

Business Continuity Statement

As your broker/dealer, Sentinel Financial Services Company ("SFSC") provides account-opening services for your Sentinel account(s). In connection with these services, SFSC is required to communicate its position on business continuity practices.

SFSC and its affiliates ("Sentinel") are committed to ensuring continuation of all essential functions through an effective and comprehensive program of disaster prevention, and total business recovery, in the event that a disaster or serious emergency is experienced.

Sentinel considers business continuity planning to be an iterative process, requiring ongoing review to assess risks and their appropriate responses. As a result, this plan may change as necessary. Please feel free to contact Sentinel at any time to receive the most current version of our Business Continuity Statement. An up-to-date plan is also available on the Sentinel Funds website: www.sentinelinvestments.com.

Sentinel Business Continuity Planning Guidelines

Sentinel, in conjunction with its affiliate, National Life Group, has developed plans that include the ability to mitigate and/or recover from situations including, but not limited to, power outages, major water leaks, fire, loss of water, severe weather, and any facilities failures that may cause business interruptions. Plans are designed to account for business interruptions of various lengths and scope, and require that Sentinel is able to recover critical functions according to their time criticality. Key features of Sentinel's corporate disaster recovery planning include annual reviews of the following:

- Identification of all mission-critical systems.
- A review of financial operational risks.
- Alternate communications between Sentinel and its employees and customers.
- Employee safety strategies and communications.
- Systems and telecommunications accessibility.
- Alternate physical site location and preparedness.

A National Life Group Corporate Business Continuity Management Division articulates planning guidelines and coordinates response and event management across all Sentinel departments. Each Sentinel department has dedicated Business Continuity Planning Liaisons to prepare and test its specific plan. Each Sentinel department also follows enterprise-wide guidelines for business continuity planning and disaster recovery of varying scopes and timeframes.

Sentinel Contingency Planning and Business Recovery

Sentinel mitigates risks to reduce potential issues and impact. In addition to adherence to the guidelines stated above, Sentinel's recovery plans also include the following:

Employee Safety — Sentinel places an emphasis on employee safety. We conduct regular evacuation drills led by trained floor wardens and supervised by on-site security personnel.

Backup Power — Sites that support trading and operations are located in buildings with Uninterrupted Power Supply (UPS) and backup generators.

Separate Sites — Sentinel has its headquarters in Montpelier, VT, and has arrangements with its business partners and other third parties for alternate business sites should the need occur. These separate sites provide business continuity for certain critical functions.

Emergency Communication — There are pre-established processes for rerouting of critical hotline numbers. In the event of a site outage, customers should experience minimal downtime in their ability to access information via the Sentinel website and customer service telephone number.

Alternate Site Tests — Sentinel, via its affiliate, National Life Group, conducts disaster recovery tests for its critical functions at least twice per year. Tests include verification of critical applications and infrastructure.

Notification to Clients — In the event of an outage, Sentinel will reroute client and marketing sales communications and post outage status information on the Sentinel website. Notification will include information regarding length of outage, instructions for contacting Sentinel, and support information (e.g., where to send faxes, issues pertaining to data transmission and communications).

Regulatory Reporting — Sentinel's Business Continuity Plans are designed to ensure that, regardless of the length of an outage at a primary location, Sentinel's ability to continue to meet regulatory requirements, as mandated by the Securities and Exchange Commission (SEC), and the National Association of Securities Dealers (NASD), will not be impacted.

Communications with Regulators — Sentinel will communicate with regulatory authorities regarding the nature and extent of any significant outage at a primary location, as required by applicable law and regulation.

Access to your Funds — Sentinel's Business Continuity Plans are designed to provide sustained service. However, your ability to trade your available funds may be impacted by market events outside of SFSC's control, such as when the market was closed following the September 11 tragedy. Our tested Business Continuity Plans result in necessary personnel being available to approve transactions that result in the disbursement of available funds. In the event that SFSC operations are interrupted by an outage or disaster event, clients can call Sentinel Investor Services at 800-282-3863, Option 2.