

# Vice Fund VICEX

**Benchmark**  
S&P 500 TR

**Overall Morningstar Rating™**  
★★★★★

**Morningstar Return**  
High

**Morningstar Risk**  
Above Average

Out of 1734 Large Blend funds. An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for details.

## Investment Strategy from investment's prospectus

The investment seeks long term growth of capital.

The fund invests primarily in equity securities of small, medium and large capitalization companies, which include U.S. issuers and foreign issuers, including those whose securities are traded in foreign jurisdictions as well as those whose securities are traded in the United States as American Depositary Receipts ("ADRs"). It normally invests at least 80% of its net assets in equity securities of companies that derive a significant portion of their revenues from alcohol, tobacco, gaming and defense/aerospace. The fund is nondiversified.

## Fees and Expenses as of 09-30-08

Prospectus Net Expense Ratio	1.75%
Prospectus Gross Expense Ratio	1.56%
Maximum Sales Charge	—
12b-1 Fee	0.25%
Redemption Fee	1.00%/60 days

Waiver Data	Type	Date	%
ExpenseRatio	Contractual	07-31-17	-0.19

## Operations and Management

Fund Inception Date	08-30-02
Portfolio Manager(s)	Charles L. Norton, CFA Allen R. Gillespie, CFA
Management Company	Mutuals Advisors, Inc.
Telephone	866-264-8783
Web Site	www.usamutuals.com

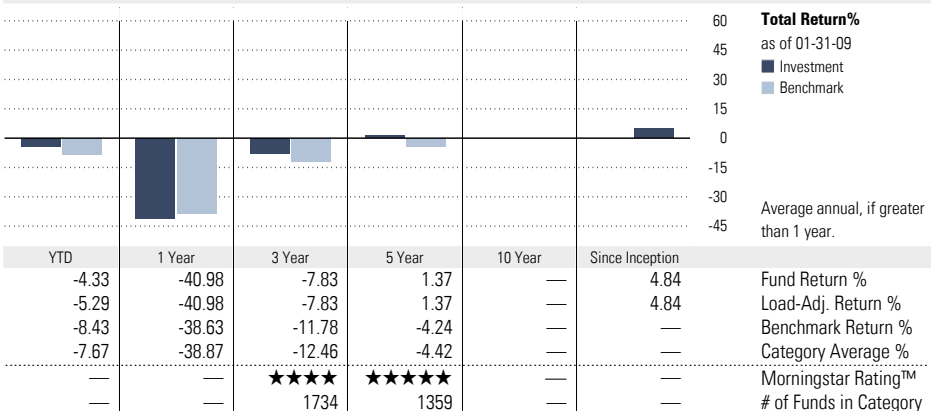
## Benchmark Description: S&P 500 TR

Standard & Poor's 500 TR Index: A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market. It measures the movement of all issues. Standard and Poor's chooses the member companies for the 500 based on market size, liquidity and industry group representation. Included are the stocks of industrial, financial, utility, and transportation companies. Since mid 1989, this composition has been more flexible and the number of issues in each sector has varied. The returns presented in Morningstar products for the S&P 500 are total returns, including the reinvestment of dividends each month.

## Category Description: Large Blend

Large-blend funds have portfolios that are fairly representative of the overall stock market in size, growth rates, and price. They tend to invest across the spectrum of U.S. industries and owing to their broad exposure, the funds' returns are often similar to those of the S&P 500 Index.

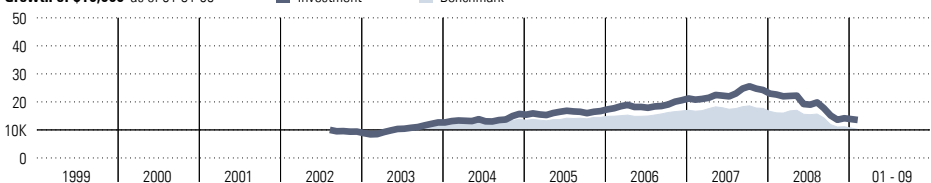
## Performance



Quarter End Returns as of 12-31-08	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund Return %	-41.57	-41.57	-5.37	2.32	—	5.64
Standardized Return %	-41.57	-41.57	-5.37	2.32	—	5.64

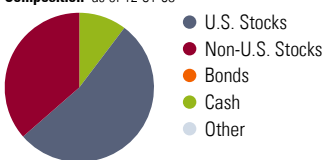
**Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein.**

## Growth of \$10,000 as of 01-31-09



## Portfolio Analysis as of 12-31-08

### Composition as of 12-31-08



### Morningstar Style Box™ as of 12-31-08

	% Assets	% Mkt Cap
U.S. Stocks	53.3	
Non-U.S. Stocks	36.4	
Bonds	0.0	
Cash	10.3	
Other	0.0	
Value		40.52
Blend		43.70
Growth		8.54
Large		7.24
Med		0.00
Small		
Micro		

### Top 10 Holdings as of 12-31-08

	% Assets
Philip Morris International Inc	15.89
Diageo PLC ADR	10.01
Raytheon Company	8.28
Lockheed Martin Corporation	7.80
Lorillard, Inc.	7.67
British American Tobacco PLC ADR	7.21
Pernod Ricard	6.97
WMS Industries, Inc.	6.24
SABMiller PLC	5.11
Carlsberg A/S	3.36
Total Number of Stock Holdings	20
Total Number of Bond Holdings	0
Annual Turnover Ratio %	36
Total Fund Assets (\$mil)	83.37

### Morningstar Sectors as of 12-31-08

	Fund%	S&P 500%
Information	0.00	19.91
Software	0.00	3.94
Hardware	0.00	9.70
Media	0.00	2.55
Telecommunication	0.00	3.72
Service	11.45	39.64
Healthcare Service	0.00	15.95
Consumer Service	11.45	7.99
Business Service	0.00	5.02
Financial Service	0.00	10.68
Manufacturing	88.55	40.44
Consumer Goods	65.74	10.47
Industrial Materials	22.81	11.27
Energy	0.00	14.24
Utilities	0.00	4.46

# Disclosure

## Manager Information



**Charles L. Norton, CFA**  
Principal,  
GNI Capital

Mr. Norton is a Principal of GNI Capital, responsible for portfolio management and investment research for all of the company's managed assets. In addition, he is a regular contributor for RealMoney.com, a financial website published by TheStreet.com, and his columns frequently appear on Yahoo! Finance and MSN Money. Mr. Norton is a frequent guest on CNBC and Bloomberg Television, and he has been cited in numerous publications including the New York Times, USA Today, and Fortune Magazine. Previously, Mr. Norton had been a Vice President in the Equity Research Department of Gotham Capital Management, a New York-based hedge fund, where he also managed separate

long/short equity accounts. Prior to his experience on the buy side, Mr. Norton worked in the investment banking division of Smith Barney, where he was an analyst in the Health Care Group, reporting directly to the head of the group. Mr. Norton has a Bachelor of Science in Management degree in Finance from Tulane University's A.B. Freeman School of Business, and is a CFA charterholder. He is a member of the CFA Institute and the CFA Society of Dallas-Fort Worth.



**Allen R. Gillespie, CFA**  
Principal,  
GNI Capital

Mr. Gillespie is a Principal of GNI Capital, responsible for portfolio management and investment research for all of the company's managed assets, and he also serves as a South Carolina Retirement System Investment Commissioner. In addition, Mr. Gillespie contributes commentary to StreetInsight.com, a member of TheStreet.com's family of financial websites that is dedicated to the institutional investor. Previously, Mr. Gillespie was a Registered Representative at Robinson-Humphrey and Smith Barney from 1995 until 1997. In 1997, he began managing private client portfolios, and founded and managed the Blue Ridge Total Return Fund, which was sold to the

Colonial Trust Company in 1999. In addition to his advisory work, Mr. Gillespie provided independent research to a New York-based hedge fund. Mr. Gillespie graduated cum laude from Washington & Lee University with a Bachelor of Arts degree in Economics, and he has been granted the Chartered Financial Analyst designation. He is a member of the CFA Institute and the New York Society of Security Analysts.

## Important Disclosures

### Growth of 10K Disclosure

This chart illustrates the performance of a hypothetical \$10,000 investment made in the Vice Fund on commencement of operations. Assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance and represents past performance.

### Holdings Disclosure

Fund holdings and portfolio allocations are subject to change and are not recommendations to buy or sell any security.

### Risk Disclosure

**The Fund is nondiversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. The Fund invests in smaller companies, which involve additional risks such as limited liquidity and greater volatility.**

### Prospectus Offer

*The fund's investment objectives, risk, 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 from [www.usamutuals.com](http://www.usamutuals.com) or by calling shareholder services toll free at 866-264-8783. Read it carefully before investing.*

### Morningstar Disclosure

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ (based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) Past performance is no guarantee of future results.

This fund is distributed by Quasar Distributors, LLC.

### Performance Disclosure

**Performance data does not reflect the redemption fee. If reflected, total returns would be reduced.**

**The fund imposes a 1.00% redemption fee on shares held less than 60 days.**

The S&P Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. It is not possible to invest directly in an index.