and in comparison to its peer funds utilizing Morningstar classifications and appropriate securities market benchmarks, all for periods ended March 31, 2019. When reviewing performance against the comparative peer group universe, the Board took into account that the investment objective and strategies of the Fund, as well as its level of risk tolerance, may differ significantly from funds in the peer universe. The Board noted that the Advisor currently does not manage any other funds or separate accounts.

The Board noted that the Fund outperformed the median of its peer group for the one-year, but underperformed for the three-year and five-year periods. The Board also considered the performance of the Fund against its broad-based securities market benchmark, noting that the Fund has underperformed its primary benchmark for the one-year, three-year and five-year periods. When considering performance, the Board took into account that the Fund’s investment goal was to generate non-correlated absolute returns that exceeded risk free rates of return, not to outperform broad-based securities market benchmarks. The Board considered the Advisor’s representations that shareholders in the Fund, almost all of whom were known to the Advisor, understood the Fund’s strategy and specifically sought a fund which offered significantly less volatility than the markets in general. The Board also considered the Advisor’s efforts to improve absolute performance and noted the Fund’s strong performance during periods of enhance volatility, as would be expected in accordance with the Fund’s strategy.

- 3. The costs of the services to be provided by the Advisor and the structure of the Advisor’s fees under the Advisory Agreement.** In considering the advisory fee and total fees and expenses of the Fund, the Board reviewed comparisons to the peer funds. The Board noted that the Advisor currently does not manage any other funds or separate accounts.

## Otter Creek Long/Short Opportunity Fund

### APPROVAL OF INVESTMENT ADVISORY AGREEMENT (Unaudited) (Continued)

The Board noted that the Advisor had contractually agreed to maintain an annual expense ratio of 1.70% for the Institutional Class shares and 1.95% for the Investor Class shares (the “Expense Caps”). The Board noted that the Fund’s advisory fee was higher than that of its peer group median and average, and the net expense ratio (less Rule 12b-1 fees) was below that of its peer group median and average. The Board also considered the Advisor’s agreement to temporarily reduce its advisory fee, and the Expense Caps, by 0.15%, at the start of the next fiscal year. Such waivers will not be removed without prior notice to the Board. The Board concluded that the fees paid to the Advisor were fair and reasonable in light of the comparative performance and advisory fee information.\*

4. **Economies of Scale.** The Board also considered whether economies of scale were being realized by the Advisor. The Board noted that the Advisor has contractually agreed to reduce its advisory fees or reimburse Fund expenses so that the Fund does not exceed its specified Expense Caps. The Board noted that at current asset levels, it did not appear that there were additional significant economies of scale being realized by the Advisor that should be shared with shareholders and concluded that it would continue to monitor economies of scale in the future as circumstances changed and assuming asset levels continued to increase.
5. **The profits to be realized by the Advisor and its affiliates from its relationship with the Fund.** The Board reviewed the Advisor’s financial information and took into account both the direct benefits and the indirect benefits to the Advisor from advising the Fund. The Board considered the profitability to the Advisor from its relationship with the Fund, and considered any additional benefits derived by the Advisor from their relationship with the Fund, particularly Rule 12b-1 distribution fees for Investor Class shares and benefits received in exchange for “soft dollars” paid to the Advisor. In assessing profitability, the Board considered that a significant portion of allocated Fund expenses was comprised of distributions to the managing members of the Adviser. After such review, the Board determined that the profitability to the Advisor with respect to the Advisory Agreement was not excessive, and that the Advisor had maintained adequate financial resources to support the services it provides to the Fund.

No single factor was determinative of the Board’s decision to approve the continuance of the Advisory Agreement, but rather, the Board based its determination on the total combination of information available to them. Based on a consideration of all the factors in their totality, the Board determined that the advisory arrangements with the Advisor, including the advisory fees, were fair and reasonable. The Board therefore determined that the Advisory Agreement would be in the best interests of the Fund and its shareholders.

\* Effective as of November 1, 2019, subsequent to the Board’s meeting on August 22, 2019, the Advisor contractually agreed to lower its management fee from 1.50% to 1.35% of the Fund’s average daily net assets. This contractual waiver is in effect until February 28, 2021, and may not be terminated without the approval of the Board. In addition, the Advisor has contractually agreed to waive a portion or all of its management fees and pay Fund expenses (excluding acquired fund fees and expenses, interest, taxes, interest and dividend expense on securities sold short and extraordinary expenses) in order to limit the expense ratios to 1.55% and 1.80% of average daily net assets of the Fund’s Institutional Class shares and Investor Class shares, respectively. The Advisor will not be able to recoup or recapture any portion of the fee waiver at any time.

# Otter Creek Long/Short Opportunity Fund

## ADDITIONAL INFORMATION (Unaudited)

### QUALIFIED DIVIDEND INCOME, DIVIDENDS RECEIVED DEDUCTION

For the fiscal year ended October 31, 2019, certain dividends paid by the Fund may be subject to a maximum tax rate of 15%, as provided for by the Jobs and Growth Tax Relief Reconciliation Act of 2003 and the Tax Cuts and Jobs Act of 2017. The percentage of dividends declared from ordinary income designated as qualified dividend income was 0.0%.

For corporate shareholders, the percent of ordinary income distributions qualifying for the corporate dividends received deduction for the fiscal year ended October 31, 2019, was 0.0%.

The percentage of taxable ordinary income distributions that are designated as short-term capital gain distributions under Internal Revenue Section 871 (k)(2)(C) for the fiscal year ended October 31, 2019, was 0.0%.

### INFORMATION ABOUT PROXY VOTING

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available without charge, upon request, by calling (855) 681-5261. Furthermore, you can obtain the description on the SEC's website at [www.sec.gov](http://www.sec.gov).

Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling (855) 681-5261. Furthermore, you can obtain this information on the SEC's website at [www.sec.gov](http://www.sec.gov).

### INFORMATION ABOUT THE PORTFOLIO HOLDINGS

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Fund's Form N-Q is available on the SEC's website at [www.sec.gov](http://www.sec.gov). The Fund's Form N-Q may also be obtained by calling (855) 681-5261.

### INFORMATION ABOUT THE FUND'S TRUSTEES

The Statement of Additional Information ("SAI") includes additional information about the Fund's Trustees and is available without charge, upon request, by calling (855) 681-5261. Furthermore, you can obtain the SAI on the SEC's website at [www.sec.gov](http://www.sec.gov) or the Fund's website at [www.ottercreekfunds.com](http://www.ottercreekfunds.com).

### INFORMATION ABOUT HOUSEHOLDING

In an effort to conserve resources, the Fund will reduce the number of duplicate prospectuses, proxy statements, and annual and semi-annual reports that you receive by sending only one copy of each to those addresses shown by two or more accounts. Please call the Transfer Agent toll free at (855) 681-5261 to request individual copies of these documents. The Fund will begin sending individual copies 30 days after receiving your request. This policy does not apply to account statements. In addition, see the Important Notice on the cover page for changes that will be made to the distribution of the annual and semi-annual reports after January 1, 2021.



## Otter Creek Long/Short Opportunity Fund

### PRIVACY NOTICE (Unaudited)

The Fund collects non-public personal information about you from the following sources:

- Information we receive about you on applications or other forms;
- Information you give us verbally; and/or
- Information about your transactions with us or others.

**We do not disclose any non-public personal information about our shareholders or former shareholders without the shareholder's authorization, except as permitted by law or in response to inquiries from governmental authorities. We may share information with affiliated parties and unaffiliated third parties with whom we have contracts for servicing the Fund. We will provide unaffiliated third parties with only the information necessary to carry out their assigned responsibilities. All shareholder records will be disposed of in accordance with applicable law. We maintain physical, electronic, and procedural safeguards to protect your non-public personal information and require third parties to treat your non-public personal information with the same high degree of confidentiality.**

**In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared with unaffiliated third parties.**

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**Advisor**

Otter Creek Advisors, LLC  
11300 US Highway 1, Suite 500  
Palm Beach Gardens, FL 33408

**Distributor**

Quasar Distributors, LLC  
777 East Wisconsin Avenue, 6th Floor  
Milwaukee, WI 53202

**Custodian**

U.S. Bank N.A.  
Custody Operations  
1555 North RiverCenter Drive, Suite 302  
Milwaukee, WI 53212

**Transfer Agent, Fund Accountant and Fund Administrator**

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202  
(855) 681-5261

**Independent Registered Public Accounting Firm**

Tait, Weller & Baker LLP  
Two Liberty Place  
50 South 16th Street, Suite 2900  
Philadelphia, PA 19102

**Legal Counsel**

Sullivan & Worcester LLP  
1633 Broadway, 32nd Floor  
New York, NY 10019

**Fund Information**

<b>Fund</b>	<b>Symbol</b>	<b>CUSIP</b>
Otter Creek Long/Short Opportunity Fund – Investor Class	OTCRX	74316J334
Otter Creek Long/Short Opportunity Fund – Institutional Class	OTTRX	74316J342