

a bright idea in mutual funds

Start smart. Finish strong.

For nearly two decades, Stadion Money Management has been changing the way high net worth individuals view portfolio success. Today, our innovative approach is readily available to all investors through the Stadion Funds.

Our money management strategy is simple but powerful. We seek to capture most of the stock market's good times and miss most of its bad times. The net result is fewer devastating drops, which means more gains that are true gains—not just the account recovering to break even.

Although no asset allocation strategy can guarantee a positive return, the intent of Stadion's risk-averse approach is to deliver satisfying results with a far more comfortable ride than traditional buy-and-hold strategies. After all, pacing and discipline is what's needed in any long distance race, and long-term investing is no different.



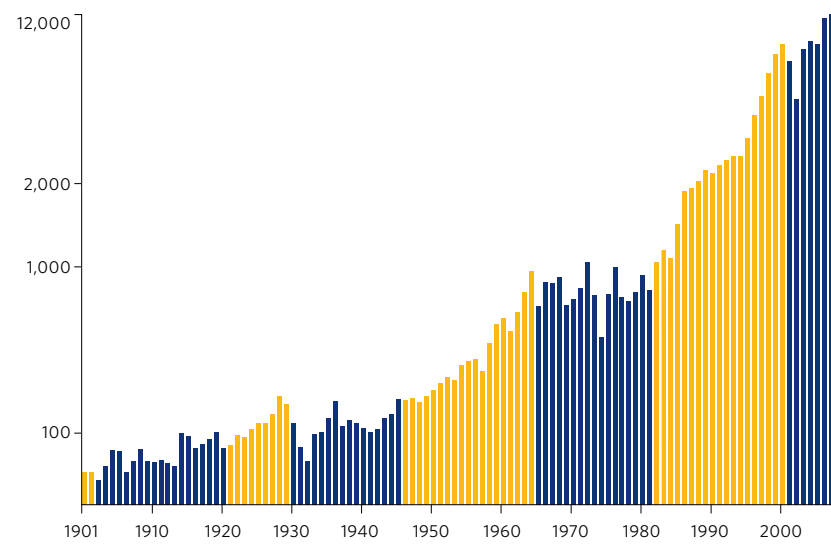
Debunking the Buy-and-Hold Myth

Our active management approach radically differs from the typical “buy-and-hold” strategies often used by investors. Buy-and-hold means staying invested in the market at all times, theoretically achieving the same results as the market.

Investors are sometimes misled by very long-term graphs that “prove” the value of this investment strategy. In reality, charts containing 80 years or more of data are simply irrelevant since the typical investor has only 15 to 20 years to build their retirement nest egg. History shows us there have been many periods of that length when a buy-and-hold approach would have been quite disappointing—or worse.

With buy-and-hold, average stock market investors spend two-thirds of their time working to break even—trying to recover from the cyclical downturns. At Stadion, we believe the best way to break even is to avoid big losses in the first place.

Dow Jones Industrial Average: 1900-2008

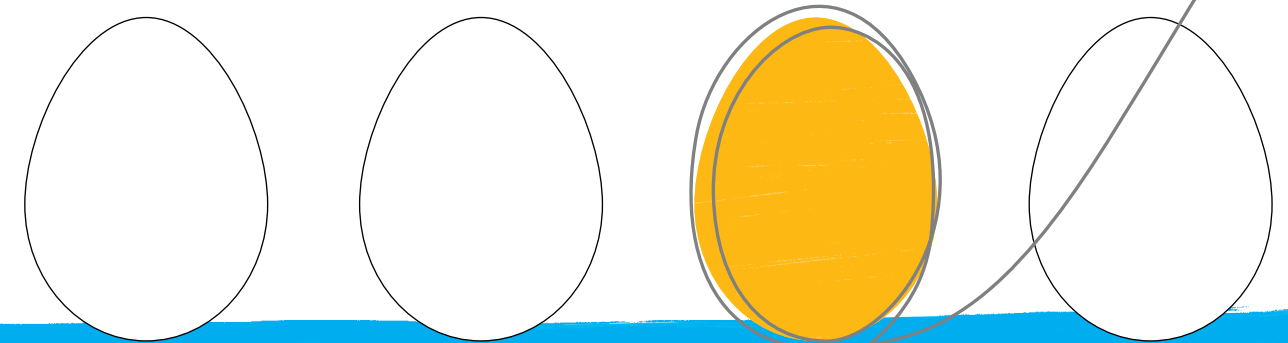


This chart shows that the stock market has historically trended toward long secular bull and bear markets. Betting on a buy-and-hold approach would have been great if your accumulation cycle started in August 1982 on the cusp of the most recent secular bull market. However, it would have been devastating if you had been starting to prepare for retirement in 1966 at the beginning of the last secular bear market, a 16-year period with no overall gain.

Source: “Secular Stock Markets Explained,” Ed Esterling, Crestmont Research, 2006.

■ Bull Markets
■ Bear Markets

At Stadion, we believe that avoiding big losses when the market turns downward is crucial to successful investing.



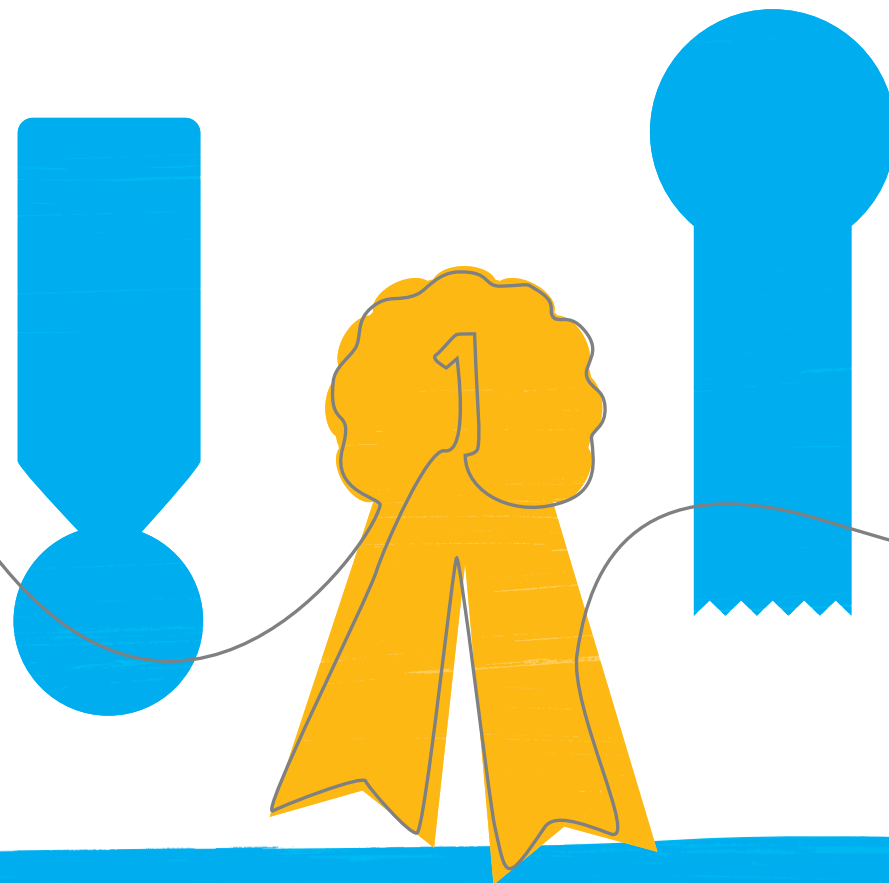
Real vs. Relative Returns

Stadion's investment method focuses on keeping returns as "real" as possible. To achieve this, we work hard to capture most of the market's good times and miss most of its bad times. Losing less when the market goes down, means you have less to make up to get to a place where your returns are real, not just "relative". It is an approach that resonates with investors who want to earn a decent return over time, without worrying about suffering big losses in tough times.

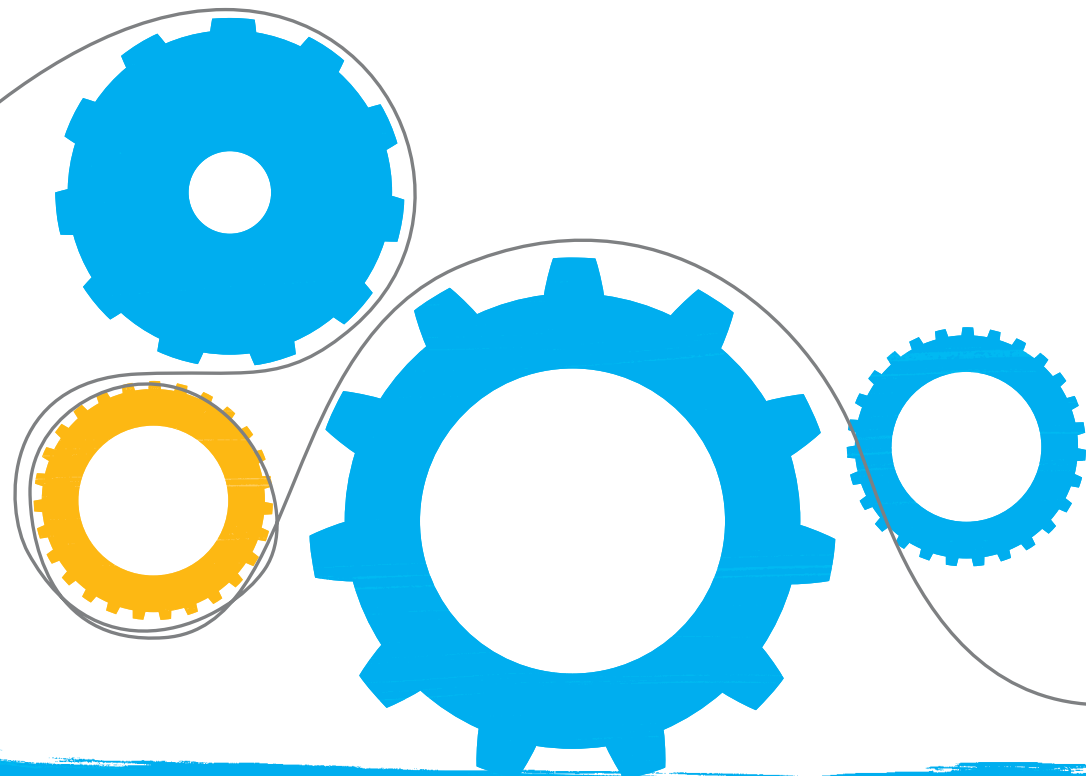
Our Model at Work

Since inception, the Stadion Funds have achieved their results with far less volatility than the S&P 500 during the same period. When equity indexes decline more than 25%, investors who own portfolios reflecting these indexes subsequently need returns of 33% or more just to break even. Conversely, investors in the Stadion Funds benefit from our propensity to use large money market positions to reduce downside volatility. Focused on capital preservation, the gains we capture during a market rebound add to our clients' long-term wealth, rather than just recover losses. Obviously, no fund strategy can allocate assets perfectly every time. It's possible to over or under emphasize the wrong investment. But because we follow our model with discipline, our pace is consistent and investors know what to expect from us.

Our low-volatility investment strategy can also help stabilize your account as you begin to make withdrawals. Large market losses during post-retirement years can be especially devastating because you are already depleting your account to pay for living expenses. Though no investment strategy can guarantee future results, Stadion Funds are structured to reduce the risk.



Our disciplined, objective, model-driven approach removes emotion from the investment decision process.



How We Manage Money

It's true that no one can predict the stock market, but it is possible to assess when conditions are favorable for making money—and when they're not. We believe our three-part management approach allows us to do just that. First, we use our quantitative investment model to assess the market's risk level at any given time. Our model is built on several proprietary indicators that use internal market data and price trends to determine when there is an edge or when the Funds need to be defensive. This weight-of-the-evidence approach determines how much exposure Stadion Funds will have to equities at any given time.

The second step in our tactical asset allocation process is making sure our portfolios are overweighted in the asset classes that we believe are doing well and underweighted in asset classes that are out of favor.

The final step in the process is our objective, well-defined sell strategy. We do not hesitate to shift our portfolios to more defensive positions when market internals weaken and intermediate price trends turn negative. Our safety measures may occasionally cause us to miss some market gains, but they are critical in helping us avoid devastating losses.

Two Portfolios

The Stadion Funds comprise two portfolios, each designed to balance risk and return in slightly different ways. Both are actively ("tactically") managed among exchange traded funds (ETFs) and money market funds. We regularly assess not only market conditions, but fund holdings—and make adjustments accordingly.

Our flagship portfolio is the Stadion Managed Fund, in which we have the ability to invest all of the portfolio in money market funds (when our model indicates the market is exceedingly risky) or all fund assets in equity positions (when our model indicates that the probability of loss is low)—or any combination in between.

Our other portfolio is the Stadion Core Advantage Fund, designed for investors who are fairly risk-conscious, but who still want continuous exposure to the market. A minimum of 50% of this strategy is always invested in equity positions diversified among domestic and international ETFs. The equity exposure in the other half can range from zero to fully invested according to the market's risk level as determined by our technical indicators.

About Stadion

Since 1991, Stadion has been managing investors' "serious money"—the money that absolutely must be there for the important long-term goals like retirement, education and future family legacy. We have established long-term relationships with thousands of investors and gained national recognition with our award-winning investment advice and managed account service in the qualified plan market.

Stadion meets the needs of investors who've come to appreciate our winning-by-not-losing philosophy and want to access our low-volatility money management approach for the full range of their investment needs, including 401(k) retirement account rollovers.

All of us at Stadion are dedicated to the critical role we play in helping investors successfully reach their financial objectives, and we welcome the opportunity to serve your investment needs. Please contact your investment advisor for information on how you can invest in the Stadion Funds.

start smart. finish strong.

