VILLERE BALANCED FUND COMMENTARY

We are committed to our discipline and "staying the course" through 2015.

The Villere Balanced Fund (VILLX) underperformed its benchmark, the Lipper Balanced Fund Index for the year and fourth quarter ending 2014. While we were disappointed with the Fund's performance in 2014, we believe it's important to understand the context. The sharp decline in oil prices in the fourth quarter and a one-day "flash crash" in the Treasuries in October provided both the markets and investors with a somewhat wilder ride at year-end than they had grown accustomed to in 2014.

In fact, the downward pressures the portfolio experienced during the quarter were due more to narrow, yet deep factors related to the decline in the energy sector than to major changes in the fundamental attractiveness of the portfolio's selections. In contrast, we saw the U.S. economy continue to demonstrate broad, positive strength through the quarter, supported by a resurgence in consumer spending. Meanwhile, as the Fed formally wrapped up its Quantitative Easing (QE) policies in 2014, it indicated it was ready to raise short-term rates at some point in 2015 – the first time the Fed has taken this step in almost a decade.

Accordingly, we at Villere have positioned the Fund's holdings to potentially benefit from increases in spending and consumption due to slightly elevated inflationary levels that may result from interest rate actions on the part of the Federal Reserve.

Over the longer-term, it is also important to note that the Fund outpaced its benchmark over the five-year and 10-year periods and since its inception on September 30, 1999. We are committed to "stay the course" for 2015.

Of course, investors sell shares every day to deploy their money to different purposes. But, when motivated to sell due to short-term price declines, it may be better to count to 10 and remember that selling on emotion can lead to lost opportunities. The Fund is designed to achieve long-term capital growth

Performance (%)

12/31/2014	Total Return		Average Annualized			Cummulative
	Quarter	1 Year	5 Year	10 Year	Since Inception[1]	Since Inception[1]
Villere Balanced Fund	-2.44	-3.08	13.71	8.67	9.00	255.55
Lipper Balanced Fund Index	2.32	7.21	9.50	5.37	5.30	122.10
S&P 500 Index	4.93	13.69	15.45	5.12	4.87	114.22

Expense Ratio: 0.87%

[1]Inception 9/30/1999

Performance data quoted represents past performance and does not guarantee future results. The 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. Fund performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866.209.1129.

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consistent with preservation of capital and balanced by current income. Villere continues to identify attractive investment opportunities in companies like Visa and Leggett & Platt, two strong performers in the fourth quarter.

Portfolio Review

For a closer look at the Fund's results in the fourth quarter, portfolio overweights to Sotheby's and Visa contributed significantly to performance. With its well-publicized proxy battle behind it, global auction powerhouse Sotheby's performed well throughout the year. As it expands into China, Sotheby's essentially represents one-half of a duopoly with Christie's as its primary competitor. It has also added significant talent to its management team and Board of Directors. Meanwhile, Visa managed to keep its stellar earnings streak going throughout 2014, surging 15% over its prior-year fourth quarter figure to $2.20 per share. Leggett & Platt, the residential furnishings and commercial fixtures firm, continued to attract investors, due in part to its strong dividend growth policy. Having delivered strong financial results in 2014, we believe the firm is well-positioned to generate further growth records in 2015.

On the other side of the equation, three of the Fund's performance detractors, Howard Hughes, Sanchez Energy and Oasis Petroleum were hit hard by the sharp downturn in oil prices as noted earlier. In particular, Howard Hughes was negatively impacted by concerns surrounding its two Houston-based development projects as the price of oil fell. Despite those setbacks, however, we still have confidence in the outlook for other Howard Hughes properties. While we consider the management teams at Sanchez and Oasis to be exceptionally talented, we are concerned that both firms may be challenged by further downward drift in the energy sector over the near- to mid-term.

Top Performers — Equity 9/30/2014-12/31/2014	Portfolio Weight (%)	Return
Visa Inc.	4.64	23.12
Leggett & Platt Inc.	5.61	22.93
Sotheby's	5.23	21.18
Edwards Lifesciences Corp.	0.40	20.18
Express Scripts Holding Co.	5.10	19.88

Bottom Performers — Equity 9/30/2014-12/31/2014	Portfolio Weight (%)	Return
Sanchez Energy Corp.	3.53	-64.62
Oasis Petroleum Inc.	2.98	-60.44
Conn's Inc.	4.07	-39.71
3D Systems Corp.	4.49	-29.11
Howard Hughes Corp.	5.43	-13.05

Two non-energy related portfolio positions, Conn's Inc. and 3D Systems, also detracted from performance. While Conn's Inc. presented an attractive growth profile, their management team had trouble attracting a creditworthy base of consumers. The fund has completely exited its position in Conn's. Despite the pullback of 3D's stock price on margin concerns and elevated valuations last year, we continue to believe in the company's long-term prospects in the emerging 3D printing industry. Our on-site visits to their Rock Hill, SC facility this year have convinced us that the firm is well on the way to completing the upgrades it requires for margin improvements in 2015.

Fixed income, which represented 29% of the portfolio at the end of the quarter, posted a 0.23% return in the quarter as exposure to energy bonds caused the fund to underperform the Barclays Capital Intermediate Government/Credit Bond Index, which returned 0.89%. For the year, though, the fund's fixed income portfolio returned 4.68%, outperforming the benchmark's 3.13% return. The downdraft in energy prices, though, negatively affected our fixed income selections in non-investment grade energy bonds.

Looking Forward

From the instability in the oil markets to the uncertainty surrounding Fed rate policies, all of us will be encountering new unknowns in 2015. During such times, we endeavor harder than ever to identify good stocks with strong fundamentals and better-than-average valuations. While a stock may lose favor due to negative perceptions, if those perceptions have little – if anything – to do with the factors that drive a company's earning power and growth prospects, we feel the best way forward is to stay the course.

Staying the course requires investments with resilience. Apple and Carnival, two securities held in the portfolio as of December 31, 2014, illustrate our commitment to an earnings-driven, disciplined, and long term approach. It is during times of investor uncertainty that we seek to seize opportunities by adding new or expanding our holdings in companies we believe in such as when an Apple fell temporarily out-of-favor due to the passing of Steve Jobs or Carnival's stock sank temporarily following the Concordia disaster. Examples like these illustrate our unwavering commitment to an earnings-driven, disciplined, and long term approach.

George V. Young, St. Denis J. Villere, III, Lamar G. Villere, CFA
Portfolio Managers, Villere Balanced Fund

A mutual fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and may be obtained by calling 866-209-1129 or visiting www.villere.com. Read carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. Investments in smaller and medium sized companies involve additional risks such as limited liquidity and greater volatility. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower rated and non-rated securities present a great risk of loss to principal and interest than higher rated securities.

Opinions expressed are those of the author or Villere & Co., and are subject to change, are not intended to be a forecast of future events, a guarantee of future results, nor investment advice.

The securities mentioned herein represent the following percentages of the total net assets of the Villere Balanced Fund as of December 31, 2014: 3D Systems Corp. 2.24%, Apple Inc. 4.51%, Carnival Corp. 0.58%, Christie's 0.00%, Conn's 0.00%, Howard Hughes Corp. 3.76%, Leggett & Platt Inc. 4.05%, Oasis Petroleum Inc. 1.49%, Sanchez Energy Corp. 1.77%, Sotheby's 4.26%, Visa Inc. 4.29%.

All holdings in the portfolio are subject to change without notice and may or may not represent current or future portfolio composition. The mention of specific securities is not intended as a recommendation or an offer of a particular security, nor is it intended to be a solicitation for the purchase or sale of any security.

Quantitative Easing (QE) is an unconventional monetary policy in which a central bank purchases government securities or other securities from the market in order to lower interest rates and increase the money supply.

The Barclays Capital Intermediate Government/Credit Bond Index measures the performance of United States dollar-denominated United States Treasuries, government-related and investment-grade credit securities that have a remaining maturity of greater than or equal to 1 year and less than 10 years.

Lipper Balanced Index is an equally weighted performance index of the largest qualifying funds in the Lipper Category.

S&P 500 is an unmanaged index which is widely regarded as the standard for measuring large-cap U.S. stock market performance. The stock index does not incur expenses and is not available for investment.

One cannot invest directly in an index.

Villere & Co. is the adviser to the Villere Funds, which are distributed by Quasar Distributors, LLC.

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