

A LARGE COMPANY, VALUE ORIENTED APPROACH

FUND FACTS

- NEW YORK STOCK EXCHANGE - SYMBOL BLU
- ASSETS UNDER MANAGEMENT JULY 31, 2010 \$100 MILLION
- NET ASSET VALUE AS OF JULY 31, 2010 \$3.51
- STOCK PRICE AS OF JULY 31, 2010 \$2.98
- DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN AVAILABLE

FULFILLING YOUR NEEDS

BLUE CHIP VALUE FUND USES AN ACTIVE, BOTTOM-UP STOCK SELECTION PROCESS THAT CAPTURES THE RETURN POTENTIAL OF LARGE COMPANIES THAT ARE UNDERVALUED OR OUT OF FAVOR BUT WHOSE BUSINESSES ARE SOLID OR IMPROVING.

OUR BELIEFS

BLUE CHIP VALUE FUND TAKES ADVANTAGE OF WALL STREET'S "HERD MENTALITY" WHICH CAN PRODUCE MISPRICING OF HEAVILY RESEARCHED LARGE STOCKS. OUR STYLE IS DESIGNED TO MAXIMIZE LONG-TERM TOTAL RETURNS AND OUTPERFORM THE S&P 500 OVER A MARKET CYCLE.

BLUE CHIP COMPANIES OUR UNIVERSE INCLUDES LARGE COMPANIES SUCH AS THOSE INCLUDED IN, OR SIMILAR IN SIZE TO THOSE INCLUDED IN, THE S&P 500. THESE ESTABLISHED, WELL-KNOWN CORPORATIONS ARE OFTEN GLOBAL LEADERS IN THEIR INDUSTRIES. THE AVERAGE MARKET CAP OF THE PORTFOLIO APPROXIMATES \$45.1 BILLION.

MULTI-DISCIPLINARY RESEARCH WE START WITH QUANTITATIVE RESEARCH TO IDENTIFY MARKET INEFFICIENCIES; WE ADD EXPERIENCED FUNDAMENTAL RESEARCH AND VALUATION DISCIPLINES TO ASSESS QUALITATIVE FACTORS. BLENDING BOTH METHODS RESULTS IN A DURABLE, REPEATABLE PROCESS.

THE MARKET REWARDS COMPANIES OVER TIME FOR THEIR FREE CASH FLOW RATHER THAN THEIR REPORTED "EARNINGS". BLUE CHIP VALUE FUND SEEKS COMPANIES EARNING IMPROVING CASH RETURNS ON INVESTED CAPITAL.

BUILT-IN BUY/SELL DISCIPLINES WE ONLY BUY STOCKS THAT TRADE AT A DISCOUNT TO OUR ESTIMATE OF THEIR UNDERLYING VALUE AND THAT PASS OUR QUALITATIVE EVALUATION. STOCKS ARE SOLD WHEN THEY REACH INTRINSIC VALUE OR WHEN THEY FAIL OUR QUALITATIVE EVALUATION. USING THESE DISCIPLINES, WE REGULARLY ROTATE INTO MORE ATTRACTIVELY PRICED STOCKS TO SEEK TO MAXIMIZE THE PORTFOLIO'S UPSIDE POTENTIAL.

RISK CONTROL WE BUILD A DIVERSIFIED PORTFOLIO, INVESTING ACROSS APPROXIMATELY 50 COMPANIES WITH SECTOR WEIGHTINGS COMPARABLE TO THE S&P 500.

PORTFOLIO CHARACTERISTICS

- HIGH QUALITY INDUSTRY LEADING BUSINESSES
- IMPROVING BUSINESS FUNDAMENTALS
- FREE CASH FLOWS
- UNDERAPPRECIATED BY THE MARKET
- NO LARGE ECONOMIC SECTOR BETS
- AVERAGE DIVIDEND YIELDS
- FULLY INVESTED