

ISI Managed Municipal Fund

Data as of 06/30/10

About the Fund

Investing in Tax-Exempts

With many investors facing higher taxes at the federal, state and local levels, tax-exempt investments are becoming increasingly popular. International Strategy & Investment (ISI) Managed Municipal Fund offers a practical solution to the "taxing problem" with a fully managed, diversified portfolio of high quality municipal bonds. The Fund seeks to provide a high level of current income that is free from federal income taxes. In addition, the Fund's dividends may be free from state and local taxes. The Fund will not invest in instruments subject to the alternative minimum tax (AMT).

Bond Funds vs. Bonds

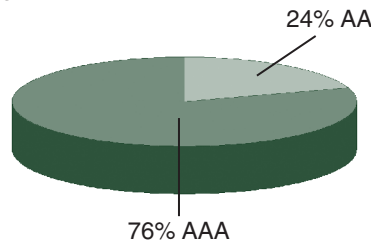
Without investing a significant amount of money, it is difficult for most investors to create a fully diversified portfolio of individual bonds. By investing in a variety of different issues and regions, ISI Managed Municipal Fund provides diversification, which reduces exposure to risk. In addition, the Fund is managed by investment professionals who have the research capabilities and fixed-income expertise to select and track portfolio holdings.

Top Rated Forecasting

As with other debt securities, the value of municipal bonds changes as interest rates fluctuate. In today's interest rate environment, rates can change dramatically in response to a wide variety of factors, including political events and general economic conditions. Since these changes create opportunities for capital appreciation as well as loss, the ability of the Fund's advisor to correctly anticipate changes in economic trends is critical to the Fund's success. The Fund's Senior Economic Advisor is Edward S. Hyman, Chairman of ISI. Mr. Hyman's exceptional record of accurate forecasts in economic trends and interest rates has earned him "First Team" honors for 30 consecutive years in the Institutional Investor magazine survey.

Quality Mix

The Fund's portfolio currently has 24% invested in AA rated bonds and 76% invested in AAA rated bonds. Because quality counts when investing in municipals, the Fund will only invest in securities rated at least A by Standard & Poors Ratings Group or Moody's Investors Service Inc. Also, the Fund must invest at least 75% in securities rated above A.



Portfolio Data

Fund Facts

Inception Date.....2/26/90
 Fund Symbol.....MUNIX
 Dividend Frequency.....Paid Monthly
 Gross Expense Ratio.....0.97%

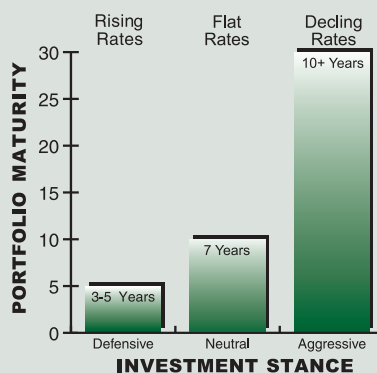
Fund Management

Edward S. Hyman - Senior Economic Advisor
 R. Alan Medaugh - Portfolio Manager

Maturity Management

The key element of the Fund's investment program is the degree of flexibility the Fund's advisor has to adjust the average maturity of the portfolio. This flexibility allows the Fund's advisor to position the portfolio in an attempt to benefit from the trends in interest rates. As illustrated in the chart below, the Fund's portfolio manager seeks to position the Fund to capture capital appreciation when lower rates are expected and to preserve capital when higher rates are expected. Currently, the portfolio has an average maturity of 6.8 years.

Advisor's Strategy During Various Interest Rate Forecasts



Performance

Average Annual Total Returns*

Year	1 Year	3 Year	5 Year	10 Year	Fund Lifetime
Class A					
NAV	4.77%	4.69%	3.44%	4.59%	5.35%
W/Sales Charge	1.60%	3.65%	2.81%	4.27%	5.19%

* Please call us at 800-955-7175 or visit our website at www.isifunds.com to obtain the most recent month-end performance figures.

Returns & Expenses

Figures shown are past results and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Results shown at net asset value (NAV) have all distributions reinvested. If a sales charge had been deducted, the results would have been lower. Returns with sales charge for Class A shares reflect payment of the 3.00% maximum sales charge at the beginning for the stated periods. The investment return and principal value of an investment will fluctuate and an investor's shares, when redeemed, may be worth more or less than their original cost. Investments are not FDIC insured, nor are they deposits of or guaranteed by a bank or any other entity.

A Word About Risk

Bond prices fluctuate based on changes in interest rates and bond prices can decline due to general market, political, regulatory and economic conditions. Fund shares are not guaranteed by the U.S. Government. The material must be preceded or accompanied by a fund prospectus. An investor should consider the investment objectives, risk and charges and expenses of the fund carefully before investing. The Fund's prospectus contains this and other information about the fund and should be read before investing.

Date of first use: 6/28/96

For additional information, ask your Investment Representative or call the Fund directly at 800-955-7175.