

TRIBUTARY INCOME FUND

Institutional Shares

For period ended September 30, 2010

Objective

The Fund seeks the generation of current income in a manner consistent with preserving capital and maximizing total return.

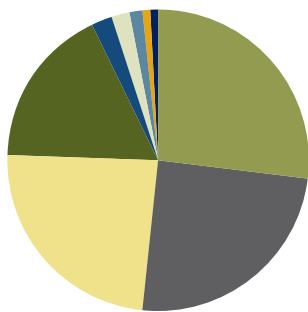
Strategy

The Fund invests at least 80% of its assets in fixed-income securities including U.S. Treasury and government-agency bonds, corporate bonds, mortgage- and asset-backed securities and other debt obligations. The Adviser selects securities based on its longer-term view of the economic cycle, relative value analysis among and within sectors, and issuer-specific factors. The Fund seeks to be diversified across sectors and will invest predominantly in investment grade debt securities.

Top 10 Holdings*

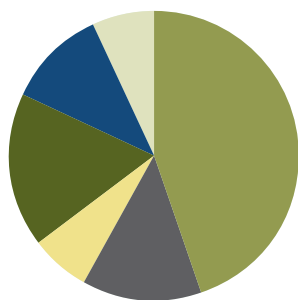
U.S. Treasury Bond, 4.38%	11/15/2039	8.5%	Banc of America Commercial Mortgage Inc. REMIC, 5.35%	9/10/2047	2.4%
U.S. Treasury Note, 2.63%	12/31/2014	4.1%	Federal National Mortgage Association REMIC, 4.00%	2/25/2019	2.3%
Federal Home Loan Mortgage Corp. REMIC, 4.00%	1/15/2017	3.6%	Federal Home Loan Mortgage Corp. REMIC, 4.50%	6/15/2021	2.3%
Federal Home Loan Mortgage Corp. REMIC, 5.00%	2/15/2029	3.4%	LB-UBS Commercial Mortgage Trust REMIC, 6.30%	11/15/2033	2.1%
Federal Home Loan Mortgage Corp. REMIC, 5.00%	4/15/2028	3.4%	U.S. Treasury Inflation Indexed Note, 2.00%	7/15/2014	2.0%

Sector Analysis*



Corporate Bonds and Notes	27.2%
U.S. Government Agency Mortgage-Backed Securities	24.6%
Mortgage Related	23.8%
U.S. Treasury Securities	17.3%
Municipals	2.3%
Exchange Traded Funds	1.8%
Cash Equivalents	1.4%
Agencies	0.9%
Other	0.7%

Credit Quality*



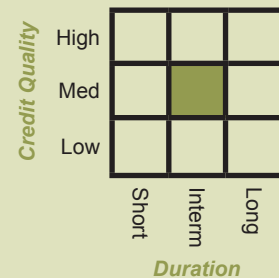
Govt/Agency	44.9%
AAA	13.4%
AA	6.5%
A	17.3%
BBB	11.3%
Other/Not Rated	6.6%

These characteristics represent the underlying securities in the portfolio.

* The top ten holdings, industry sectors, and asset allocation are presented to illustrate examples of the securities that the Fund has bought and the diversity of areas in which the Fund may invest, and may not be representative of the Fund's current or future investments. The top ten holdings do not include money market instruments. The top ten holdings and the sector analysis percentage are based on total investments. Portfolio holdings are subject to change and should not be considered investment advice.

For additional information see the reverse side.

Morningstar® Style Box



Manager Commentary

Financial assets across the risk spectrum posted generous returns in the third quarter, with U.S. Treasury yields falling even as corporate credit spreads compressed and equities posted double-digit percentage gains. The improved results compared to the prior quarter were driven primarily by an apparent resolution of the European sovereign debt panic that flared up in April. The Fund's outperformance for the quarter came from our overweight in corporate credit and private-label MBS, as well as the related yield advantage versus the index. Our lower-quality bias within the credit sector also benefitted returns as corporate financial health continued to improve. The primary detractor from performance was our shorter duration position compared to the benchmark, and our relative overweight on the long-end of the curve.

Our investment thesis remains largely intact from earlier this year. We believe the most likely outcome is a slow but steady recovery with "fits and starts," and as such will remain overweight in spread product with a selective bias towards lower-quality names. Although our short duration position detracted from the Fund's performance over recent quarters, we remain confident that the risk/reward balance is in our favor and will maintain our position versus the index and hold our curve positioning. As always, we remain committed to managing to longer term trends and finding value in individual security selection.

• Not FDIC Insured

• May Lose Value
• No Bank Guarantee

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For period ended September 30, 2010

Key Fund Facts*	
Ticker	FOINX
Inception Date	November 30, 1962
Net Assets	\$61,688,939
Net Asset Value (NAV)	\$10.16
Monthly Dividend	\$0.1000
Weighted Average Maturity	8.17 Years
Effective Duration	4.30 Years
Sec 30-Day Yield ²	4.14%

* These characteristics represent the underlying securities in the portfolio. Portfolio composition is subject to change.

Fund Managers

Ronald Horner; Travis Nordstrom, CFA and Mary Anne Mullen, CFA

Fund Adviser

The Fund's Adviser is Tributary Capital Management, LLC ("Tributary"), a wholly-owned subsidiary of First National of Nebraska, Inc. Tributary is headquartered in Omaha, Nebraska with an additional location in Fort Collins, CO. Tributary is a SEC registered investment adviser and provides investment advisory services to individuals, investment companies and other institutions. As of September 30, 2010, Tributary had approximately \$1.5 billion in assets under management.

What You Should Know Before Investing

The value of the Fund's shares depends on the value of the securities it owns. Bonds offer a relatively stable level of income, although bond prices will fluctuate, providing the potential for principal gains or loss. Intermediate-term, higher-quality bonds generally offer less risk than longer-term bonds and a lower rate of return. The Fund is subject to the risk that principal value reacts in opposition to the movement of interest rates and that a rising interest rate environment increases the risk of loss of principal.

Performance (vs. benchmark)

Total Returns as of 9/30/10	Aggregate		Average Annual			
	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Tributary Income Fund	3.02%	8.63%	9.84%	6.64%	5.46%	5.50%
Barclays Capital U.S. Aggregate Bond Index ¹	2.48%	7.94%	8.16%	7.41%	6.20%	6.41%

Total Return is based on net change in net asset value assuming reinvestment of distributions. Performance shown includes the reinvestment of all dividends and other distributions.

Expense Ratio

(Current*/Prospectus Gross/Prospectus Net) 0.78% / 1.28% / 1.00%

* Reflects the annualized expense ratio for April 1, 2010 to September 30, 2010.

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 value will fluctuate so that an investor's shares, when redeemed may be worth more or less than the original cost. To obtain performance information current to the most recent month end, please visit www.tributaryfunds.com or call 800-662-4203.

Investment performance reflects contractual fee waivers in effect for certain periods. Without these fee waivers, the performance would have been lower.

For periods prior to March 9, 2001, when the Fund began operating, the performance quoted reflects performance of the adviser's similarly managed collective investment fund, adjusted to reflect the Fund's fees and expenses. The collective investment fund was not a registered mutual fund and therefore was not subject to certain investment and tax restrictions which may have adversely affected performance. Returns shown do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of fund shares.

Calendar Year Returns

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Tributary Income Fund	10.17%	7.04%	9.36%	2.97%	3.21%	1.45%	3.45%	6.14%	0.73%	8.03%
Barclays Capital U.S. Aggregate Bond Index ¹	11.63%	8.44%	10.25%	4.10%	4.34%	2.43%	4.33%	6.97%	5.24%	5.93%

An investor should consider the Fund's investment objectives, risks, and charges and expenses carefully before investing or sending any money. This and other important information about the investment company can be found in the Fund's prospectus. To obtain a prospectus, call 800-662-4203 or visit www.tributaryfunds.com. Please read the prospectus carefully before investing.

If you are a participant in a company-sponsored retirement plan, please contact your plan administrator or employer with any questions about your plan.

The Tributary Funds are distributed by Northern Lights, LLC, Member FINRA, which is not affiliated with Tributary Capital Management, LLC or any of its affiliates.

¹ Barclays Capital U.S. Aggregate Bond Index is an unmanaged index and covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM passthroughs), ABS and CMBS sectors. The index does not reflect the fees and expenses associated with a mutual fund. Investors cannot invest directly in an index.

² The Fund's Adviser is voluntarily reimbursing a portion of the Fund's expenses. If the Adviser had not reimbursed such expenses, the SEC 30-Day Yield would have been 3.87%.