

NADART Frequent Trading Policy

Rev. 10/09

In February 2005, the Securities and Exchange Commission (SEC) imposed fees and limitations on investors involved in frequent trading and market timing. These investors drive up costs and reduce performance for long-term investors by increasing trading expenses and holding excess cash for possible redemptions. As a result, NADART added restrictions to the mutual funds available to Investment Choice participants.

As of October 1, 2009, the Frequent Trading Policy will include all funds available to Investment Choice participants. In the past, commingled bank funds (funds not regulated by the SEC but by the Department of Labor) were exempt from the trading restrictions. However, to ensure that frequent trading would not harm investors in these funds as well, NADART decided to impose trade limitations on all funds available in the Investment Choice line-up.

The NADART Frequent Trading Policy is an attempt to discourage day trading and address the tighter restrictions on retirement funds by regulators. Rather than charging frequent traders additional fees, trading will be subject to certain restrictions. Participants who transfer in and out of a fund within a 30-day period will be:

- Restricted from future trades into that fund until the 31st day following the trade.
- Notified they have violated the rules of the funds within the method used to execute the trade (PlanWeb or VRS), followed by a written notice mailed to their address of record.
- Blocked from trading on both PlanWeb and the VRS if trading is attempted during the period of restriction. The participant will receive a notice that they are attempting a trade within a blocked period and will be provided the date on which they can trade back into those funds.

These restrictions only apply to the fund(s) that have been frequently traded as defined above. If you have frequently traded "Fund X" for example, then further "Fund X" trading is restricted. However, if you have not frequently traded "Fund Y," then "Fund Y" trading would not be restricted. Please note that the policy does not affect contributions, only trades of current balances as initiated by the plan participants.

If you have any questions regarding the Frequent Trading Policy, please contact the NADART Plan Information Center at (800) 462-3278 or e-mail nadart@nada.org.

Funds Covered by the Frequent Trading Policy

Balanced Funds

NADART Fund

Income Funds

Income Fund

PIMCO All Asset

PIMCO Total Return

International Funds

International Investors Fund

International Fund

Large Cap Stock Funds

Legg Mason Growth Equity Fund

Longleaf Partners Fund

NADART Large Cap Growth Fund

S&P 500 Large Cap Fund

T. Rowe Price Equity Income

Vanguard Growth Index Fund

Mid Cap Stock Funds

Janus Enterprise

S&P 400 Mid Cap Fund

Turner Midcap Growth

Small Cap Stock Funds

Gabelli Small Cap Growth

Russell 2000 Small Cap Fund

Target Dated Funds

SSgA Retirement Income Strategy

SSgA 2010 Strategy

SSgA 2015 Strategy

SSgA 2020 Strategy

SSgA 2025 Strategy

SSgA 2030 Strategy

SSgA 2035 Strategy

SSgA 2040 Strategy

SSgA 2045 Strategy

SSgA 2050 Strategy

Limited Access Fund

Cardinal Financial Stock Fund*

*Available only to participants in the Cardinal Financial Corporation 401(k) Plan

