

## Breakpoint Disclosure

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*This disclosure is provided for informational purposes only and is not intended to replace a mutual fund prospectus. Before investing money, please obtain a copy of the prospectus for each mutual fund under consideration, and review it carefully, as it contains more specific information about the sales charges, expenses, and discounts associated with a particular fund.*

**Class A** – purchases are subject to a *front-end sales charge*; the front-end charge is deducted only at the time of purchase. Class A shares also have *lower annual fees and expenses*. These fees and expenses are deducted from the fund’s assets each year. A share class with lower fees and expenses provides more value to its shareholders. **Clients investing \$25,000 or more may receive a discount on their purchase, depending on the fund.** Class A shares have no purchase limit.

**Class B** – purchases are subject to a *back-end sales charge*; the back-end charge may be deducted when an investor sells shares. See “Deferred Sales Charge Schedule” below. Class B shares also have *higher annual fees and expenses*. Therefore, Class B shares may not provide as good a return as Class A shares over the long term. Clients will *not* receive a discount on their purchase, regardless of how much they invest. **Total purchases in Class B shares are limited to \$100,000 per household.**

**Class C** – purchases are subject to a one-year back-end sales charge, which means investors will pay a 1% sales charge if they sell their shares within one year of purchase. Class C shares also have *higher annual fees and expenses*. Therefore, Class C shares may not provide as good a return as Class A shares over the long term. Clients will *not* receive a discount on their purchase, regardless of how much they invest. Total purchases in Class C shares are limited to \$500,000 per household.

*Class A, B, and C shares are the most common share classes, but there may be other shares classes available. Please refer to each fund’s prospectus for more information.*

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### Breakpoint Discount

Class A shares within the same mutual fund family may carry a reduced sales charge for purchases above a certain dollar amount (“breakpoint”). I understand that breakpoints are not available for investments in Class B shares and that distribution and service fees paid for Class B shares may make Class B shares more expensive for purchases of \$50,000 or more. I also understand that if I choose to allocate or “spread” my investment across more than one fund family that I may forfeit a reduction in sales charges.

### Rights of Accumulation

Many mutual funds allow investors to aggregate the value of previous purchases within the same fund family, with the value of a new purchase, to qualify for breakpoint discounts on Class A shares. Moreover, fund families may allow investors to count existing holdings in multiple accounts, such as IRAs or accounts at other broker-dealers, and holdings in accounts of certain related parties, such as spouses or children, to qualify for breakpoint discounts. I understand that I will need to provide documentation (i.e. current account statements) for accounts held with other broker-dealers if I wish to use these holdings to qualify for a breakpoint.

### Letter of Intent

Most mutual funds allow investors to qualify for breakpoint discounts by signing a Letter of Intent, which commits the investor to purchasing a specified amount of Class A shares within a defined period of time, usually 13 months. For example, if an investor plans to purchase \$50,000 worth of Class A shares over a period of 13 months, but each individual purchase would not qualify for a breakpoint discount, the investor could sign a Letter of Intent at the time of the first purchase and receive the breakpoint discount associated with \$50,000 investments on the first and all subsequent purchases. Additionally, some funds offer retroactive Letters of Intent that allow investors to rely upon purchases in the recent past to qualify for a breakpoint discount. However, if an investor fails to invest the amount required by the Letter of Intent, the fund is entitled to retroactively deduct the correct sales charges based upon the amount that the investor actually invested.