



# KEELEY Funds



MORNINGSTAR RATING™ as of 9.30.21<sup>(4)</sup>

Overall rating out of 361 Mid-Cap Blend Funds

Star ratings are based on risk-adjusted return. The overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10- year Morningstar Rating metrics. (Overall: 2 stars out of 361 funds; 3-years: 1 star out of 361 funds; 5-years: 1 star out of 307 funds; 10-years: 2 star out of 206 funds in the Mid-Cap Blend category)

Fund Inception: August 15, 2007

Total Assets: \$47 Million

## Investment Objective

The KEELEY Small-Mid Cap Value Fund seeks long-term capital appreciation through investments in small and mid sized market capitalization companies that the adviser believes are undervalued. The Adviser defines small and mid market capitalization as securities within the range of the Russell 2500® Value Index at the time of investment. The market cap range of the index changes daily, and as a result, the capitalization of small and mid cap companies in which the Fund invests will also change.

## Philosophy

In the broadest sense of the term, companies undergoing major change are often characterized as “restructuring” situations. These events include emergence from bankruptcy, mergers and acquisitions, and full-scale corporate reorganizations, such as spinning off or divesting a division. In our experience, there are often extremely complex stories behind the moving parts, making information on the companies involved difficult to synthesize in a timely manner. As a result, many investors choose to avoid these stocks altogether—leading to temporary mispricing.

## Investment Focus<sup>(3)</sup>

Large			
Medium			
Small			

Value Blend Growth

[www.KeeleyFunds.com](http://www.KeeleyFunds.com)

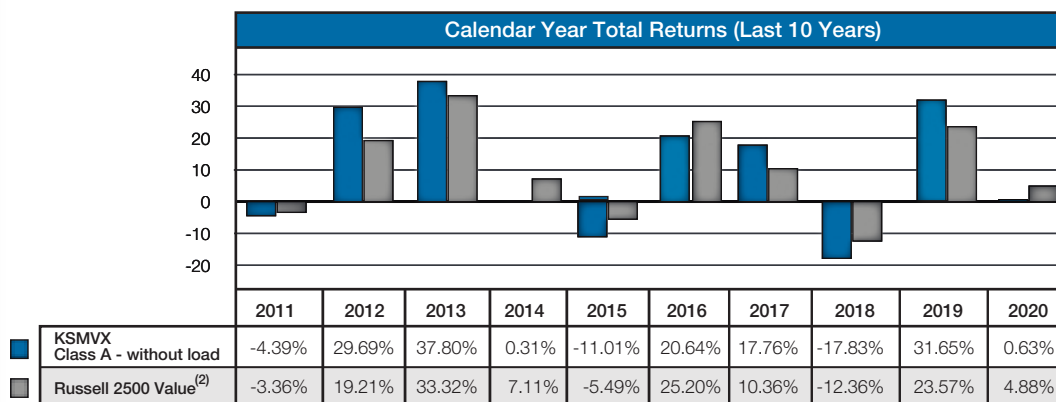
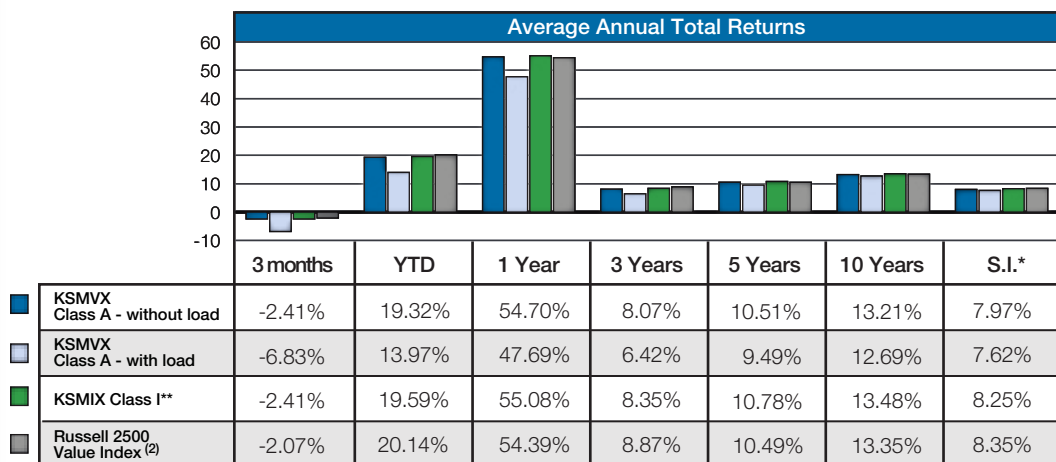
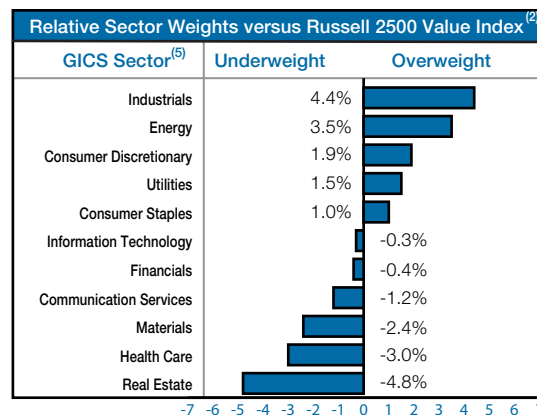
The Disciplined  
Discovery of Value®

# Small-Mid Cap Value Fund

As of September 30, 2021

Investor Class (A) Shares: KSMVX  
Institutional Class (I) Shares: KSMIX

Security Name	GICS Sector <sup>(5)</sup>	Weight
Equitable Holdings, Inc.	Financials	2.09
Brunswick Corporation	Consumer Discret.	1.93
Synovus Financial Corporation	Financials	1.81
Kontoor Brands, Inc.	Comm. Services	1.78
nVent Electric Plc	Industrials	1.72
NRG Energy, Inc.	Utilities	1.72
Fortune Brands Home & Security, Inc.	Industrials	1.71
Popular, Inc.	Financials	1.62
Nexstar Media Group, Inc. Class A.	Comm. Services	1.61
MDU Resources Group, Inc.	Utilities	1.60
Top Ten Total		17.58%



\*Average Annualization: Inception (S.I.) August 15, 2007

\*\*The Institutional share class commenced operations on December 31, 2007. Performance prior to that date is hypothetical, based on Class A shares adjusted for the difference in expenses. Results are substantially similar because all classes invest in the same portfolio of securities, differing only to the extent the share classes have different expenses.

Without load" does not reflect the deduction of the maximum 4.50% sales fee (load), which reduces the performance quoted.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. To obtain the most recent month end performance information and a prospectus, please call us at 800.533.5344 or visit [www.keeleyfunds.com](http://www.keeleyfunds.com).

Prior to investing, investors should carefully consider the Fund's investment objective, risks, charges and expenses as detailed in the prospectus and summary prospectus. To obtain a prospectus or a summary prospectus, call us at 800.533.5344 or visit [www.keeleyfunds.com](http://www.keeleyfunds.com). The prospectus/summary prospectus should be read carefully before investing.

# Small-Mid Cap Value Fund

As of September 30, 2021

## Process

The adviser applies a fundamental, bottom-up stock selection process. Most of our research is internal, focusing on companies in unique and transformative situations that Wall Street has not identified and capitalized upon. Potential investments generally fall under four major themes:

## Ownership Changes

- Spin-Offs
- Divestitures
- De-Mutualizations

## Operating Changes

- New Management
- Cost-Cutting
- M&A

## Balance Sheet / Capital Restructurings

- Bankruptcy Emergence
- Refinancing
- Shift to "Capital Lite"/ Franchise Model
- Capital Reallocation

## Marketplace Shifts

- Regulatory Changes
- Industry Consolidation

We believe our focus on change and restructuring gives us a competitive advantage by enabling us to identify inefficiencies in the marketplace before other investors

## Portfolio Construction

- 60-100 stocks
- Maximum sector weight: 40% / 3x benchmark
- Initial position size: 1%
- Maximum position size: 5%

## Investment Risks

Smaller and medium-sized company stocks are more volatile and less liquid than larger, more established company securities.

## Investor Class (A) Shares: KSMVX Institutional Class (I) Shares: KSMIX

Fund Characteristics and Performance Statistics		
	KSMVX	Russell 2500 Value Index <sup>(2)</sup>
Number of holdings	93	1,865
Equity allocation	98.4%	100%
Cash & equivalents	1.6%	—
Weighted Avg. Market Cap	\$6.2 Bil	\$7.0 Bil
Median Market Cap	\$5.3 Bil	\$1.7 Bil
Price/Earnings*	12.6x	14.7x
P/E Forecast (FY 1)	12.7x	14.0x
Price/Book*	1.9x	1.9x
Price/Cash Flow*	8.5x	10.8x
Price/Sales*	1.3x	1.5x
Alpha**	-0.62%	—
Beta***	1.11	1.00
Risk (Standard Deviation)****	23.46%	20.88%

\*Last 12 Months, Weighted Harmonic Average

\*\*Alpha is a measure of performance on a risk-adjusted basis. Number shown reflects the trailing five year alpha.

\*\*\*Beta is the current measure of a portfolio's risk in relation to the market or a benchmark. Number shown reflects the trailing five year beta.

\*\*\*\*Standard deviation is a statistical measurement of historical volatility and can be used to gauge the amount of expected volatility. Number shown reflects the trailing five year standard deviation.

## Expense Ratios

Gross Expense Ratio (A Shares):	1.70%
Waiver/Expense Reimbursement:	-0.29%
Net Expense Ratio (A Shares):	1.41%

Gross Expense Ratio (I Shares):	1.45%
Waiver/Expense Reimbursement:	-0.29%
Net Expense Ratio (I Shares):	1.16%

The Fund's adviser has contractually agreed to waive a portion of its management fee or reimburse the Fund if total ordinary operating expenses during the current fiscal year as a percentage of the Fund's average net assets exceed 1.39% for Class A Shares and 1.14% for Class I Shares. The waiver excludes expenses related to taxes, interest charges, dividend expenses incurred on securities that a Fund sells short, litigation expenses, and other extraordinary expenses, brokerage commissions and other charges relating to the purchase and sale of portfolio securities. The waiver is in effect through February 28, 2022 and neither the Fund's adviser nor the Fund can discontinue the agreement prior to its expiration.



Fund Leadership	Investment Experience	Title
Thomas E. Browne, Jr., CFA	35 years	Portfolio Manager
Brian P. Leonard, CFA	22 years	Portfolio Manager
Brian R. Keeley, CFA	27 years	Portfolio Manager
Nicholas F. Galluccio	40 years	Portfolio Manager
Scott R. Butler	19 years	Portfolio Manager

KEELEY Small-Mid Cap Value Fund ratings and performance are based on past performance at net asset value.

(1) Portfolio holdings will change, and should not be considered purchase recommendations. Top holdings do not reflect cash, money markets or options/futures contracts holdings.

(2) The Russell 2500® Value Index is an unmanaged index that measures the performance of the small to mid-cap value segment of the U.S. equity universe and includes those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 2500® Index is an unmanaged index that measures the performance of the 2,500 smallest companies by market capitalization of the Russell 3000® Index. The Russell 3000® Index is an unmanaged index that measures the performance of the 3,000 largest U.S. companies by market capitalization. These Index figures do not reflect any deduction for fees, expenses, or taxes, and are not available for investment.

(3) The Morningstar Style Box™ reveals a fund's category as determined by Morningstar. For equity funds the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend or growth).

(4) Morningstar data © 2021 Morningstar, Inc.; all rights reserved. Morningstar data contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The Morningstar Rating™ for funds, or "star rating", is calculated for funds with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of funds in each fund category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. Ratings are for the Fund's A Share Class; other classes may vary.

(5) The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by Keeley Teton. Neither MSCI, S&P nor any third party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Securities in the Fund may not match those in the indexes and performance of the Fund will differ. Data presented herein was obtained from FactSet, eVestment Alliance, LLC, and BNY Mellon Corp.

Keeley-Teton Advisors, LLC is the investment adviser to the Keeley Funds, and G.distributors, LLC, a registered broker-dealer and member of FINRA, is the distributor of the Keeley Funds.

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