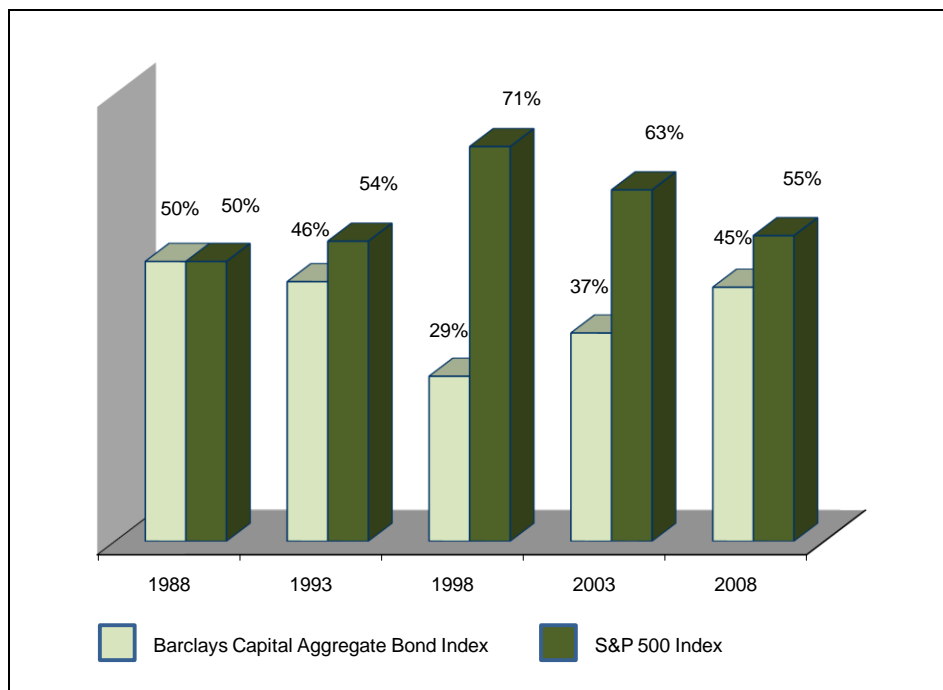


## The Importance of Rebalancing

Over time, your investments may drift out of line with your original/target allocation and investment goals. This is because investments grow at different rates.

**Rebalancing** is essential because it brings your portfolio back to its original asset allocation target, and back in line with your investment goals and risk tolerance. The rebalancing process usually involves selling investments from overweighted categories and using the money to purchase investments in underweighted categories.

As you can see from the graph below, without periodic rebalancing a hypothetical portfolio of 50% stocks and 50% bonds during the period of 1988-2008 would have drifted from its target allocation, to 45% bonds and 55% stocks, in less than 20 years. In this case, while the portfolio's value would have increased over this time, the risk level of the portfolio also rose.



Source: FundQuest 2009. Barclays Capital (formerly Lehman Brothers) Aggregate Bond Index reflects the performance of high-quality fixed income securities across the government, corporate, mortgage-backed, asset-backed, and commercial mortgage-backed markets. Large stocks are represented by the Standard & Poor's 500®, which is an unmanaged group of securities and considered to be representative of the stock market in general. You cannot invest directly in an index. This hypothetical example has been provided for illustrative purposes only and is based on index returns. A time-weighted, annually linked compounding method was used to calculate portfolio returns. The hypothetical portfolio does not reflect the performance of an actual portfolio. Index returns include reinvestment of income but do not reflect taxes, investment advisory and other fees that would reduce performance in an actual portfolio. Different benchmarks and economic periods will produce different results. Other methods may produce different results, and the results for individual portfolios may vary depending on market conditions and the composition of the portfolio. All investments carry a certain degree of risk and there is no assurance that an investment will provide positive performance over any period of time. This chart does not imply any future performance.

**Past performance is not a guarantee of future results.** For ActivePassive Fund performance, visit [www.activepassivefunds.com](http://www.activepassivefunds.com).

*The fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling 1-877-273-8635 or visiting [www.activepassivefunds.com](http://www.activepassivefunds.com). Read it carefully before investing.*

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