

The Investment Committee of the Slavic Mutual Funds Management Corporation met on January 10th, 2011. Present at the meeting were the following committee members:

John Slavic

Alan Moore

Jim Schoenmaker

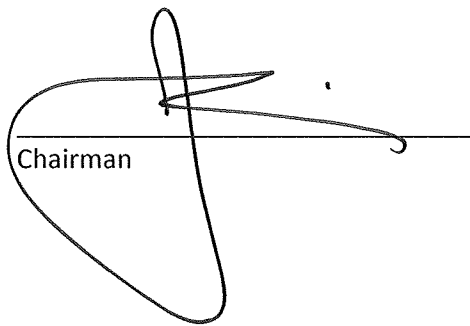
The chairman called the meeting to order for the purpose of:

- Discussing the Economic Outlook for 2011
- Reviewing the allocations of the Aggressive, Moderate and Conservative managed portfolios

The committee discussed the present state of the economy and the advance of the stock market to over 11,500 on the Dow. The economy grew 2.8% in 2010. The Committee expects growth for 2011 to also be in the 2.5% -3% range. The high unemployment rate and the ongoing housing market slump are expected to persist. Inflation should not be a problem unless the labor market improves and workers can command higher wages. The committee also discussed the direction of interest rates. Interest rates are expected to increase if: easy monetary policy causes growth to pick up forcing the Fed to raise rates, the Fed discontinues its policy of quantitative easing, or foreigners cut back on treasury purchases.

The committee elected to maintain the current allocation of funds in the managed portfolios.

With no other business to consider, the meeting was adjourned.


Chairman

1/10/2011
Date