

INCOME FUND

Income Fund

Investment Objective

The Income Fund seeks to preserve capital and generate a consistent rate of return by investing in a diversified group of institutional mutual funds and bank commingled funds wrapped by other high-quality financial firms.



Investment Strategy

The Fund invests in various diversified fixed income funds that are generally benchmarked to major fund indexes. The funds are then wrapped by high-quality financial institutions that provide the ability to create a stable asset value offering competitive returns. The Fund can also invest in individual Guaranteed Investment Contracts (GICs) offered by major financial institutions.

Fund Description

The Fund seeks to provide a high rate of income consistent with preservation of capital. The Fund pursues this objective primarily by investing in bond portfolios with an insurance contract to provide stable pricing.

Investment Risks

The Fund's performance is generally based on the underlying returns and market values of the Fund's portfolios. Combining the market values with the wrap provision allows the Fund to generally follow interest rates, although at a slower pace.

Suitability for Investors

The Fund is designed for investors seeking safety of principal and a positive return. Because certain fund assets are covered by an insurance product commonly referred to as "wraps" that allow a consistent income crediting rate, the Fund is subject to minimal fluctuations in value. The Fund's return consists primarily of its current yield.

Fund Manager/Total Fund Fees

Cardinal Trust and Investments / The Total Fund Fees percentage for this fund is available on the "Investment Choice 401(k) Plan Funds Summary" available in the Participant Enrollment Booklet (pg. 21) or on our Web site, www.nadart.org.

Past performance is no guarantee of future returns. This fund is covered by the frequent trading policy.