

Shareholder Information

Market Timing

Frequent purchases and redemptions of shares of a mutual fund (including activities of “market timers”) can result in the dilution in the value of Trust shares held by long-term shareholders, interference with the efficient management of a fund’s investment portfolio, and increased brokerage and administrative costs. The Funds do not accommodate market timers. On behalf of the Funds, the Board of Trustees has adopted policies and procedures to discourage frequent purchases and redemptions of Funds’ shares. To prevent disruption in the management of the Funds due to market timing strategies:

- exchange activity may be limited to four substantial exchanges within a twelve month period;
- each Fund may refuse any purchase or exchange request for Fund shares if management determines that such request could adversely affect the Fund’s NAV, including as a result of the shareholder’s excessive trading (to be determined at management’s discretion); and
- each Fund may, after prior warning and notification, close an account due to excessive trading.

The exchange activity limitations do not apply to redemptions that do not indicate market timing strategies, such as redemptions of shares through portfolio rebalancing programs of institutional investment managers (including Bank of Hawaii and its affiliates) or systematic withdrawal plans, redemptions requested within 30 days following the death of the shareholder (or, if a trust, its beneficiary), or redemptions initiated by the Funds. In addition, there is no limit on exchange activity in the U.S. Government Short Fixed Income Fund.

Distribution Arrangements/Sales Charges

This section describes the sales charges and fees you will pay as an investor in different share classes offered by the Fund and ways to qualify for reduced sales charges. Determining which share class is best for you depends on the dollar amount you are investing and the number of years for which you are willing to invest. Purchases of \$1 million or more should be made in Class A shares. If you do not want to pay a front-end sales charge and intend to hold your shares for more than 12 months, you should purchase Class C shares rather than Class B shares. Based on your personal situation, your investment representative can help you decide which class of shares makes sense for you. Certain qualified institutional buyers are eligible to purchase Class Y shares of the Funds. Class Y shares are offered by another prospectus which is available by calling 800-258-9232.

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Distribution Arrangements/Sales Charges continued

Types of Charges	Class A	Class B	Class C
Sales Charge (Load)	Front-end sales charge (at the time of your purchase); reduced sales charges are available. ¹	No front-end sales charge. You may incur a contingent deferred sales charge up to 5.00% on shares redeemed within six years after purchase; shares automatically convert to Class A shares after 8 years. ³	No front-end sales charge. You may incur a contingent deferred sales charge up to 1.00% on shares redeemed within 1 year after purchase.
Distribution (12b-1) Fees	Subject to annual distribution fees of up to .40% of the Fund's net assets. ²	Subject to annual distribution fees of up to 1.00% of the Fund's net assets.	Subject to annual distribution fees of up to 1.00% of the Fund's net assets.
Fund Expenses	Lower annual expenses than Class B shares.	Higher annual expenses than Class A shares, and same as Class C shares.	Higher annual expenses than Class A shares, and same as Class B shares.

¹ For investments of \$1 million or more made prior to December 1, 2005, you may incur a contingent deferred sales charge on shares sold within 18 months of a purchase.

² The Distributor is contractually limiting the 12b-1 fee for Class A shares to 0.25% through November 30, 2007.

³ The offering of Class B shares by all Funds has been suspended since June 1, 2003 (except for reinvestment of dividends and exchanges of Class B shares between Funds).

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Distribution Arrangements/Sales Charges continued

Calculation of Sales Charge

Class A Shares

The Distributor sells Class A shares at their public offering price. This price includes the initial sales charge. Therefore, part of the money you pay for shares will be used to pay the sales charge. The remainder is invested in Fund shares. The sales charge decreases with larger purchases. There is no sales charge on reinvested dividends and distributions.

The current sales charge rates and commissions paid to investment representatives are as follows:

For the New Asia Growth Fund, International Stock Fund, Small Cap Fund, Mid-Cap Fund, Growth Stock Fund, Growth and Income Fund and Value Fund

Your Investment	Sales Charge as a % of Offering Price	Sales Charge as a % of Your Investment	Dealer Payment as a % of Offering Price
Less than \$50,000	5.25%	5.54%	4.73%
\$50,000 but less than \$100,000	4.50%	4.71%	4.05%
\$100,000 but less than \$250,000	3.75%	3.90%	3.38%
\$250,000 but less than \$500,000	3.25%	3.36%	2.93%
\$500,000 but less than \$1,000,000	2.75%	2.83%	2.48%
\$1,000,000 and above ¹	0.00%	0.00%	0.00%

¹ For investments made prior to December 1, 2005, you will pay a contingent deferred sales charge (CDSC) on these shares of up to 1.00% of the purchase price if you redeem them in the first 18 months after purchase. The Distributor will base this charge on the lower of your cost for the shares or their NAV at the time of sale. The CDSC does not apply to reinvested distributions.

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Distribution Arrangements/Sales Charges continued

For the High Grade Core Fixed Income Fund and Tax-Free Securities Fund

Your Investment	Sales Charge as a % of Offering Price	Sales Charge as a % of Your Investment	Dealer Payment as a % of Offering Price
Less than \$50,000	4.00%	4.17%	3.60%
\$50,000 but less than \$100,000	3.50%	3.63%	3.15%
\$100,000 but less than \$250,000	3.25%	3.36%	2.93%
\$250,000 but less than \$500,000	3.00%	3.09%	2.70%
\$500,000 but less than \$1,000,000	2.50%	2.56%	2.25%
\$1,000,000 and above ¹	0.00%	0.00%	0.00%

¹ For investments made prior to December 1, 2005, you will pay a contingent deferred sales charge (CDSC) on these shares of up to 1.00% of the purchase price if you redeem them in the first 18 months after purchase. The Distributor will base this charge on the lower of your cost for the shares or their NAV at the time of sale. The CDSC does not apply to reinvested distributions.

For the High Grade Short Intermediate Fixed Income Fund, Tax-Free Short Intermediate Securities Fund and U.S. Government Short Fixed Income Fund

Your Investment	Sales Charge as a % of Offering Price	Sales Charge as a % of Your Investment	Dealer Payment as a % of Offering Price
Less than \$100,000	2.25%	2.30%	2.03%
\$100,000 but less than \$250,000	1.75%	1.78%	1.58%
\$250,000 but less than \$500,000	1.25%	1.27%	1.13%
\$500,000 but less than \$1,000,000	1.00%	1.01%	0.90%
\$1,000,000 and above ¹	0.00%	0.00%	0.00%

¹ For investments made prior to December 1, 2005, you will pay a contingent deferred sales charge (CDSC) on these shares of up to 1.00% of the purchase price if you redeem them in the first 18 months after purchase. The Distributor will base this charge on the lower of your cost for the shares or their NAV at the time of sale. The CDSC does not apply to reinvested distributions.

The Distributor reserves the right to pay the entire sales charge to dealers. The Distributor may provide financial assistance in connection with pre-approved seminars, conferences and advertising to the extent permitted by applicable state or self-regulatory agencies, such as the National Association of Securities Dealers.

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Distribution Arrangements/Sales Charges continued

THE OFFERING OF CLASS B SHARES BY ALL FUNDS HAS BEEN SUSPENDED SINCE JUNE 1, 2003 (EXCEPT FOR REINVESTMENT OF DIVIDENDS AND EXCHANGES OF CLASS B SHARES BETWEEN FUNDS). THE SUSPENSION WILL REMAIN IN EFFECT UNTIL FURTHER NOTICE.

Class B Shares

The Distributor sells Class B shares at NAV, without any up-front sales charge. Therefore, all the money you invest is used to purchase Fund shares. However, if you sell your Class B shares of the Fund before the sixth anniversary of purchase, you will have to pay a contingent deferred sales charge at the time of sale. The CDSC will be based on the lower of the NAV at the time of purchase or the NAV at the time of sale according to the schedule to the right. There is no CDSC on reinvested dividends or distributions.

Imposition of the CDSC and the distribution fee on Class B shares is limited by the NASD asset-based sales charge rule.

Years Since Purchase	CDSC as a % of Dollar Amount Subject to Charge
0-1	5.00%
1-2	4.00%
2-3	3.00%
3-4	3.00%
4-5	2.00%
5-6	1.00%
more than 6	None

If you sell some but not all of your Class B shares, we will first redeem certain shares not subject to the CDSC (i.e., shares purchased with reinvested dividends) followed by shares subject to the lowest CDSC (typically shares you have held for the longest time).

Conversion Feature — Class B Shares

- Your Class B shares automatically convert to Class A shares of the same Fund eight years after the end of the month of purchase. The dollar value of Class A shares you receive will equal the dollar value of the B shares converted.
- After conversion, your shares will be subject to the lower distribution fees charged on Class A shares, which will increase your investment return.
- You will not pay any sales charge, fees or taxes when your shares convert.
- If you purchased Class B shares of one Fund which you exchanged for Class B shares of another Fund, we will calculate your holding period from the time of your original purchase of Class B shares.

Class C Shares

The Distributor sells Class C shares at NAV, without any up-front sales charge. Therefore, all the money you invest is used to purchase Fund shares. However, if you sell your Class C shares of the Fund before the first anniversary of purchase, you will have to pay a contingent deferred sales charge of 1.00% at the time of sale. The CDSC will be based on the lower of the NAV at the time of purchase or the NAV at the time of sale. There is no CDSC on reinvested dividends or distributions.

Shareholder Information

Distribution Arrangements/Sales Charges continued

If you sell some but not all of your Class C shares, we will first redeem certain shares not subject to the CDSC (i.e., shares purchased with reinvested dividends) followed by shares subject to the lowest CDSC (typically shares you have held for the longest time).

Class A Sales Charge Reductions

You may qualify for reduced sales charges on Class A shares under the following circumstances.

- **Letter of Intent.** You inform the Fund in writing that you intend to purchase enough shares over a 13-month period to qualify for a reduced sales charge. You must include a minimum of 3% of the total amount you intend to purchase with your letter of intent. Shares purchased under the non-binding Letter of Intent will be held in escrow until the total investment has been completed. If the Letter of Intent is not completed, sufficient escrowed shares will be redeemed to pay any applicable front-end sales charge.
- **Rights of Accumulation.** When the value of shares you already own plus the amount you intend to invest reaches the amount needed to qualify for reduced sales charges, your added investment will qualify for the reduced sales charge. To determine whether the sales charge reduction applies, the value of the shares you already own will be calculated by using the greater of the current value or the original investment amount. To be eligible for rights of accumulation, shares of the Fund must be held in the following types of accounts:
 - Individual or joint accounts
 - Certain retirement accounts (i.e., IRA)
 - Other accounts owned by the same shareholder (determined by tax identification number) or other shareholders eligible under the Combination Privilege defined below.
- **Combination Privilege.** You can combine accounts of multiple Funds or accounts of immediate family household members (spouse and children under 21) to reduce sales charges. Reduced prices are also available for investors who are members of certain qualified groups.

Although the Funds have a goal of providing sales charge reductions to eligible purchases, sales charge reductions may depend on the way your account is held and reported to the Funds' Transfer Agent by your financial intermediary. The Funds recommend that you notify the Funds' Transfer Agent or your financial intermediary of your intent to seek a sales charge reduction prior to making a purchase in order to confirm qualification. In order to obtain a sales charge reduction, you may need to provide your financial intermediary or the Funds' Transfer Agent, at the time of purchase, with information regarding shares of the Funds held in other accounts which may be eligible for aggregation. Such information may include account statements or other records regarding shares of the Funds held in (i) all accounts (e.g., retirement accounts) with the Funds and your financial intermediary, (ii) accounts with other financial intermediaries, and (iii) accounts in the name of immediate family household members (spouse and children under 21).

Additional information is available on the Pacific Capital Funds website at www.pacificcapitalfunds.com.

(See next page for "Sales Charge Waivers")

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Distribution Arrangements/Sales Charges continued

Sales Charge Waivers

Class A Shares

The following qualify for waivers of Class A sales charges. BISYS must be notified of the request for a sales charge waiver in writing by you or your financial intermediary at the time the purchase is made and you or your financial intermediary may be asked to provide additional information to support qualification for the sales charge waiver.

- Current and retired trustees, directors, employees, and family members of the Trust, AMG and its affiliates or any other organization that provides services to the Trust.
- Investors for whom AMG or one of its affiliates acts in a fiduciary, advisory, custodial, agency or similar capacity.
- Investors who purchase shares of a Fund through a retirement related payroll deduction plan, a 401(k) plan, a 403(b) plan, or a similar plan which by its terms permits purchases of shares.
- Investment advisers, financial planners, and retirement plan administrators and wrap fee program sponsors who place trades for their own accounts or the accounts of their clients and who charge a management consulting or other fee for their services.
- Clients of such investment advisers, financial planners, and retirement plan administrators and wrap fee program sponsors who place trades for their own accounts if the accounts are linked to the master account of such investment advisers, financial planners, retirement plan administrators or wrap fee program sponsors on the books and records of the broker, agent, investment adviser or financial institution.
- Other investment companies distributed by the Distributor and investments through retail fund supermarket platforms.
- Investors who purchase shares with the proceeds from the redemption of Class Y shares of the Trust within 60 days after the date of redemption. A copy of your account statement showing the redemption must accompany the written notice to BISYS.

Reinstatement Privilege

If you have sold Class A, B or C shares of a Fund and decide to reinvest in the same class of the same Fund within a 120 day period, you will not be charged the applicable sales load on a current Class A share purchase and the CDSC will not apply to a current Class B or C share purchase, as applicable, on amounts up to the value of the shares you sold. You must provide a written reinstatement request and payment within 120 days of the date your instructions to sell were processed.

Shareholder Information

Distribution Arrangements/Sales Charges continued

Class B and Class C Shares

The Distributor will waive the CDSC under certain circumstances, including the following:

- If the redemption follows the death of a shareholder (or both shareholders in the case of joint accounts).
- If the redemption is made under an automatic withdrawal plan as long as the payments are no more than 10% of the account value annually (measured from the date the Transfer Agent receives the request).
- If the redemption represents the minimum required distribution from a retirement plan.
- If the shares being redeemed were purchased with reinvested dividends and distributions.

See the Statement of Additional Information for other possible fee waivers.

Distribution (12b-1) Fees

12b-1 fees compensate the Distributor and other dealers and investment representatives for services and expenses relating to the sale and distribution of a Fund's shares and for providing shareholder services. 12b-1 fees are paid from Fund assets on an ongoing basis, and over time will increase the cost of your investment and may cost you more than paying other types of sales charges.

- The 12b-1 fees paid by a Fund vary by share class as follows:
 1. Class A shares pay a 12b-1 fee of up to .40% of the average daily net assets of the Fund (currently the Distributor contractually waives a portion of its 12b-1 fee, so that the fee payable by the Class A shares of each Fund will not exceed .25% of the average daily net asset value attributable to the Fund's Class A shares on an annual basis).
 2. Class B shares pay a 12b-1 fee of up to 1.00% of the average daily net assets of the Fund. This will cause expenses for Class B shares to be higher and dividends to be lower than for Class A shares.
 3. Class C shares pay a 12b-1 fee of up to 1.00% of the average daily net assets of the Fund. This will cause expenses for Class C shares to be higher and dividends to be lower than for Class A shares.
- The higher 12b-1 fee on Class B and Class C shares, together with the CDSC, help the Distributor sell Class B and Class C shares without an "up-front" sales charge. In particular, these fees help the Distributor cover the cost of advancing brokerage commissions to investment representatives.

Although the offering of Class B shares has been suspended by all Funds, the Funds' 12b-1 Distribution and Service Plan is still in effect and 12b-1 fees will continue to be paid from the Funds' assets for the foreseeable future.