

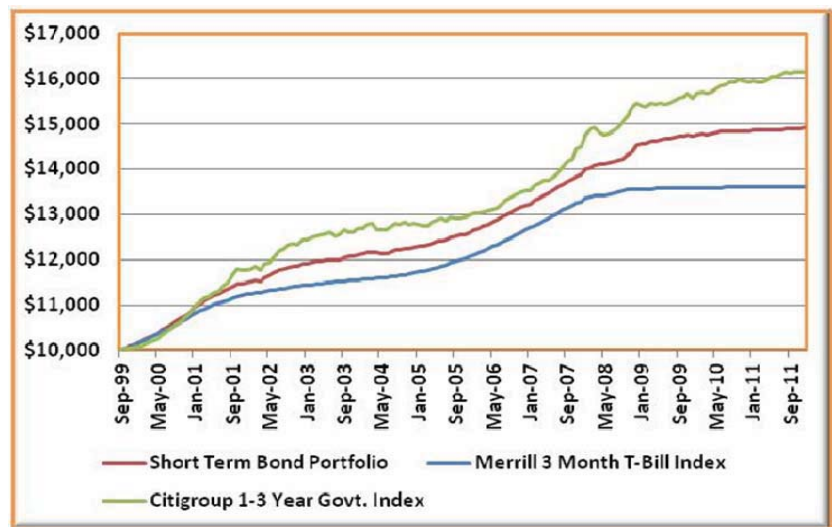
SHORT TERM BOND PORTFOLIO

Investment Goal: The primary goal of NAFA's Short Term Bond Portfolio is safety of principal with competitive returns as a secondary objective. The Portfolio invests in bonds backed by the Full Faith and Credit of the U.S. Government and its Agencies with a two-year maturity limit.

Investor Profile: For the investor whose overriding objective is to preserve capital, NAFA's Short Term Bond Portfolio offers the safety and credit quality of the U.S. Government in addition to the low price volatility of short-term bonds. The Portfolio has more price risk than a money market fund but the fluctuation in the value of the Portfolio is expected to be very low when compared to long term bonds and stocks.

Advantages:

1. *Competitive Returns* - relative to similar short-term investments
2. *Safety* - U.S. Government and Agency guaranteed securities.
3. *Quantitative Analysis* - less price volatility and high credit quality translate into greater liquidity
4. *Low Cost* - management fees are lower than the average intermediate bond mutual fund



Portfolio Strategy: NAFA's Short-Term Bond Portfolio invests in securities with a direct guarantee of the payment of principal and interest by the Federal Government of the United States and its Agencies. These securities are deemed to be the safest quality bonds available. The portfolio managers seek to provide competitive rates of return through management of the average maturity of the Portfolio between a range of one and two years.

Management Fee: 0.50% (one-half percent) annually of the market value of assets in the portfolio. The average corporate bond mutual fund expense ratio is 0.88%.

Performance for the Period Ending 12/31/2011		Portfolio	Last 12 Months	09/99-12/11	Annualized
Ending Values:		Short Term Bond	0.40%	49.09%	3.31%
Short Term Bond Portfolio	\$ 14,909	Net of Fees	0.24%	44.67%	3.06%
Merrill 3 Month T-Bill Index	\$ 13,620	Merrill 3 Month T-Bill	0.10%	36.20%	2.55%
Citigroup 1-3 Yr. Gov't Index	\$ 16,151	Citigroup 1-3 Yr. Gov't Index	1.47%	61.51%	3.99%

Past performance is no guarantee of future results. Please see our performance disclosure statement for more information.