



**FIRST ASSET  
FINANCIAL Inc.**  
Member SIPC ♦ FINRA

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## **Mutual Fund Investing**

Investment return and principal value of mutual funds will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. Market volatility can significantly affect short-term performance, and more recent returns may be different from those shown.

Performance figures for periods longer than one year are expressed as average annualized returns and assume reinvestment of all dividends and capital gains. For periods of up to one year, figures are expressed as the total return for that period. For funds with sales charges or loads, the performance data reflects maximum charges.

First Asset Financial Inc. charges transaction fees on some mutual fund purchases and redemptions that are not reflected in the performance data. If these fees were factored into the performance calculation, the fund's results would be lower.

Before you invest in any fund, you should request a copy of the fund's prospectus. The prospectus contains information on a fund's objectives, risks and expenses. You should read, understand and accept the terms of the prospectus before you invest.

For some funds, the manager may have waived all or a portion of the fees during a given period, which would have the effect of increasing the fund's reported annual return. The fee waiver should be considered in evaluating the fund's performance. You can find out if a manager has waived any fees by reading the prospectus.

As a mutual fund shareholder, you may receive taxable dividends and capital gains. After paying income taxes, your after-tax investment returns will be lower than your pre-tax returns. First Asset Financial Inc. does not offer tax advice. However, we suggest that you may want to consult with your tax advisor before making any mutual fund investments.

Some funds invest in international securities, which can involve different risks than U.S. investments. The risks include political and economic instability, changing currency exchange rates, foreign taxes, and differences in financial accounting standards. You should pay attention to these risks if you are considering investing in an international or global fund.

Not all funds are registered for sale in all states. Consult the prospectus to determine whether a specific fund is available in your state. First Asset Financial Inc. offers mutual funds for sale only to U.S. citizens and permanent residents of the United States. The information contained herein is neither an offer to sell nor a solicitation of an offer to buy any mutual fund, and no offers or sales will be made in jurisdictions in which the offer and sale of these mutual funds is not qualified or otherwise exempt from regulation.

### **Sector Funds**

The investor should note that funds that invest in one sector for industry involve additional risks. The lack of industry diversification subjects the investor to increased industry specific risks.

### **Non-Diversified Funds**

Funds that invest more of their assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

**Small-Cap Funds**

Funds that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure and are not as well established as larger blue-chip companies. Historically, smaller company stocks have experienced a greater degree of market volatility than the over all market average.

**Mid-Cap Funds**

Funds that invest in companies with market capitalizations of below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

**High-Yield Bond Funds**

Funds that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio resulting in a possible higher level of volatility and increased risk of default.

**Tax-Free Municipal Bond Funds**

Income from tax-free municipal bond funds may be subject to state and local taxation and the federal Alternative Minimum Tax (AMT).