



Sextant Mutual Funds

800/SATURNA www.sextantmutualfunds.com

BUILDING INVESTOR
CONFIDENCE

Fulcrum Advisory Fee Structure

The Sextant Funds employ a fulcrum advisory fee, which rewards or penalizes Saturna Capital, the Funds' investment adviser, for the Funds' investment performance. Few funds have adopted a fulcrum fee structure, making it somewhat of a rarity. However, at the Sextant Funds, tying manager compensation to performance is a natural extension of our core values of accountability and acting in our shareowners' best interest.

"A benefit of a performance based fee is that it aligns the interest of management with the interests of investors."

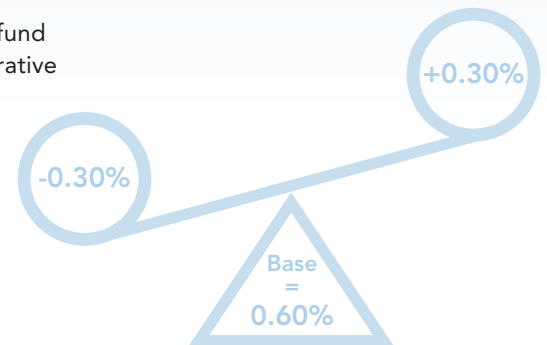
"A benefit of a performance based fee is that it aligns the interest of management with the interests of investors. The fulcrum fee has two components: a base fee which represents the midpoint of the entire fulcrum fee; and an incentive adjustment. The incentive adjustments must be symmetrical – hence the term 'fulcrum.'"

Andrew Donohue, Director of Investment Management
U.S. Securities and Exchange Commission¹

How Sextant Fulcrum Fees Are Calculated

Each month, the Sextant Funds' 12-month trailing total investment returns are compared to the total return of their corresponding Morningstar categories. If a fund outperforms or underperforms the total return of its category, the base administrative fee is increased or decreased according to the fee structure table shown below.

Sextant Fund	Morningstar Category
Growth Fund	Large Growth Funds
International Fund	Foreign Large Blend Funds
Core Fund	Moderate Allocation Funds
Bond Income Fund	Intermediate-Term Bond Funds
Short-Term Bond Fund	Short-Term Bond Funds



Sextant Funds' Fulcrum Advisory Fee Structure					
	Base Fee annual rate	Performance Adjustment annual rate			
		<1% more or less than benchmark	1-2% more or less than benchmark	2-4% more or less than benchmark	>4% more or less than benchmark
Growth Fund, International Fund & Core Fund	0.60%	0.00%	+/- 0.10%	+/- 0.20%	+/- 0.30%
Short-Term Bond Fund & Bond Income Fund	0.60%	0.00%	+/- 0.10%	+/- 0.20%	+/- 0.20%

Our Disciplined Approach

At Saturna Capital and the Sextant Mutual Funds, we strive for excellence in everything we do. We are primarily long-term investors, seeking to preserve and grow clients' capital over time.

Continued on reverse.

Please consider an investment's objectives, risks, charges and expenses carefully before investing. For this and other important information about the Sextant Funds, please obtain and carefully read a free prospectus from www.sextantmutualfunds.com or by calling toll-free 800/SATURNA.

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In making investments, we are value-oriented; we are reluctant to pay a premium for a stock and endeavor to buy stocks when they are out of favor with the market. Our disciplined buy-and-hold execution minimizes portfolio turnover while increasing tax efficiency. We seek companies that represent high quality operations, with large free cash flows, sustainable growth rates, increasing dividends, low price volatility, stable earnings, and strong balance sheets free of excessive debt. We favor companies in which management has a considerable stake, and often sell those issues and industries in which the insiders are liquidating.

We advocate ethical investing, believing that companies with effective corporate responsibility policies are better positioned to avoid crises that could lead to reputation damage, higher costs, lost production, and fraudulent operations. We consider environmental, social, and corporate governance issues during the investment selection process as they can positively, or negatively, impact the performance of investment portfolios.

¹ Donohue, Andrew J. – Speech by SEC Staff: Keynote Address at the Independent Directors Council Investment Company Directors Conference. November 12, 2009. <http://www.sec.gov/news/speech/2009/spch111209ajd.htm>

A Few Words About Risk

By diversifying its investments, each Fund seeks to reduce the risk of owning only a few securities. Diversification does not assure a profit or protect against a loss in a declining market.

The Growth Fund typically invests in smaller and less seasoned companies, which may lead to greater variability in the Growth Fund's returns. Growth stocks, which can be priced on future expectations rather than current results, may decline substantially when expectations are not met or general market conditions weaken.

The International Fund invests in non-U.S. companies and in foreign markets. Investing in foreign securities involves risks not typically associated directly with investing in U.S. securities. These risks include fluctuations in exchange rates of foreign currencies; less public information with respect to issuers of securities; less governmental supervision of exchanges, issuers, and brokers; and lack of uniform accounting, auditing, and financial reporting standards. There is also a risk of adverse political, social or diplomatic developments that affect investment in foreign countries.

The risks inherent in the Short-Term Bond and Bond Income Funds depend primarily on the terms and quality of the obligations in their portfolios, as well as on bond market conditions. When interest rates rise, bond prices fall. When interest rates fall, bond prices go up. Bonds with longer maturities, such as those in the Bond Income Fund, are often more sensitive to interest rate changes than bonds with shorter maturities, such as those held by the Short-Term Bond Fund. The Funds entail credit risk, which is the possibility that a bond will not be able to pay interest or principal when due. If the credit quality of a bond is perceived to decline, investors will demand a higher yield, which means a lower price on that bond to compensate for the higher level of risk.

The Core Fund involves the risks of both equity and debt investing, although it seeks to mitigate these risks through a widely diversified portfolio that includes domestic stocks, foreign stocks, short and long-term bonds, and money market instruments.