

# SECURITIES AND EXCHANGE COMMISSION

## FORM POS EX

Post-effective amendments filed solely to add exhibits to a registration statement

Filing Date: **2005-05-02**  
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### FILER

#### TRUST FOR PROFESSIONAL MANAGERS

CIK: **1141819** | IRS No.: **000000000** | State of Incorporation: **DE**  
Type: **POS EX** | Act: **33** | File No.: **333-62298** | Film No.: **05791288**

Mailing Address	Business Address
<i>U.S. BANCORP FUND SERVICES LLC 615 EAST MICHIGAN ST 2ND FLOOR MILWAUKEE WI 53202</i>	<i>U.S. BANCORP FUND SERVICES LLC 615 EAST MICHIGAN ST 2ND FLOOR MILWAUKEE WI 53202 4147655067</i>

SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

**FORM N-1A**

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Pre-Effective Amendment No.   

Post-Effective Amendment No.   6  

and  
REGISTRATION STATEMENT UNDER THE INVESTMENT COMPANY ACT OF 1940

Amendment No.   8  

(Check appropriate box or boxes.)

**TRUST FOR PROFESSIONAL MANAGERS**

(Exact Name of Registrant as Specified in Charter)

615 East Michigan Street  
Milwaukee, Wisconsin 53202  
(Address of Principal Executive Offices) (Zip Code)

(414) 287-3338  
(Registrant's Telephone Numbers, Including Area Code)

Chad Fickett, Esq.  
U.S. Bancorp Fund Services, LLC  
615 East Michigan Street, 2<sup>nd</sup> Floor  
Milwaukee, Wisconsin 53202  
(Name and Address of Agent for Service)

Copies to:

Carol A. Gehl, Esq.  
Godfrey & Kahn S.C.  
780 North Water Street  
Milwaukee, Wisconsin 53202  
(414) 273-3500

As soon as practical after the effective date of this Registration Statement  
Approximate Date of Proposed Public Offering

It is proposed that this filing will become effective

- immediately upon filing pursuant to paragraph (b)
- on \_\_\_\_\_ pursuant to paragraph (b)
- 60 days after filing pursuant to paragraph (a)(1)
- on \_ pursuant to paragraph (a)(1)
- 75 days after filing pursuant to paragraph (a)(2)
- on \_ pursuant to paragraph (a)(2) of Rule 485.

If appropriate, check the following box

- this post-effective amendment designates a new effective date for a previously filed post-effective amendment.

This amendment consists of the following:

- (1) Facing Sheet of the Registration Statement.
- (2) Part C of the Registration Statement (including signature page).

The Prospectus and Statement of Additional Information are incorporated by reference from Post-Effective Amendment No. 5 to this Registration Statement (File No. 333-62298) filed on April 15, 2005. There have been no changes to the Prospectus or Statement of Additional Information.

This amendment is being filed in order to file as Exhibits:

Investment Advisory Agreement	EX-99.d
Underwriting Agreement	EX-99.e
Custody Agreement	EX-99.g
Fund Administration Servicing Agreement	EX-99.h.1
Transfer Agent Servicing Agreement	EX-99.h.2
Fund Accounting Servicing Agreement	EX-99.h.3
Operating Expenses Limitation Agreement	EX-99.h.5
Opinion and Consent of Counsel	EX-99.i

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**TRUST FOR PROFESSIONAL MANAGERS  
PART C**

**(THE APPLETON GROUP FUNDS)  
OTHER INFORMATION**

**Item 23. Exhibits.**

*(a) Declaration of Trust*

- (1) Amended Certificate of Trust – Previously filed with Registrant’ s Pre-Effective Amendment No. 3 to its Registration Statement on Form N-1A with the SEC on November 24, 2004.
- (2) Agreement and Declaration of Trust – Previously filed with Registrant’ s Pre-Effective Amendment No. 1 to its Registration Statement on Form N-1A with the SEC on August 1, 2001 and is incorporated by reference.

*(b) Amended Bylaws* – Previously filed with Registrant’ s Pre-Effective Amendment No. 3 to its Registration Statement on Form N-1A with the SEC on November 24, 2004.

*(c) Instruments Defining Rights of Security Holders* – Incorporated by reference to the Agreement and Declaration of Trust.

*(d) Investment Advisory Agreement* – Filed herewith.

*(e) Underwriting Agreement* – Filed herewith.

*(f) Bonus or Profit Sharing Contracts* – Not applicable.

*(g) Custody Agreement* – Filed herewith.

*(h) Other Material Contracts*

(1) Fund Administration Servicing Agreement – Filed herewith.

(2) Transfer Agent Servicing Agreement – Filed herewith.

- (3) Fund Accounting Servicing Agreement – Filed herewith.
- (4) Power of Attorney – Previously filed with Registrant’ s Pre-Effective Amendment No. 4 to its Registration Statement on Form N-1A with the SEC on February 10, 2005 and is incorporated by reference.
- (5) Operating Expenses Limitation Agreement – Filed herewith.
- (i) *Opinion and Consent of Counsel* – Filed herewith.
- (j) *Consent of Independent Auditors*– Not applicable.
- (k) *Omitted Financial Statements* – Not applicable.
- (l) *Agreement Relating to Initial Capital* – Previously filed with Registrant’ s Post-Effective Amendment No. 2 to its Registration Statement on Form N-1A with the SEC on December 19, 2003 and is incorporated by reference.
- (m) *Rule 12b-1 Plan* –Filed herewith.
- (n) *Rule 18f-3 Plan* – Not applicable.
- (o) *Reserved.*
- (p) *Code of Ethics*
  - (1) Code of Ethics for Registrant – Filed herewith.
  - (2) Code of Ethics for Advisor – Filed herewith.

**Item 24. Persons Controlled by or Under Common Control with Registrant.**

No person is directly or indirectly controlled by or under common control with the Registrant.

**Item 25. Indemnification.**

Reference is made to Article X of the Registrant’ s Declaration of Trust.

Pursuant to Rule 484 under the Securities Act of 1933, as amended, the Registrant furnishes the following undertaking: “Insofar as indemnification for liability arising under the Securities Act of 1933 (the “Act”) may be permitted to trustees, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that, in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.”

**Item 26. Business and Other Connections of the Investment Adviser.**

The Appleton Group, LLC (the "Advisor") serves as the investment adviser for The Appleton Group Fund and The Appleton Group PLUS Fund. The principal business address of the Advisor is 100 W. Lawrence Street, Suite 211, Appleton, WI 54911. With respect to the Advisor, the response to this Item will be incorporated by reference to the Advisor's Uniform Application for Investment Adviser Registration (Form ADV) on file with the Securities and Exchange Commission ("SEC"), dated February 2, 2005. The Advisor's Form ADV may be obtained, free of charge, at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 27. Principal Underwriter.**

(a) Quasar Distributors, LLC, the Registrant's principal underwriter, acts as principal underwriter for the following investment companies:

Advisors Series Trust	The Hennessy Funds, Inc.
Allied Asset Advisors Funds	The Hennessy Mutual Funds, Inc.
Alpine Equity Trust	Hotchkis and Wiley Funds
Alpine Series Trust	Intrepid Capital Management
Alpine Income Trust	Jacob Internet Fund Inc.
AIP Alternative Strategies Funds	The Jensen Portfolio, Inc.
Brandes Investment Trust	Julius Baer Funds
Brandywine Blue Funds, Inc.	Kensington Funds
Brazos Mutual Funds	Kirr Marbach Partners, Funds, Inc.
Bridges Fund	Light Revolution Fund
Buffalo Funds	LKCM Funds
Buffalo Balanced Fund	Masters' Select Funds
Buffalo High Yield Fund	Matrix Advisors Value Fund, Inc.
Buffalo Large Cap Fund	Monetta Fund, Inc.
Buffalo Small Cap Fund	Monetta Trust
Buffalo U.S. Global Fund	MP63 Fund
CCM Advisors Funds	MUTUALS.com
CCMA Select Investment Trust	NorCap Funds
Country Mutual Funds Trust	Optimum Q Funds
Cullen Funds Trust	Permanent Portfolio Funds
Everest Funds	Primecap Odyssey Funds
First American Funds, Inc.	Professionally Managed Portfolios
First American Investment Funds, Inc.	Prudent Bear Funds, Inc.
First American Strategy Funds, Inc.	Purissima Funds
FFTW Funds, Inc.	Rainier Funds
Fort Pitt Capital Funds	Summit Funds
Glenmede Fund, Inc.	TIFF Investment Program, Inc.
Guinness Atkinson Funds	Trust For Professional Managers
Harding, Loevner Funds, Inc.	Wexford Trust

(b) To the best of Registrant's knowledge, the directors and executive officers of Quasar Distributors, LLC are as follows:

<b>Name and Principal Business Address</b>	<b>Position and Offices with Quasar Distributors, LLC</b>	<b>Positions and Offices with Registrant</b>
James R. Schoenike	President, Board Member	None
Donna J. Berth	Treasurer	None
Joe Redwine	Board Member	None
Bob Kern	Board Member	None
Eric W. Falkeis	Board Member	None
Teresa Cowan	Assistant Secretary	None

The address of each of the foregoing is 615 East Michigan Street, Milwaukee, Wisconsin, 53202.

(c) The following table sets forth the commissions and other compensation received, directly or indirectly, from the Funds during the last fiscal year by the principal underwriter who is not an affiliated person of the Funds.

<b>(1) Name of Principal Underwriter</b>	<b>(2) Net Underwriting Discounts and Commission</b>	<b>(3) Compensation on Redemption and Repurchases</b>	<b>(4) Brokerage Commissions</b>	<b>(5) Other Compensation</b>
Quasar Distributors, LLC	None	None	None	None

**Item 28. Location of Accounts and Records.**

The books and records required to be maintained by Section 31(a) of the Investment Company Act of 1940 are maintained in the following locations:

<b>Records Relating to:</b>	<b>Are located at:</b>
Registrant' s Fund Administrator, Fund Accountant, and Transfer Agent	U.S. Bancorp Fund Services, LLC 615 East Michigan Street Milwaukee, WI 53202
Registrant' s Investment Advisor	The Appleton Group, LLC

100 W Lawrence Street, Suite 211  
Appleton, WI 54911

Registrant's Custodian

U.S. Bank, N.A.  
425 Walnut Street  
Cincinnati, OH 45202

Registrant's Distributor

Quasar Distributors, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

**Item 29. Management Services Not Discussed in Parts A and B.**

Not applicable.

**Item 30. Undertakings.**

The Registrant hereby undertakes to furnish each person to whom a Prospectus for one or more of the series of the Registrant is delivered with a copy of the relevant latest annual report to shareholders, upon request and without charge.

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**SIGNATURES**

Pursuant to the requirements of the Securities Act of 1933 and the Investment Company Act of 1940, the Registrant certifies that it has duly caused this Registration Statement to be signed below on its behalf by the undersigned, duly authorized, in the City of Milwaukee and the State of Wisconsin on the 2<sup>nd</sup> day of May, 2005.

**TRUST FOR PROFESSIONAL MANAGERS**

By: /s/ Joseph Neuberger

Joseph Neuberger

Chairperson, President, and Treasurer/Principal Accounting Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below on May 2, 2005 by the following persons in the capacities indicated.

Signature	Title
Joseph C. Neuberger* _____	Chairperson, President, Treasurer/Principal Accounting Officer and Trustee
Joseph C. Neuberger	
Dr. Michael D. Akers* _____	Independent Trustee
Dr. Michael D. Akers	
Gary A. Drska* _____	Independent Trustee



\* By /s/ Joseph Neuberger  
Joseph Neuberger  
Attorney-in-Fact pursuant to Power of  
Attorney filed herewith.

## EXHIBIT INDEX

Exhibit	Exhibit No.
Investment Advisory Agreement	EX-99.d
Underwriting Agreement	EX-99.e
Custody Agreement	EX-99.g
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Transfer Agent Servicing Agreement	EX-99.h.2
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Operating Expenses Limitation Agreement	EX-99.h.5
Opinion and Consent of Counsel	EX-99.i
Rule 12b-1 Plan	EX-99.m
Code of Ethics for Registrant	EX-99.p.1
Code of Ethics for Advisor	EX-99.p.2

## TRUST FOR PROFESSIONAL MANAGERS

### INVESTMENT ADVISORY AGREEMENT

The Appleton Group Fund  
The Appleton Group PLUS Fund

**THIS INVESTMENT ADVISORY AGREEMENT** is made as of the 2<sup>nd</sup> day of May, 2005, by and between Trust for Professional Managers, (hereinafter called the “Trust”), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund (the “Funds”), each a series of the Trust, and The Appleton Group, LLC (hereinafter called the “Advisor;”).

WITNESSETH:

**WHEREAS**, the Trust is an open-end management investment company, registered as such under the Investment Company Act of 1940 (the “Investment Company Act”); and

**WHEREAS**, the Funds are series of the Trust having separate assets and liabilities; and

**WHEREAS**, the Advisor is registered as an investment adviser under the Investment Advisers Act of 1940 (the “Advisers Act”) and is engaged in the business of supplying investment advice as an independent contractor; and

**WHEREAS**, the Trust desires to retain the Advisor to render advice and services to the Funds pursuant to the terms and provisions of this Agreement, and the Advisor desires to furnish said advice and services;

**NOW, THEREFORE**, in consideration of the covenants and the mutual promises hereinafter set forth, the parties to this Agreement, intending to be legally bound hereby, mutually agree as follows:

**1. APPOINTMENT OF ADVISOR.** The Trust hereby employs the Advisor and the Advisor hereby accepts such employment, to render investment advice and related services with respect to the assets of the Funds for the period and on the terms set forth in this Agreement, subject to the supervision and direction of the Trust’ s Board of Trustees.

#### **2. DUTIES OF ADVISOR.**

(a) **GENERAL DUTIES.** The Advisor shall act as investment adviser to the Funds and shall supervise investments of the Funds on behalf of the Funds in accordance with the investment objectives, policies and restrictions of the Funds as set forth in the Funds’ and Trust’ s governing documents, including, without limitation, the Trust’ s Agreement and Declaration of Trust and By-Laws; the Funds’ prospectus, statement of additional information and undertakings; and such other limitations, policies and procedures as the Trustees may impose from time to time in writing to the Advisor. In providing such services, the Advisor shall at all times adhere to the provisions and restrictions contained in the federal securities laws, applicable state securities laws, the Internal Revenue Code, the Uniform Commercial Code and other applicable law.

Without limiting the generality of the foregoing, the Advisor shall: (i) furnish the Funds with advice and recommendations with respect to the investment of the Funds’ assets and the purchase and sale of portfolio securities for the Funds, including the taking of such steps as may be necessary to implement such advice and recommendations (*i.e.*, placing the orders); (ii) manage and oversee the investments of the Fund, subject to the ultimate supervision and direction of the Trust’ s Board of Trustees; (iii) vote proxies for the Funds, file ownership reports under Section 13 of the Securities Exchange Act of 1934 for the Funds, and take other actions on behalf of the Funds; (iv) maintain the books and records required to be maintained

by the Funds except to the extent arrangements have been made for such books and records to be maintained by the administrator or another agent of the Funds; (v) furnish reports, statements and other data on securities, economic conditions and other matters related to the investment of the Funds' assets which the Funds' administrator or distributor or the officers of the Trust may reasonably request; and (vi) render to the Trust' s Board of Trustees such periodic and special reports with respect to each Funds' investment activities as the Board may reasonably request, including at least one in-person appearance annually before the Board of Trustees.

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**(b) BROKERAGE.** The Advisor shall be responsible for decisions to buy and sell securities for the Funds, for broker-dealer selection, and for negotiation of brokerage commission rates, provided that the Advisor shall not direct orders to an affiliated person of the Advisor without general prior authorization to use such affiliated broker or dealer by the Trust' s Board of Trustees. The Advisor' s primary consideration in effecting a securities transaction will be execution at the most favorable price. In selecting a broker-dealer to execute each particular transaction, the Advisor may take the following into consideration: the best net price available; the reliability, integrity and financial condition of the broker-dealer; the size of and difficulty in executing the order; and the value of the expected contribution of the broker-dealer to the investment performance of the Funds on a continuing basis. The price to the Funds in any transaction may be less favorable than that available from another broker-dealer if the difference is reasonably justified by other aspects of the portfolio execution services offered.

Subject to such policies as the Board of Trustees of the Trust may determine and consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended, the Advisor shall not be deemed to have acted unlawfully or to have breached any duty created by this Agreement or otherwise solely by reason of its having caused the Funds to pay a broker or dealer that provides (directly or indirectly) brokerage or research services to the Advisor an amount of commission for effecting a portfolio transaction in excess of the amount of commission another broker or dealer would have charged for effecting that transaction, if the Advisor determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either that particular transaction or the Advisor' s overall responsibilities with respect to the Trust. Subject to the same policies and legal provisions, the Advisor is further authorized to allocate the orders placed by it on behalf of the Funds to such brokers or dealers who also provide research or statistical material, or other services, to the Trust, the Advisor, or any affiliate of either. Such allocation shall be in such amounts and proportions as the Advisor shall determine, and the Advisor shall report on such allocations regularly to the Trust, indicating the broker-dealers to whom such allocations have been made and the basis therefor.

On occasions when the Advisor deems the purchase or sale of a security to be in the best interest of the Funds as well as of other clients, the Advisor, to the extent permitted by applicable laws and regulations, may aggregate the securities to be so purchased or sold in order to obtain the most favorable price or lower brokerage commissions and the most efficient execution. In such event, allocation of the securities so purchased or sold, as well as the expenses incurred in the transaction, will be made by the Advisor in the manner it considers to be the most equitable and consistent with its fiduciary obligations to the Funds and to such other clients.

### **3. REPRESENTATIONS OF THE ADVISOR.**

(a) The Advisor shall use its best judgment and efforts in rendering the advice and services to the Funds as contemplated by this Agreement.

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(b) The Advisor shall maintain all licenses and registrations necessary to perform its duties hereunder in good order.

(c) The Advisor shall conduct its operations at all times in conformance with the Advisers Act, the Investment Company Act, and any other applicable state and/or self-regulatory organization regulations.

**4. INDEPENDENT CONTRACTOR.** The Advisor shall, for all purposes herein, be deemed to be an independent contractor, and shall, unless otherwise expressly provided and authorized to do so, have no authority to act for or represent the Trust or the Funds in any way, or in any way be deemed an agent for the Trust or for the Funds. It is expressly understood and agreed that the services to be rendered by the Advisor to the Funds under the provisions of this Agreement are not to be deemed exclusive, and the Advisor shall be free to render similar or different services to others so long as its ability to render the services provided for in this Agreement shall not be impaired thereby.

**5. ADVISOR'S PERSONNEL.** The Advisor shall, at its own expense, maintain such staff and employ or retain such personnel and consult with such other persons as it shall from time to time determine to be necessary to the performance of its obligations under this Agreement. Without limiting the generality of the foregoing, the staff and personnel of the Advisor shall be deemed to include persons employed or retained by the Advisor to furnish statistical information, research, and other factual information, advice regarding economic factors and trends, information with respect to technical and scientific developments, and such other information, advice and assistance as the Advisor or the Trust's Board of Trustees may desire and reasonably request and any compliance staff and personnel required by the Advisor.

#### **6. EXPENSES.**

(a) With respect to the operation of the Funds, the Advisor shall be responsible for (i) the Funds' organizational expenses, (ii) providing the personnel, office space and equipment reasonably necessary for the operation of the Funds, (iii) the expenses of printing and distributing extra copies of the Funds' prospectus, statement of additional information, and sales and advertising materials (but not the legal, auditing or accounting fees attendant thereto) to prospective investors (but not to existing shareholders) to the extent such expenses are not covered by any applicable plan adopted pursuant to Rule 12b-1 under the Investment Company Act, (iv) the costs of any special Board of Trustees meetings or shareholder meetings convened for the primary benefit of the Advisor, and (v) any costs of liquidating or reorganizing the Funds (unless such cost is otherwise allocated by the Board of Trustees). If the Advisor has agreed to limit the operating expenses of the Funds, the Advisor shall also be responsible on a monthly basis for any operating expenses that exceed the agreed upon expense limit.

(b) The Funds are responsible for and have assumed the obligation for payment of all of their expenses, other than as stated in Subparagraph 6(a) above, including but not limited to: fees and expenses incurred in connection with the issuance, registration and transfer of its shares; brokerage and commission expenses; all expenses of transfer, receipt, safekeeping, servicing and accounting for the cash, securities and other property of the Trust for the benefit of the Funds including all fees and expenses of its custodian, shareholder services agent and accounting services agent; interest charges on any borrowings; costs and expenses of pricing and calculating its daily net asset value and of maintaining its books of account required under the Investment Company Act; taxes, if any; a pro rata portion of expenditures in connection with meetings of the Funds' shareholders and the Trust's Board of Trustees that are properly payable by the Funds; salaries and expenses of officers of the Trust, including without limitation the Trust's Chief Compliance Officer, and fees and expenses of members of the Trust's Board of Trustees or members of any advisory board or committee who are not members of, affiliated with or interested persons of the Advisor; insurance premiums on property or personnel of each Fund which inure to its benefit, including liability and fidelity bond insurance; the cost of preparing and printing reports, proxy statements, prospectuses and statements of additional information of the Funds or other communications for distribution to existing shareholders; legal, auditing and accounting fees; all or any portion of trade association dues or educational program expenses determined appropriate by the Board of Trustees; fees and

expenses (including legal fees) of registering and maintaining registration of its shares for sale under federal and applicable state and foreign securities laws; all expenses of maintaining and servicing shareholder accounts, including all charges for transfer, shareholder recordkeeping, dividend disbursing, redemption, and other agents for the benefit of the Funds, if any; and all other charges and costs of its operation plus any extraordinary and non-recurring expenses, except as herein otherwise prescribed.

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(c) The Advisor may voluntarily absorb certain Fund expenses or waive the Advisor's own advisory fee.

(d) To the extent the Advisor incurs any costs by assuming expenses which are an obligation of the Funds as set forth herein, the Funds shall promptly reimburse the Advisor for such costs and expenses, except to the extent the Advisor has otherwise agreed to bear such expenses. To the extent the services for which a Fund is obligated to pay are performed by the Advisor, the Advisor shall be entitled to recover from such Fund to the extent of the Advisor's actual costs for providing such services. In determining the Advisor's actual costs, the Advisor may take into account an allocated portion of the salaries and overhead of personnel performing such services.

(e) The Advisor may not pay fees in addition to any Fund distribution or servicing fees to financial intermediaries, including without limitation banks, broker-dealers, financial advisors, or pension administrators, for sub-administration, sub-transfer agency or any other shareholder servicing or distribution services associated with shareholders whose shares are held in omnibus or other group accounts, except with the prior authorization of the Trust's Board of Trustees. Where such arrangements are authorized by the Trust's Board of Trustees, the Advisor shall report regularly to the Trust on the amounts paid and the relevant financial institutions.

## **7. INVESTMENT ADVISORY AND MANAGEMENT FEE.**

(a) Each Fund shall pay to the Advisor, and the Advisor agrees to accept, as full compensation for all investment management and advisory services furnished or provided to such Fund pursuant to this Agreement, an annual management fee at the rate set forth in Schedule A to this Agreement.

(b) The management fee shall be accrued daily by each Fund and paid to the Advisor on the first business day of the succeeding month.

(c) The initial fee under this Agreement shall be payable on the first business day of the first month following the effective date of this Agreement and shall be prorated as set forth below. If this Agreement is terminated prior to the end of any month, the fee to the Advisor shall be prorated for the portion of any month in which this Agreement is in effect which is not a complete month according to the proportion which the number of calendar days in the month during which the Agreement is in effect bears to the number of calendar days in the month, and shall be payable within ten (10) days after the date of termination.

(d) The fee payable to the Advisor under this Agreement will be reduced to the extent of any receivable owed by the Advisor to a Fund and as required under any expense limitation applicable to the Fund.

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(e) The Advisor voluntarily may reduce any portion of the compensation or reimbursement of expenses due to it pursuant to this Agreement and may agree to make payments to limit the expenses which are the responsibility of a Fund under this Agreement. Any such reduction or payment shall be applicable only to such specific reduction or payment and shall not constitute an agreement to reduce any future compensation or reimbursement due to the Advisor hereunder or to continue future payments. Any such reduction will be agreed to prior to accrual of the related expense or fee and will be estimated daily and reconciled and paid on a monthly basis.

(f) Any such reductions made by the Advisor in its fees or payment of expenses which are a Fund's obligation are subject to reimbursement by the Fund to the Advisor, if so requested by the Advisor, in subsequent fiscal years if the aggregate amount actually paid by the Fund toward the operating expenses for such fiscal year (taking into account the reimbursement) does not exceed the applicable limitation on Fund expenses. Under the expense limitation agreement, the Advisor may recoup reimbursements made in any fiscal year of a Fund over the following three fiscal years. Any such reimbursement is also contingent upon Board of Trustees review and approval at the time the reimbursement is made. Such reimbursement may not be paid prior to a Fund's payment of current ordinary operating expenses.

(g) The Advisor may agree not to require payment of any portion of the compensation or reimbursement of expenses otherwise due to it pursuant to this Agreement. Any such agreement shall be applicable only with respect to the specific items covered thereby and shall not constitute an agreement not to require payment of any future compensation or reimbursement due to the Advisor hereunder.

**8. NO SHORTING; NO BORROWING.** The Advisor agrees that neither it nor any of its officers or employees shall take any short position in the shares of the Funds. This prohibition shall not prevent the purchase of such shares by any of the officers or employees of the Advisor or any trust, pension, profit-sharing or other benefit plan for such persons or affiliates thereof, at a price not less than the net asset value thereof at the time of purchase, as allowed pursuant to rules promulgated under the Investment Company Act. The Advisor agrees that neither it nor any of its officers or employees shall borrow from the Funds or pledge or use the Funds' assets in connection with any borrowing not directly for the Funds' benefit. For this purpose, failure to pay any amount due and payable to the Funds for a period of more than thirty (30) days' shall constitute a borrowing.

**9. CONFLICTS WITH TRUST'S GOVERNING DOCUMENTS AND APPLICABLE LAWS.** Nothing herein contained shall be deemed to require the Trust or the Funds to take any action contrary to the Trust's Agreement and Declaration of Trust, By-Laws, or any applicable statute or regulation, or to relieve or deprive the Board of Trustees of the Trust of its responsibility for and control of the conduct of the affairs of the Trust and Fund. In this connection, the Advisor acknowledges that the Trustees retain ultimate plenary authority over the Funds and may take any and all actions necessary and reasonable to protect the interests of shareholders.

**10. REPORTS AND ACCESS.** The Advisor agrees to supply such information to the Funds' administrator and to permit such compliance inspections by the Funds' administrator as shall be reasonably necessary to permit the administrator to satisfy its obligations and respond to the reasonable requests of the Trustees.

#### **11. ADVISOR'S LIABILITIES AND INDEMNIFICATION.**

(a) The Advisor shall have responsibility for the accuracy and completeness (and liability for the lack thereof) of the statements in the Funds' offering materials (including the prospectus, the statement of additional information, advertising and sales materials), except for information supplied by the administrator or the Trust or another third party for inclusion therein.

(b) The Advisor shall be liable to the Funds for any loss (including brokerage charges) incurred by the Funds as a result of any improper investment made by the Advisor.

(c) In the absence of willful misfeasance, bad faith, negligence, or reckless disregard of the obligations or duties hereunder on the part of the Advisor, the Advisor shall not be subject to liability to the Trust or the Funds or to any shareholder of the Funds for any act or omission in the course of, or connected with, rendering services hereunder or for any losses that may be sustained in the purchase, holding or sale of any security by the Funds. Notwithstanding the foregoing, federal securities laws and certain state laws impose liabilities under certain circumstances on persons who have acted in good faith, and therefore nothing herein shall in any way constitute a waiver or limitation of any rights which the Trust, the Funds or any shareholder of the Funds may have under any federal securities law or state law.

(d) Each party to this Agreement shall indemnify and hold harmless the other party and the shareholders, directors, officers and employees of the other party (any such person, an "Indemnified Party") against any loss, liability, claim, damage or expense (including the reasonable cost of investigating and defending any alleged loss, liability, claim, damage or expenses and reasonable counsel fees incurred in connection therewith) arising out of the Indemnified Party's performance or non-performance of any duties under this Agreement provided, however, that nothing herein shall be deemed to protect any Indemnified Party against any liability to which such Indemnified Party would otherwise be subject by reason of willful misfeasance, bad faith or negligence in the performance of duties hereunder or by reason of reckless disregard of obligations and duties under this Agreement.

(e) No provision of this Agreement shall be construed to protect any Trustee or officer of the Trust, or officer of the Advisor, from liability in violation of Sections 17(h) and (i) of the Investment Company Act.

**12. NON-EXCLUSIVITY; TRADING FOR ADVISOR'S OWN ACCOUNT.** The Trust's employment of the Advisor is not an exclusive arrangement. The Trust may from time to time employ other individuals or entities to furnish it with the services provided for herein. Likewise, the Advisor may act as investment adviser for any other person, and shall not in any way be limited or restricted from buying, selling or trading any securities for its or their own accounts or the accounts of others for whom it or they may be acting, provided, however, that the Advisor expressly represents that it will undertake no activities which will adversely affect the performance of its obligations to the Fund under this Agreement; and provided further that the Advisor will adhere to a code of ethics governing employee trading and trading for proprietary accounts that conforms to the requirements of the Investment Company Act and the Advisers Act and has been approved by the Trust's Board of Trustees.

### **13. TERM.**

(a) This Agreement shall become effective with respect to a Fund at the time such Fund commences operations pursuant to an effective amendment to the Trust's Registration Statement under the Securities Act of 1933 and shall remain in effect for a period of two (2) years, unless sooner terminated as hereinafter provided. This Agreement shall continue in effect thereafter for additional periods not exceeding one (1) year so long as such continuation is approved for a Fund at least annually by (i) the Board of Trustees of the Trust or by the vote of a majority of the outstanding voting securities of such Fund and (ii) the vote of a majority of the Trustees of the Trust who are not parties to this Agreement nor interested persons thereof, cast in person at a meeting called for the purpose of voting on such approval. The terms "majority of the outstanding voting securities" and "interested persons" shall have the meanings as set forth in the Investment Company Act.

(b) The Funds may use the names “Trust for Professional Managers” and “The Appleton Group Fund” and “The Appleton Group PLUS Fund” or any name derived from or using the name “Appleton Group” only for so long as this Agreement or any extension, renewal or amendment hereof remains in effect. Within sixty (60) days from such time as this Agreement shall no longer be in effect, the Funds shall cease to use such a name or any other name connected with the Advisor.

#### **14. TERMINATION; NO ASSIGNMENT.**

(a) This Agreement may be terminated by the Trust on behalf of a Fund at any time without payment of any penalty, by the Board of Trustees of the Trust or by vote of a majority of the outstanding voting securities of a Fund, upon sixty (60) days’ written notice to the Advisor, and by the Advisor upon sixty (60) days written notice to such Fund. In the event of a termination, the Advisor shall cooperate in the orderly transfer of a Fund’ s affairs and, at the request of the Board of Trustees, transfer any and all books and records of such Fund maintained by the Advisor on behalf of the Fund.

(b) This Agreement shall terminate automatically in the event of any transfer or assignment thereof, as defined in the Investment Company Act.

**15. NONPUBLIC PERSONAL INFORMATION.** Notwithstanding any provision herein to the contrary, the Advisor hereto agrees on behalf of itself and its directors, trustees, shareholders, officers, and employees (1) to treat confidentially and as proprietary information of the Trust (a) all records and other information relative to the Funds’ prior, present, or potential shareholders (and clients of said shareholders) and (b) any Nonpublic Personal Information, as defined under Section 248.3(t) of Regulation S-P (“Regulation S-P”), promulgated under the Gramm-Leach-Bliley Act (the “G-L-B Act”), and (2) except after prior notification to and approval in writing by the Trust, not to use such records and information for any purpose other than the performance of its responsibilities and duties hereunder, or as otherwise permitted by Regulation S-P or the G-L-B Act, and if in compliance therewith, the privacy policies adopted by the Trust and communicated in writing to the Advisor. Such written approval shall not be unreasonably withheld by the Trust and may not be withheld where the Advisor may be exposed to civil or criminal contempt or other proceedings for failure to comply after being requested to divulge such information by duly constituted authorities.

**16. ANTI-MONEY LAUNDERING COMPLIANCE.** The Advisor acknowledges that, in compliance with the Bank Secrecy Act, as amended, the USA PATRIOT Act, and any implementing regulations thereunder (together, “AML Laws”), the Trust has adopted an Anti-Money Laundering Policy. The Advisor agrees to comply with the Trust’ s Anti-Money Laundering Policy and the AML Laws, as the same may apply to the Advisor, now and in the future. The Advisor further agrees to provide to the Trust and/or the Administrator such reports, certifications and contractual assurances as may be reasonably requested by the Trust. The Trust may disclose information regarding the Advisor to governmental and/or regulatory or self-regulatory authorities to the extent required by applicable law or regulation and may file reports with such authorities as may be required by applicable law or regulation.

**17. CERTIFICATIONS; DISCLOSURE CONTROLS AND PROCEDURES.** The Advisor acknowledges that, in compliance with the Sarbanes-Oxley Act, and the implementing regulations promulgated thereunder, the Trust and the Funds are required to make certain certifications and have adopted disclosure controls and procedures. To the extent reasonably requested by the Trust, the Advisor agrees to use its best efforts to assist the Trust and the Funds in complying with the Sarbanes-Oxley Act and implementing the Trust’ s disclosure controls and procedures. The Advisor agrees to inform the Trust of any material development related to the Funds that the Advisor reasonably believes is relevant to the Funds’ certification obligations under the Sarbanes-Oxley Act.



**18. SEVERABILITY.** If any provision of this Agreement shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of this Agreement shall not be affected thereby.

**19. CAPTIONS.** The captions in this Agreement are included for convenience of reference only and in no way define or limit any of the provisions hereof or otherwise affect their construction or effect.

**20. GOVERNING LAW.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Wisconsin without giving effect to the conflict of laws principles thereof; provided that nothing herein shall be construed to preempt, or to be inconsistent with, any federal law, regulation or rule, including the Investment Company Act and the Advisers Act and any rules and regulations promulgated thereunder.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers, all on the day and year first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

on behalf of the  
The Appleton Group Fund; and  
The Appleton Group PLUS Fund

By: /s/ Joseph C. Neuberger  
Name: Joseph C. Neuberger  
Title: President and Chairperson

**THE APPLETON GROUP, LLC**

By: /s/ Mark C. Scheffler  
Name: Mark C. Scheffler  
Title: Senior Portfolio Manager

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**SCHEDULE A**

Series or Fund of Trust for Professional Managers

Annual Fee rate

The Appleton Group  
Fund  
assets

1.00% of average net

The Appleton Group PLUS Fund

1.00% of average net assets

## DISTRIBUTION AGREEMENT

THIS AGREEMENT is made and entered into as this 10th day of March, 2005, by and among Trust for Professional Managers, a Delaware business Trust (the “Trust”), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund, and The Appleton Group, LLC (the “Advisor”) and Quasar Distributors, LLC, a Delaware limited liability company (the “Distributor”).

WHEREAS, the Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company, and is authorized to issue shares of beneficial interests (“Shares”) in separate series, with each such series representing interests in a separate portfolio of securities and other assets; and

WHEREAS, the Advisor serves as the investment advisor for the Trust and is duly registered under the Investment Advisers Act of 1940, as amended, and any applicable state securities laws, as an investment advisor; and

WHEREAS, the Trust desires to retain the Distributor as principal underwriter in connection with the offering and sale of the Shares of each series listed on Exhibit A hereto (as amended from time to time) (each a “Fund”, collectively the “Funds”); and

WHEREAS, the Distributor is registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the “1934 Act”), and is a member of the National Association of Securities Dealers, Inc. (the “NASD”); and

WHEREAS, this Agreement has been approved by a vote of the Trust’s board of trustees (“Board of Trustees” or the “Board”) and its disinterested trustees in conformity with Section 15(c) of the 1940 Act; and

WHEREAS, the Distributor is willing to act as principal underwriter for the Trust on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

### **1. Appointment of Quasar as the Distributor**

The Trust hereby appoints the Distributor as its agent for the sale and distribution of Shares of the Funds, on the terms and conditions set forth in this Agreement, and the Distributor hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement.

### **2. Services and Duties of the Distributor**

The Distributor agrees to sell Shares of the Funds on a best efforts basis as agent for the Trust during the term of this Agreement, upon the terms and at the current offering price (plus sales charge, if any) described in the Prospectus. As used in this Agreement, the term “Prospectus” shall mean the current prospectus, including the statement of additional information, as amended or supplemented, relating to the Funds and included in the currently effective registration statement or post-effective amendment thereto (the “Registration Statement”) of the Trust under the Securities Act of 1933 (the “1933 Act”) and the 1940 Act.

B. During the continuous public offering of Shares of the Funds, the Distributor will hold itself available to receive orders, satisfactory to the Distributor, for the purchase of Shares of the Funds and will accept such orders on behalf of the Trust. Such purchase orders shall be deemed effective at the time and in the manner set forth in the Prospectus.

C. The Distributor, with the operational assistance of the Trust's transfer agent, shall make Shares available for sale and redemption through the National Securities Clearing Corporation's Fund/SERV System.

D. In connection with all matters relating to this Agreement, the Distributor agrees to comply with the requirements of the 1933 Act, the 1934 Act, the 1940 Act, the regulations of the NASD and all other applicable federal or state laws and regulations. The Distributor acknowledges and agrees that it is not authorized to provide any information or make any representations other than as contained in the Prospectus and any sales literature specifically approved by the Trust and the Distributor.

E. The Distributor agrees to cooperate with the Trust or its agent in the development of all proposed advertisements and sales literature relating to the Funds. The Distributor agrees to review all proposed advertisements and sales literature for compliance with applicable laws and regulations, and shall file with appropriate regulators, those advertisements and sales literature it believes are in compliance with such laws and regulations. The Distributor agrees to furnish to the Trust any comments provided by regulators with respect to such materials and to use its best efforts to obtain the approval of the regulators to such materials.

F. The Distributor, at its sole discretion, may repurchase Shares offered for sale by shareholders of the Funds. Repurchase of Shares by the Distributor shall be at the price determined in accordance with, and in the manner set forth in, the current Prospectus. At the end of each business day, the Distributor shall notify, by any appropriate means, the Trust and its transfer agent of the orders for repurchase of Shares received by the Distributor since the last report, the amount to be paid for such Shares and the identity of the shareholders offering Shares for repurchase. The Trust reserves the right to suspend such repurchase right upon written notice to the Distributor. The Distributor further agrees to act as agent for the Trust to receive and transmit promptly to the Trust's transfer agent, shareholder requests for redemption of Shares.

G. The Distributor may, in its discretion, enter into agreements with such qualified broker-dealers as it may select, in order that such broker-dealers also may sell Shares of the Funds. The form of any dealer agreement shall be mutually agreed upon and approved by the Trust and the Distributor. The Distributor may pay a portion of any applicable sales charge, or allow a discount to a selling broker-dealer, as described in the Prospectus or, if not so described, as agreed upon with the broker-dealer. The Distributor shall include in the forms of agreement with selling broker-dealers a provision for the forfeiture by them of their sales charge or discount with respect to Shares sold by them and redeemed, repurchased or tendered for redemption within seven (7) business days after the date of confirmation of such purchases.

H. The Distributor shall devote its best efforts to effect sales of Shares of the Funds but shall not be obligated to sell any certain number of Shares.

I. The Distributor shall prepare reports for the Board regarding its activities under this Agreement as from time to time shall be reasonably requested by the Board, including reports regarding the use of 12b-1 payments received by the Distributor, if any.

J. The services furnished by the Distributor hereunder are not to be deemed exclusive and the Distributor shall be free to furnish similar services to others so long as its services under this Agreement are not impaired thereby. The Trust recognizes that from time to time, officers and employees of the Distributor may serve as directors, trustees, officers and employees of other entities (including investment companies), that such other entities may include the name of the Distributor as part of their name and that the Distributor or its affiliates may enter into distribution, administration, fund accounting, transfer agent or other agreements with such other entities.

### 3. Duties and Representations of the Trust

A. The Trust represents that it is duly organized and in good standing under the law of its jurisdiction of organization and is registered as an open-end management investment company under the 1940 Act. The Trust agrees that it will act in material conformity with its Declaration of Trust, its By-Laws, its Registration Statement, as may be amended from time to time, and the resolutions and other instructions of its Board. The Trust agrees to comply in all material respects with the 1933 Act, the 1940 Act and all other applicable federal and state laws and regulations. The Trust represents and warrants that this Agreement has been duly authorized by all necessary action by the Trust under the 1940 Act, state law and the Trust's Declaration of Trust and By-Laws.

B. The Trust, or its agent, shall take or cause to be taken, all necessary action to register Shares of the Funds under the 1933 Act and to maintain an effective Registration Statement for such Shares in order to permit the sale of Shares as herein contemplated. The Trust authorizes the Distributor to use the Prospectus, in the form furnished to the Distributor from time to time, in connection with the sale of Shares.

C. The Trust represents and agrees that all Shares to be sold by it, including those offered under this Agreement, are validly authorized and, when issued in accordance with the description in the Prospectus, will be fully paid and nonassessable. The Trust further agrees that it shall have the right to suspend the sale of Shares of any Fund at any time in response to conditions in the securities markets or otherwise, and to suspend the redemption of Shares of any Fund at any time as permitted by the 1940 Act or the rules of the Securities and Exchange Commission ("SEC"), including any and all applicable interpretation of such by the staff of the SEC. The Trust shall advise the Distributor promptly of any such determination.

D. The Trust agrees to advise the Distributor promptly in writing:

(i) of any material correspondence or other communication by the SEC or its staff relating to the Funds, including requests by the SEC for amendments to the Registration Statement or Prospectus;

(ii) in the event of the issuance by the SEC of any stop-order suspending the effectiveness of the Registration Statement then in effect or the initiation of any proceeding for that purpose;

(iii) of the happening of any event which makes untrue any statement of a material fact made in the Prospectus or which requires the making of a change in such Prospectus in order to make the statements therein not misleading; and

(iv) of all actions taken by the SEC with respect to any amendments to any Registration Statement or Prospectus, which may from time to time be filed with the SEC.

E. The Trust shall file such reports and other documents as may be required under applicable federal and state laws and regulations. The Trust shall notify the Distributor in writing of the states in which the Shares may be sold and shall notify the Distributor in writing of any changes to such information.

F. The Trust agrees to file from time to time, such amendments to its Registration Statement and Prospectus as may be necessary in order that its Registration Statement and Prospectus will not contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

G. The Trust shall fully cooperate in the efforts of the Distributor to sell and arrange for the sale of Shares and shall make available to the Distributor a statement of each computation of net asset value. In addition, the Trust shall keep the Distributor fully informed of its affairs and shall provide to the Distributor, from time to time, copies of all information, financial statements and other papers that the Distributor may reasonably request for use in connection with the distribution of Shares, including without limitation, certified copies of any financial statements prepared for the Trust by its independent public accountants and such reasonable number of copies of the most current Prospectus, statement of additional information and annual and interim reports to shareholders as the Distributor may request. The Trust shall forward a copy of any SEC filings, including the Registration Statement, to the Distributor within one business day of any such filings. The Trust represents that it will not use or authorize the use of any advertising or sales material unless and until such materials have been approved and authorized for use by the Distributor. Nothing in this Agreement shall require the sharing or provision of materials protected by privilege or limitation of disclosure, including any applicable attorney-client privilege or trade secret materials.

H. The Trust represents and warrants that its Registration Statement and any advertisements and sales literature prepared by the Trust or its agent (excluding statements relating to the Distributor and the services it provides that are based upon written information furnished by the Distributor expressly for inclusion therein) shall not contain any untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and that all statements or information furnished to the Distributor pursuant to this Agreement shall be true and correct in all material respects.

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#### 4. Duties and Representations of the Distributor

A. The Distributor represents that it is duly organized and in good standing under the law of its jurisdiction of organization, is registered as a broker-dealer under the 1934 Act and is a member in good standing of the

NASD. The Distributor agrees that it will act in material conformity with its Articles of Organization and its By-Laws, as may be amended from time to time. The Distributor agrees to comply in all material respects with the 1933 Act, the 1934 Act, the 1940 Act, and all other applicable federal and state laws and regulations. The Distributor represents and warrants that this Agreement has been duly authorized by all necessary action by the Distributor under the Distributor's Articles of Organization and By-Laws.

- B. The Distributor agrees to advise the Company promptly in writing of the initiation of any proceedings against it by the SEC or its staff, the NASD or any state regulatory authority.

## 5. Compensation

As compensation for the services performed and the expenses assumed by Distributor under this Agreement including, but not limited to, any commissions paid for sales of Shares, Distributor shall be entitled to the fees and expenses set forth in Exhibit B hereto (as amended from time to time), which are payable promptly after the last day of each month. Such fees and expenses shall be paid to Distributor by the Trust from Rule 12b-1 fees payable by the appropriate Fund or, if the Fund does not have a Rule 12b-1 plan, or if Rule 12b-1 fees are not sufficient to pay such fees and expenses, or if the Rule 12b-1 plan is discontinued, or if the Advisor otherwise determines that Rule 12b-1 fees shall not, in whole or in part, be used to pay Distributor, the Advisor shall be responsible for the payment of the amount of such fees and expenses not covered by Rule 12b-1 payments.

## 6. Expenses

A. The Trust or the Fund shall bear all costs and expenses in connection with the registration of its Shares with the SEC and its related compliance with state securities laws, as well as all costs and expenses in connection with the offering of the Shares and communications with shareholders of its Funds, including but not limited to: (i) fees and disbursements of its counsel and independent public accountants; (ii) costs and expenses of the preparation, filing, printing and mailing of Registration Statements and Prospectuses and amendments thereto, as well as related advertising and sales literature; (iii) costs and expenses of the preparation, printing and mailing of annual and interim reports, proxy materials and other communications to shareholders of the Funds; and (iv) fees required in connection with the offer and sale of Shares in such jurisdictions as shall be selected by the Trust pursuant to Section 3(E) hereof.

B. The Distributor shall bear the expenses of registration or qualification of the Distributor as a dealer or broker under federal or state laws and the expenses of continuing such registration or qualification. The Distributor does not assume responsibility for any expenses not expressly assumed hereunder.

## 7. Indemnification

A. The Trust shall indemnify, defend and hold the Distributor and each of its present or former members, officers, employees, representatives and any person who controls or previously controlled the Distributor within the meaning of Section 15 of the 1933 Act, free and harmless from and against any and all losses, claims, demands, liabilities, damages and expenses (including the costs of investigating or defending any alleged losses, claims, demands, liabilities, damages or expenses and any reasonable counsel fees incurred in connection therewith) (collectively, "Losses") that the Distributor, each of its present and former members, officers, employees or representatives or any such controlling person, may incur under the 1933 Act, the

1934 Act, any other statute (including Blue Sky laws) or any rule or regulation thereunder, or under common law or otherwise, arising out of or based upon any untrue statement, or alleged untrue statement of a material fact contained in the Registration Statement or any Prospectus, as from time to time amended or supplemented, or in any annual or interim report to shareholders, or in any advertisements or sales literature prepared by the Trust or its agent, or arising out of or based upon any omission, or alleged omission, to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or based upon the Trust's failure to comply with the terms of this Agreement or applicable law; provided, however, that the Trust's obligation to indemnify the Distributor and any of the foregoing indemnitees shall not be deemed to cover any Losses arising out of any untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, Prospectus, annual or interim report, or any such advertisement or sales literature in reliance upon and in conformity with information relating to the Distributor and furnished to the Trust or its counsel by the Distributor in writing and acknowledging the purpose of its use for the purpose of, and used in, the preparation thereof. The Trust's agreement to indemnify the Distributor, and any of the foregoing indemnitees, as the case may be, with respect to any action, is expressly conditioned upon the Trust being notified of such action or claim of loss brought against the Distributor, or any of the foregoing indemnitees, within a reasonable time after the summons or other first legal process giving information of the nature of the claim shall have been served upon the Distributor, or such person, unless the failure to give notice does not prejudice the Trust. Such notification shall be given by letter or by telegram addressed to the Trust's President, but the failure so to notify the Trust of any such action shall not relieve the Trust from any liability which the Trust may have to the person against whom such action is brought by reason of any such untrue, or alleged untrue, statement or omission, or alleged omission, otherwise than on account of the Trust's indemnity agreement contained in this Section 7(A).

B. The Trust shall be entitled to participate at its own expense in the defense, or if it so elects, to assume the defense of any suit brought to enforce any such Losses, but if the Trust elects to assume the defense, such defense shall be conducted by counsel chosen by the Trust and approved by the Distributor, which approval shall not be unreasonably withheld. In the event the Trust elects to assume the defense of any such suit and retain such counsel, the indemnified defendant or defendants in such suit shall bear the reasonable fees and expenses of any additional counsel retained by them. If the Trust does not elect to assume the defense of any such suit, or in case the Distributor does not, in the exercise of reasonable judgment, approve of counsel chosen by the Trust, or if under prevailing law or legal codes of ethics, the same counsel cannot effectively represent the interests of both the Trust and the Distributor, and each of its present or former members, officers, employees, representatives or any controlling person, the Trust will reimburse the indemnified person or persons named as defendant or defendants in such suit, for the reasonable fees and expenses of any counsel retained by Distributor and them. The Trust's indemnification agreement contained in Sections 7(A) and 7(B) herein shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Distributor, and each of its present or former members, officers, employees, representatives or any controlling person, and shall survive the delivery of any Shares and the termination of this Agreement. This agreement of indemnity will inure exclusively to the Distributor's benefit, to the benefit of each of its present or former members, officers, employees or representatives or to the benefit of any controlling persons and their successors. The Trust agrees promptly to notify the Distributor of the commencement of any litigation or proceedings against the Trust or any of its officers or trustees in connection with the issue and sale of any of the Shares.

C. The Trust shall advance attorneys' fees and other expenses incurred by any person in defending any claim, demand, action or suit which is the subject of a claim for indemnification pursuant to this Section 7 to the maximum extent permissible under applicable law.

D. The Distributor shall indemnify, defend and hold the Trust and each of its present or former trustees, officers, employees, representatives and any person who controls or previously controlled the Trust within the meaning of Section 15 of the 1933 Act, free and harmless from and against any and all Losses that the Trust, each of its present or former trustees, officers, employees, representatives, or any such controlling person may incur under the 1933 Act, the 1934 Act, any other statute (including Blue Sky laws) or any rule or regulation thereunder, or under common law or otherwise, arising out of or based upon any untrue, or alleged untrue, statement of a material fact contained in the Trust's Registration Statement or any Prospectus, as from time to time amended or supplemented, or arising out of or based upon Distributor's failure to comply with the terms of this Agreement or applicable law, or the omission, or alleged omission, to state therein a material fact required to be stated therein or necessary to make the statement not misleading, but only if such statement or omission was made in reliance upon, and in conformity with, written information relating to the Distributor and furnished to the Trust or its counsel by the Distributor for the purpose of, and used in, the preparation thereof. The Distributor's agreement to indemnify the Trust, and any of the foregoing indemnitees, is expressly conditioned upon the Distributor being notified of any action or claim of loss brought against the Trust, and any of the foregoing indemnitees, such notification to be given by letter or telegram addressed to the Distributor's President, within a reasonable time after the summons or other first legal process giving information of the nature of the claim shall have been served upon the Trust or such person unless the failure to give notice does not prejudice the Distributor, but the failure so to notify the Distributor of any such action shall not relieve the Distributor from any liability which the Distributor may have to the person against whom such action is brought by reason of any such untrue, or alleged untrue, statement or omission, otherwise than on account of the Distributor's indemnity agreement contained in this Section 7(D).

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E. The Distributor shall be entitled to participate at its own expense in the defense or if it so elects, to assume the defense of any suit brought to enforce any such loss, claim, demand, liability, damage or expense, but if the Distributor elects to assume the defense, such defense shall be conducted by counsel chosen by the Distributor and approved by the Trust, which approval shall not be unreasonably withheld. In the event the Distributor elects to assume the defense of any such suit and retain such counsel, the indemnified defendant or defendants in such suit shall bear the fees and expenses of any additional counsel retained by them. If the Distributor does not elect to assume the defense of any such suit, or in case the Trust does not, in the exercise of reasonable judgment, approve of counsel chosen by the Distributor, or reasonable fees and expenses of any if under prevailing law or legal codes of ethics, the same counsel cannot effectively represent the interests of both the Trust and the Distributor, and each of its present or former members, officers, employees, representatives or any controlling person, the Distributor will reimburse the indemnified person or persons named as defendant or defendants in such suit, for the counsel retained by the Trust and them. The Distributor's indemnification agreement contained in Sections 7(D) and 7(E) herein shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Trust, and each of its present or former trustees, officers, employees, representatives or any controlling person, and shall survive the delivery of any Shares and the termination of this Agreement. This Agreement of indemnity will inure



exclusively to the Trust' s benefit, to the benefit of each of its present or former trustees, officers, employees or representatives or to the benefit of any controlling persons and their successors. The Distributor agrees promptly to notify the Trust of the commencement of any litigation or proceedings against the Distributor or any of its officers or trustees in connection with the issue and sale of any of the Shares.

F. No person shall be obligated to provide indemnification under this Section 7 if such indemnification would be impermissible under the 1940 Act, the 1933 Act, the 1934 Act or the rules of the NASD; provided, however, in such event indemnification shall be provided under this Section 7 to the maximum extent so permissible. The provisions of this Section 7 shall survive the termination of this Agreement.

## 8. Obligations of the Trust

This Agreement is executed by and on behalf of the Trust and the obligations of the Trust hereunder are not binding upon any of the trustees, officers or shareholders of the Trust individually, but are binding only upon the Trust and with respect to the Funds to which such obligations pertain.

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## 9. Governing Law

This Agreement shall be construed in accordance with the laws of the State of Wisconsin, without regard to conflicts of law principles. To the extent that the applicable laws of the State of Wisconsin, or any of the provisions herein, conflict with the applicable provisions of the 1940 Act, the latter shall control, and nothing herein shall be construed in a manner inconsistent with the 1940 Act or any rule or order of the SEC thereunder.

## 10. Duration and Termination

A. This Agreement shall become effective with respect to each Fund listed on Exhibit A hereof as of the date hereof and, with respect to each Fund not in existence on that date, on the date an amendment to Exhibit A to this Agreement relating to that Fund is executed. Unless sooner terminated as provided herein, this Agreement shall continue in effect for two (2) years from the date hereof. Thereafter, if not terminated, this Agreement shall continue in effect automatically as to each Fund for successive one-year periods, provided such continuance is specifically approved at least annually by: (i) the Trust' s Board; or (ii) the vote of a "majority of the outstanding voting securities" of a Fund, and provided that in either event, the continuance is also approved by a majority of the Trust' s Board who are not "interested persons" of any party to this Agreement, by a vote cast in person at a meeting called for the purpose of voting on such approval.

B. Notwithstanding the foregoing, this Agreement may be terminated, without the payment of any penalty, with respect to a particular Fund: (i) through a failure to renew this Agreement at the end of a term, (ii) upon mutual consent of the parties; or (iii) upon no less than sixty (60) days' written notice, by either the Trust upon the vote of a majority of the members of its Board who are not "interested persons" of the Trust and have no direct or indirect financial interest in the operation of this Agreement or by vote of a "majority of the outstanding voting securities" of a Fund, or by the Distributor. The terms of this Agreement shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by a written instrument signed by the Distributor and the Trust. If required under the 1940 Act, any such amendment

must be approved by the Trust's Board, including a majority of the Trust's Board who are not "interested persons" of any party to this Agreement, by a vote cast in person at a meeting for the purpose of voting on such amendment. In the event that such amendment affects the Advisor, the written instrument shall also be signed by the Advisor. This Agreement will automatically terminate in the event of its assignment.

C. Sections 7, 9, 11 and 12 shall survive termination of this Agreement.

## **11. Confidentiality**

The Distributor agrees on behalf of its employees to treat all records relative to the Trust and prior, present or potential shareholders of the Trust as confidential, and not to use such records for any purpose other than performance of the Distributor's responsibilities and duties under this Agreement, except after notification and prior approval by the Trust, which approval shall not be unreasonably withheld, and may not be withheld where the Distributor may be exposed to civil or criminal proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, when subject to governmental or regulatory audit or investigation, or when so requested by the Trust. Records and information that have become known to the public through no wrongful act of the Distributor or any of its employees, agents or representatives shall not be subject to this paragraph.

In accordance with Regulation S-P, the Distributor will not disclose any non-public personal information, as defined in Regulation S-P, received from the Trust or any Fund regarding any Fund shareholder; provided, however, that the Distributor may disclose such information to any party as necessary in the ordinary course of business to carry out the purposes for which such information was disclosed to the Distributor, or as may be required by law. The Distributor agrees to use reasonable precautions to protect and prevent the unintentional disclosure of such non-public personal information.

## **12. Anti-Money Laundering Program**

The Distributor represents and warrants that it: (i) has adopted an anti-money laundering compliance program ("AML Program") that satisfies the requirements of all applicable laws and regulations; (ii) undertakes to carry out its AML Program to the best of its ability; and (iii) will promptly notify the Trust and the Advisor if an inspection by the appropriate regulatory authorities of its AML Program identifies any material deficiency, and (vi) will promptly remedy any material deficiency of which it learns.

## **13. Miscellaneous**

The captions in this Agreement are included for convenience of reference only and in no way define or delimit any of the provisions hereof or otherwise affect their construction or effect. Any provision of this Agreement which may be determined by competent authority to be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors. As used in this Agreement, the terms "majority of the outstanding voting securities," "interested person," and "assignment" shall have the same meaning as such terms have in the 1940 Act.

## 14. Notices

Any notice required or permitted to be given by any party to the others shall be in writing and shall be deemed to have been given on the date delivered personally or by courier service, or three (3) days after sent by registered or certified mail, postage prepaid, return receipt requested, or on the date sent and confirmed received by facsimile transmission to the other parties' respective addresses as set forth below:

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Notice to the Distributor shall be sent to:

Quasar Distributors, LLC  
Attn: President  
615 East Michigan Street  
Milwaukee, Wisconsin 53202

notice to the Trust shall be sent to:

US Bancorp Fund Services, LLC  
Attn: Chad E. Fickett, Secretary  
615 East Michigan Street  
Milwaukee, Wisconsin 53202

and notice to the Advisor shall be sent to:

The Appleton Group, LLC  
Attn: Mark Scheffler  
100 W. Lawrence Street, Suite 211  
Appleton, Wisconsin 54911

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer on one or more counterparts as of the date first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

By: /s/ Joseph Neuberger

Title: Chairman

**THE APPLETON GROUP, LLC**

By: /s/ March Scheffler

Title: Sr. Portfolio Manager

**QUASAR DISTRIBUTORS, LLC**

By: /s/ Jim Schoenike

Title: President

**Exhibit A  
to the  
Distribution Agreement**

**Fund Names**

**Separate Series of Trust for Professional Managers**

<u>Name of Series</u>	<u>Date Added</u>
The Appleton Group Fund	May 2, 2005
The Appleton Group PLUS Fund	May 2, 2005

**Exhibit B  
to the  
Distribution Agreement**

**Fee Schedule**

**Basic Distribution Services\***

- 1 basis point of the Fund' s average daily net assets, payable monthly in arrears
- Minimum annual fee: first class or series -- \$5,000; each additional series -- \$1,000

**Advertising Compliance Review/NASD Filings**

- \$150 per job for the first 10 pages (minutes if tape or video); \$20 per page (minute if tape or video) thereafter

- ***Non-NASD filed materials, e.g. Internal Use Only Materials***

\$100 per job for the first 10 pages (minutes if tape or video); \$20 per page (minutes if tape or video) thereafter.

- **NASD Expedited Service for 3 Day Turnaround**

\$1,000 for the first 10 pages (minutes if audio or video); \$25 per page (minute if audio or video) thereafter. (Comments are faxed. NASD may not accept expedited request.)

**Licensing of Investment Advisor' s Staff (if desired)**

- \$1,500 per year per registered representative
- Quasar is limited to these licenses for sponsorship: Series, 6, 7, 24, 26, 27, 63, 66, 63/65
- Plus all associated NASD and State fees for Registered Representatives, including license and renewal fees.

**Fund Fact Sheets**

- Design - \$1,000 per fact sheet, includes first production
- Production - \$500.00 per fact sheet per production period
- All printing costs are out-of-pocket expenses, and in addition to the design fee and production fee.

**Out-of-Pocket Expenses**

Reasonable out-of-pocket expenses incurred by the Distributor in connection with activities primarily intended to result in the sale of Shares, including, without limitation:

- typesetting, printing and distribution of Prospectuses and shareholder reports
  - production, printing, distribution and placement of advertising and sales literature and materials
  - engagement of designers, free-lance writers and public relations firms
  - long-distance telephone lines, services and charges
  - postage
  - overnight delivery charges
  - NASD registration fees
- (NASD advertising filing fees are included in Advertising Compliance Review section above)
- record retention
  - travel, lodging and meals

Fees are billed monthly.

\* Subject to CPI increase, Milwaukee MSA.



## CUSTODY AGREEMENT

THIS AGREEMENT is made and entered into as of this 2<sup>nd</sup> day of May, 2005, by and between Trust for Professional Managers a Delaware business trust (the "Trust"), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund and U.S. Bank National Association, a national banking association (the "Custodian").

WHEREAS, the Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is authorized to issue shares of beneficial interest in separate series, with each such series representing interests in a separate portfolio of securities and other assets;

WHEREAS, the Trust desires to retain U.S. Bank National Association to act as Custodian for each series of the Trust listed on Exhibit C hereto (as amended from time to time) (each a "Fund", collectively the "Funds");

WHEREAS, the Trust desires that the Fund' s Securities (defined below) and cash be held and administered by the Custodian pursuant to this Agreement; and

WHEREAS, the Custodian is a bank having the qualifications prescribed in Section 26(a)(1) of the 1940 Act;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

### ARTICLE I DEFINITIONS

Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

- 1.1 "Authorized Person" means any Officer or other person duly authorized by resolution of the Board of Trustees to give Oral Instructions and Written Instructions on behalf of the Fund and named in Exhibit A hereto or in such resolutions of the Board of Trustees, certified by an Officer, as may be received by the Custodian from time to time.
- 1.2 "Board of Trustees" shall mean the Trustees from time to time serving under the Trust's Declaration of Trust, as from time to time amended.
- 1.3 "Book-Entry System" shall mean a federal book-entry system as provided in Subpart O of Treasury Circular No. 300, 31 CFR 306, in Subpart B of 31 CFR Part 350, or in such book-entry regulations of federal agencies as are substantially in the form of such Subpart O.

1.4 “Business Day” shall mean any day recognized as a settlement day by The New York Stock Exchange, Inc., and any other day for which the Trust computes the net asset value of Shares of the Fund.

1.5 “Fund Custody Account” shall mean any of the accounts in the name of the Trust, which is provided for in Section 3.2 below.

1.6 “NASD” shall mean The National Association of Securities Dealers, Inc.

1.7 “Officer” shall mean the Chairman, President, any Vice President, any Assistant Vice President, the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the Trust.

1.8 “Oral Instructions” shall mean instructions orally transmitted to and accepted by the Custodian because such instructions are: (i) reasonably believed by the Custodian to have been given by any two Authorized Persons, (ii) recorded and kept among the records of the Custodian made in the ordinary course of business and (iii) orally confirmed by the Custodian. The Trust shall cause all Oral Instructions to be confirmed by Written Instructions prior to the end of the next Business Day. If such Written Instructions confirming Oral Instructions are not received by the Custodian prior to a transaction, it shall in no way affect the validity of the transaction or the authorization thereof by the Trust. If Oral Instructions vary from the Written Instructions that purport to confirm them, the Custodian shall notify the Trust of such variance but such Oral Instructions will govern unless the Custodian has not yet acted.

1.9 “Proper Instructions” shall mean Oral Instructions or Written Instructions. Proper Instructions may be continuing Written Instructions when deemed appropriate by both parties.

1.10 “Securities Depository” shall mean The Depository Trust Company and any other clearing agency registered with the Securities and Exchange Commission under Section 17A of the Securities Exchange Act of 1934 as amended (the “1934 Act”), which acts as a system for the central handling of Securities where all Securities of any particular class or series of an issuer deposited within the system are treated as fungible and may be transferred or pledged by bookkeeping entry without physical delivery of the Securities.

1.11 “Securities” shall include, without limitation, common and preferred stocks, bonds, call options, put options, debentures, notes, bank certificates of deposit, bankers' acceptances, mortgage-backed securities or other obligations, and any certificates, receipts, warrants or other instruments or documents representing rights to receive, purchase or subscribe for the same, or evidencing or representing any other rights or interests therein, or any similar property or assets that the Custodian has the facilities to clear and to service.

1.12 “Shares” shall mean, with respect to a Fund, the units of beneficial interest issued by the Trust on account of the Fund.

1.13 “Sub-Custodian” shall mean and include (i) any branch of a “U.S. Bank,” as that term is defined in Rule 17f-5 under the 1940 Act, (ii) any “Eligible Foreign Custodian,” as that term is defined in Rule



17f-5 under the 1940 Act, having a contract with the Custodian which the Custodian has determined will provide reasonable care of assets of the Fund based on the standards specified in Section 3.3 below. Such contract shall be in writing and shall include provisions that provide: (i) for indemnification or insurance arrangements (or any combination of the foregoing) such that the Fund will be adequately protected against the risk of loss of assets held in accordance with such contract; (ii) that the Fund's assets will not be subject to any right, charge, security interest, lien or claim of any kind in favor of the Sub-Custodian or its creditors except a claim of payment for their safe custody or administration, in the case of cash deposits, liens or rights in favor of creditors of the Sub-Custodian arising under bankruptcy, insolvency, or similar laws; (iii) that beneficial ownership for the Fund's assets will be freely transferable without the payment of money or value other than for safe custody or administration; (iv) that adequate records will be maintained identifying the assets as belonging to the Fund or as being held by a third party for the benefit of the Fund; (v) that the Fund's independent public accountants will be given access to those records or confirmation of the contents of those records; and (vi) that the Fund will receive periodic reports with respect to the safekeeping of the Fund's assets, including, but not limited to, notification of any transfer to or from a Fund's account or a third party account containing assets held for the benefit of the Fund. Such contract may contain, in lieu of any or all of the provisions specified in (i)-(vi) above, such other provisions that the Custodian determines will provide, in their entirety, the same or a greater level of care and protection for Fund assets as the specified provisions, in their entirety.

1.14

“Written Instructions” shall mean (i) written communications actually received by the Custodian and signed by any two Authorized Persons, or (ii) communications by telex or any other such system from one or more persons reasonably believed by the Custodian to be Authorized Persons, or (iii) communications between electro-mechanical or electronic devices provided that the use of such devices and the procedures for the use thereof shall have been approved by resolutions of the Board of Trustees, a copy of which, certified by an Officer, shall have been delivered to the Custodian.

## **ARTICLE II** **APPOINTMENT OF CUSTODIAN**

2.1

Appointment. The Trust hereby appoints the Custodian as custodian of all Securities and cash owned by or in the possession of the Fund at any time during the period of this Agreement, on the terms and conditions set forth in this Agreement including any addendum hereto which is incorporated herein and made a part of this Agreement, and the Custodian hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement.

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2.2

Documents to be Furnished. The following documents, including any amendments thereto, will be provided contemporaneously with the execution of the Agreement to the Custodian by the Trust:

- (a) A copy of the Declaration of Trust certified by the Secretary;
- (b) A copy of the Bylaws of the Trust certified by the Secretary;
- (c) A copy of the resolution of the Board of Trustees of the Trust appointing the Custodian, certified by the Secretary;

- (d) A copy of the then current Prospectus of the Fund; and
- (e) A certification of the Chairman and Secretary of the Trust setting forth the names and signatures of the current Officers of the Trust and other Authorized Persons.

2.3 Notice of Appointment of Dividend and Transfer Agent. The Trust agrees to notify the Custodian in writing of the appointment, termination or change in appointment of any Dividend and Transfer Agent of the Fund.

### **ARTICLE III** **CUSTODY OF CASH AND SECURITIES**

3.1 Segregation. All Securities and non-cash property held by the Custodian for the account of the Fund (other than Securities maintained in a Securities Depository or Book-Entry System) shall be physically segregated from other Securities and non-cash property in the possession of the Custodian (including the Securities and non-cash property of the other series of the Trust) and shall be identified as subject to this Agreement.

3.2 Fund Custody Accounts. As to each Fund, the Custodian shall open and maintain in its trust department a custody account in the name of the Trust coupled with the name of the Fund, subject only to draft or order of the Custodian, in which the Custodian shall enter and carry all Securities, cash and other assets of such Fund which are delivered to it.

3.3 Appointment of Agents.

(a) In its discretion, the Custodian may appoint one or more Sub-Custodians to act as Securities Depositories or as sub-custodians to hold Securities and cash of the Fund and to carry out such other provisions of this Agreement and any Addendum as it may determine, provided, however, that the appointment of any such agents and maintenance of any Securities and cash of the Fund shall be at the Custodian's expense and shall not relieve the Custodian of any of its obligations or liabilities under this Agreement. The Custodian shall be liable for the actions of any Sub-Custodians appointed by it as if such actions had been done by the Custodian.

(b) If, after the initial approval of Sub-Custodians by the Board of Trustees in connection with this Agreement, the Custodian wishes to appoint other Sub-Custodians to hold property of the Fund, it will so notify the Trust and provide it with information reasonably necessary to determine any such new Sub-Custodian's eligibility under Rule 17f-5 under the 1940 Act, including a copy of the proposed agreement with such Sub-Custodian. The Trust shall at the meeting of the Board of Trustees next following receipt of such notice and information give a written approval or disapproval of the proposed action.

(c) The Agreement between the Custodian and each Sub-Custodian acting hereunder shall contain the required provisions set forth in Rule 17f-5(c)(2).

At the end of each calendar quarter, and at any other time as the Board of Directors shall deem necessary and reasonable, the Custodian shall provide written reports notifying the Board of Trustees of the placement of the Securities and cash of the Fund with a particular Sub-Custodian and of any material changes in the Fund's arrangements. The Custodian shall promptly take such steps as may be required to withdraw assets of the Fund from any Sub-Custodian that has ceased to meet the requirements of Rule 17f-5 under the 1940 Act.

(d)

With respect to its responsibilities under this Section 3.3, the Custodian hereby warrants to the Trust that it agrees to exercise reasonable care, prudence and diligence such as a person having responsibility for the safekeeping of property of the Fund. The Custodian further warrants that a Fund's assets will be subject to reasonable care, based on the standards applicable to custodians in the relevant market, if maintained with each Sub-Custodian, after considering all factors relevant to the safekeeping of such assets, including, without limitation: (i) the Sub-Custodian's practices, procedures, and internal controls, for certificated securities (if applicable), the method of keeping custodial records, and the security and data protection practices; (ii) whether the Sub-Custodian has the requisite financial strength to provide reasonable care for Fund assets; (iii) the Sub-Custodian's general reputation and standing and, in the case of a Securities Depository, the Securities Depository's operating history and number of participants; and (iv) whether the Fund will have jurisdiction over and be able to enforce judgments against the Sub-Custodian, such as by virtue of the existence of any offices of the Sub-Custodian in the United States or the Sub-Custodian's consent to service of process in the United States.

(e)

The Custodian shall establish a system to monitor the appropriateness of maintaining the Fund's assets with a particular Sub-Custodian and the contract governing the Fund's arrangements with such Sub-Custodian.

(f)

Delivery of Assets to Custodian. The Trust shall deliver, or cause to be delivered, to the Custodian all of the Fund's Securities, cash and other investment assets, including (a) all payments of income, payments of principal and capital distributions received by the Fund with respect to such Securities, cash or other assets owned by the Fund at any time during the period of this Agreement, and (b) all cash received by the Fund for the issuance, at any time during such period, of Shares. The Custodian shall not be responsible for such Securities, cash or other assets until actually received by it.

3.4

Securities Depositories and Book-Entry Systems. The Custodian may deposit and/or maintain Securities of the Fund in a Securities Depository or in a Book-Entry System, subject to the following provisions:

3.5

The Custodian, on an on-going basis, shall deposit in a Securities Depository or Book-Entry System all Securities eligible for deposit therein and shall make use of such Securities Depository or Book-Entry System to the extent possible and practical in connection with its performance hereunder, including, without limitation, in connection with settlements of purchases and sales of Securities, loans of Securities, and deliveries and returns of collateral consisting of Securities.

(a)

(b) Securities of the Fund kept in a Book-Entry System or Securities Depository shall be kept in an account (“Depository Account”) of the Custodian in such Book-Entry System or Securities Depository which includes only assets held by the Custodian as a fiduciary, custodian or otherwise for customers.

(c) The records of the Custodian with respect to Securities of the Fund maintained in a Book-Entry System or Securities Depository shall, by book-entry, identify such Securities as belonging to the Fund.

(d) If Securities purchased by the Fund are to be held in a Book-Entry System or Securities Depository, the Custodian shall pay for such Securities upon (i) receipt of advice from the Book-Entry System or Securities Depository that such Securities have been transferred to the Depository Account, and (ii) the making of an entry on the records of the Custodian to reflect such payment and transfer for the account of the Fund. If Securities sold by the Fund are held in a Book-Entry System or Securities Depository, the Custodian shall transfer such Securities upon (i) receipt of advice from the Book-Entry System or Securities Depository that payment for such Securities has been transferred to the Depository Account, and (ii) the making of an entry on the records of the Custodian to reflect such transfer and payment for the account of the Fund.

(e) The Custodian shall provide the Trust with copies of any report (obtained by the Custodian from a Book-Entry System or Securities Depository in which Securities of the Fund are kept) on the internal accounting controls and procedures for safeguarding Securities deposited in such Book-Entry System or Securities Depository.

(f) Anything to the contrary in this Agreement notwithstanding, the Custodian shall be liable to the Trust for any loss or damage to the Fund resulting (i) from the use of a Book-Entry System or Securities Depository by reason of any negligence or willful misconduct on the part of Custodian or any Sub-Custodian appointed pursuant to Section 3.3 above or any of its or their employees, or (ii) from failure of Custodian or any such Sub-Custodian to enforce effectively such rights as it may have against a Book-Entry System or Securities Depository. At its election, the Trust shall be subrogated to the rights of the Custodian with respect to any claim against a Book-Entry System or Securities Depository or any other person from any loss or damage to the Fund arising from the use of such Book-Entry System or Securities Depository, if and to the extent that the Fund has not been made whole for any such loss or damage.

(g) With respect to its responsibilities under this Section 3.5 and pursuant to Rule 17f-4 under the 1940 Act, the Custodian hereby warrants to the Trust that it agrees to (i) exercise due care in accordance with reasonable commercial standards in discharging its duty as a securities intermediary to obtain and thereafter maintain such assets; (ii) provide, promptly upon request by the Trust, such reports as are available concerning the Custodian’s internal accounting controls and financial strength; and (iii) require any Sub-Custodian to exercise due care in accordance with reasonable commercial standards in discharging its duty as a securities intermediary to obtain and thereafter maintain assets corresponding to the security entitlements of its entitlement holders.

3.6 Disbursement of Moneys from Fund Custody Account. Upon receipt of Proper Instructions, the Custodian shall disburse moneys from the Fund Custody Account but only in the following cases:

- (a) For the purchase of Securities for the Fund but only in accordance with Section 4.1 of this Agreement and only (i) in the case of Securities (other than options on Securities, futures contracts and options on futures contracts), against the delivery to the Custodian (or any Sub-Custodian appointed pursuant to Section 3.3 above) of such Securities registered as provided in Section 3.9 below or in proper form for transfer, or if the purchase of such Securities is effected through a Book-Entry System or Securities Depository, in accordance with the conditions set forth in Section 3.5 above; (ii) in the case of options on Securities, against delivery to the Custodian (or such Sub-Custodian) of such receipts as are required by the customs prevailing among dealers in such options; (iii) in the case of futures contracts and options on futures contracts, against delivery to the Custodian (or such Sub-Custodian) of evidence of title thereto in favor of the Fund or any nominee referred to in Section 3.9 below; and (iv) in the case of repurchase or reverse repurchase agreements entered into between the Trust and a bank which is a member of the Federal Reserve System or between the Trust and a primary dealer in U.S. Government securities, against delivery of the purchased Securities either in certificate form or through an entry crediting the Custodian's account at a Book-Entry System or Securities Depository with such Securities;
- (b) In connection with the conversion, exchange or surrender, as set forth in Section 3.7(f) below, of Securities owned by the Fund;
- (c) For the payment of any dividends or capital gain distributions declared by the Fund;
- (d) In payment of the redemption price of Shares as provided in Section 5.1 below;
- (e) For the payment of any expense or liability incurred by the Fund, including but not limited to the following payments for the account of the Fund: interest; taxes; administration, investment advisory, accounting, auditing, transfer agent, custodian, director and legal fees; and other operating expenses of the Fund; in all cases, whether or not such expenses are to be in whole or in part capitalized or treated as deferred expenses;
- (f) For transfer in accordance with the provisions of any agreement among the Trust, the Custodian and a broker-dealer registered under the 1934 Act and a member of the NASD, relating to compliance with rules of The Options Clearing Corporation and of any registered national securities exchange (or of any similar organization or organizations) regarding escrow or other arrangements in connection with transactions by the Fund;
- (g) For transfer in accordance with the provision of any agreement among the Trust, the Custodian, and a futures commission merchant registered under the Commodity Exchange Act, relating to compliance with the rules of the Commodity Futures Trading Commission and/or any contract market (or any similar organization or organizations) regarding account deposits in connection with transactions by the Fund;
- (h) For the funding of any uncertificated time deposit or other interest-bearing account with any banking institution (including the Custodian), which deposit or account has a term of one year or less; and

(i) For any other proper purpose, but only upon receipt, in addition to Proper Instructions, of a copy of a resolution of the Board of Trustees, certified by an Officer, specifying the amount and purpose of such payment, declaring such purpose to be a proper corporate purpose, and naming the person or persons to whom such payment is to be made.

3.7 Delivery of Securities from Fund Custody Account. Upon receipt of Proper Instructions, the Custodian shall release and deliver Securities from the Fund Custody Account but only in the following cases:

(a) Upon the sale of Securities for the account of the Fund but only against receipt of payment therefor in cash, by certified or cashiers check or bank credit;

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(b) In the case of a sale effected through a Book-Entry System or Securities Depository, in accordance with the provisions of Section 3.5 above;

(c) To an offeror's depository agent in connection with tender or other similar offers for Securities of the Fund; provided that, in any such case, the cash or other consideration is to be delivered to the Custodian;

(d) To the issuer thereof or its agent (i) for transfer into the name of the Fund, the Custodian or any Sub-Custodian appointed pursuant to Section 3.3 above, or of any nominee or nominees of any of the foregoing, or (ii) for exchange for a different number of certificates or other evidence representing the same aggregate face amount or number of units; provided that, in any such case, the new Securities are to be delivered to the Custodian;

(e) To the broker selling Securities, for examination in accordance with the "street delivery" custom;

(f) For exchange or conversion pursuant to any plan or merger, consolidation, recapitalization, reorganization or readjustment of the issuer of such Securities, or pursuant to provisions for conversion contained in such Securities, or pursuant to any deposit agreement, including surrender or receipt of underlying Securities in connection with the issuance or cancellation of depository receipts; provided that, in any such case, the new Securities and cash, if any, are to be delivered to the Custodian;

(g) Upon receipt of payment therefor pursuant to any repurchase or reverse repurchase agreement entered into by the Fund;

(h) In the case of warrants, rights or similar Securities, upon the exercise thereof, provided that, in any such case, the new Securities and cash, if any, are to be delivered to the Custodian;

(i) For delivery in connection with any loans of Securities of the Fund, but only against receipt of such collateral as the Trust shall have specified to the Custodian in Proper Instructions;

- (j) For delivery as security in connection with any borrowings by the Fund requiring a pledge of assets by the Trust, but only against receipt by the Custodian of the amounts borrowed;
- (k) Pursuant to any authorized plan of liquidation, reorganization, merger, consolidation or recapitalization of the Trust;
- (l) For delivery in accordance with the provisions of any agreement among the Trust, the Custodian and a broker-dealer registered under the 1934 Act and a member of the NASD, relating to compliance with the rules of The Options Clearing Corporation and of any registered national securities exchange (or of any similar organization or organizations) regarding escrow or other arrangements in connection with transactions by the Fund;

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- (m) For delivery in accordance with the provisions of any agreement among the Trust, the Custodian, and a futures commission merchant registered under the Commodity Exchange Act, relating to compliance with the rules of the Commodity Futures Trading Commission and/or any contract market (or any similar organization or organizations) regarding account deposits in connection with transactions by the Fund; or
- (n) For any other proper corporate purpose, but only upon receipt, in addition to Proper Instructions, of a copy of a resolution of the Board of Trustees, certified by an Officer, specifying the Securities to be delivered, setting forth the purpose for which such delivery is to be made, declaring such purpose to be a proper corporate purpose, and naming the person or persons to whom delivery of such Securities shall be made.

3.8 Actions Not Requiring Proper Instructions. Unless otherwise instructed by the Trust, the Custodian shall with respect to all Securities held for the Fund:

- (a) Subject to Section 7.4 below, collect on a timely basis all income and other payments to which the Fund is entitled either by law or pursuant to custom in the securities business;
- (b) Present for payment and, subject to Section 7.4 below, collect on a timely basis the amount payable upon all Securities which may mature or be called, redeemed, or retired, or otherwise become payable;
- (c) Endorse for collection, in the name of the Fund, checks, drafts and other negotiable instruments;
- (d) Surrender interim receipts or Securities in temporary form for Securities in definitive form;
- (e) Execute, as custodian, any necessary declarations or certificates of ownership under the federal income tax laws or the laws or regulations of any other taxing authority now or hereafter in effect, and prepare and submit reports to the Internal Revenue Service (“IRS”) and to the Trust at such time, in such manner and containing such information as is prescribed by the IRS;

(f) Hold for the Fund, either directly or, with respect to Securities held therein, through a Book-Entry System or Securities Depository, all rights and similar securities issued with respect to Securities of the Fund; and

(g) In general, and except as otherwise directed in Proper Instructions, attend to all non-discretionary details in connection with the sale, exchange, substitution, purchase, transfer and other dealings with Securities and assets of the Fund.

3.9 Registration and Transfer of Securities. All Securities held for the Fund that are issued or issuable only in bearer form shall be held by the Custodian in that form, provided that any such Securities shall be held in a Book-Entry System if eligible therefor. All other Securities held for the Fund may be registered in the name of the Fund, the Custodian, or any Sub-Custodian appointed pursuant to Section 3.3 above, or in the name of any nominee of any of them, or in the name of a Book-Entry System, Securities Depository or any nominee of either thereof. The Trust shall furnish to the Custodian appropriate instruments to enable the Custodian to hold or deliver in proper form for transfer, or to register in the name of any of the nominees hereinabove referred to or in the name of a Book-Entry System or Securities Depository, any Securities registered in the name of the Fund.

3.10 Records.

(a) The Custodian shall maintain, for the Fund, complete and accurate records with respect to Securities, cash or other property held for the Fund, including (i) journals or other records of original entry containing an itemized daily record in detail of all receipts and deliveries of Securities and all receipts and disbursements of cash; (ii) ledgers (or other records) reflecting (A) Securities in transfer, (B) Securities in physical possession, (C) monies and Securities borrowed and monies and Securities loaned (together with a record of the collateral therefor and substitutions of such collateral), (D) dividends and interest received, and (E) dividends receivable and interest receivable; and (iii) canceled checks and bank records related thereto. The Custodian shall keep such other books and records of the Fund as the Trust shall reasonably request, or as may be required by the 1940 Act, including, but not limited to, Section 31 of the 1940 Act and Rule 31a-2 promulgated thereunder.

(b) All such books and records maintained by the Custodian shall (i) be maintained in a form acceptable to the Trust and in compliance with rules and regulations of the Securities and Exchange Commission, (ii) be the property of the Trust and at all times during the regular business hours of the Custodian be made available upon request for inspection by duly authorized officers, employees or agents of the Trust and employees or agents of the Securities and Exchange Commission, and (iii) if required to be maintained by Rule 31a-1 under the 1940 Act, be preserved for the periods prescribed in Rules 31a-1 and 31a-2 under the 1940 Act.

3.11 Fund Reports by Custodian. The Custodian shall furnish the Trust with a daily activity statement and a summary of all transfers to or from each Fund Custody Account on the day following such transfers. At least monthly and from time to time, the Custodian shall furnish the Trust with a detailed statement of



the Securities and moneys held by the Custodian and the Sub-Custodians for the Fund under this Agreement.

3.12 Other Reports by Custodian. The Custodian shall provide the Trust with such reports, as the Trust may reasonably request from time to time, on the internal accounting controls and procedures for safeguarding Securities, which are employed by the Custodian or any Sub-Custodian appointed pursuant to Section 3.3 above.

3.13 Proxies and Other Materials. The Custodian shall cause all proxies relating to Securities which are not registered in the name of the Fund, to be promptly executed by the registered holder of such Securities, without indication of the manner in which such proxies are to be voted, and shall promptly deliver to the Trust such proxies, all proxy soliciting materials and all notices relating to such Securities.

3.14 Information on Corporate Actions. The Custodian shall promptly deliver to the Trust all information received by the Custodian and pertaining to Securities being held by the Fund with respect to optional tender or exchange offers, calls for redemption or purchase, or expiration of rights as described in the Standards of Service Guide attached as Exhibit B. If the Trust desires to take action with respect to any tender offer, exchange offer or other similar transaction, the Trust shall notify the Custodian at least five Business Days prior to the date on which the Custodian is to take such action. The Trust will provide or cause to be provided to the Custodian all relevant information for any Security which has unique put/option provisions at least five Business Days prior to the beginning date of the tender period.

#### **ARTICLE IV** **PURCHASE AND SALE OF INVESTMENTS OF THE FUND**

4.1 Purchase of Securities. Promptly upon each purchase of Securities for the Fund, Written Instructions shall be delivered to the Custodian, specifying (a) the name of the issuer or writer of such Securities, and the title or other description thereof, (b) the number of shares, principal amount (and accrued interest, if any) or other units purchased, (c) the date of purchase and settlement, (d) the purchase price per unit, (e) the total amount payable upon such purchase, and (f) the name of the person to whom such amount is payable. The Custodian shall upon receipt of such Securities purchased by the Fund pay out of the moneys held for the account of the Fund the total amount specified in such Written Instructions to the person named therein. The Custodian shall not be under any obligation to pay out moneys to cover the cost of a purchase of Securities for the Fund, if in the Fund Custody Account there is insufficient cash available to the Fund for which such purchase was made.

4.2 Liability for Payment in Advance of Receipt of Securities Purchased. In any and every case where payment for the purchase of Securities for the Fund is made by the Custodian in advance of receipt of the Securities purchased but in the absence of specified Written Instructions to so pay in advance, the Custodian shall be liable to the Fund for such Securities.

4.3 Sale of Securities. Promptly upon each sale of Securities by the Fund, Written Instructions shall be delivered to the Custodian, specifying (a) the name of the issuer or writer of such Securities, and the title or other description thereof, (b) the number of shares, principal amount (and accrued interest, if any), or other units sold, (c) the date of sale and settlement, (d) the sale price per unit, (e) the total amount payable upon such sale, and (f) the person to whom such Securities are to be delivered. Upon receipt of the total amount payable to the Fund as specified in such Written Instructions, the Custodian shall deliver such Securities to the person specified in such Written Instructions. Subject to the foregoing, the Custodian may accept payment in such form as shall be satisfactory to it, and may deliver Securities and arrange for payment in accordance with the customs prevailing among dealers in Securities.

4.4 Delivery of Securities Sold. Notwithstanding Section 4.3 above or any other provision of this Agreement, the Custodian, when instructed to deliver Securities against payment, shall be entitled, if in accordance with generally accepted market practice, to deliver such Securities prior to actual receipt of final payment therefor. In any such case, the Fund shall bear the risk that final payment for such Securities may not be made or that such Securities may be returned or otherwise held or disposed of by or through the person to whom they were delivered, and the Custodian shall have no liability for any for the foregoing.

4.5 Payment for Securities Sold, etc. In its sole discretion and from time to time, the Custodian may credit the Fund Custody Account, prior to actual receipt of final payment thereof, with (i) proceeds from the sale of Securities which it has been instructed to deliver against payment, (ii) proceeds from the redemption of Securities or other assets of the Fund, and (iii) income from cash, Securities or other assets of the Fund. Any such credit shall be conditional upon actual receipt by Custodian of final payment and may be reversed if final payment is not actually received in full. The Custodian may, in its sole discretion and from time to time, permit the Fund to use funds so credited to the Fund Custody Account in anticipation of actual receipt of final payment. Any such funds shall be repayable immediately upon demand made by the Custodian at any time prior to the actual receipt of all final payments in anticipation of which funds were credited to the Fund Custody Account.

4.6 Advances by Custodian for Settlement. The Custodian may, in its sole discretion and from time to time, advance funds to the Trust to facilitate the settlement of a Fund's transactions in the Fund Custody Account. Any such advance shall be repayable immediately upon demand made by Custodian.

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## **ARTICLE V** **REDEMPTION OF FUND SHARES**

5.1 Transfer of Funds. From such funds as may be available for the purpose in the relevant Fund Custody Account, and upon receipt of Proper Instructions specifying that the funds are required to redeem

Shares of the Fund, the Custodian shall wire each amount specified in such Proper Instructions to or through such bank as the Trust may designate with respect to such amount in such Proper Instructions.

- 5.2 No Duty Regarding Paying Banks. Once the Custodian has wired amounts to a bank or broker-dealer pursuant to Section 5.1 above, the Custodian shall not be under any obligation to effect any further payment or distribution by such bank or broker-dealer.

## **ARTICLE VI** **SEGREGATED ACCOUNTS**

Upon receipt of Proper Instructions, the Custodian shall establish and maintain a segregated account or accounts for and on behalf of the Fund, into which account or accounts may be transferred cash and/or Securities, including Securities maintained in a Depository Account,

- (a) in accordance with the provisions of any agreement among the Trust, the Custodian and a broker-dealer registered under the 1934 Act and a member of the NASD (or any futures commission merchant registered under the Commodity Exchange Act), relating to compliance with the rules of The Options Clearing Corporation and of any registered national securities exchange (or the Commodity Futures Trading Commission or any registered contract market), or of any similar organization or organizations, regarding escrow or other arrangements in connection with transactions by the Fund,
- (b) for purposes of segregating cash or Securities in connection with securities options purchased or written by the Fund or in connection with financial futures contracts (or options thereon) purchased or sold by the Fund,
- (c) which constitute collateral for loans of Securities made by the Fund,
- (d) for purposes of compliance by the Fund with requirements under the 1940 Act for the maintenance of segregated accounts by registered investment companies in connection with reverse repurchase agreements and when-issued, delayed delivery and firm commitment transactions, and
- (e) for other proper corporate purposes, but only upon receipt of, in addition to Proper Instructions, a certified copy of a resolution of the Board of Trustees, certified by an Officer, setting forth the purpose or purposes of such segregated account and declaring such purposes to be proper corporate purposes.

Each segregated account established under this Article VI shall be established and maintained for the Fund only. All Proper Instructions relating to a segregated account shall specify the Fund.

## **ARTICLE VII** **CONCERNING THE CUSTODIAN**

7.1 Standard of Care. The Custodian shall be held to the exercise of reasonable care in carrying out its obligations under this Agreement, and shall be without liability to the Trust or any Fund for any loss, damage, cost, expense (including attorneys' fees and disbursements), liability or claim unless such loss, damage, cost, expense, liability or claim arises from negligence, bad faith or willful misconduct on its part or on the part of any Sub-Custodian appointed pursuant to Section 3.3 above. The Custodian shall be entitled to rely on and may act upon advice of counsel on all matters, and shall be without liability for any action reasonably taken or omitted pursuant to such advice. The Custodian shall promptly notify the Trust of any action taken or omitted by the Custodian pursuant to advice of counsel. The Custodian shall not be under any obligation at any time to ascertain whether the Trust or the Fund is in compliance with the 1940 Act, the regulations thereunder, the provisions of the Trust's charter documents or by-laws, or its investment objectives and policies as then in effect.

7.2 Actual Collection Required. The Custodian shall not be liable for, or considered to be the custodian of, any cash belonging to the Fund or any money represented by a check, draft or other instrument for the payment of money, until the Custodian or its agents actually receive such cash or collect on such instrument.

7.3 No Responsibility for Title, etc. So long as and to the extent that it is in the exercise of reasonable care, the Custodian shall not be responsible for the title, validity or genuineness of any property or evidence of title thereto received or delivered by it pursuant to this Agreement.

7.4 Limitation on Duty to Collect. Custodian shall not be required to enforce collection, by legal means or otherwise, of any money or property due and payable with respect to Securities held for the Fund if such Securities are in default or payment is not made after due demand or presentation.

7.5 Reliance Upon Documents and Instructions. The Custodian shall be entitled to rely upon any certificate, notice or other instrument in writing received by it and reasonably believed by it to be genuine. The Custodian shall be entitled to rely upon any Oral Instructions and any Written Instructions actually received by it pursuant to this Agreement.

7.6 Express Duties Only. The Custodian shall have no duties or obligations whatsoever except such duties and obligations as are specifically set forth in this Agreement, and no covenant or obligation shall be implied in this Agreement against the Custodian.

7.7 Co-operation. The Custodian shall cooperate with and supply necessary information to the entity or entities appointed by the Trust to keep the books of account of the Fund and/or compute the value of the assets of the Fund. The Custodian shall take all such reasonable actions as the Trust may from time to time request to enable the Trust to obtain, from year to year, favorable opinions from the Trust's independent accountants with respect to the Custodian's activities hereunder in connection with (a) the preparation of the Trust's reports on Form N-1A and Form N-SAR and any other reports required by the Securities and Exchange Commission, and (b) the fulfillment by the Trust of any other requirements of the Securities and Exchange Commission.

## **ARTICLE VIII**

## INDEMNIFICATION

8.1 Indemnification by Trust. The Trust shall indemnify and hold harmless the Custodian and any Sub-Custodian appointed pursuant to Section 3.3 above, and any nominee of the Custodian or of such Sub-Custodian, from and against any loss, damage, cost, expense (including attorneys' fees and disbursements), liability (including, without limitation, liability arising under the Securities Act of 1933, the 1934 Act, the 1940 Act, and any state or foreign securities and/or banking laws) or claim arising directly or indirectly (a) from the fact that Securities are registered in the name of any such nominee, or (b) from any action or inaction by the Custodian or such Sub-Custodian (i) at the request or direction of or in reliance on the advice of the Trust, or (ii) upon Proper Instructions, or (c) generally, from the performance of its obligations under this Agreement or any sub-custody agreement with a Sub-Custodian appointed pursuant to Section 3.3 above, provided that neither the Custodian nor any such Sub-Custodian shall be indemnified and held harmless from and against any such loss, damage, cost, expense, liability or claim arising from the Custodian's or such Sub-Custodian's negligence, bad faith or willful misconduct.

8.2 Indemnification by Custodian. The Custodian shall indemnify and hold harmless the Trust from and against any loss, damage, cost, expense (including attorneys' fees and disbursements), liability (including without limitation, liability arising under the Securities Act of 1933, the 1934 Act, the 1940 Act, and any state or foreign securities and/or banking laws) or claim arising from the negligence, bad faith or willful misconduct of the Custodian or any Sub-Custodian appointed pursuant to Section 3.3 above, or any nominee of the Custodian or of such Sub-Custodian.

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8.3 Indemnity to be Provided. If the Trust requests the Custodian to take any action with respect to Securities, which may, in the opinion of the Custodian, result in the Custodian or its nominee becoming liable for the payment of money or incurring liability of some other form, the Custodian shall not be required to take such action until the Trust shall have provided indemnity therefor to the Custodian in an amount and form satisfactory to the Custodian.

8.4 Security. If the Custodian advances cash or Securities to the Fund for any purpose, either at the Trust's request or as otherwise contemplated in this Agreement, or in the event that the Custodian or its nominee incurs, in connection with its performance under this Agreement, any loss, damage, cost, expense (including attorneys' fees and disbursements), liability or claim (except such as may arise from its or its nominee's negligence, bad faith or willful misconduct), then, in any such event, any property at any time held for the account of the Fund shall be security therefor, and should the Fund fail promptly to repay or indemnify the Custodian, the Custodian shall be entitled to utilize available cash of such Fund and to dispose of other assets of such Fund to the extent necessary to obtain reimbursement or indemnification.

## ARTICLE IX FORCE MAJEURE

Neither the Custodian nor the Trust shall be liable for any failure or delay in performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control,

including, without limitation, acts of God; earthquakes; fires; floods; wars; civil or military disturbances; acts of terrorism; sabotage; strikes; epidemics; riots; power failures; computer failure and any such circumstances beyond its reasonable control as may cause interruption, loss or malfunction of utility, transportation, computer (hardware or software) or telephone communication service; accidents; labor disputes; acts of civil or military authority; governmental actions; or inability to obtain labor, material, equipment or transportation; provided, however, that the Custodian in the event of a failure or delay (i) shall not discriminate against the Fund in favor of any other customer of the Custodian in making computer time and personnel available to input or process the transactions contemplated by this Agreement and (ii) shall use its best efforts to ameliorate the effects of any such failure or delay.

## **ARTICLE X** **EFFECTIVE PERIOD; TERMINATION**

10.1 Effective Period. This Agreement shall become effective as of its execution and shall continue in full force and effect until terminated as hereinafter provided.

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10.2 Termination. Either party hereto may terminate this Agreement by giving to the other party a notice in writing specifying the date of such termination, which shall be not less than sixty (60) days after the date of the giving of such notice. If a successor custodian shall have been appointed by the Board of Trustees, the Custodian shall, upon receipt of a notice of acceptance by the successor custodian, on such specified date of termination (a) deliver directly to the successor custodian all Securities (other than Securities held in a Book-Entry System or Securities Depository) and cash then owned by the Fund and held by the Custodian as custodian, and (b) transfer any Securities held in a Book-Entry System or Securities Depository to an account of or for the benefit of the Fund at the successor custodian, provided that the Trust shall have paid to the Custodian all fees, expenses and other amounts to the payment or reimbursement of which it shall then be entitled. Upon such delivery and transfer, the Custodian shall be relieved of all obligations under this Agreement. The Trust may at any time immediately terminate this Agreement in the event of the appointment of a conservator or receiver for the Custodian by regulatory authorities or upon the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction.

10.3 Failure to Appoint Successor Custodian. If a successor custodian is not designated by the Trust on or before the date of termination specified pursuant to Section 10.1 above, then the Custodian shall have the right to deliver to a bank or corporation company of its own selection, which (a) is a "bank" as defined in the 1940 Act and (b) has aggregate capital, surplus and undivided profits as shown on its then most recent published report of not less than \$25 million, all Securities, cash and other property held by Custodian under this Agreement and to transfer to an account of or for the Fund at such bank or trust company all Securities of the Fund held in a Book-Entry System or Securities Depository. Upon such delivery and transfer, such bank or trust company shall be the successor custodian under this Agreement and the Custodian shall be relieved of all obligations under this Agreement.

## **ARTICLE XI** **COMPENSATION OF CUSTODIAN**

The Custodian shall be entitled to compensation as agreed upon from time to time by the Trust and the Custodian. The fees and other charges in effect on the date hereof and applicable to the Fund are set forth in Exhibit C attached hereto.

**ARTICLE XII**  
**LIMITATION OF LIABILITY**

It is expressly agreed that the obligations of the Trust hereunder shall not be binding upon any of the Trustees, shareholders, nominees, officers, agents or employees of the Trust personally, but shall bind only the property of the Trust as provided in the Trust's Declaration of Trust, as from time to time amended. The execution and delivery of this Agreement have been authorized by the Trustees, and this Agreement has been signed and delivered by an authorized officer of the Trust, acting as such, and neither such authorization by the Trustees nor such execution and delivery by such officer shall be deemed to have been made by any of them individually or to impose any liability on any of them personally, but shall bind only the trust property of the Trust as provided in the above-mentioned Declaration of Trust.

**ARTICLE XIII**  
**NOTICES**

Any notice required or permitted to be given by either party to the other shall be in writing and shall be deemed to have been given on the date delivered personally or by courier service, or three (3) days after sent by registered or certified mail, postage prepaid, return receipt requested, or on the date sent and confirmed received by facsimile transmission to the other party's address set forth below:

Notice to the Trust shall be sent to:

Chad E. Fickett, Secretary  
615 East Michigan Street  
Milwaukee, WI 53202

and notice to the Custodian shall be sent to:

U.S. Bank National Association  
425 Walnut Street, M.L. CN-OH-W6TC  
Cincinnati, Ohio 45202  
Attention: Mutual Fund Custody Services  
Facsimile: (651) 767-9164

or at such other address as either party shall have provided to the other by notice given in accordance with this Article XIII.

**ARTICLE XIV**  
**MISCELLANEOUS**

14.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

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14.2 References to Custodian. The Trust shall not circulate any printed matter which contains any reference to Custodian without the prior written approval of Custodian, excepting printed matter contained in the prospectus or statement of additional information for the Fund and such other printed matter as merely identifies Custodian as custodian for the Fund. The Trust shall submit printed matter requiring approval to Custodian in draft form, allowing sufficient time for review by Custodian and its counsel prior to any deadline for printing.

14.3 No Waiver. No failure by either party hereto to exercise, and no delay by such party in exercising, any right hereunder shall operate as a waiver thereof. The exercise by either party hereto of any right hereunder shall not preclude the exercise of any other right, and the remedies provided herein are cumulative and not exclusive of any remedies provided at law or in equity.

14.4 Amendments. This Agreement cannot be changed orally and no amendment to this Agreement shall be effective unless evidenced by an instrument in writing executed by the parties hereto.

14.5 Counterparts. This Agreement may be executed in one or more counterparts, and by the parties hereto on separate counterparts, each of which shall be deemed an original but all of which together shall constitute but one and the same instrument.

14.6 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

14.7 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that this Agreement shall not be assignable by either party hereto without the written consent of the other party hereto.

14.8 Headings. The headings of sections in this Agreement are for convenience of reference only and shall not affect the meaning or construction of any provision of this Agreement.

14.9 Entire Agreement. This Agreement and any addendums hereto constitute the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior agreements, arrangements and understandings, whether written or oral.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer on one or more counterparts as of the date first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

**U.S. BANK, NATIONAL ASSOCIATION**

By: /s/ Mark Scheffler

By: /s/ Joseph Neuberger

Title: Senior Portfolio Manager

Title: Senior Vice President

**EXHIBIT A**

**AUTHORIZED PERSONS**

Set forth below are the names and specimen signatures of the persons authorized by the Trust to administer the Fund Custody Accounts.

Authorized Persons

Specimen Signatures

President:

\_\_\_\_\_

Secretary:

\_\_\_\_\_

Treasurer:

\_\_\_\_\_

Vice President:

\_\_\_\_\_

Adviser Employees:

\_\_\_\_\_

Transfer Agent/Fund Accountant Employees:

\_\_\_\_\_

**EXHIBIT B****USBank Institutional Custody Services  
Standards of Service Guide**

USBank, N.A. is committed to providing superior quality service to all customers and their agents at all times. We have compiled this guide as a tool for our clients to determine our standards for the processing of security settlements, payment collection, and capital change transactions. Deadlines recited in this guide represent the times required for USBank to guarantee processing. Failure to meet these deadlines will result in settlement at our client's risk. In all cases, USBank will make every effort to complete all processing on a timely basis.

USBank is a direct participant of the Depository Trust Company, a direct member of the Federal Reserve Bank of Cleveland, and utilizes the Bank of New York as its agent for ineligible and foreign securities.

For corporate reorganizations, USBank utilizes SEI's Reorg Source, Financial Information, Inc., XCITEK, DTC Important Notices, Capital Changes Daily (CCH) and the Wall Street Journal.

For bond calls and mandatory puts, USBank utilizes SEI's Bond Source, Kenny Information Systems, Standard & Poor's Corporation, XCITEK, and DTC Important Notices. USBank will not notify clients of optional put opportunities.

Any securities delivered free to USBank or its agents must be received three (3) business days prior to any payment or settlement in order for the USBank standards of service to apply.

Should you have any questions regarding the information contained in this guide, please feel free to contact your account representative.

*The information contained in this Standards of Service Guide is subject to change. Should any changes be made USBank will provide you with an updated copy of its Standards of Service Guide.*

**USBank Security Settlement Standards**

**Transaction Type****Instructions Deadlines\*****Delivery Instructions**

DTC

1:30 P.M. on Settlement Date

DTC Participant #2803

Agent Bank ID 27895

Institutional # \_\_\_\_\_

For Account # \_\_\_\_\_

Federal Reserve Book Entry

12:30 P.M. on Settlement Date

Federal Reserve Bank of Cleveland  
for Firststar Bank, N.A. ABA# 042000013

CINTI/1050

For Account # \_\_\_\_\_

Federal Reserve Book Entry (Repurchase  
Agreement Collateral Only)

1:00 P.M. on Settlement Date

Federal Reserve Bank of Cleveland  
for Firststar Bank, N.A. ABA# 042000013

CINTI/1040

For Account # \_\_\_\_\_

PTC Securities  
(GNMA Book Entry)

12:00 P.M. on Settlement Date

PTC For Account BYORK

Firststar Bank / 117612

Physical Securities

9:30 A.M. EST on Settlement Date  
(for Deliveries, by 4:00 P.M. on Settlement Date  
minus 1)Bank of New York  
One Wall Street- 3<sup>rd</sup> Floor - Window A  
New York, NY 10286

For account of Firststar Bank / Cust #117612

Attn: Donald Hoover

CEDEL/EURO-CLEAR

11:00 A..M. on Settlement Date minus 2

Cedel a/c 55021

FFC: a/c 387000

Firststar Bank /Global Omnibus

Euroclear a/c 97816

FFC: a/c 387000

Firststar Bank/Global Omnibus

Cash Wire Transfer

3:00 P.M.

Firststar Bank, N.A. Cinti/Trust ABA#  
042000013

Credit Account #112950027

Account of Firststar Trust Services

Further Credit to \_\_\_\_\_

Account # \_\_\_\_\_

\* All times listed are Eastern Standard Time.

<i>Security Type</i>	<i>Income</i>	<i>Principal</i>
Equities	Payable Date	
Municipal Bonds*	Payable Date	Payable Date
Corporate Bonds*	Payable Date	Payable Date
Federal Reserve Bank Book Entry*	Payable Date	Payable Date
PTC GNMA's (P&I)	Payable Date + 1	Payable Date + 1
CMOs *		
DTC	Payable Date + 1	Payable Date + 1
Bankers Trust	Payable Date + 1	Payable Date + 1
SBA Loan Certificates	When Received	When Received
Unit Investment Trust Certificates*	Payable Date	Payable Date
Certificates of Deposit*	Payable Date + 1	Payable Date + 1
Limited Partnerships	When Received	When Received
Foreign Securities	When Received	When Received
*Variable Rate Securities		
Federal Reserve Bank Book Entry	Payable Date	Payable Date
DTC	Payable Date + 1	Payable Date + 1
Bankers Trust	Payable Date + 1	Payable Date + 1

**NOTE:** If a payable date falls on a weekend or bank holiday, payment will be made on the immediately following business day.

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<i>Type of Action</i>	<i>Notification to Client</i>	<i>Deadline for Client Instructions to USBank</i>	<i>Transaction Posting</i>
Rights, Warrants, and Optional Mergers	Later of 10 business days prior to expiration or receipt of notice	5 business days prior to expiration	Upon receipt
Mandatory Puts with Option to Retain	Later of 10 business days prior to expiration or receipt of notice	5 business days prior to expiration	Upon receipt
Class Actions	10 business days prior to expiration date	5 business days prior to expiration	Upon receipt
Voluntary Tenders, Exchanges, and Conversions	Later of 10 business days prior to expiration or receipt of notice	5 business days prior to expiration	Upon receipt
Mandatory Puts, Defaults, Liquidations, Bankruptcies, Stock Splits, Mandatory Exchanges	At posting of funds or securities received	None	Upon receipt
Full and Partial Calls	Later of 10 business days prior to expiration or receipt of notice	None	Upon receipt

**NOTE:** Fractional shares/par amounts resulting from any of the above will be sold.

## EXHIBIT C

### Fund Names

Each a Separate Series of  
Trust for Professional Managers

<u>Name of Series</u>	<u>Date Added</u>
The Appleton Group Fund	May 2, 2005
The Appleton Group PLUS Fund	May 2, 2005

***U.S. Bank National Association.  
Domestic Custody Fee Schedule***

Annual fee based upon market value per fund\*:

1 basis point on fund assets

Minimum annual fee per fund - \$6,000

Portfolio Transaction Fees

\$ 7.00 per US Bank repurchase agreement transaction

\$ 9.00 per book entry security (depository or Federal Reserve system) and non-US Bank repurchase agrmt

\$25.00 per portfolio transaction processed through our New York custodian definitive security (physical)

\$ 8.00 per principal paydown

\$15.00 per option/future contract written, exercised or expired

\$50.00 per Cedel/Euroclear transaction

\$15.00 per mutual fund trade

\$15.00 per Fed Wire

\$15.00 per margin variation Fed wire

\$ 6.00 per short sale

ReportSource - \$150 /month - Web reporting

- A transaction is a purchase/sale of a security, free receipt/free delivery, maturity, tender or exchange.
- No charge for the initial conversion free receipt.
- Overdrafts - charged to the account at prime interest rate plus 2.
- Plus out-of-pocket expenses, and extraordinary expenses based upon complexity, including items such as shipping fees or transfer fees.

Fees are billed monthly.

\* Subject to CPI increase, Milwaukee MSA.

# FUND ADMINISTRATION SERVICING AGREEMENT

THIS AGREEMENT is made and entered into as of this 2<sup>nd</sup> day of May, 2005, by and between Trust for Professional Managers, a Delaware business trust (the “Trust”) on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund and U.S. Bancorp Fund Services, LLC, a Wisconsin limited liability company (“USBFS”).

WHEREAS, the Trust is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as an open-end management investment company, and is authorized to issue shares of beneficial interest in separate series, with each such series representing interests in a separate portfolio of securities and other assets;

WHEREAS, USBFS is, among other things, in the business of providing fund administration services for the benefit of its customers; and

WHEREAS, the Trust desires to retain USBFS to provide fund administration services for each series of the Trust listed on Exhibit A hereto (as amended from time to time) (each a “Fund”, collectively the “Funds”).

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

## 1. Appointment of USBFS as Administrator

The Trust hereby appoints USBFS as administrator of the Trust on the terms and conditions set forth in this Agreement, and USBFS hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement.

## 2. Services and Duties of USBFS

USBFS shall provide the following fund administration services for the Funds, including but not limited to:

### A. General Fund Management:

(1) Act as liaison among all Fund service providers.

### (2) Supply:

a. Corporate secretarial services.

b. Office facilities (which may be in USBFS’ s or its affiliate’ s own offices).

c. Non-investment-related statistical and research data as needed.

### (3) Coordinate the Trust’ s Board of Trustees’ (the “Board of Trustees” or the “Trustees”) communications, such as:

a. Establish meeting agendas.

b. Prepare reports for the Board of Trustees based on financial and administrative data.

c. Assist in Engaging Independent Auditor.

- d. Secure and monitor fidelity bond and director and officer liability coverage, and make the necessary Securities and Exchange Commission (the “SEC”) filings relating thereto.
  - e. Prepare minutes of meetings of the Board of Trustees and Fund shareholders.
  - f. Recommend dividend declarations to the Board of Trustees, prepare and distribute to appropriate parties notices announcing declaration of dividends and other distributions to shareholders.
  - g. Provide personnel to serve as officers of the Trust if so elected by the Board of Trustees, attend Board of Trustees meetings and present materials for Trustees’ review at such meetings.
- (4) Audits:
- a. Prepare appropriate schedules and assist independent auditors.
  - b. Provide information to the SEC and facilitate audit process.
  - c. Provide office facilities.
- (5) Assist in overall operations of the Fund.
- (6) Pay Fund expenses upon written authorization from the Trust.
- (7) Monitor arrangements under shareholder services or similar plan.

B. Compliance:

(1) Regulatory Compliance:

- a. Monitor compliance with the 1940 Act requirements, including:
  - (i) Asset diversification tests.
  - (ii) Total return and SEC yield calculations.
  - (iii) Maintenance of books and records under Rule 31a-3.
  - (iv) Code of Ethics requirements for the disinterested Trustees of the Fund.

b. Monitor Fund's compliance with the policies and investment limitations of the Trust as set forth in its current prospectus (the “Prospectus”) and statement of additional information (the “SAI”).

c. Maintain awareness of applicable regulatory and operational service issues and recommend dispositions.

(2) Blue Sky Compliance:

- a. Prepare and file with the appropriate state securities authorities any and all required compliance filings relating to the qualification of the securities of the Trust, each Fund, or class of shares of a Fund, as applicable, so as to enable the Trust to make a continuous offering of its shares in all states.
- b. Monitor status and maintain registrations in each state.
- c. Provide information regarding material developments in state securities regulation.



- (3) SEC Registration and Reporting:
- a. Assist Fund counsel in updating the Prospectus and SAI and in preparing proxy statements and Rule 24f-2 notices.
  - b. Prepare and file annual and semiannual reports, Form N-SAR filings, Form N-Q filings and Rule 24f-2 notices.
  - c. Coordinate the printing, filing and mailing of publicly disseminated Prospectuses and reports, and amendments and supplements thereto.
  - d. File fidelity bond under Rule 17g-1.
  - e. File shareholder reports on Form N-CSR under Rule 30b2-1.
  - f. Monitor sales of each Fund' s shares and ensure that such shares are properly registered or qualified, as applicable, with the SEC and the appropriate state authorities.
  - g. File proxy votes on Form N-PX.

- (4) IRS Compliance:
- a. Monitor the Trust' s status as a regulated investment company under Subchapter M, including without limitation, review of the following:
    - (i) Asset diversification requirements.
    - (ii) Qualifying income requirements.
    - (iii) Distribution requirements.
  - b. Calculate required distributions (including excise tax distributions).

- C. Financial Reporting:
- (1) Provide financial data required by the Fund' s Prospectus and SAI.
  - (2) Prepare financial reports for officers, shareholders, tax authorities, performance reporting companies, the Board of Trustees, the SEC, and independent auditors.
  - (3) Supervise the Trust' s custodian and fund accountants in the maintenance of the Trust' s general ledger and in the preparation of the Fund' s financial statements, including oversight of expense accruals and payments, of the determination of net asset value of the Trust' s net assets and of the Trust' s shares, and of the declaration and payment of dividends and other distributions to shareholders.
  - (4) Compute the yield, total return and expense ratio of each class of each Fund, and each Fund' s portfolio turnover rate.
  - (5) Monitor the expense accruals and notify the Trust' s management of any proposed adjustments.
  - (6) Prepare monthly financial statements, which include without limitation the following items:
    - a. Schedule of Investments.
    - b. Statement of Assets and Liabilities.
    - c. Statement of Operations.
    - d. Statement of Changes in Net Assets.
    - e. Cash Statement.
    - f. Schedule of Capital Gains and Losses.
  - (7) Prepare quarterly broker security transaction summaries.

- D. Tax Reporting:
- (1) Prepare and file on a timely basis appropriate federal and state tax returns including, without limitation, Forms 1120/8610 with any necessary schedules.
  - (2) Prepare state income breakdowns where relevant.
  - (3) File Form 1099 Miscellaneous for payments to Trustees and other service providers.
  - (4) Monitor wash sale losses.
  - (5) Calculate eligible dividend income for corporate shareholders.

### 3. Compensation

USBFS shall be compensated for providing the services set forth in this Agreement in accordance with the fee schedule set forth on Exhibit B hereto (as amended from time to time). The Trust shall pay all fees and reimbursable expenses within thirty (30) calendar days following receipt of the billing notice, except for any fee or expense subject to a good faith dispute. The Trust shall notify USBFS in writing within thirty (30) calendar days following receipt of each invoice if the Trust is disputing any amounts in good faith. The Trust shall settle such disputed amounts within ten (10) calendar days of the day on which the parties agree to the amount to be paid. With the exception of any fee or expense the Trust is disputing in good faith as set forth above, unpaid invoices shall accrue a finance charge of one and one-half percent (1½%) per month, after the due date. Notwithstanding anything to the contrary, amounts owed by the Trust to USBFS shall only be paid out of the assets and property of the particular Fund involved.

### 4. Indemnification; Limitation of Liability

- A. USBFS shall exercise reasonable care in the performance of its duties under this Agreement. USBFS shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with matters to which this Agreement relates, including losses resulting from mechanical breakdowns or the failure of communication or power supplies beyond USBFS' s control, except a loss arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence, or willful misconduct on its part in the performance of its duties under this Agreement. Notwithstanding any other provision of this Agreement, if USBFS has exercised reasonable care in the performance of its duties under this Agreement, the Trust shall indemnify and hold harmless USBFS from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) which USBFS may sustain or incur or which may be asserted against USBFS by any person arising out of any action taken or omitted to be taken by it in performing the services hereunder, except for any and all claims, demands, losses, expenses, and liabilities arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence or from willful misconduct on its part in performance of its duties under this Agreement, (i) in accordance with the foregoing standards, or (ii) in reliance upon any written or oral instruction provided to USBFS by any duly authorized officer of the Trust, such duly authorized officer to be included in a list of authorized officers furnished to USBFS and as amended from time to time in writing by resolution of the Board of Trustees.

USBFS shall indemnify and hold the Trust harmless from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) that the

Trust may sustain or incur or that may be asserted against the Trust by any person arising out of any action taken or omitted to be taken by USBFS as a result of USBFS' s refusal or failure to comply with the terms of this Agreement, its bad faith, negligence, or willful misconduct.

In the event of a mechanical breakdown or failure of communication or power supplies beyond its control, USBFS shall take all reasonable steps to minimize service interruptions for any period that such interruption continues beyond USBFS' s control. USBFS will make every reasonable effort to restore any lost or damaged data and correct any errors resulting from such a breakdown at the expense of USBFS. USBFS agrees that it shall, at all times, have reasonable contingency plans with appropriate parties, making reasonable provision for emergency use of electrical data processing equipment to the extent appropriate equipment is available. Representatives of the Trust shall be entitled to inspect USBFS' s premises and operating capabilities at any time during regular business hours of USBFS, upon reasonable notice to USBFS.

Notwithstanding the above, USBFS reserves the right to reprocess and correct administrative errors at its own expense.

In order that the indemnification provisions contained in this section shall apply, it is understood that if in any case the indemnitor may be asked to indemnify or hold the indemnitee harmless, the indemnitor shall be fully and promptly advised of all pertinent facts concerning the situation in question, and it is further understood that the indemnitee will use all reasonable care to notify the indemnitor promptly concerning any situation that presents or appears likely to present the probability of a claim for indemnification. The indemnitor shall have the option to defend the indemnitee against any claim that may be the subject of this indemnification. In the event that the indemnitor so elects, it will so notify the indemnitee and thereupon the indemnitor shall take over complete defense of the claim, and the indemnitee shall in such situation initiate no further legal or other expenses for which it shall seek indemnification under this section. The indemnitee shall in no case confess any claim or make any compromise in any case in which the indemnitor will be asked to indemnify the indemnitee except with the indemnitor' s prior written consent.

B.

## **5. Proprietary and Confidential Information**

USBFS agrees on behalf of itself and its directors, officers, and employees to treat confidentially and as proprietary information of the Trust all records and other information relative to the Trust and prior, present, or potential shareholders of the Trust (and clients of said shareholders), and not to use such records and information for any purpose other than the performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Trust, which approval shall not be unreasonably withheld and may not be withheld where USBFS may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Trust.

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Further, USBFS will adhere to the privacy policies adopted by the Trust pursuant to Title V of the Gramm-Leach-Bliley Act, as may be modified from time to time (the "Act"). Notwithstanding the foregoing, USBFS

will not share any nonpublic personal information concerning any of the Trust's shareholders to any third party unless specifically directed by the Trust or allowed under one of the exceptions noted under the Act.

## **6. Term of Agreement; Amendment**

This Agreement shall become effective as of the date first written above and will continue in effect for a period of three years. Subsequent to the initial three-year term, this Agreement may be terminated by either party upon giving ninety (90) days prior written notice to the other party or such shorter period as is mutually agreed upon by the parties. However, this Agreement may be amended by mutual written consent of the parties.

## **7. Records**

USBFS shall keep records relating to the services to be performed hereunder in the form and manner, and for such period, as it may deem advisable and is agreeable to the Trust, but not inconsistent with the rules and regulations of appropriate government authorities, in particular, Section 31 of the 1940 Act and the rules thereunder. USBFS agrees that all such records prepared or maintained by USBFS relating to the services to be performed by USBFS hereunder are the property of the Trust and will be preserved, maintained, and made available in accordance with such applicable sections and rules of the 1940 Act and will be promptly surrendered to the Trust on and in accordance with its request.

## **8. Governing Law**

This Agreement shall be construed in accordance with the laws of the State of Wisconsin, without regard to conflicts of law principles. To the extent that the applicable laws of the State of Wisconsin, or any of the provisions herein, conflict with the applicable provisions of the 1940 Act, the latter shall control, and nothing herein shall be construed in a manner inconsistent with the 1940 Act or any rule or order of the SEC thereunder.

## **9. Duties in the Event of Termination**

In the event that, in connection with termination, a successor to any of USBFS's duties or responsibilities hereunder is designated by the Trust by written notice to USBFS, USBFS will promptly, upon such termination and at the expense of the Trust, transfer to such successor all relevant books, records, correspondence, and other data established or maintained by USBFS under this Agreement in a form reasonably acceptable to the Trust (if such form differs from the form in which USBFS has maintained, the Trust shall pay any expenses associated with transferring the data to such form), and will cooperate in the transfer of such duties and responsibilities, including provision for assistance from USBFS's personnel in the establishment of books, records, and other data by such successor.

## **10. No Agency Relationship**

Nothing herein contained shall be deemed to authorize or empower USBFS to act as agent for the other party to this Agreement, or to conduct business in the name, or for the account, of the other party to this Agreement.

**11. Data Necessary to Perform Services**

The Trust or its agent shall furnish to USBFS the data necessary to perform the services described herein at such times and in such form as mutually agreed upon. If USBFS is also acting in another capacity for the Trust, nothing herein shall be deemed to relieve USBFS of any of its obligations in such capacity.

**12. Assignment**

This Agreement may not be assigned by either party without the prior written consent of the other party.

**13. Notices**

Any notice required or permitted to be given by either party to the other shall be in writing and shall be deemed to have been given on the date delivered personally or by courier service, or three (3) days after sent by registered or certified mail, postage prepaid, return receipt requested, or on the date sent and confirmed received by facsimile transmission to the other party' s address set forth below:

Notice to USBFS shall be sent to:

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

and notice to the Trust shall be sent to:

Chad E. Fickett, Secretary  
615 East Michigan Street  
Milwaukee, WI 53202

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer on one or more counterparts as of the date first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

**U.S. BANCORP FUND SERVICES, LLC**

By: /s/ Mark Scheffler

By: /s/ Joseph Neuberger

Title: Senior Portfolio Manager

Title: Senior Vice President

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**Exhibit A  
to the  
Fund Accounting Servicing Agreement**

## Fund Names

### Separate Series of Trust for Professional Managers

Name of Series

Date Added

The Appleton Group Fund

May 2, 2005

The Appleton Group PLUS Fund

May 2, 2005

# TRANSFER AGENT SERVICING AGREEMENT

THIS AGREEMENT is made and entered into as of this 2<sup>nd</sup> day of May, 2005, by and between the Trust for Professional Managers, a Delaware business Trust (the "Trust"), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund and U.S. Bancorp Fund Services, LLC, a Wisconsin limited liability company ("USBFS").

WHEREAS, the Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is authorized to issue shares of beneficial interest in separate series, with each such series representing interests in a separate portfolio of securities and other assets;

WHEREAS, USBFS is, among other things, in the business of administering transfer and dividend disbursing agent functions for the benefit of its customers; and

WHEREAS, the Trust desires to retain USBFS to provide transfer and dividend disbursing agent services to each series of the Trust listed on Exhibit A hereto (as amended from time to time) (each a "Fund", collectively the "Funds").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

## 1. Appointment of USBFS as Transfer Agent

The Trust hereby appoints USBFS as transfer agent of the Trust on the terms and conditions set forth in this Agreement, and USBFS hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement.

## 2. Services and Duties of USBFS

USBFS shall perform all of the customary services of a transfer agent and dividend disbursing agent for the Funds, and as relevant, agent in connection with accumulation, open account or similar plans (including without limitation any periodic investment plan or periodic withdrawal program), including but not limited to:

- A. Receive and process all orders for the purchase, exchange, and/or redemption of shares in accordance with Rule 22c-1 of the Investment Company Act of 1940 ("the 1940 Act").
- B. Process purchase orders with prompt delivery, where appropriate, of payment and supporting documentation to the Trust's custodian, and issue the appropriate number of uncertificated shares with such uncertificated shares being held in the appropriate shareholder account.
- C. Arrange for issuance of shares obtained through transfers of funds from Fund shareholders' accounts at financial institutions and arrange for the exchange of shares for shares of other eligible investment companies, when permitted by the Fund's current prospectus ("Prospectus").
- D. Process redemption requests received in good order and, where relevant, deliver appropriate documentation to the Trust's custodian.

- E. Pay monies upon receipt from the Trust's custodian, where relevant, in accordance with the instructions of redeeming shareholders.
- F. Process transfers of shares in accordance with the shareholder's instructions.
- G. Process exchanges between Funds and/or classes of shares of Funds both within the same family of funds and with a First American Money Market Fund, if applicable.
- H. Prepare and transmit payments for dividends and distributions declared by the Trust with respect to the Fund, after deducting any amount required to be withheld by any applicable laws, rules and regulations and in accordance with shareholder instructions.
- I. Make changes to shareholder records, including, but not limited to, address changes in plans (e.g., systematic withdrawal, automatic investment, dividend reinvestment).
- J. Record the issuance of shares of the Fund and maintain, pursuant to Rule 17Ad-10(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), a record of the total number of shares of the Fund which are authorized, issued and outstanding.
- K. Prepare shareholder meeting lists and, if applicable, mail, receive and tabulate proxies.
- L. Mail shareholder reports and Prospectuses to current shareholders.
- M. Prepare and file U.S. Treasury Department Forms 1099 and other appropriate information returns required with respect to dividends and distributions for all shareholders.
- N. Provide shareholder account information upon request and prepare and mail confirmations and statements of account to shareholders for all purchases, redemptions and other confirmable transactions as agreed upon with the Trust.

- O. Mail requests for shareholders' certifications under penalties of perjury and pay on a timely basis to the appropriate federal authorities any taxes to be withheld on dividends and distributions paid by the Trust, all as required by applicable federal tax laws and regulations.
- P. Provide a Blue Sky system that will enable the Trust to monitor the total number of shares of the Fund sold in each state. In addition, the Trust or its agent, including USBFS, shall identify to USBFS in writing those transactions and assets to be treated as exempt from the Blue Sky reporting for each state. The responsibility of USBFS for the Trust's Blue Sky state registration status is solely limited to the initial compliance by the Trust and the reporting of such transactions to the Trust or its agent.
- Q. Answer correspondence from shareholders, securities brokers and others relating to USBFS' s duties hereunder and such other correspondence as may from time to time be mutually agreed upon between USBFS and the Trust.
- R. Reimburse the Fund each month for all material losses resulting from "as of" processing errors for which USBFS is responsible in accordance with the "as of" processing guidelines set forth on Exhibit C hereto.



### **3. Representations of USBFS**

USBFS represents and warrants to the Trust that:

- A. It is a limited liability corporation duly organized, existing and in good standing under the laws of Wisconsin;
- B. It is a registered transfer agent under the Exchange Act.
- C. It is duly qualified to carry on its business in the State of Wisconsin;
- D. It is empowered under applicable laws and by its charter and bylaws to enter into and perform this Agreement;
- E. All requisite corporate proceedings have been taken to authorize it to enter and perform this Agreement;
- F. It has and will continue to have access to the necessary facilities, equipment and personnel to perform its duties and obligations under this Agreement; and
- G. It will comply with all applicable requirements of the Securities Act of 1933, as amended, and the Exchange Act, the 1940 Act, and any laws, rules, and regulations of governmental authorities having jurisdiction.

### **4. Representations of the Trust**

The Trust represents and warrants to USBFS that:

- A. The Trust is an open-end investment company under the 1940 Act;
- B. The Trust is a business trust organized, existing, and in good standing under the laws of Delaware;
- C. The Trust is empowered under applicable laws and by its Declaration of Trust and Bylaws to enter into and perform this Agreement;
- D. All necessary proceedings required by the Declaration of Trust have been taken to authorize it to enter into and perform this Agreement;
- E. The Trust will comply with all applicable requirements of the Securities Act, the Exchange Act, the 1940 Act, and any laws, rules and regulations of governmental authorities having jurisdiction; and
- F. A registration statement under the Securities Act will be made effective and will remain effective, and appropriate state securities law filings have been made and will continue to be made, with respect to all shares of the Trust being offered for sale.

### **5. Compensation**

USBFS shall be compensated for providing the services set forth in this Agreement in accordance with the fee schedule set forth on Exhibit B hereto (as amended from time to time). The Trust shall pay all fees and reimbursable expenses within thirty (30) calendar days following receipt of the billing notice, except for any fee or expense subject to a good faith dispute. The Trust shall notify USBFS in writing within thirty (30) calendar days following receipt of each invoice if the Trust is disputing any amounts in good faith. The Trust shall settle such disputed amounts within ten (10) calendar days of the day on which the parties agree to the amount to be paid. With the exception of any fee or expense the Trust is disputing in good faith as set forth above, unpaid invoices shall accrue a finance charge of one and one-half percent (1½%) per month, after the due date. Notwithstanding anything to the contrary, amounts owed by the Trust to USBFS shall only be paid out of assets and property of the particular Fund involved.

## 6. Indemnification; Limitation of Liability

A. USBFS shall exercise reasonable care in the performance of its duties under this Agreement. USBFS shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with matters to which this Agreement relates, including losses resulting from mechanical breakdowns or the failure of communication or power supplies beyond USBFS' s control, except a loss arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence, or willful misconduct on its part in the performance of its duties under this Agreement. Notwithstanding any other provision of this Agreement, if USBFS has exercised reasonable care in the performance of its duties under this Agreement, the Trust shall indemnify and hold harmless USBFS from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) which USBFS may sustain or incur or which may be asserted against USBFS by any person arising out of any action taken or omitted to be taken by it in performing the services hereunder, except for any and all claims, demands, losses, expenses, and liabilities arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence or from willful misconduct on its part in performance of its duties under this Agreement, (i) in accordance with the foregoing standards, or (ii) in reliance upon any written or oral instruction provided to USBFS by any duly authorized officer of the Trust, such duly authorized officer to be included in a list of authorized officers furnished to USBFS and as amended from time to time in writing by resolution of the Board of Trustees of the Trust (the "Board of Trustees" or "Trustees").

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USBFS shall indemnify and hold the Trust harmless from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) that the Trust may sustain or incur or that may be asserted against the Trust by any person arising out of any action taken or omitted to be taken by USBFS as a result of USBFS' s refusal or failure to comply with the terms of this Agreement, its bad faith, negligence, or willful misconduct.

In the event of a mechanical breakdown or failure of communication or power supplies beyond its control, USBFS shall take all reasonable steps to minimize service interruptions for any period that such interruption continues beyond USBFS' s control. USBFS will make every reasonable effort to restore any lost or damaged data and correct any errors resulting from such a breakdown at the expense of USBFS. USBFS agrees that it shall, at all times, have reasonable contingency plans with appropriate parties, making reasonable provision for emergency use of electrical data processing equipment to the extent appropriate equipment is available. Representatives of the Trust shall be entitled to inspect USBFS' s premises and operating capabilities at any time during regular business hours of USBFS, upon reasonable notice to USBFS.

- B. In order that the indemnification provisions contained in this section shall apply, it is understood that if in any case the indemnitor may be asked to indemnify or hold the indemnitee harmless, the indemnitor shall be fully and promptly advised of all pertinent facts concerning the situation in question, and it is further understood that the indemnitee will use all reasonable care to notify the indemnitor promptly concerning any situation that presents or appears likely to present the probability of a claim for indemnification. The indemnitor shall have the option to defend the indemnitee against any claim that may be the subject of this indemnification. In the event that the indemnitor so elects, it will so notify the indemnitee and thereupon the indemnitor shall take over complete defense of the claim, and the indemnitee shall in such situation initiate no further legal or other expenses for which it shall seek indemnification under this section. The indemnitee shall in no case confess any claim or make any compromise in any case in which the indemnitor will be asked to indemnify the indemnitee except with the indemnitor's prior written consent.

## **7. Proprietary and Confidential Information**

USBFS agrees on behalf of itself and its directors, officers, and employees to treat confidentially and as proprietary information of the Trust all records and other information relative to the Trust and prior, present, or potential shareholders (and clients of said shareholders) and not to use such records and information for any purpose other than the performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Trust, which approval shall not be unreasonably withheld and may not be withheld where USBFS may be exposed to civil or criminal contempt proceedings for failure to comply after being requested to divulge such information by duly constituted authorities, or when so requested by the Trust.

Further, USBFS will adhere to the privacy policies adopted by the Trust pursuant to Title V of the Gramm-Leach-Bliley Act, as may be modified from time to time (the "Act"). Notwithstanding the foregoing, USBFS will not share any nonpublic personal information concerning any of the Trust's shareholders with any third party unless specifically directed by the Trust or allowed under one of the exceptions noted under the Act.

## **8. Anti-Money Laundering Program**

The Trust acknowledges that it has had an opportunity to review, consider and comment upon the procedures provided by USBFS describing various tools designed to promote the detection and reporting of potential money laundering activity by monitoring certain aspects of shareholder activity (the "Monitoring Procedures") as well as written procedures for verifying a customer's identity (the "Customer Identification Procedures"), together referred to as the "Procedures," and the Trust has determined that the Procedures, as part of the Trust's overall anti-money laundering program, are reasonably designed to prevent the Fund from being used for money laundering or the financing of terrorist activities and to achieve compliance with the applicable provision of the Bank Secrecy Act and the implementing regulations thereunder.

Based on this determination, the Trust hereby instructs and directs USBFS to implement the Procedures on the Trust's behalf, as such may be amended or revised from time to time.

It is contemplated that these Procedures will be amended from time to time by the parties as additional regulations are adopted and/or regulatory guidance is provided relating to the Trust's anti-money laundering responsibilities.

USBFS agrees to provide to the Trust:

- (a) Prompt written notification of any transaction or combination of transactions that USBFS believes, based on the Procedures, evidence money laundering activity in connection with the Trust or any shareholder of the Fund;
- (b) Prompt written notification of any customer(s) that USBFS reasonably believes, based upon the Procedures, to be engaged in money laundering activity, provided that the Trust agrees not to communicate this information to the customer;
- (c) Any reports received by USBFS from any government agency or applicable industry self-regulatory organization pertaining to USBFS's anti-money laundering monitoring on behalf of the Trust;
- (d) Prompt written notification of any action taken in response to anti-money laundering violations as described in (a), (b) or (c); and
- (e) A certified annual report of its monitoring and customer identification activities on behalf of the Trust. USBFS shall provide such other reports on the monitoring and customer identification activities conducted at the direction of the Trust as may be agreed to from time to time by USBFS and the Trust.

The Trust hereby directs, and USBFS acknowledges, that USBFS shall (i) permit federal regulators access to such information and records maintained by USBFS and relating to USBFS's implementation of the Procedures on behalf of the Trust, as they may request, and (ii) permit such federal regulators to inspect USBFS's implementation of the Procedures on behalf of the Trust.

## **9. Term of Agreement; Amendment**

This Agreement shall become effective as of the date first written above and will continue in effect for a period of three years. Subsequent to the initial three-year term, this Agreement may be terminated by either party upon giving ninety (90) days prior written notice to the other party or such shorter period as is mutually agreed upon by the parties. However, this Agreement may be amended by mutual written consent of the parties.

## **10. Duties in the Event of Termination**

In the event that, in connection with termination, a successor to any of USBFS's duties or responsibilities hereunder is designated by the Trust by written notice to USBFS, USBFS will promptly, upon such termination and at the expense of the Trust, transfer to such successor all relevant books, records, correspondence, and other data established or maintained by USBFS under this Agreement in a form reasonably acceptable to the Trust (if such form differs from the form in which USBFS has maintained, the Trust shall pay any expenses associated with transferring the data to such form), and will cooperate in the transfer of such duties and responsibilities, including provision for assistance from USBFS's personnel in the establishment of books, records, and other data by such successor.

## 11. Records

USBFS shall keep records relating to the services to be performed hereunder in the form and manner, and for such period, as it may deem advisable and is agreeable to the Trust, but not inconsistent with the rules and regulations of appropriate government authorities, in particular, Section 31 of the 1940 Act and the rules thereunder. USBFS agrees that all such records prepared or maintained by USBFS relating to the services to be performed by USBFS hereunder are the property of the Trust and will be preserved, maintained, and made available in accordance with such applicable sections and rules of the 1940 Act and will be promptly surrendered to the Trust on and in accordance with its request. Further, federal examiners shall have access to information and records relating to anti-money laundering activities performed by USBFS hereunder and USBFS consents to any inspection authorized by law or regulation in connection thereof.

## 12. Governing Law

This Agreement shall be construed in accordance with the laws of the State of Wisconsin, without regard to conflicts of law principles. To the extent that the applicable laws of the State of Wisconsin, or any of the provisions herein, conflict with the applicable provisions of the 1940 Act, the latter shall control, and nothing herein shall be construed in a manner inconsistent with the 1940 Act or any rule or order of the Securities and Exchange Commission thereunder.

## 13. Data Necessary to Perform Services

The Trust or its agent, which may be USBFS, shall furnish to USBFS the data necessary to perform the services described herein at such times and in such form as mutually agreed upon. If USBFS is also acting in another capacity for the Trust, nothing herein shall be deemed to relieve USBFS of any of its obligations in such capacity.

## 14. Assignment

This Agreement may not be assigned by either party without the prior written consent of the other party.

## 15. Notices

Any notice required or permitted to be given by either party to the other shall be in writing and shall be deemed to have been given on the date delivered personally or by courier service, or three (3) days after sent by registered or certified mail, postage prepaid, return receipt requested, or on the date sent and confirmed received by facsimile transmission to the other party's address set forth below:

Notice to USBFS shall be sent to:

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

and notice to the Trust shall be sent to:

Chad E. Fickett, Secretary  
615 East Michigan Street  
Milwaukee, WI 53202

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer on one or more counterparts as of the date first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

**U.S. BANCORP FUND SERVICES, LLC**

By: /s/ Mark Scheffler

By: /s/ Joseph Neuberger

Title: Senior Portfolio Manager

Title: Senior Vice President

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**Exhibit A  
to the  
Transfer Agent Servicing Agreement**

**Fund Names**

Separate Series of Trust for Professional Managers

Name Series Added	of Date
The Appleton Group Fund	May 2, 2005
The Appleton Group PLUS Fund	May 2, 2005

## FUND ACCOUNTING SERVICING AGREEMENT

THIS AGREEMENT is made and entered into as of this 2<sup>nd</sup> day of May, 2005, by and between the Trust for Professional Managers, a Delaware business Trust (the "Trust") on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund and U.S. Bancorp Fund Services, LLC, a Wisconsin limited liability company ("USBFS").

WHEREAS, the Trust is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company, and is authorized to issue shares of beneficial interest in separate series, with each such series representing interests in a separate portfolio of securities and other assets;

WHEREAS, USBFS is, among other things, in the business of providing mutual fund accounting services to investment companies; and

WHEREAS, the Trust desires to retain USBFS to provide accounting services to each series of the Trust listed on Exhibit A hereto (as amended from time to time) (each a "Fund", collectively the "Funds").

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

### 1. Appointment of USBFS as Fund Accountant

The Trust hereby appoints USBFS as fund accountant of the Trust on the terms and conditions set forth in this Agreement, and USBFS hereby accepts such appointment and agrees to perform the services and duties set forth in this Agreement.

### 2. Services and Duties of USBFS

USBFS shall provide the following fund accounting services for the Funds, including but not limited to:

#### A. Portfolio Accounting Services:

- (1) Maintain portfolio records on a trade date+1 basis using security trade information communicated from the investment adviser.

- (2) For each valuation date, obtain prices from a pricing source approved by the Board of Trustees of the Trust (the "Board of Trustees" or the "Trustees") and apply those prices to the portfolio positions. For those securities where market quotations are not readily available, the Board of Trustees shall approve, in good faith, procedures for determining the fair value for such securities.

(3) Identify interest and dividend accrual balances as of each valuation date and calculate gross earnings on investments for the accounting period.

(4) Determine gain/loss on security sales and identify them as short-term or long-term; account for periodic distributions of gains or losses to shareholders and maintain undistributed gain or loss balances as of each valuation date.

B. Expense Accrual and Payment Services:

(1) For each valuation date, calculate the expense accrual amounts as directed by the Trust as to methodology, rate or dollar amount.

(2) Record payments for Fund expenses upon receipt of written authorization from the Trust.

(3) Account for Fund expenditures and maintain expense accrual balances at the level of accounting detail, as agreed upon by USBFS and the Trust.

(4) Provide expense accrual and payment reporting.

C. Fund Valuation and Financial Reporting Services:

(1) Account for Fund share purchases, sales, exchanges, transfers, dividend reinvestments, and other Fund share activity as reported by the Fund's transfer agent on a timely basis.

(2) Apply equalization accounting as directed by the Trust.

(3) Determine net investment income (earnings) for the Fund as of each valuation date. Account for periodic distributions of earnings to shareholders and maintain undistributed net investment income balances as of each valuation date.

(4) Maintain a general ledger and other accounts, books, and financial records for the Fund in the form as agreed upon.

(5) Determine the net asset value of the Fund according to the accounting policies and procedures set forth in the Fund's Prospectus.

(6) Calculate per share net asset value, per share net earnings, and other per share amounts reflective of Fund operations at such time as required by the nature and characteristics of the Fund.

(7) Communicate, at an agreed upon time, the per share price for each valuation date to parties as agreed upon from time to time.



(8) Prepare monthly reports that document the adequacy of accounting detail to support month-end ledger balances.

D. Tax Accounting Services:

(1) Maintain accounting records for the investment portfolio of the Fund to support the tax reporting required for IRS-defined regulated investment companies.

(2) Maintain tax lot detail for the Fund' s investment portfolio.

(3) Calculate taxable gain/loss on security sales using the tax lot relief method designated by the Trust.

(4) Provide the necessary financial information to support the taxable components of income and capital gains distributions to the Fund' s transfer agent to support tax reporting to the shareholders.

E. Compliance Control Services:

(1) Support reporting to regulatory bodies and support financial statement preparation by making the Fund's accounting records available to the Trust, the Securities and Exchange Commission (the "SEC"), and the outside auditors.

(2) Maintain accounting records according to the 1940 Act and regulations provided thereunder.

F. USBFS will perform the following accounting functions on a daily basis:

(1) Reconcile cash and investment balances of each Fund with the Fund' s custodian, and provide the Fund' s investment adviser with the beginning cash balance available for investment purposes.

(2) Transmit or mail a copy of the portfolio valuation to the Fund' s investment adviser.

(3) Review the impact of current day' s activity on a per share basis, and review changes in market value.

G. In addition, USBFS will:

(1) Prepare monthly security transactions listings.

(2) Supply various Trust, Fund and class statistical data as requested by the Trust on an ongoing basis.

### 3. Pricing of Securities

For each valuation date, USBFS shall obtain prices from a pricing source recommended by USBFS and approved by the Board of Trustees and apply those prices to the portfolio positions of the Fund. For those securities where market quotations are not readily available, the Board of Trustees shall approve, in good faith, procedures for determining the fair value for such securities.

If the Trust desires to provide a price that varies from the pricing source, the Trust shall promptly notify and supply USBFS with the valuation of any such security on each valuation date. All pricing changes made by the Trust will be in writing and must specifically identify the securities to be changed by CUSIP, name of security, new price or rate to be applied, and, if applicable, the time period for which the new price(s) is/are effective.

#### **4. Changes in Accounting Procedures**

Any resolution passed by the Board of Trustees that affects accounting practices and procedures under this Agreement shall be effective upon written receipt and acceptance by USBFS.

#### **5. Changes in Equipment, Systems, Service, Etc.**

USBFS reserves the right to make changes from time to time, as it deems advisable, relating to its services, systems, programs, rules, operating schedules and equipment, so long as such changes do not adversely affect the service provided to the Trust under this Agreement.

#### **6. Compensation**

USBFS shall be compensated for providing the services set forth in this Agreement in accordance with the fee schedule set forth on Exhibit B hereto (as amended from time to time). The Trust shall pay all fees and reimbursable expenses within thirty (30) calendar days following receipt of the billing notice, except for any fee or expense subject to a good faith dispute. The Trust shall notify USBFS in writing within thirty (30) calendar days following receipt of each invoice if the Trust is disputing any amounts in good faith. The Trust shall settle such disputed amounts within ten (10) calendar days of the day on which the parties agree to the amount to be paid. With the exception of any fee or expense the Trust is disputing in good faith as set forth above, unpaid invoices shall accrue a finance charge of one and one-half percent (1½%) per month, after the due date. Notwithstanding anything to the contrary, amounts owed by the Trust to USBFS shall only be paid out of the assets and property of the particular Fund involved.

#### **7. Indemnification; Limitation of Liability**

USBFS shall exercise reasonable care in the performance of its duties under this Agreement. USBFS shall not be liable for any error of judgment or mistake of law or for any loss suffered by the Trust in connection with matters to which this Agreement relates, including losses resulting from mechanical breakdowns or the failure of communication or power supplies beyond USBFS' s control, except a loss arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence, or willful misconduct on its part in the performance of its duties under this Agreement. Notwithstanding any other provision of this Agreement, if USBFS has exercised reasonable

care in the performance of its duties under this Agreement, the Trust shall indemnify and hold harmless USBFS from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) that USBFS may sustain or incur or that may be asserted against USBFS by any person arising out of any action taken or omitted to be taken by it in performing the services hereunder, except for any and all claims, demands, losses, expenses, and liabilities arising out of or relating to USBFS' s refusal or failure to comply with the terms of this Agreement or from bad faith, negligence or from willful misconduct on its part in performance of its duties under this Agreement, (i) in accordance with the foregoing standards, or (ii) in reliance upon any written or oral instruction provided to USBFS by any duly authorized officer of the Trust, such duly authorized officer to be included in a list of authorized officers furnished to USBFS and as amended from time to time in writing by resolution of the Board of Trustees.

USBFS shall indemnify and hold the Trust harmless from and against any and all claims, demands, losses, expenses, and liabilities of any and every nature (including reasonable attorneys' fees) that the Trust may sustain or incur or that may be asserted against the Trust by any person arising out of any action taken or omitted to be taken by USBFS as a result of USBFS' s refusal or failure to comply with the terms of this Agreement, its bad faith, negligence, or willful misconduct.

In the event of a mechanical breakdown or failure of communication or power supplies beyond its control, USBFS shall take all reasonable steps to minimize service interruptions for any period that such interruption continues beyond USBFS' s control. USBFS will make every reasonable effort to restore any lost or damaged data and correct any errors resulting from such a breakdown at the expense of USBFS. USBFS agrees that it shall, at all times, have reasonable contingency plans with appropriate parties, making reasonable provision for emergency use of electrical data processing equipment to the extent appropriate equipment is available. Representatives of the Trust shall be entitled to inspect USBFS' s premises and operating capabilities at any time during regular business hours of USBFS, upon reasonable notice to USBFS.

Notwithstanding the above, USBFS reserves the right to reprocess and correct administrative errors at its own expense.

B. In order that the indemnification provisions contained in this section shall apply, it is understood that if in any case the indemnitor may be asked to indemnify or hold the indemnitee harmless, the indemnitor shall be fully and promptly advised of all pertinent facts concerning the situation in question, and it is further understood that the indemnitee will use all reasonable care to notify the indemnitor promptly concerning any situation that presents or appears likely to present the probability of a claim for indemnification. The indemnitor shall have the option to defend the indemnitee against any claim that may be the subject of this indemnification. In the event that the indemnitor so elects, it will so notify the indemnitee and thereupon the indemnitor shall take over complete defense of the claim, and the indemnitee shall in such situation initiate no further legal or other expenses for which it shall seek indemnification under this section. Indemnitee shall in no case confess any claim or make any compromise in any case in which the indemnitor will be asked to indemnify the indemnitee except with the indemnitor' s prior written consent.

## **8. Proprietary and Confidential Information**

USBFS agrees on behalf of itself and its directors, officers, and employees to treat confidentially and as proprietary information of the Trust all records and other information relative to the Trust and prior, present, or potential shareholders of the Trust (and clients of said shareholders), and not to use such records and information for any purpose other than the performance of its responsibilities and duties hereunder, except after prior notification to and approval in writing by the Trust, which approval shall not be unreasonably withheld and may not be withheld where USBFS may be exposed to civil or criminal contempt proceedings for failure to comply, when requested to divulge such information by duly constituted authorities, or when so requested by the Trust.

Further, USBFS will adhere to the privacy policies adopted by the Trust pursuant to Title V of the Gramm-Leach-Bliley Act, as may be modified from time to time (the "Act"). Notwithstanding the foregoing, USBFS will not share any nonpublic personal information concerning any of the Trust's shareholders to any third party unless specifically directed by the Trust or allowed under one of the exceptions noted under the Act.

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## **9. Term of Agreement; Amendment**

This Agreement shall become effective as of the date first written above and will continue in effect for a period of three years. Subsequent to the initial three-year term, this Agreement may be terminated by either party upon giving ninety (90) days prior written notice to the other party or such shorter period as is mutually agreed upon by the parties. However, this Agreement may be amended by mutual written consent of the parties.

## **10. Records**

USBFS shall keep records relating to the services to be performed hereunder in the form and manner, and for such period, as it may deem advisable and is agreeable to the Trust, but not inconsistent with the rules and regulations of appropriate government authorities, in particular, Section 31 of the 1940 Act and the rules thereunder. USBFS agrees that all such records prepared or maintained by USBFS relating to the services to be performed by USBFS hereunder are the property of the Trust and will be preserved, maintained, and made available in accordance with such applicable sections and rules of the 1940 Act and will be promptly surrendered to the Trust on and in accordance with its request.

## **11. Governing Law**

This Agreement shall be construed in accordance with the laws of the State of Wisconsin, without regard to conflicts of law principles. To the extent that the applicable laws of the State of Wisconsin, or any of the provisions herein, conflict with the applicable provisions of the 1940 Act, the latter shall control, and nothing herein shall be construed in a manner inconsistent with the 1940 Act or any rule or order of the SEC thereunder.

## **12. Duties in the Event of Termination**

In the event that, in connection with termination, a successor to any of USBFS's duties or responsibilities hereunder is designated by the Trust by written notice to USBFS, USBFS will promptly, upon such termination and at the expense of the Trust, transfer to such successor all relevant books, records, correspondence and

other data established or maintained by USBFS under this Agreement in a form reasonably acceptable to the Trust (if such form differs from the form in which USBFS has maintained the same, the Trust shall pay any expenses associated with transferring the same to such form), and will cooperate in the transfer of such duties and responsibilities, including provision for assistance from USBFS' s personnel in the establishment of books, records and other data by such successor.

**13. No Agency Relationship**

Nothing herein contained shall be deemed to authorize or empower USBFS to act as agent for the other party to this Agreement, or to conduct business in the name, or for the account, of the other party to this Agreement.

**14. Data Necessary to Perform Services**

The Trust or its agent shall furnish to USBFS the data necessary to perform the services described herein at such times and in such form as mutually agreed upon. If USBFS is also acting in another capacity for the Trust, nothing herein shall be deemed to relieve USBFS of any of its obligations in such capacity.

**15. Notification of Error**

The Trust will notify USBFS of any discrepancy between USBFS and the Trust, including, but not limited to, failing to account for a security position in the fund' s portfolio, by the later of: within three (3) business days after receipt of any reports rendered by USBFS to the Trust; within three (3) business days after discovery of any error or omission not covered in the balancing or control procedure, or within three (3) business days of receiving notice from any shareholder.

**16. Assignment**

This Agreement may not be assigned by either party without the prior written consent of the other party.

**17. Notices**

Any notice required or permitted to be given by either party to the other shall be in writing and shall be deemed to have been given on the date delivered personally or by courier service, or three (3) days after sent by registered or certified mail, postage prepaid, return receipt requested, or on the date sent and confirmed received by facsimile transmission to the other party' s address set forth below:

Notice to USBFS shall be sent to:

U.S. Bancorp Fund Services, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

and notice to the Trust shall be sent to:

Chad E. Fickett, Secretary  
615 East Michigan Street  
Milwaukee, WI 53202

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by a duly authorized officer on one or more counterparts as of the date first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

**U.S. BANCORP FUND SERVICES, LLC**

By: /s/ Mark Scheffler

By: /s/ Joseph Neuberger

Title: Senior Portfolio Manager

Title: Senior Vice President

**Exhibit A  
to the  
Fund Accounting Servicing Agreement**

**Fund Names**  
Separate Series of Trust for Professional Managers

<u>Name of Series</u>	<u>Date Added</u>
The Appleton Group Fund	May 2, 2005
The Appleton Group PLUS Fund	May 2, 2005

## TRUST FOR PROFESSIONAL MANAGERS

### OPERATING EXPENSES LIMITATION AGREEMENT

**THIS OPERATING EXPENSES LIMITATION AGREEMENT** (the “Agreement”) is effective as of the 2<sup>nd</sup> day of May, 2005, by and between Trust for Professional Managers, (the “Trust”), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund (the “Funds”), each a series of the Trust, and the Investment Advisor of the Funds, The Appleton Group, LLC (the “Advisor”).

#### WITNESSETH:

**WHEREAS**, the Advisor renders advice and services to the Funds pursuant to the terms and provisions of an Investment Advisory Agreement between the Trust and the Advisor dated as of the 9<sup>th</sup> day of March 2005, (the “Investment Advisory Agreement”); and

**WHEREAS**, the Funds, and each of their respective classes, if any, is responsible for, and has assumed the obligation for, payment of certain expenses pursuant to the Investment Advisory Agreement that have not been assumed by the Advisor; and

**WHEREAS**, the Advisor desires to limit each Fund’ s Operating Expenses (as that term is defined in Paragraph 2 of this Agreement) pursuant to the terms and provisions of this Agreement, and the Trust (on behalf of the Funds) desires to allow the Advisor to implement those limits;

**NOW THEREFORE**, in consideration of the covenants and the mutual promises hereinafter set forth, the parties, intending to be legally bound hereby, mutually agree as follows:

**1. LIMIT ON OPERATING EXPENSES.** The Advisor hereby agrees to limit each Fund’ s current Operating Expenses to an annual rate, expressed as a percentage of each Fund’ s respective average annual net assets to the amounts listed in Appendix A (the “Annual Limits”). In the event that the current Operating Expenses of a Fund, as accrued each month, exceed its Annual Limit, the Advisor will pay to that Fund, on a monthly basis, the excess expense within 30 days of being notified that an excess expense payment is due.

**2. DEFINITION.** For purposes of this Agreement, the term “Operating Expenses” with respect to each Fund, is defined to include all expenses necessary or appropriate for the operation of the Funds and each of their classes, if any, including the Advisor’ s investment advisory or management fee detailed in the Investment Advisory Agreement, any Rule 12b-1 fees and other expenses described in the Investment Advisory Agreement, but does not include any front-end or contingent deferred loads, taxes, leverage, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, or extraordinary expenses such as litigation.

**3. REIMBURSEMENT OF FEES AND EXPENSES.** The Advisor retains its right to receive reimbursement of any excess expense payments paid by it pursuant to this Agreement under the same terms and conditions as it is permitted to receive reimbursement of reductions of its investment management fee under the Investment Advisory Agreement.

**4. TERM.** This Agreement shall be effective for the period from \_\_\_\_, 2005 to \_\_\_\_, 200\_\_, and shall continue in effect thereafter unless terminated by either of the parties hereto upon written notice to the other of not less than five days. This Agreement shall automatically terminate upon the termination of the Investment Advisory Agreement.

**5. TERMINATION.** This Agreement may be terminated at any time, and without payment of any penalty, by the Board of Trustees of the Trust, on behalf of the Funds, upon sixty (60) days' written notice to the Advisor. This Agreement may not be terminated by the Advisor without the consent of the Board of Trustees of the Trust, which consent will not be unreasonably withheld. This Agreement will automatically terminate if the Investment Advisory Agreement is terminated, with such termination effective upon the effective date of the Investment Advisory Agreement' s termination.

**6. ASSIGNMENT.** This Agreement and all rights and obligations hereunder may not be assigned without the written consent of the other party.

**7. SEVERABILITY.** If any provision of this Agreement shall be held or made invalid by a court decision, statute or rule, or shall be otherwise rendered invalid, the remainder of this Agreement shall not be affected thereby.

**8. GOVERNING LAW.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Wisconsin without giving effect to the conflict of laws principles thereof; provided that nothing herein shall be construed to preempt, or to be inconsistent with, any federal law, regulation or rule, including the Investment Company Act of 1940, and the Investment Advisers Act of 1940, and any rules and regulations promulgated thereunder.

**IN WITNESS WHEREOF,** the parties hereto have caused this Agreement to be duly executed and attested by their duly authorized officers, all on the day and year first above written.

**TRUST FOR PROFESSIONAL MANAGERS**

on behalf of

The Appleton Group Fund; and  
The Appleton Group PLUS Fund

By: /s/ Joseph C. Neuberger

Name: Joseph C. Neuberger

Title: President and Chairperson

**THE APPLETON GROUP, LLC**

By: /s/ Mark C. Scheffler

Name: Mark C. Scheffler

Title: Senior Portfolio Manager

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**Appendix A**

Fund Limit		Operating Expense
The Appleton Group Fund	2.00%	
The Appleton Group PLUS Fund		2.00%



GODFREY & KAHN, S.C.  
ATTORNEYS AT LAW  
780 North Water Street  
Milwaukee, Wisconsin 53202  
Phone (414) 273-3500 Fax (414) 273-5198

April 26, 2005

Trust for Professional Managers  
615 East Michigan Street  
Milwaukee, Wisconsin 53202

Re: Appleton Group Fund and Appleton Group Plus Fund

Ladies and Gentlemen:

We have acted as your counsel in connection with the preparation of Post-Effective Amendment No. 6 to the Registration Statement on Form N-1A (Registration Nos. 333-62298; 811-10401) (the "Registration Statement") relating to the sale by you of an indefinite number of shares (the "Shares") of common stock, \$.001 par value, of the Appleton Group Fund and Appleton Group Plus Fund (the "Funds"), each a series of the Trust for Professional Managers (the "Trust"), in the manner set forth in the Registration Statement (and the Prospectus of the Funds included therein).

We have examined: (a) the Registration Statement (and the Prospectus of the Funds included therein), (b) the Trust's Declaration of Trust and By-Laws, each as amended to date, (c) certain resolutions of the Trust's Board of Trustees, and (d) such other proceedings, documents and records as we have deemed necessary to enable us to render this opinion.

Based upon the foregoing, we are of the opinion that the Shares, when sold as contemplated in the Registration Statement, will be duly authorized and validly issued, fully paid and nonassessable except to the extent provided in Title 12 Section 3805 of the Delaware Statutes.

We consent to the use of this opinion as an exhibit to the Registration Statement. In giving this consent, however, we do not admit that we are "experts" within the meaning of Section 11 of the Securities Act of 1933, as amended, or within the category of persons whose consent is required by Section 7 of said Act.

Very truly yours,

/s/ Godfrey & Kahn, S.C.

GODFREY & KAHN, S.C.

**Trust for Professional Managers  
on behalf of  
The Appleton Group Fund and  
The Appleton Group PLUS Fund**

**DISTRIBUTION PLAN  
(12b-1 Plan)**

The following Distribution Plan (the “Plan”) has been adopted pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended (the “Act”), by Trust for Professional Managers (the “Trust”), a Delaware statutory trust, on behalf of The Appleton Group Fund and the Appleton Group PLUS Fund (the “Funds”), each a series of the Trust. The Plan has been approved by a majority of the Trust’s Board of Trustees, including a majority of the Trustees who are not interested persons of the Trust and who have no direct or indirect financial interest in the operation of the Plan or in any Rule 12b-1 Agreement (as defined below) (the “Disinterested Trustees”), cast in person at a meeting called for the purpose of voting on such Plan.

In approving the Plan, the Board of Trustees determined that adoption of the Plan would be prudent and in the best interests of each of the Funds and its shareholders. Such approval by the Board of Trustees included a determination, in the exercise of its reasonable business judgment and in light of its fiduciary duties, that there is a reasonable likelihood that the Plan will benefit each of the Funds and its shareholders.

The provisions of the Plan are as follows:

1. PAYMENTS BY THE FUNDS TO PROMOTE THE SALE OF FUND SHARES

The Trust, on behalf of each Fund, will pay Quasar Distributors, LLC (the “Distributor”), as a principal underwriter of each Fund’s shares, a distribution fee of 0.25% of the average daily net assets of each Fund in connection with the promotion and distribution of Fund shares and the provision of personal services to shareholders, including, but not necessarily limited to, advertising, compensation to underwriters, dealers and selling personnel, the printing and mailing of prospectuses to other than current Fund shareholders, and the printing and mailing of sales literature. The Distributor may pay all or a portion of these fees to any registered securities dealer, financial institution or any other person (the “Advisor”) who renders assistance in distributing or promoting the sale of shares, or who provides certain shareholder services, pursuant to a written agreement (the “Rule 12b-1 Agreement”), a form of which is attached hereto as Appendix A with respect to the Funds. To the extent not so paid by the Distributor such amounts may be retained by the Distributor. Payment of these fees shall be made monthly promptly following the close of the month.

2. RULE 12B-1 AGREEMENTS

(a) No Rule 12b-1 Agreement shall be entered into with respect to the Funds and no payments shall be made pursuant to any Rule 12b-1 Agreement, unless such Rule 12b-1 Agreement is in writing and the form of which has first been delivered to and approved by a vote of a majority of the Trust’s Board of Trustees, and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting on such Rule 12b-1 Agreement. The form of Rule 12b-1 Agreement relating to the Funds attached hereto as Appendix A has been approved by the Trust’s Board of Trustees as specified above.

(b) Any Rule 12b-1 Agreement shall describe the services to be performed by the Advisor and shall specify the amount of, or the method for determining, the compensation to the Adviosr.

(c) No Rule 12b-1 Agreement may be entered into unless it provides (i) that it may be terminated with respect to a Fund at any time, without the payment of any penalty, by vote of a majority of the shareholders of such Fund, or by vote of a majority of the Disinterested Trustees, on not more than 60 days' written notice to the other party to the Rule 12b-1 Agreement, and (ii) that it shall automatically terminate in the event of its assignment.

(d) Any Rule 12b-1 Agreement shall continue in effect for a period of more than one year from the date of its execution only if such continuance is specifically approved at least annually by a vote of a majority of the Board of Trustees, and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting on such Rule 12b-1 Agreement.

### 3. QUARTERLY REPORTS

The Distributor shall provide to the Board of Trustees, and the Trustees shall review at least quarterly, a written report of all amounts expended pursuant to the Plan. This report shall include the identity of the Advisor of each payment and the purpose for which the amounts were expended and such other information as the Board of Trustees may reasonably request.

### 4. EFFECTIVE DATE AND DURATION OF THE PLAN

The Plan shall become effective immediately upon approval by the vote of a majority of the Board of Trustees, and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting on the approval of the Plan. The Plan shall continue in effect with respect to each Fund for a period of one year from its effective date unless terminated pursuant to its terms. Thereafter, the Plan shall continue with respect to each Fund from year to year, provided that such continuance is approved at least annually by a vote of a majority of the Board of Trustees, and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting on such continuance. The Plan, or any Rule 12b-1 Agreement, may be terminated with respect to each Fund at any time, without penalty, on not more than sixty (60) days' written notice by a majority vote of shareholders of such Fund, or by vote of a majority of the Disinterested Trustees.

### 5. SELECTION OF DISINTERESTED TRUSTEES

During the period in which the Plan is effective, the selection and nomination of those Trustees who are Disinterested Trustees of the Trust shall be committed to the discretion of the Disinterested Trustees.

### 6. AMENDMENTS

All material amendments of the Plan shall be in writing and shall be approved by a vote of a majority of the Board of Trustees, and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting on such amendment. In addition, the Plan may not be amended to increase materially the amount to be expended by the Funds hereunder without the approval by a majority vote of shareholders of each Fund affected thereby.

### 7. RECORDKEEPING

The Trust shall preserve copies of the Plan, any Rule 12b-1 Agreement and all reports made pursuant to Section 3 for a period of not less than six years from the date of this Plan, any such Rule 12b-1 Agreement or such reports, as the case may be, the first two years in an easily accessible place.

## Appendix A

### **Rule 12b-1 Related Agreement**

Quasar Distributors, LLC  
615 East Michigan Street  
Milwaukee, WI 53202

[Date]

The Appleton Group, LLC  
100 W. Lawrence Street, Suite 211  
Appleton, WI 54911

Ladies and Gentlemen:

This letter will confirm our understanding and agreement with respect to payments to be made to you pursuant to a Distribution Plan (the “Plan”) adopted by Trust for Professional Managers (the “Trust”), on behalf of The Appleton Group Fund and The Appleton Group PLUS Fund (the “Funds”), each series of the Trust, pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended (the “Act”). The Plan and this related agreement (the “Rule 12b-1 Agreement”) have been approved by a majority of the Board of Trustees of the Trust, including a majority of the Board of Trustees who are not “interested persons” of the Trust, as defined in the Act, and who have no direct or indirect financial interest in the operation of the Plan or in this or any other Rule 12b-1 Agreement (the “Disinterested Trustees”), cast in person at a meeting called for the purpose of voting thereon. Such approval included a determination by the Board of Trustees that, in the exercise of its reasonable business judgment and in light of its fiduciary duties, there is a reasonable likelihood that the Plan will benefit each of the Fund’ s shareholders.

1. To the extent you provide distribution and marketing services in the promotion of each of the Fund’ s shares and/or services to each of the Fund’ s shareholders, including furnishing services and assistance to your customers who invest in and own shares, including, but not limited to, answering routine inquiries regarding the Funds and assisting in changing account designations and addresses, we shall pay you a fee as described on Schedule A. We reserve the right to increase, decrease or discontinue the fee at any time in our sole discretion upon written notice to you.

You agree that all activities conducted under this Rule 12b-1 Agreement will be conducted in accordance with the Plan, as well as all applicable state and federal laws, including the Act, the Securities Exchange Act of 1934, the Securities Act of 1933 and any applicable rules of the National Association of Securities Dealers, Inc.

2. You shall furnish us with such information as shall reasonably be requested either by the Trustees of the Funds or by us with respect to the services provided and the fees paid to you pursuant to this Rule 12b-1 Agreement.

3. We shall furnish to the Board of Trustees, for its review, on a quarterly basis, a written report of the amounts expended under the Plan by us and the purposes for which such expenditures were made.

4. This Rule 12b-1 Agreement may be terminated by the vote of (a) a majority of shareholders, or (b) a majority of the Disinterested Trustees, on 60 days' written notice, without payment of any penalty. In addition, this Rule 12b-1 Agreement will be terminated by any act which terminates the Plan or the Distribution Agreement between the Trust and us and shall terminate immediately in the event of its assignment. This Rule 12b-1 Agreement may be amended by us upon written notice to you, and you shall be deemed to have consented to such amendment upon effecting any purchases of shares for your own account or on behalf of any of your customer' s accounts following your receipt of such notice.

5. This Rule 12b-1 Agreement shall become effective on the date accepted by you and shall continue in full force and effect so long as the continuance of the Plan and this Rule 12b-1 Agreement are approved at least annually by a vote of the Board of Trustees of the Trust and of the Disinterested Trustees, cast in person at a meeting called for the purpose of voting thereon. All communications to us should be sent to the above address. Any notice to you shall be duly given if mailed or faxed to you at the address specified by you below.

**Quasar Distributors, LLC**

By: \_\_\_\_\_  
James Schoenike, President

**Accepted:**

\_\_\_\_\_  
(Dealer or Service Provider Name)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City)(State)(ZIP)

\_\_\_\_\_  
(Telephone No.)

\_\_\_\_\_  
(Facsimile No.)

By: \_\_\_\_\_

**Schedule A  
to the  
Rule 12b-1 Related Agreement**

For all services rendered pursuant to the Rule 12b-1 Agreement, we shall pay you a fee calculated as follows:

Fee of \_\_\_% [which shall not exceed 0.25%] of the average daily net assets of a Fund (computed on an annual basis) which are owned of record by your firm as nominee for your customers or which are owned by those customers of your firm whose records, as maintained by the Trust or its agent, designate your firm as the customer's dealer or service provider of record.

We shall make the determination of the net asset value, which determination shall be made in the manner specified in the Fund's current prospectus, and pay to you, on the basis of such determination, the fee specified above, to the extent permitted under the Plan.

**TRUST FOR PROFESSIONAL MANAGERS**  
**CODE OF ETHICS**  
**April, 2005**

**1. BACKGROUND**

Rule 17j-1 (the "Rule") under the Investment Company Act of 1940 (the "Investment Company Act") requires Trust for Professional Managers (the "Trust"), as a registered investment company, to adopt a written Code of Ethics. The Rule also requires investment advisers to and principal underwriters for (each a "Fund Organization") of the Trust to adopt a written Code of Ethics and to report to the Board of Trustees of the Trust (the "Board") any material compliance violations. The Board may only approve a Code of Ethics after it has made a determination that the Code of Ethics contains provisions designed to prevent "access persons" (defined in [Appendix 1](#)) from engaging in fraud. In addition, certain key "investment personnel" (summarized below and defined in [Appendix 1](#)) of a Fund Organization are subject to further pre-clearance procedures with respect to their investment in securities offered through an initial public offering (an "IPO") or private placement (a "Limited Offering").

**2. KEY DEFINITIONS**

For certain key definitions of capitalized terms used herein, see [Appendix 1](#).

**3. GENERAL PROHIBITIONS UNDER THE RULE**

The Rule prohibits fraudulent activities by affiliated persons of Trust or Fund Organization. Specifically, it is unlawful for any of these persons to:

- (a) employ any device, scheme or artifice to defraud a Fund;
- (b) make any untrue statement of a material fact to a Fund or omit to state a material fact necessary in order to make the statements made to a Fund, in light of the circumstances under which they are made, not misleading;
- (c) to engage in any act, practice or course of business that operates or would operate as a fraud or deceit on a Fund; or
- (d) to engage in any manipulative practice with respect to a Fund.

**4. COMPLIANCE OFFICERS**

In order to meet the requirements of the Rule, the Code of Ethics includes a procedure for detecting and preventing material trading abuses and requires all Access Persons to report personal securities transactions on an initial, quarterly and annual basis (the "Reports"). The officers of the Trust will appoint a compliance officer for each Fund Organization and for the Trust (each a "Fund Compliance Officer") to receive and review Reports delivered to a Fund Compliance Officer in accordance with Section 5 below. In turn, the officers of the Trust will report to the Board any material violations of the Code of Ethics in accordance with Section 7 below. The Fund Compliance Officer will notify an employee if that person fits the definition of Access Person or Investment Personnel and maintain a list of all Access Persons and Investment Personnel.

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## 5. ACCESS PERSON REPORTS

All Access Persons are required to submit the following reports to the Fund Compliance Officer for THEMSELVES AND ANY IMMEDIATE FAMILY MEMBER residing at the same address. In lieu of providing the Reports, an Access Person may submit brokerage statements or transaction confirmations that contain comparable information. The Access Person should arrange to have brokerage statements and transaction confirmations sent directly to the Fund Compliance Officer (see [Appendix 3](#) for the form of an Authorization Letter):

(a) INITIAL HOLDINGS REPORT. Within ten days of becoming an Access Person (and the information must be current as of no more than 45 days prior to becoming an Access Person), each Access Person must report the following information:

- (1) The title and type of security, and as applicable the exchange ticker symbol or CUSIP number, number of shares, and principal amount of each Covered Security and/or Reportable Fund in which the Access Person had any direct or indirect beneficial ownership when the person became an Access Person;
- (2) The name of any broker, dealer or bank with whom the Access Person maintained an account in which any securities were held for the direct or indirect benefit of the Access Person; and
- (3) The date the report is submitted by the Access Person.

A form of the INITIAL HOLDINGS REPORT is attached as [Appendix 4](#).

(b) QUARTERLY TRANSACTION REPORTS. Within thirty days of the end of each calendar quarter, each Access Person must report the following information:

- (1) With respect to any transaction during the quarter in a Covered Security and/or Reportable Fund in which the Access Person had any direct or indirect beneficial ownership:

- (i) The date of the transaction, the title, and as applicable, the exchange ticker symbol or CUSIP number, the interest rate and maturity date, the number of shares and the principal amount of each Covered Security and/or Reportable Fund involved;
  - (ii) The nature of the transaction (i.e., purchase, sale);
  - (iii) The price of the Covered Security and/or Reportable Fund at which the transaction was effected;
  - (iv) The name of the broker, dealer or bank with or through which the transaction was effected; and
-



- (v) The date that the report is submitted by the Access Person.
- (2) With respect to any account established by the Access Person in which any securities were held during the quarter for the direct or indirect benefit of the Access Person:
  - (i) The name of the broker, dealer or bank with whom the Access Person established the account;
  - (ii) The date the account was established; and
  - (iii) The date that the report is submitted by the Access Person.

A form of the QUARTERLY TRANSACTION REPORT is attached as Appendix 5.

(c) ANNUAL HOLDINGS REPORTS. Each year, the Access Person must report the following information (and the information must be current as of no more than 45 days prior to the date of the report):

- (1) The date of the transaction, the title, and as applicable, the exchange ticker symbol or CUSIP number, the interest rate and maturity date, the number of shares and the principal amount of each Covered Security and/or Reportable Fund involved;
- (2) The name of any broker, dealer or bank with whom the Access Person maintains an account in which any securities were held for the direct or indirect benefit of the Access Person; and
- (3) The date the report is submitted by the Access Person.

A form of the ANNUAL HOLDINGS REPORT is attached as Appendix 6.

## 6. EXCEPTIONS TO REPORTING REQUIREMENTS

- (a) PRINCIPAL UNDERWRITER. An Access Person of a Fund's principal underwriter is not required to make any Reports under Section 5 above if the principal underwriter:
  - (1) is not an affiliated person of the Trust or any investment adviser to a Fund.
  - (2) has no officer, director or general partner who serves as an officer, director or general partner of the Trust or of any investment adviser to a Fund.
- (b) INDEPENDENT TRUSTEE. A trustee of the Trust who is not an "interested person" of the Trust within the meaning of Section 2(a)(19) of the Investment Company Act (an "Independent Trustee") is not required to:
  - (1) file an INITIAL HOLDINGS REPORT or ANNUAL HOLDINGS REPORT; and
  - (2) file a QUARTERLY TRANSACTION REPORT, unless the Independent Trustee knew, or, in the ordinary course of fulfilling his or her official duties as a trustee, should have known that during a 15 day period immediately before or after his or her transaction in a Covered Security, that a Fund purchased or sold the Covered Security, or a Fund or its investment adviser considered purchasing or selling the Covered Security.

## **7. ADMINISTRATION OF THE CODE OF ETHICS - REPORTING VIOLATIONS AND CERTIFYING COMPLIANCE**

- (a) Each Fund Organization must use reasonable diligence and institute policies and procedures reasonably necessary to prevent its Access Persons from violating this Code of Ethics;
- (b) Each Fund Compliance Officer shall circulate the Code of Ethics and receive an acknowledgement from each Access Person that the Code of Ethics has been read and understood;
- (c) Each Fund Compliance Officer shall compare all Reports with completed and contemplated portfolio transactions of a Fund to determine whether a possible violation of the Code of Ethics and/or other applicable trading policies and procedures may have occurred.

No Access Person shall review his or her own Report(s). The Fund Compliance Officer shall appoint an alternate to review his or her own Reports if the Fund Compliance Officer is also an Access Person.

- (d) On an annual basis, each Fund Compliance Officer shall prepare a written report describing any issues arising under the Code of Ethics or procedures, including information about any material violations of the Code of Ethics or its underlying procedures and any sanctions imposed due to such violations and submit the information to the Compliance Officer for review by the Board; and
- (e) On an annual basis, each Fund Organization shall certify to the Board of Trustees that it has adopted procedures reasonably necessary to prevent its Access Persons from violating the Code of Ethics.

## **8. COMPLIANCE WITH OTHER SECURITIES LAWS**

This Code of Ethics is not intended to cover all possible areas of potential liability under the Investment Company Act or under the federal securities laws in general. For example, other provisions of Section 17 of the Investment Company Act prohibit various transactions between a registered investment company and affiliated persons, including the knowing sale or purchase of property to or from a registered investment company on a principal basis, and joint transactions (i.e., combining to achieve a substantial position in a security or commingling of funds) between an investment company and an affiliated person. Access Persons covered by this Code of Ethics are advised to seek advice before engaging in any transactions involving securities held or under consideration for purchase or sale by a Fund or if a transaction directly or indirectly involves themselves and the Trust other than the purchase or redemption of shares of a Fund or the performance of their normal business duties.

In addition, the Securities Exchange Act of 1934 may impose fiduciary obligations and trading restrictions on access persons and others in certain situations. It is expected that access persons will be sensitive to these areas of potential conflict, even though this Code of Ethics does not address specifically these other areas of fiduciary responsibility.

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## **9. PROHIBITED TRADING PRACTICES**

No Access Person may purchase or sell directly or indirectly, any security in which he or she has, or by reason of such transactions acquires, any direct or indirect beneficial ownership if such security to his or her actual knowledge at the time of such purchase or sale:

(i) is being considered for purchase or sale by a Fund;

is in the process of being purchased or sold by a Fund (except that an Access Person may participate in a bunched transaction with the Fund if the price terms are the same in accordance with trading policies and procedures adopted by the Fund Organization); or

(iii) is or has been held by a Fund within the most recent 15 day period.

Investment Personnel of a Fund or its investment adviser must obtain approval from the Fund or the Fund's investment adviser before directly or indirectly acquiring beneficial ownership in any securities in an IPO or Limited Offering.

(c) No Access Person may trade ahead of a Fund - a practice known as "frontrunning."

## 10. SANCTIONS

As to any material violation of this Code of Ethics, each Fund Organization shall adopt trading policies and procedures that provide for sanctions of the Access Persons. Such sanctions may include, but are not limited to: (1) a written reprimand in the Access Person's employment file; (2) a suspension from employment; and/or (3) termination from employment.

The Board may also impose sanctions as it deems appropriate, including sanctions against the Fund Organization or the Fund Compliance Officer for failure to adequately supervise its Access Persons.

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### ACKNOWLEDGED AND AGREED:

I have read, and I understand the terms of, this Code of Ethics.

By: \_\_\_\_\_

Name:

Title:

Fund Organization:

Date:

Trust for Professional Managers  
Code of Ethics

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Trust for Professional Managers  
Code of Ethics

**APPENDIX 1**

DEFINITIONS

ACCESS PERSON

(i) any director, officer, general partner or Advisory Person of a Fund or of a Fund's investment adviser; (ii) any supervised person of an investment adviser to the Trust who has access to nonpublic information regarding the portfolio holdings of any series of the Trust (a "Fund"), or who is involved in making securities recommendations for a Fund; and (iii) any director, officer or general partner of a principal underwriter who, in the ordinary course of business, makes, participates in or obtains information regarding, the purchase or sale of Covered Securities by the Fund for which the principal underwriter acts, or whose functions or duties in the ordinary course of business relate to the making of any recommendation to the Fund regarding the purchase or sale of Covered Securities.

ADVISORY PERSON

(i) any employee of the Fund or of a Fund's investment adviser (or of any company in a control relationship to the Fund or investment adviser) who, in connection with his or her regular functions or duties, makes, participates in, or obtains information regarding the purchase or sale of Covered Securities by a Fund, or whose functions relate to the making of any recommendations with respect to the purchases or sales; and (ii) any natural person in a control relationship to the Fund or an investment adviser who obtains information concerning recommendations made to the Fund with regard to the purchase or sale of Covered Securities by the Fund.

CONTROL

The power to exercise a controlling influence over the management or policies of a company, unless such power is solely the result of an official position with such company.

COVERED SECURITY

Includes any Security (see below) but does not include (i) direct obligations of the Government of the United States; (ii) bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements; and (iii) shares issued by open-end investment companies (i.e., mutual funds) other than Reportable Funds.

FUND

A series of the Trust.

## IMMEDIATE FAMILY MEMBER

Includes any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, father-in-law, mother-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law (including adoptive relationship).

## INITIAL PUBLIC OFFERING (IPO)

An offering of securities registered under the Securities Act of 1933, the issuer of which, immediately before the registration, was not subject to the reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934.

## INVESTMENT PERSONNEL

(i) any employee of the Trust, a Fund or investment adviser (or of any company in a control relationship to the Trust, a Fund or investment adviser) who, in connection with his or her regular functions or duties, makes or participates in making recommendations regarding the purchase or sale of security by the Fund; and (ii) any natural person who controls the Trust, a Fund or investment adviser and who obtains information concerning recommendations made to the Fund regarding the purchase or sale of securities by the Fund.

## LIMITED OFFERING

An offering that is exempt from registration under the Securities Act of 1933 (the "Securities Act") pursuant to Section 4(2) or Section 4(6) or pursuant to Rule 504, Rule 505, or Rule 506 under the Securities Act.

## PURCHASE OR SALE OF A COVERED SECURITY

Includes, among other things, the writing of an option to purchase or sell a Covered Security.

## REPORTABLE FUND

Includes, for a particular Access Person, any registered investment company, including a Fund, for which the investment adviser with whom the Access Person is associated, if any, (the "Associated Adviser") serves as investment adviser (as defined in Section 2(a)(20) of the Investment Company Act) or any registered investment company, including a Fund, whose investment adviser or principal underwriter controls the Associated Adviser, is controlled by the Associated Adviser, or is under common control with the Associated Adviser.

## SECURITY

Any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in any profit-sharing agreement, collateral trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, any put, call, straddle, option, or privilege on any security (including a certificate of deposit) or on any group or index of securities (including any interest therein or based on the value thereof), or any put, call, straddle, option, or privilege entered into on a national securities exchange relating to foreign currency, or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to or purchase, any of the foregoing.

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SECURITY HELD OR TO BE ACQUIRED BY THE FUND

(i) any Covered Security which, within the most recent 15 days: (a) is or has been held by the Fund; or (b) is being or has been considered by the Fund or its investment adviser for purchase by the Fund; and (ii) any option to purchase or sell, and any security convertible into or exchangeable for, a Covered Security described in paragraphs (a) or (b) above.

Trust for Professional Managers

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## APPENDIX 2

### LIST OF ACCESS PERSONS AND INVESTMENT PERSONNEL

Name	Title	Acknowledgement Of Receipt of Code of Ethics	Is this person also an investment Personnel
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## APPENDIX 3

Form of Authorization Letter

Date

Name of Broker Address

Re: Brokerage Statements of [name of employee]

Ladies and Gentlemen:

The above referenced person is an employee of [name of Fund Organization]. Federal securities laws require that we monitor the personal securities transactions of certain key personnel. By this Authorization Letter, and the acknowledgement of the employee below, please forward duplicate copies of the employee's brokerage statements and transaction confirmations to:

[Compliance Officer]  
[Fund Organization]  
[Address]

Should you have any questions, please contact the undersigned at [number].

Very truly yours,

**AUTHORIZATION:**

I hereby authorize you to release duplicate brokerage statements and transaction confirmations to my employer.

Signature: \_\_\_\_\_  
Name:  
SSN:  
Account Number:

Trust for Professional Managers

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**APPENDIX 4**

INITIAL HOLDINGS REPORT  
(complete within ten days of becoming an Access Person)

Date: \_\_\_\_\_

NOTE: IN LIEU OF THIS REPORT, YOU MAY SUBMIT DUPLICATE COPIES OF YOUR BROKERAGE STATEMENTS

1. HOLDINGS

Name and Type of Covered Security and/or Reportable Fund	Ticker Symbol or CUSIP	Number of Shares or Principal Amount
--	------------------------	--------------------------------------

2. BROKERAGE ACCOUNTS

Name of Institution and Account Holder's Name (i.e., you, spouse, child)	Account Number	Have you requested duplicate statements?
--	----------------	--

REVIEWED: \_\_\_\_\_  
(compliance officer signature)

DATE: \_\_\_\_\_

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**APPENDIX 5**

QUARTERLY TRANSACTION REPORT

(complete within thirty days of the quarter-end)

Date: \_\_\_\_\_

NOTE: IN LIEU OF THIS REPORT, YOU MAY SUBMIT DUPLICATE COPIES OF YOUR BROKERAGE STATEMENTS

1. TRANSACTIONS

Name and Title of Covered Security and/or Reportable Fund	Ticker Symbol or CUSIP	Number of	Nature of Transaction	Purchase
---	------------------------	-----------	-----------------------	----------



Broker	Shares or Interest Rate, Maturity Date & Principal Amount	(i.e., buy, sale)	Price	Date of Transaction
--------	---	-------------------	-------	------------------------

2. BROKERAGE ACCOUNTS OPENED DURING QUARTER

Name of Institution and Account Holder' s Name (i.e., you, spouse, child)	Account Number	Have you requested duplicate statements?
---	-------------------	---

REVIEWED: \_\_\_\_\_  
(compliance officer signature)

DATE: \_\_\_\_\_

Trust for Professional Managers

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**APPENDIX 6**

ANNUAL HOLDING REPORT

(current within 45 days of the date of the Report)

Date: \_\_\_\_\_

NOTE: IN LIEU OF THIS REPORT, YOU MAY SUBMIT DUPLICATE COPIES OF YOUR BROKERAGE STATEMENTS

1. TRANSACTIONS

Name and Type of Covered Security and/or Reportable Fund	Ticker Symbol or CUSIP	Number of Shares or Principal Amount
--	------------------------	--------------------------------------

2. BROKERAGE ACCOUNTS OPENED DURING QUARTER

Name of Institution and Account Holder's Name (i.e., you, spouse, child)	Account Number	Have you requested duplicate statements?
--	----------------	--

REVIEWED: \_\_\_\_\_  
(compliance officer signature)

DATE: \_\_\_\_\_

Trust for Professional Managers  
Code of Ethics

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## CODE OF ETHICS

For Access Persons of  
THE APPLETON GROUP FUND, THE APPLETON GROUP PLUS FUND,  
each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC  
Effective as of April, 2005

### I. DEFINITIONS

A. “Act” means the Investment Company Act of 1940, as amended.

“Access Person” means (i) any manager, officer or Advisory Person of the Adviser; (ii) any trustee, officer or Advisory Person of the Fund; (iii) any supervised person of the Adviser who has access to non-public information regarding any clients’ purchase or sale of securities, or non-public information regarding the portfolio holdings of the Fund; and (iv) any supervised person of the Adviser who is involved in making securities recommendations to clients, or who has access to such recommendations that are non-public.

C. “Adviser” means the Appleton Group, LLC.

“Advisory Client” means any client (including both investment companies and managed accounts) for which the Adviser (i) serves as investment adviser or subadviser, (ii) renders investment advice, or (iii) makes investment decisions.

“Advisory Person” means (i) any trustee, manager, officer, or employee of the Fund or the Adviser (or of any company in a control relationship to the Fund or the Adviser), who, in connection with his or her regular functions or duties, makes, participates in, or obtains information regarding, the purchases or sales of a Security by the Fund, or whose functions relate to the making of any recommendations with respect to such purchases or sales; and (ii) any natural person in a control relationship to the Fund or the Adviser who obtains information concerning recommendations made to the Fund with regard to the purchases or sales of a Security.

“Affiliated Fund” means any fund for which Adviser serves as investment adviser or subadviser (including the Fund) or any fund whose investment adviser or principal underwriter controls Adviser, is controlled by Adviser, or is under common control with Adviser.

“Automatic investment plan” means a program in which regular periodic purchases (or withdrawals) are made automatically in or from investment accounts in accordance with a predetermined schedule and allocation, including a dividend reinvestment plan.

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A Security is “being considered for purchase or sale” when a recommendation to purchase or sell a Security has been made and communicated and, with respect to the person making the recommendation, when such person seriously considers making such a recommendation.

“Beneficial ownership” shall be interpreted in the same manner as it would be in determining whether a person is subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, except that the determination of direct or indirect beneficial ownership shall apply to all securities which an Access Person has or acquires. As a general matter, “beneficial ownership” will be attributed

to an Access Person in all instances where the person (i) possesses the ability to purchase or sell the Security (or the ability to direct the disposition of the Security); (ii) possesses the voting power (including the power to vote or to direct the voting) over such Security; or (iii) receives any benefits substantially equivalent to those of ownership. Although the following is not an exhaustive list, a person generally would be regarded to be the beneficial owner of the following:

- (i) securities held in the person's own name;
  - (ii) securities held with another in joint tenancy, as tenants in common, or in other joint ownership arrangements;
  - (iii) securities held by a bank or broker as a nominee or custodian on such person's behalf or pledged as collateral for a loan;
  - (iv) securities held by members of the person's immediate family sharing the same household ("immediate family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law, including adoptive relationships);
  - (v) securities held by a relative not residing in the person's home if the person is a custodian, guardian, or otherwise has controlling influence over the purchase, sale, or voting of such securities;
  - (vi) securities held by a trust for which the person serves as a trustee and in which the person has a pecuniary interest (including pecuniary interests by virtue of performance fees and by virtue of holdings by the person's immediate family);
  - (vii) securities held by a trust in which the person is a beneficiary and has or shares the power to make purchase or sale decisions;
  - (viii) securities held by a trust if such person is a settler or grantor of the trust and reserves the right to revoke the trust without the consent of another person, unless the settler or grantor does not exercise or share investment control over the securities;
- 
- (ix) securities held by a general partnership or limited partnership in which the person is a general partner; and
  - (x) securities owned by a corporation which is directly or indirectly controlled by, or under common control with, such person.

J. "Chief Compliance Officer" means the individual with compliance responsibilities as designated as such by the Board of Managers of the Adviser.

K. "Control" shall have the same meaning as that set forth in Section 2(a)(9) of the Act. As a general matter, "control" means the power to exercise a controlling influence. The "power to exercise a controlling influence" is intended to include situations where there is less than absolute and complete domination and includes not only the active exercise of power, but also the latent existence of power. Anyone who beneficially owns, either directly or through one or more controlled entities, more than 25% of the voting securities of any entity shall be presumed to control such entity.

L. "Disinterested trustee" means a trustee of the Fund who is not an "interested person" of the Fund within the meaning of Section 2(a)(19) of the Act.

M. "Fund" means the Trust for Professional Managers.

N. "Limited offering" means an offering that is exempt from registration under Section 4(2) or 4(6) of the Securities Act of 1933, as amended, or pursuant to Rule 504, 505 or 506 under such act.

O. “Purchase or sale of a Security” includes, among other things, the writing of an option to purchase or sell a Security.

“Security” shall have the meaning set forth in Section 2(a)(36) of the Act and shall include: common stocks, preferred stocks, debt securities; options on and warrants to purchase common stocks, preferred stocks or debt securities; trust certificates, depository receipts (including ADRs) or other certificates of interest or participation in any securities; shares of Affiliated Funds, shares of closed-end investment companies, futures, commodities and Related Securities. “Related Securities” are instruments and securities that are related to, but not the same as, a security. For example, a Related Security may be convertible into a Security, or give its holder the right to purchase the Security. The term “Security” also includes private investments, including oil and gas ventures, real estate syndicates and other investments which are not publicly traded. It shall not include direct obligations of the government of the United States; bankers’ acceptances, bank certificates of deposit, commercial paper, and high quality short-term debt instruments, including repurchase agreements; shares issued by money market funds; shares of registered open-end investment companies (mutual funds) other than Affiliated Funds; and shares issued by unit investment trusts that are invested exclusively in open-end funds, none of which are Affiliated Funds.

Q. “Supervised person” means any officer, director (or other person occupying a similar status or performing similar functions), or employees of Adviser, or other person who provides investment advice on behalf of Adviser and is subject to the supervision and control of Adviser.

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## II. GENERAL FIDUCIARY PRINCIPLES

In addition to the specific principles enunciated in this Code of Ethics (the “Code of Ethics”), all Access Persons shall be governed by applicable federal and state securities laws and the following general fiduciary principles:

- A. The duty at all times to place the interests of Fund shareholders and Advisory Clients above all others;
- B. The requirement that all personal securities transactions be conducted consistent with this Code of Ethics and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility; and
- C. The fundamental standard that no Access Person should take inappropriate advantage of their position with the Fund or the Adviser.

## III. PROHIBITED ACTIVITIES - DISINTERESTED TRUSTEES

No disinterested trustee shall purchase or sell a Security if such disinterested trustee knew or, in the ordinary course fulfilling his or her official duties as a trustee, should have known that, during the 15-day period immediately before or after the date of the transaction by the disinterested trustee, such Security was: (i) purchased or sold by the Fund or the Adviser on behalf of its clients; or (ii) being considered by the Fund or the Adviser on behalf of its clients for purchase or sale.

## IV. PROHIBITED ACTIVITIES - ALL OTHERS

- No Access Person shall purchase or sell, directly or indirectly, any Security in which he or she has, or by reason of such transaction acquires, any direct or indirect beneficial ownership and (i) which he or she knows or should have known, during the 15-day period immediately before the Access Person’s transaction, the Adviser purchased or sold on behalf of the Fund or an Advisory Client; or (ii) which to his or her actual knowledge, at the time of such purchase or sale, is being considered for purchase or sale or is being purchased or sold on behalf of the Fund or an Advisory Client.
- Exception:* However, an Access Person may purchase or sell the same securities as the Fund or an Advisory Client; provided that the Access Person executes the purchase or sale of the Security either (i) at the same time as the Fund or

Advisory Client purchases or sells the Security, respectively, for the same or worse price as that received by the Fund or Advisory Client, or (ii) after the Fund or Advisory Client completes its purchase or sale, respectively.

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- B. No Access Person shall acquire any securities in an initial public offering or limited offering without prior approval from the Chief Compliance Officer. In determining whether approval should be granted, the Chief Compliance Officer should consider:
- (i) whether the investment opportunity should be reserved for Advisory Clients; and
  - (ii) whether the opportunity is being offered to an individual by virtue of his or her position with the Fund or the Adviser.

The Adviser must maintain a record of any decision, and the reasons supporting the decision, to approve the acquisition by Access Persons for at least five years after the end of the fiscal year in which the approval is granted. In the event approval is granted, the Access Person must disclose the investment when he or she plays a material role in the Adviser's subsequent consideration of an investment in the issuer. In such circumstances, the Adviser's decision to purchase securities of the issuer will be subject to an independent review by personnel with no personal interest in the issuer.

- C. No Access Person shall receive any gift or other thing of more than de minimis value (i.e., aggregate value of \$100 or less per year) from any person or entity that does business with or on behalf of the Fund.

- D. No Access Person shall serve on the board of directors of a publicly traded company without prior authorization from the Chief Compliance Officer based upon a determination that the board service would not be inconsistent with the interests of the Adviser and its clients. In the event the board service is authorized, Access Persons serving as directors must be isolated from those making investment decisions regarding that company through a "Chinese wall."

- E. The prohibitions of Section IV shall not apply to:

- (i) Purchases or sales of securities effected in any account over which the Access Person has no direct or indirect influence or control (e.g., a blind trust);
- (ii) Purchases or sales of securities which are part of an automatic investment plan; and
- (iii) Purchases of securities effected upon the exercise of rights issued by an issuer pro rata to all holders of a class of its securities, to the extent such rights were acquired from such issuer, and sales of such rights so acquired.

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## V. PRECLEARANCE

Except for (i) transactions set forth in Section IV(E), (ii) transactions by any manager of the Adviser who is not also an officer or Advisory Person of the Adviser, and (iii) transactions by any disinterested trustee, advance clearance is required for all personal securities transactions. A form provided for advance clearance is attached hereto as Appendix 1. Clearance requests should be submitted in writing to the Chief Compliance Officer who may approve or disapprove such transactions on the

grounds of compliance with this Code of Ethics or otherwise. Approval shall only be given when the person giving it has determined that the intended transaction does not fall within any of the prohibitions of this Code.

## VI. REPORTING - DISINTERESTED TRUSTEES

A disinterested trustee shall report quarterly to the Chief Compliance Officer even if such trustee has no securities transactions to report for the reporting period. Such report shall be in the form described in Section VII(A).

A disinterested trustee need only report a transaction in a Security if such trustee knew, or, in the ordinary course of fulfilling his or her official duties as a disinterested trustee, should have known that, during the 15-day period immediately before or after the date of the transaction by the disinterested trustee, such Security was: (i) purchased or sold by the Fund or the Adviser on behalf of its clients; or (ii) being considered by the Fund or the Adviser on behalf of its clients for purchase or sale.

## VII. REPORTING - ALL OTHERS

A. Every Access Person shall deliver to the Chief Compliance Officer a "Quarterly Personal Securities Transaction Report" (see Appendix 2), containing the information described in Section VII(B) below, even if such Access Person has no personal securities transactions to report for the reporting period, not later than thirty (30) days after the end of each calendar quarter. An Access Person may satisfy the quarterly reporting requirements by attaching to the report broker trade confirmations or account statements that contain all of the required information or by arranging to have such confirmations and account statements sent directly to the Chief Compliance Officer.

B. Every Access Person shall report the information described below with respect to the transactions in any Security in which such Access Person has, or by reason of such transaction acquires, any direct or indirect beneficial ownership in the Security. Every report shall contain the following information:

- 
- (i) The date of the transaction, the title, and as applicable the exchange ticker symbol or CUSIP number, interest rate and maturity date, the number of shares, and the principal amount of each Security involved;
  - (ii) The nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition);
  - (iii) The price of the Security at which the transaction was effected;
  - (iv) The name of the broker, dealer or bank with or through whom the transaction was effected; and
  - (v) The date the Access Person submits the report.

C. Every Access Person shall deliver to the Chief Compliance Officer an "Initial Personal Securities Holding Report" (see Appendix 3) containing all personal securities holdings within ten (10) days of such person's commencement of employment (which information must be current as of a date no more than 45 days prior to the date the person becomes an Access Person).

D. Every Access Person shall deliver to the Chief Compliance Officer an "Annual Personal Securities Holding Report" (see Appendix 4) containing all personal securities holdings as of December 31st. Such annual report must be received by the Chief Compliance Officer no later than February 14th of each year.

E. Every Access Person shall direct his or her brokers to provide to the Chief Compliance Officer, on a timely basis, duplicate copies of all personal securities transactions and copies of periodic statements for all securities accounts (see Appendix 5).

F. The Chief Compliance Officer shall review all reports required to be submitted pursuant to this Code of Ethics to determine compliance with the personal trading restrictions in this Code of Ethics. The Chief Compliance Officer's personal securities transactions shall be submitted to and reviewed by the Chief Executive Officer.

G. Any report filed pursuant to this Code of Ethics may contain a statement that the report shall not be construed as an admission by the person making such report that he or she has any direct or indirect beneficial ownership in the Security to which the report relates.

## VIII. EXEMPTIONS FROM REPORTING REQUIREMENTS

An Access Person is not required to submit:

- A. Any report with respect to securities held in accounts over which the Access Person has no direct or indirect influence or control (e.g., a blind trust); and
- B. A quarterly transaction report with respect to transactions effected pursuant to an automatic investment plan.

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## IX. COMPLIANCE WITH THE CODE OF ETHICS

A. The Chief Compliance Officer shall maintain a list of all Access Persons and shall (i) notify each Access Person of his/her reporting obligations under this Code of Ethics, and (ii) provide each Access Person with a copy of this Code of Ethics and any amendments.

B. All Access Persons shall make certain certifications upon becoming an Access Person, using the form attached hereto as Appendix 6.

C. All Access Persons shall make certain certifications annually, using the form attached hereto as Appendix 7.

D. The Chief Compliance Officer shall prepare a quarterly report to the Board of Managers of the Adviser and the Board of Trustees of the Fund which shall:

- (i) Summarize existing procedures concerning personal investing if necessary;
- (ii) Identify any violations requiring remedial action during the past quarter; and
- (iii) Identify any recommended changes in existing restrictions or procedures based upon the Adviser's experience under its Code of Ethics, evolving industry practices, or developments in laws or regulations.

The quarterly reports shall be summarized in an annual report to the Board of Trustees of the Fund, and shall include a certification from the Adviser stating that it has adopted procedures reasonably necessary to prevent its Access Persons from violating this Code of Ethics.

## X. INSIDER TRADING POLICY AND PROCEDURES

This Code of Ethics works in conjunction with the Adviser's Policies and Procedures Concerning the Misuse of Material Non-Public Information ("Insider Trading Policies and Procedures"). Accordingly, Access Persons should familiarize themselves with the Insider Trading Policies and Procedures to ensure compliance with both sets of rules.



## XI. SANCTIONS

Supervised persons are required to promptly report any violation or suspected violation of this Code of Ethics to the Chief Compliance Officer. Upon discovering a violation of this Code of Ethics, the Chief Compliance Officer, the Board of Managers of the Adviser, or the Board of Trustees of the Fund may impose such sanctions as they deem appropriate, including, among other sanctions, a letter of censure or suspension, or termination of the employment of the violator. The Adviser's Board of Managers and the Fund's Board of Trustees will be promptly informed of any serious violations of this Code of Ethics.

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## XII. RECORDKEEPING

- A. The Adviser shall maintain the following books and records relating to this Code of Ethics for the following time periods:
- (i) A record of each report made by Access Persons as required by Section VII of this Code of Ethics, including all broker confirmations and account statements submitted;
  - (ii) A copy of the Code of Ethics that is in effect or was in effect at any time during the last five years;
  - (iii) A record of (a) any violation of the Code of Ethics, and (b) any action taken as a result of such violation;
  - (iv) A record of all written acknowledgements confirming receipt of the Code of Ethics or any amendments thereto for each person who is currently, or within the past five years was, an Access Person;
  - (v) A record of the names of persons who are currently, or within the past five years were, Access Persons; and
  - (vi) A record of any decision, and the reasons supporting the decision, to approve the acquisition of securities in an initial public offering or limited offering by Access Persons for at least five years after the end of the fiscal year in which the approval is granted.

- B. The books and records required under Sections XII(A)(i) and (iii) must be preserved for a period of not less than five years from the end of the fiscal year during which the last entry was made on such record, the first two years at the Adviser's principal place of business and the last three years in an easily accessible place (which may or may not be the Adviser's principal place of business). The Adviser shall preserve the records required under Sections XII(A)(ii), (iv), (v) and (vi) for the periods indicated thereunder, the first two years at the Adviser's principal place of business and the last three years in any easily accessible place (which may or may not be the Adviser's principal place of business).

**PERSONAL TRADING REQUEST AND AUTHORIZATION FORM**

**Personal Trading Request (to be completed prior to any personal trade)**

1. Name:
2. Position:
3. Date of proposed transaction:
4. Name of the issuer, dollar amount and number of securities proposed to be purchased or sold:
5. Nature of the transaction (purchase or sale):
6. Broker, dealer, or bank through which the transaction is to be executed:
7. Are you or is a member of your immediate family an officer or director of the issuer of the securities or an affiliate of the issuer?  
\_\_\_\_ Yes \_\_\_\_ No  
  
If yes, please describe:
8. Describe the nature of any direct or indirect professional or business relationship that you may have with the issuer of the securities:
9. Are you aware of any material non-public information (insider information) regarding the Security or the issuer? \_\_\_\_ Yes \_\_\_\_ No
10. Does this transaction involve a limited offering (i.e., private placement) or an initial public offering?  
\_\_\_\_ Yes \_\_\_\_ No  
  
Are you aware of any facts regarding the proposed transaction, including the existence of any substantial economic relationship
11. between the proposed transaction and any securities held or acquired by clients of the Adviser, that may be relevant to a determination as to the existence of a potential conflict of interest? \_\_\_\_ Yes \_\_\_\_ No
12. Do you want an executed copy of this request for your files? \_\_\_\_ Yes \_\_\_\_ No

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To the best of my knowledge and belief, the answers provided above are true and correct.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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**Approval or Denial of Personal Trading Request**

\_\_\_\_\_  
Approved. The proposed transaction appears to be consistent with the policies described in the Code of Ethics. Pre-clearance is granted from and including: \_\_\_\_\_ through \_\_\_\_\_

\_\_\_\_\_  
Denied. The proposed transaction does not appear to be consistent with the policies described in the Code of Ethics and/or the conditions necessary for approval of the proposed transaction have not been satisfied. Pre-clearance is denied.

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Appendix 2

THE APPLETON GROUP FUND, THE APPLETON GROUP PLUS FUND,  
each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC

**QUARTERLY PERSONAL SECURITIES  
TRANSACTION REPORT**

**THIS REPORT MUST BE SUBMITTED WITHIN 30 DAYS OF QUARTER END**

Access Person Transaction Record for \_\_\_\_\_  
(Name)

for calendar quarter ended \_\_\_\_\_  
(Date)

I AM REPORTING BELOW ALL TRANSACTIONS REQUIRED TO BE REPORTED FOR THE QUARTER PURSUANT TO THE CODE OF ETHICS:

\_\_\_\_\_  
(Date)

(Access Person's Signature)

**TRANSACTION REPORTING**

Check if applicable: (a)  I had no reportable transactions during this reporting period.



In accordance with Section VII(C) of the Code of Ethics, please provide a list of all securities in which you have beneficial ownership as of \_\_\_\_\_ by completing items 1. and 2. below.

1. Please provide a list of each applicable account as indicated below:

<u>Name on Account</u>	<u>Location of Account</u>	<u>Account Number</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

2. For each account listed above, attach the account statement listing all securities held in that account as of \_\_\_\_\_.

I certify that this form and the attached statements include all of the securities in which I have a direct or indirect beneficial interest.

\_\_\_\_\_  
Access Person Signature

Dated: \_\_\_\_\_

\_\_\_\_\_  
Print Name

***This report must be submitted to the Chief Compliance Officer no later than 10 days after the filer becomes an Access Person, and the information must be current as of a date no more than 45 days before the date the filer becomes an Access Person.***

Appendix 4

THE APPLETON GROUP FUND, THE APPLETON GROUP PLUS FUND,  
each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC

**ANNUAL  
PERSONAL SECURITIES HOLDINGS REPORT**

In accordance with Section VII(D) of the Code of Ethics, please provide the following information:

- (1) Provide the following information with respect to all securities in which you had a direct or indirect beneficial interest as of December 31st of the prior year:

	Title and Type of Security	Ticker/ CUSIP	Number of Securities	Principal Amount of Securities	Broker Name
1.	_____	_____	_____	_____	_____
2.	_____	_____	_____	_____	_____
3.	_____	_____	_____	_____	_____
4.	_____	_____	_____	_____	_____
5.	_____	_____	_____	_____	_____

**(Attach additional sheet if necessary)**

Alternatively, you may attach copies of account statements which provide the foregoing information.

- (2) If your beneficial interest in any of the aforementioned securities is indirect, please provide the name of the direct owner and describe your relationship with such person:

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- (3) Provide the name of any broker, dealer or bank with whom an account is maintained in which any of the aforementioned securities are held for your direct or indirect benefit (including the name and telephone number of a contact person):

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- (4) Provide account number(s):

I certify that this form and the attached statements (if any) constitute all of the securities in which I have a beneficial interest as of December 31st of the prior year.

\_\_\_\_\_  
Access Person Signature

Dated: \_\_\_\_\_

\_\_\_\_\_  
Print Name

***This report must be submitted annually to the Chief Compliance Officer no later than February 14 of each year, and the information must be current as of a date no more than 45 days prior to the date the report was submitted.***

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each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC

**FORM OF LETTER TO BROKER, DEALER OR BANK**

<Date>

<Broker Name and Address>

Subject: Account #

Dear \_\_\_\_\_:

The Appleton Group, LLC, my employer, is a registered investment adviser. You are requested to send duplicate confirmations of individual transactions as well as duplicate periodic statements for the above-referenced account to the Appleton Group, LLC. Please address the confirmations and statements directly to:

Chief Compliance Officer  
The Appleton Group, LLC  
100 West Lawrence Street  
Appleton, Wisconsin 54911

Your cooperation is most appreciated. If you have any questions regarding these requests, please contact me or Mark Scheffler of the Appleton Group at (920) 993-7727.

Sincerely,

cc: Mark Scheffler

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Appendix 6

THE APPLETON GROUP FUND, THE APPLETON GROUP PLUS FUND,  
each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC

**ACKNOWLEDGMENT OF RECEIPT OF  
AMENDED AND RESTATED CODE OF ETHICS**

I acknowledge that I have received the Code of Ethics dated as of April, 2005 (the "Code of Ethics"), and represent:

1. In accordance with Section VII of the Code of Ethics, I will report all securities transactions in which I have a beneficial interest, except for transactions exempt from reporting under the Code of Ethics.
2. I will comply with the Code of Ethics in all other respects.

\_\_\_\_\_  
Access Person Signature

\_\_\_\_\_  
Print Name

Dated: \_\_\_\_\_

Appendix 7

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THE APPLETON GROUP FUND, THE APPLETON GROUP PLUS FUND,  
each a series of the Trust for Professional Managers  
and  
THE APPLETON GROUP, LLC

**ANNUAL CERTIFICATION OF COMPLIANCE WITH  
THE CODE OF ETHICS**

I certify that during the past year:

1. In accordance with Section VII of the Code of Ethics (the "Code of Ethics"), I have reported all securities transactions in which I have a beneficial interest, except for transactions exempt from reporting under the Code of Ethics.
2. I have complied with the Code of Ethics in all other respects.
3. I have read and understand the Code of Ethics and recognize that I am subject to the Code of Ethics.

\_\_\_\_\_  
Access Person Signature

\_\_\_\_\_  
Print Name

Dated: \_\_\_\_\_