

# FALLEN ANGELS FUNDS

## VALUE FUND & INCOME FUND

**Mail To:**

Fallen Angels Funds  
Mutual Shareholder Services  
8000 Town Centre Drive, Suite 400  
Broadview Heights, OH 44147

**Minimum Investment:**

Initial: \$10,000 Subsequent: \$1,000

**Need Help Call:**

(866) 663-8023 toll free  
PLEASE PRINT

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**1. Registration of Shares**

\_\_\_\_\_  
Owner (Individual, Corporation, Trustee or Custodian)

\_\_\_\_\_  
Joint Owner (if applicable)

\_\_\_\_\_  
Address

\_\_\_\_\_  
SSN or TIN of Owner/SSN or TIN of Joint Owner

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Daytime Phone Number E-mail

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**2. Fund Selection**

**Fallen Angels Value Fund**

Amount \$ \_\_\_\_\_

**Fallen Angels Income Fund**

Amount \$ \_\_\_\_\_

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**3. Dividend & Telephone Options**

All income dividends and capital gains distributions will be reinvested in additional shares as stated in the Prospectus unless the box below is checked. You elect to have telephone redemption privileges unless you check the box below:

Please pay all income dividends and capital gains distributions in cash.

I do not want telephone redemption privileges

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**4. Taxpayer Information**

If you do not have a Social Security number or a Taxpayer ID number, you must complete a Form W-8 which is available by calling the above phone number:

Citizenship:     U.S. Citizen             Resident Alien             Non-Resident Alien

The Internal Revenue Service (IRS) requires each taxpayer to provide a Social Security or Taxpayer Identification Number and to make the following certifications. I certify under penalty of perjury that:

1) The Social Security or Tax ID number stated above is correct.

2) I am not subject to backup withholding because:\*

A - The IRS has not informed that I am subject to backup withholding

B - The IRS has notified me that I am no longer subject to backup withholding

\*If this statement is not true you are subject to backup withholding, cross out line 2

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**5. Signature and Agreement**

I/We, the undersigned, have received, printed or downloaded a copy of the current Prospectus of the Fallen Angels Funds and are purchasing shares in accordance with its provisions. I/We further certify that the undersigned is of legal age and has full legal capacity to make this purchase. The purchase price shall be the net asset value next determined following receipt of the application by the Fund, if the application is accepted. This application cannot be processed unless accompanied by payment. *The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.*

I/We understand that the Fund is not backed or guaranteed by a bank or insured by the FDIC. I/We authorize the Fund and its agents to act upon instructions (by phone, in writing or other means) believed to be genuine and in accordance with procedures described in the Prospectus. I/We agree that neither the Fund, not the Transfer Agent will be liable for any loss, cost or expense of acting on such instructions. Such entities will employ reasonable procedures to confirm that instructions communicated by phone are genuine and will not be liable for acting upon instructions believed to be genuine.

\_\_\_\_\_  
Signature of Owner

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Owner

\_\_\_\_\_  
Date

# FALLEN ANGELS FUNDS (Cont.)

## VALUE FUND & INCOME FUND

For help with this form call:  
(866)663-8023 toll free

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### 6 Automatic Investment Plan

YES, I/we want to institute the Automatic Investment Plan.

Permits you to initiate automatic transfers to your Fallen Angels Fund from your bank, savings and loan, or credit union using the ACH system. You must attach a voided check to this application. Money will be transferred only from the account indicated on the check. Financial institution account number: \_\_\_\_\_, phone number: \_\_\_\_\_.

AMOUNT \$ \_\_\_\_\_ (MINIMUM \$100)

FREQUENCY:

MONTHLY       BI-MONTHLY       QUARTERLY

DAY FOR INVESTMENT:

5TH       20TH

It is understood that this authorization may be terminated by me/us at any time by written notification to Fallen Angels Funds. The termination request will be effective as soon as Fallen Angels Funds has had reasonable time to act upon it.

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### 7 Duplicate Confirmations and Statements

Please send duplicate confirmations and statements to:

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

\_\_\_\_\_

CITY/STATE/ZIP \_\_\_\_\_

IF BROKER-DEALER/ADVISOR:

REP NAME: \_\_\_\_\_

BRANCH/REP #: \_\_\_\_\_

PHONE: \_\_\_\_\_

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# COST BASIS ELECTION FORM

## Mandatory Cost Basis Reporting Requirement

On October 12, 2010, the Internal Revenue Service (IRS) released the final mandatory cost basis regulations. These regulations were enacted as a result of the Economic Stabilization Act of 2008. As part of the new regulations, brokers and mutual fund companies are now required to provide cost basis reporting to the IRS.

Please refer to the enclosed letter of explanation. Below is a list of cost basis methods available to you. Please select your preferred reporting method, sign and return in the enclosed envelope. You may select only **ONE** option. If you do not return this form by with your application, the default method of AVERAGE COST will be assigned to your account.

### **IF YOU WOULD LIKE TO ELECT AVERAGE COST AS YOUR COST BASIS METHOD, THERE IS NO NEED TO RETURN THIS FORM.**

1. Average Cost (ACST)
2. First In First Out (FIFO)
3. Last In First Out (LIFO)
4. High Cost First Out (HIFO)
5. Low Cost First Out (LOFO)
6. Loss/Gain Utilization (LGUT)
7. Specific Lot Identification (SLID)

\*Secondary Accounting Method Selection: \_\_\_\_\_  
(Note: Average Cost is NOT a valid secondary method)

**Signature:**

\_\_\_\_\_

**Date:** \_\_\_\_\_

**Signature:**

\_\_\_\_\_  
(For joint owner, custodian, trustee, etc.)

**Date:** \_\_\_\_\_

**IMPORTANT NOTICE**  
**NEW COST BASIS REPORTING REQUIREMENT**  
**(Please read carefully)**

**YOUR RESPONSE IS REQUESTED**

In October 2010 the Internal Revenue Service (IRS) issued new mandatory regulations regarding cost basis. Under the new regulations, mutual funds are now required to report cost basis information to the IRS. When you sell or exchange shares of a mutual fund or other securities, you may have a capital gain or loss that must be reported to the IRS. To calculate the gains or losses from shares sold, you must know the cost of the different shares you own. Cost basis is the original price paid for those shares. Any transactions that increase or decrease the number of shares in an account can affect cost basis.

**Non-covered shares:** The new cost basis regulations treat mutual fund shares acquired before the effective date as non-covered shares. Mutual funds are not required to report cost basis to the IRS for shares purchased prior to the effective date.

**Covered shares:** Shares acquired after the effective date are considered covered shares. Mutual funds will now report the cost basis for all covered shares to both you and the IRS. When filing your tax return, you will be required to use the cost basis reported on your 1099-B for your covered shares.

The mutual fund must select a default method for cost basis reporting and notify you of its selection. Please refer to the attached election form for your fund's default method. An explanation of the different cost basis methods is provided on the reverse side of this notice. You have the option to choose the same method as the fund's default or you may choose any of the other cost basis reporting methods. This election is good for all future transactions unless you either revoke or change the election.

Please see the enclosed form and mark the box with an  for the cost basis method you have chosen. **If you do not return the election form, the fund's default method will apply.** You may always change your cost basis method on future purchases, no matter what cost basis method you choose. **Any changes to your cost basis method must be done in writing.**

**For corporate accounts:** The new regulation removes the 1099-B reporting exemption for sales of "covered shares" by S-Corporations. C-Corporations retain their exempt status. Please complete the W-9 to identify the type of entity. For those entities that are S-Corporations, the mutual fund's default election is noted on the election form, but you may select a different cost basis method if you choose. All corporations should complete the Form W-9 and return it in the enclosed envelope. **ANY CORPORATION FAILING TO RETURN THE W-9 WILL BE DEFAULTED TO AN S-CORPORATION AND SUBJECT TO 1099-B REPORTING.**

The below list explains the different cost basis methods available. Please choose a method, mark it on the enclosed form and return it to us with your application. If you do not reply you will receive your fund's default method. If you have questions please call the toll-free number located at the bottom of the enclosed election form.

### **COST BASIS METHODS**

**Average Cost (ACST)** – A method for valuating the cost of covered shares in an account by averaging the effect of all covered transactions in the account. The gain/loss is calculated by taking the cumulative dollar cost of the covered shares owned and dividing it by the number of covered shares in the account. Non-covered securities are calculated separately from covered securities and are not reported to the Internal Revenue Service.

**First In First Out (FIFO)** – A standing order to sell the oldest shares in the account first.

**Last In First Out (LIFO)** – A standing order to sell the newest shares in an account first.

**High Cost First Out (HIFO)** – A standing order to sell shares purchased at the highest cost first.

**Low Cost First Out (LOFO)** – A standing order to sell shares purchased at the lowest cost first.

**Loss/Gain Utilization (LGUT)** – A method that evaluates losses and gains then strategically selects lots based on that gain/loss in conjunction with a holding period.

**Specific Lot Identification (SLID)** – The shareholder needs to designate which specific shares to redeem when placing their redemption request. Please note that Average Cost cannot be used as a secondary accounting method. The secondary accounting method will only be activated if the lots chosen are no longer available.