

AMERICAN GROWTH FUND, INC.  
1636 N. Logan Street, Denver, Colorado 80203  
303-626-0600

Series One

Class A AMRAX - Class B AMRBX - Class C AMRCX - Class D AMRGX

## STATEMENT OF ADDITIONAL INFORMATION

November 30, 2023

This Statement of Additional Information is not a prospectus. Prospective investors should read this Statement of Additional Information only in conjunction with the Prospectuses of Series One of American Growth Fund, Inc. (the "Fund") dated November 30, 2023. A copy of the Prospectus may be obtained at no cost by writing World Capital Brokerage, Inc. (the "Distributor"), 1636 N. Logan Street, Denver, Colorado 80203, or by calling 800-525-2406 or on the Fund's web site, [www.americangrowthfund.com](http://www.americangrowthfund.com).

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## FUND HISTORY

The Fund was established in August of 1958 as a diversified, open-end, management investment company organized and incorporated in the State of Maryland.

## CLASSIFICATION

The American Growth Fund is a diversified, open-end management investment company.

## INVESTMENT STRATEGIES

In attempting to achieve its investment objective, the Fund will typically invest at least 80% of its assets in common stocks and securities convertible into common stocks traded on national securities exchanges or over-the-counter.

We perform our own extensive internal research to determine whether companies meet our growth criteria. From time to time we meet company management teams and other key staff face-to-face and tour corporate facilities and manufacturing plants to get a complete picture of a company before we invest.

We limit the amount of the Fund's assets invested in any one industry and in any individual security. At the time of purchase we do not invest more than 5% of the Fund's total assets in any one issuer nor do we invest more than 25% in any one industry. We also follow a rigorous selection process designed to identify undervalued securities before choosing securities for the portfolio.

Although the Fund will normally invest in large capitalization companies, the Fund may invest in companies of all sizes. Investment Research Corporation, the Fund's investment advisor (the Advisor or IRC), generally will choose common stocks (or convertible securities) that it believes have a potential for capital appreciation because of existing or anticipated economic conditions or because the securities are considered undervalued or out of favor with investors or are expected to increase in price over the short-term. Convertible debt securities will be rated at least A by Moody's Investor Service or Standard and Poor's Ratings Services, or, if unrated, will be comparable quality in the opinion of the Advisor.

We maintain a long-term investment approach and focus on stocks we believe can appreciate over an extended time frame regardless of interim market fluctuations. Using the following disciplined approach, we look for companies having some or all of these characteristics:

- Large capitalization companies, although on occasion the Fund may invest in small and mid-cap companies, if the Advisor believes it is in the best interests of the Fund. Large cap companies are generally companies with market capitalization exceeding \$5 billion at the date of acquisition;
- growth that is faster than the market as a whole and sustainable over the long term;
- strong management team;
- leading market positions and growing brand identities;
- financial, marketing, and operating strength.

The Fund emphasizes investments in common stocks with the potential for capital appreciation. These stocks generally pay regular dividends, although the Fund also may invest in non-dividend-paying companies if, in the opinion of an Advisor, they offer better prospects for capital appreciation.

When the Advisor believes the securities the Fund holds may decline in value, the Fund may sell them and, if the Advisor believes market conditions warrant the Fund may assume a defensive position. While in a defensive position, the Fund may invest all or part of its assets in corporate bonds, debentures (both short and long term) or preferred stocks rated A or above by Moody's Investors Service, Inc. or Standard and Poor's (or, if unrated, of comparable quality in the opinion of the Advisor), United States Government securities, repurchase agreements meeting approved credit worthiness standards (e.g., whereby the underlying security is issued by the United States Government or any agency thereof), or retain funds in cash or cash equivalents. There is no maximum limit on the amount of fixed income securities in which the Fund may invest for temporary defensive purposes. If the Fund takes a temporary defensive position in attempting to respond to adverse market, economic, political or other conditions, it may not achieve its investment objective. The Fund's performance could be lower during periods when it retains or invests its assets in these more defensive holdings.

A repurchase agreement is a contract under which the seller of a security agrees to buy it back at an

agreed upon price and time in the future.

The Fund will enter into repurchase transactions only with parties who meet creditworthiness standards approved by the Fund's Board of Directors.

The Fund may invest in foreign securities in the form of American Depositary Receipts (ADRs) which represents ownership in the shares of a non-U.S. company that trades in U.S. financial markets. We typically invest only a small portion of the Fund's portfolio in foreign corporations through ADRs. We do not invest directly in foreign securities. When we do purchase ADRs, they are generally denominated in U.S. dollars and traded on a U.S. exchange.

Consistent with its investment objective, policies, and restrictions, the Fund also may invest in securities, such as Exchange Traded Funds ("ETFs").

We seek to limit exposure to illiquid securities.

## INVESTMENT RISKS

The primary risks of investing in the Fund are:

Investing in any mutual fund involves risk, including the risk that you may receive little or no return on your investment, and the risk that you may lose part or all of the money you invest.

- Stock Market risk is the risk that all or a majority of the securities in a certain market - such as the stock or bond market - will decline in value because of factors such as economic conditions, future expectations or investor confidence, sometimes rapidly and unpredictably.

- Operational and cybersecurity risk - Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting the companies and other issuers in which the Fund invests may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes. In addition, markets and market participants are increasingly reliant on information data systems. Inaccurate data, software or other technology malfunctions, programming inaccuracies, unauthorized use or access, and similar circumstances may impair the performance of these systems and may have an adverse impact upon a single issuer, a group of issuers, or the market at large, which could negatively impact the value of one or more of the Fund's investments.

- Market Risk - Economies and financial markets throughout the world are becoming increasingly interconnected, which increases the likelihood that events or conditions in one country or region will adversely impact markets or issuers in other countries or regions. Securities in the Fund's portfolio may underperform in comparison to securities in general financial markets, a particular financial market or other asset classes due to a number of factors, including inflation (or expectations for inflation), deflation (or expectations for deflation), interest rates, global demand for particular products or resources, market instability, debt crises and downgrades, embargoes, tariffs, sanctions and other trade barriers, regulatory events, other governmental trade or market control programs and geopolitical events, such as political or economic dysfunction within nations. In addition, the value of the Fund's investments may be negatively affected by the occurrence of global events such as war, terrorism, environmental disasters, natural disasters or events, country instability, and infectious disease epidemics or pandemics or other public health crises. Policy changes by the U.S. government and/or the Fed and political events within the United States and other countries may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. A downgrade of the ratings of U.S. government debt obligations, or concerns about the U.S. government's credit quality in general, could have a substantial negative effect on the U.S. and global economies. Downgrades affecting other countries also could have similar impacts. In addition, high public debt in the United States and other countries creates ongoing systemic and market risks and policymaking uncertainty.

- Early Close/Trading Halt Risk is the risk that an exchange or market may close or issue trading halts on specific securities, or the ability to buy or sell certain securities or financial instruments may be restricted, which may prevent the Fund from buying or selling certain securities or financial instruments. In these circumstances, the Fund may be unable to rebalance its portfolio, may be unable to accurately price its investments and may incur substantial trading losses.

- Industry and security risk is the risk that the value of securities in a particular industry or the value of an individual stock or bond generally will decline because of changing expectations for the performance of

that industry or for the individual company issuing the stock or bond.

- Management risk is the risk that the Advisor's assessment of a company's ability to increase earnings faster than the rest of the market is not correct, the securities in the portfolio may not increase in value, and could decrease in value.
- Interest rate risk is the risk that changes in interest rates may affect the yield, liquidity and value of investments in income producing or debt securities. As rates rise, the price of a fixed rate bond will fall.
- Credit risk is the possibility that a bond's issuer (or an entity that insures a bond) will be unable to make timely payments of interest and principal.
- Foreign investment risk is the risk that foreign securities may be adversely affected by political instability, changes in currency exchange rates, foreign economic conditions or inadequate regulatory and accounting standards outside the United States.
- Liquidity risk - a given security or asset may not be readily marketable. Illiquid investments may be difficult or impossible to sell or purchase at an advantageous time or price or in sufficient amounts to achieve the Fund's desired level of exposure.
- Small Cap stocks tend to have a high risk exposure to market fluctuations and failure.
- Mid Cap stocks also tend to have a greater risk exposure to market fluctuations and failure but normally not as much so as the Small Cap stocks.
- Equity Risk. In general, stocks and other equity security values fluctuate, and sometimes widely fluctuate, in response to changes in a company's financial condition as well as general market, economic and political conditions and other factors. The level of volatility could be high.
- Repurchase Agreements Risk. The Fund may enter into repurchase agreements under which it purchases a security that a seller has agreed to repurchase from the Fund at a later date at the same price plus interest. If a seller defaults and the security declines in value, the Fund might incur a loss. If the seller declares bankruptcy, the Portfolio Fund may not be able to sell the security at the desired time.
- Depositary Receipts Risk. Investments in depositary receipts (including American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts) are generally subject to the same risks of investing in the foreign securities that they evidence or into which they may be converted. In addition, issuers underlying unsponsored depositary receipts may not provide as much information as U.S. issuers and issuers underlying sponsored depositary receipts. Unsponsored depositary receipts also may not carry the same voting privileges as sponsored depositary receipts.
- Convertible Securities have the risk of loss of principal at maturity, however, this loss is limited to the value of the bond floor.
- Large Cap Company Risk is the risk that larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.
- Investments in Other Investment Companies is the risk that the Fund's investments in other investment companies will be subject to the risks of the purchased investment company's portfolio securities. The Fund's shareholders must bear not only their proportionate share of the Fund's fees and expenses, but they also must bear indirectly the fees and expenses of the other investment company. In addition, the Fund's net asset value is subject to fluctuations in the net asset values of the other investment companies in which it invests. The ability of the Fund to meet its investment objective will depend, to a significant degree, on the ability of the other investment companies to meet their objectives.
- Exchange-Traded Funds ("ETFs"). ETFs are investment companies whose shares are listed on a securities exchange and trade like a stock throughout the day. Investments in ETFs are subject to a variety of risks, including risks associated with the underlying securities that the ETF holds. The Fund's net asset value will be subject to fluctuations in the market values of the ETFs in which it invests. Also, ETFs that track particular indices typically will be unable to match the performance of the index exactly due to the ETF's operating expenses and transaction costs, among other things. Similar to investments in other investment companies, the Fund's shareholders must bear not only their proportionate share of the Fund's fees and expenses, but they also must bear indirectly the fees and expenses of the ETF. In addition, the ability of the Fund to meet its investment objective will directly depend on the ability of the ETFs to meet their investment objectives. The extent to which the investment performance and risks associated with the Fund correlate to those of a particular ETF will depend upon the extent to which the Fund's assets are allocated from time to time for investment in the ETF, which will vary.
- Technology Securities Risk is the risk that certain technology related companies may face special risks

that their products or services may not prove to be commercially successful. Technology related companies are also strongly affected by worldwide scientific or technological developments. As a result, their products may rapidly become obsolete. Such companies are also often subject to governmental regulation and may, therefore, be adversely affected by governmental policies. Investments in technology companies generally can be volatile and fluctuate widely, sometimes rapidly and unpredictably. Loss of some or all of the money you invest is a risk of investing in the Fund.

## ADDITIONAL INVESTMENT INFORMATION

The following information supplements the information in the American Growth Fund, Inc. (the "Fund") Prospectuses under the heading Principal Investment Strategy.

The Fund is subject to certain fundamental restrictions on its investment policies, including the following:

1. No securities may be purchased on margin, the Fund may not sell securities short, and will not participate in a joint or joint and several basis with others in any securities trading account.
2. Not more than 5% of the value of the assets of the Fund at the time of investment may be invested in securities of any one issuer other than securities issued by the United States government.
3. Not more than 10% of any class of voting securities or other securities of any one issuer may be held in the portfolio of the Fund.
4. The Fund cannot act as an underwriter of securities of other issuers.
5. The Fund cannot borrow money except from a bank as a temporary measure for extraordinary or emergency purposes, and then only in an amount not to exceed 10% of its total assets taken at cost, or mortgage or pledge any of its assets.
6. The Fund cannot make or purchase loans to any person including real estate mortgage loans, other than through the purchase of a portion of publicly distributed debt securities pursuant to the investment policy of the Fund.
7. The Fund cannot issue senior securities or purchase the securities of another investment company or investment trust except in the open market where no profit to a sponsor or dealer, other than the customary brokers commission, results from such purchase (but the total of such investment shall not exceed 10% of the net assets of the Fund), or except when such purchase is part of a plan of merger or consolidation. The Fund may purchase securities of other investment companies in the open market if the purchase involves only customary broker's commissions and only if immediately thereafter (i) no more than 3% of the voting securities of any one investment company are owned by the Fund, (ii) no more than 5% of the value of the total assets of the Fund would be invested in any one investment company, and (iii) no more than 10% of the value of the total assets of the Fund would be invested in the securities of such investment companies. Should the Fund purchase securities of other investment companies, the Fund's shareholders may incur additional management and distribution fees.
8. The Fund cannot invest in the securities of issuers which have been in operation for less than three years if such purchase at the time thereof would cause more than 5% of the net assets of the Fund to be so invested, and in any event, any such investments must be limited to utility or pipeline companies.
9. The Fund cannot invest in companies for the purpose of exercising management or control.
10. The Fund cannot deal in real estate, commodities or commodity contracts.
11. In applying its restrictions on concentration of investments in any one industry, the Fund uses industry classifications based, where applicable, on Bridge Information Systems, Reuters, the S&P Stock Guide published by Standard & Poor's, the O'Neil Database published by William O'Neil & Co., Inc., information obtained from Value Line, Bloomberg L.P. and Moody's International, and/or the prospectus of the

issuing company, and/or other recognized classification resources. Selection of an appropriate industry classification resource will be made by management in the exercise of its reasonable discretion. The Fund will not concentrate its investments in any particular industry nor will it purchase a security if, as a result of such purchase, more than 25% of its assets will be invested in a particular industry.

12. The Fund cannot invest in puts, calls, straddles, spreads or any combination thereof.

The foregoing policies can be changed only by approval of a majority of the outstanding shares of the Fund, which means the lesser of (i) 67% of the shares represented at a meeting at which more than 50% of the outstanding shares are present in person or by proxy, or (ii) more than 50% of the outstanding shares.

When the Fund makes temporary investments in U.S. Government securities, it ordinarily will purchase U.S. Treasury Bills, Notes, or Bonds. The Fund may make temporary investments in repurchase agreements where the underlying security is issued or guaranteed by the U.S. Government or an agency thereof. The Fund will not invest more than 10% of its assets in repurchase agreements maturing in more than seven days, or securities that are illiquid by virtue of the absence of a readily available market or legal or contractual restrictions on resale. The Fund will not invest in real estate limited partnership interests, other than interests in readily marketable real estate investment trusts. The Fund will not invest in oil, gas or mineral leases, or invest more than 5% of its net assets in warrants or rights, valued at the lower of cost or market, nor more than 2% of its net assets in warrants or rights (valued on the same basis) which are not listed on the New York or American Stock Exchanges.

#### TEMPORARY DEFENSIVE POSITION

If the Fund invests in fixed-income securities, for temporary defensive purposes, these securities generally are U.S. government obligations. If corporate fixed-income securities are used, the securities normally are rated A or higher by Moody's Investor Service, Inc. (Moody's) or A or higher by Standard & Poor's (S&P). There is no maximum limit on the amount of fixed income securities in which the Fund may invest for temporary defensive purposes.

#### PORTFOLIO TURNOVER

Normal portfolio turnover for Series One is approximately 3.2%. In 2023 Series One's portfolio turnover was 3%.

#### DISCLOSURE OF PORTFOLIO HOLDINGS

The Fund's portfolio information is publicly available: (1) at the time such information is filed with the SEC in a publicly available filing; and/or (2) when such information is posted on the Fund's website. The Fund's publicly available portfolio information, which may be provided to third parties without prior approval, are complete portfolio holdings disclosed in the Fund's semi-annual or annual reports and filed with the SEC on Form N-CSR, and complete portfolio holdings disclosed in the Fund's quarterly reports and filed with the SEC on Form N-PORT.

The Fund's President, in consultation with the CCO may grant exceptions to permit additional disclosure of Fund portfolio holdings information at differing times and with different lag times (the period from the date of the information to the date the information is made available), if any, in instances where the Fund has legitimate business purposes for doing so, it is in the best interests of Fund shareholders, and the recipients are subject to a duty of confidentiality, including a duty not to trade on the nonpublic information, and are required to execute an agreement to that effect. The Board will be informed of any such disclosures at its next regularly scheduled meeting or as soon as is reasonably practicable thereafter. In no event will the Fund, IRC, or any other party receive any direct or indirect compensation in connection with the disclosure of information about the Fund's portfolio holdings. No person is authorized to disclose the Fund's portfolio holdings or other investment positions except in accordance with the Fund's policies and procedures.

The Board exercises continuing oversight of the disclosure of the Fund's portfolio holdings by (1) overseeing the implementation and enforcement of the Fund's portfolio holdings policies and procedures by the CCO and the Fund; (2) considering reports and recommendations by the CCO concerning any material compliance matters that may arise in connection with any portfolio holdings policies and

procedures; and (3) considering whether to approve or ratify any amendment to any of the portfolio holdings policies and procedures. The Board and the Fund reserve the right to amend the policies and procedures in their sole discretion at any time and from time to time without prior notice to shareholders. Currently, the Fund has no ongoing arrangements or commitment to release non-public portfolio holdings to any individual or group.

### MANAGEMENT OF THE FUND

The day-to-day operations of the Fund are managed by its officers subject to the overall supervision and control of the Board of Directors. The Fund’s Audit Committee meets annually and is responsible for reviewing the financial statements of the Fund. The following information about the interested directors<sup>2</sup> the Fund includes their principal occupations for the past five years:

Name, Address, and Age	Position(s) Held with Fund	Term of Office <sup>1</sup> and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held by Director for the Past Five Years
Timothy E. Taggart, 1636 N. Logan Street, Denver, CO DOB: October 18, 1953	Chairman, President, Director and Treasurer	Since April 2004	Principal executive, financial and accounting officer, employee of Advisor since 1983. See below for affiliation with Distributor.	2	Director of World Capital Brokerage, Inc. and Investment Research Corporation

The following information about the non-interested directors, officers and advisors of the Fund includes their principal occupations for the past five years:

Name, Address, and Age	Position(s) Held with Fund	Term of Office <sup>1</sup> and Length of Time Served	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held by Director for the Past Five Years
Eddie R. Bush, 1400 W. 122nd Ave., Suite 100, Westminster, CO DOB: December 31, 1939	Director, Audit Committee Chairman (financial expert), Lead Independent Director	Since September 1987	Certified Public Accountant	2	None
Darrell E. Bush, 2714 West 118th Ave, Westminster, CO DOB: February 19, 1971	Director	Since September 2013	Accountant	2	None

Michael L. Gaughan, 315 W. 20 <sup>th</sup> St., Scottsbluff, NE DOB: November 29, 1967	Chief Compliance Officer and Secretary	Since September 2004	Employee of the Fund since 1995.	N/A	World Capital Brokerage, Inc. and Investment Research Corporation
Patricia A. Blum, 1636 N. Logan Street, Denver, CO DOB: June 27, 1959	Vice President	Since June 2013	Employee of the Fund since 2001.	N/A	World Capital Brokerage, Inc.

1. Trustees and officers of the fund serve until their resignation, removal or retirement.
2. Timothy Taggart is an "interested person" of the Fund as defined by the Investment Company Act of 1940 because of the following positions which he holds.  
Timothy E. Taggart is the President, Treasurer and a Director of World Capital Brokerage, Inc. and is the President, Treasurer and a Director of Investment Research Corporation.

Timothy E. Taggart is president and a director of the Distributor and the president and a director of Investment Research Corporation.

Eddie R. Bush is the Fund's Lead Independent Director. Mr. E. Bush is also the chairman of the Audit Committee as well as serves on the Nominating Committee and Qualified Legal Compliance Committee.

None of the above-named persons received any retirement benefits or other form of deferred compensation from the Fund. There are no other funds that together with the Fund constitute a Fund Complex.

As of December 31, 2022, all officers and directors as a group (a total of 3) owned directly 10,934 of its shares or 0.38% of shares outstanding. Together, directly and indirectly, all the officers and directors as a group owned 23,212 shares or 0.81% of all shares outstanding.

As of December 31, 2022, officers, directors and members of the advisory board and their relatives owned of record and beneficially Fund shares with net asset value of approximately \$521,093 representing approximately 3.22% of the total net assets of the Fund.

### BOARD OF DIRECTORS

The management of the Fund believes that the business experience and educational background of the Fund's Directors and Officers set forth above make these individuals well qualified to serve the Fund in the positions that they hold.

Timothy E. Taggart, Chairman, President and Director, has held his securities license since 1987. His knowledge of the securities industry is vast as owner and president of World Capital Brokerage, Inc., a registered Broker Dealer, and owner and president of Investment Research Corporation, a registered investment advisor. Mr. Taggart is also a member of the Investment Committee.

Eddie R. Bush is the Chairman of the Fund's Audit Committee and is the Fund's Lead Independent Director. He reviews and reports to the Board periodically on the validity of the accounting data provided to the Board.

Darrell Bush, Fund Independent Director, Nominating Committee member and Qualified Legal Compliance Committee member is an accountant who offers the Fund, and the Audit Committee, his professional financial experience.



It is the duty of the Fund Board to review in its oversight capacity, on a quarterly basis, the actions taken by Fund Management, including how management addressed any risk management issues confronting the Fund that arose during the previous quarter. This includes, in part, trade, expense and performance issues and data.

Under a standing item on the Agenda for each quarterly Fund Board meeting the Information provided to the Board by the management and staff of the Fund is used by the members of the Board to review and analyze risk(s) confronting the Fund on a quarterly basis. Each Director’s opinions, views and questions on risk management and any other issue concerning the Fund are directly communicated to the management and staff of the Fund, both at the quarterly Fund Board meetings and in necessary between board meetings, under the current leadership structure of the Fund Board.

Mr. E. Bush is a member of the Audit Committee whose main purpose is the review and oversight of the Fund’s financials. During the past fiscal year there were a total of four regular meetings held by the audit committee. Members of the Audit Committee are nominated and voted upon by the Board of Directors.

On September 23, 2010, an Investment Advisory Committee was formed with the purpose of offering investment advice to a senior portfolio manager of the Fund. The current members of the Investment Advisory Committee are Timothy Taggart, Robert Fleck and Matthew Taggart who met with the board 4 times this past fiscal year.

The Fund has a Nominating Committee comprised of all of its independent Directors. The purpose of the Nominating Committee is to nominate and interview individuals to serve on the Board of Directors. The Nominating Committee was formed in September of 2016 and did not hold any meetings in the fiscal year ended 2020. The Nominating Committee will consider shareholder suggestions of persons to be considered as nominees to fill future vacancies on the board. Such suggestions must be sent in writing to the nominating committee of the fund, addressed to the fund’s secretary, and must be accompanied by complete biographical and occupational data on the prospective nominee, along with a written consent of the prospective nominee for consideration of his or her name by the committee.

The Fund has a Qualified Legal Compliance Committee. The Fund has designated its Audit Committee to serve as its Qualified Legal Compliance Committee. The Qualified Legal Compliance Committee reviews reports of evidence of a material violation of an applicable United States federal or state securities law, a material breach of fiduciary duty arising under United States federal or state law, or a similar material violation of any United States federal or state law (each, a “Material Violation”), determining whether an investigation is necessary with respect to any such report and, if deemed necessary or appropriate, investigating and recommending an appropriate response thereto. The Qualified Legal Compliance Committee was formed in September of 2016 and met one time, as part of the Audit Committee, during fiscal year end July 31, 2023.

Director Ownership of the Fund. The following table shows the amount of equity securities owned in the American Growth Fund family by the Directors as of the calendar year ended December 31, 2022.

Name of Director	Dollar Range of Equity Securities in the Fund	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Director in Family of Investment Companies
Interested Director		
Timothy E. Taggart	\$10,001 - \$50,000	\$10,001 - \$50,000
Non-Interested Directors		
Eddie R. Bush	\$10,001 - \$50,000	\$10,001 - \$50,000
Darrell Bush	\$0	\$0

All officers, directors and members of the Fund's board in the aggregate (a total of 3 board members) received total compensation of \$40,619, from the Fund in fiscal year 2023. Directors of the Fund are compensated at the rate of \$400 and \$500 per meeting attended, and the board members who are members of the audit committee receive an additional \$100 per meeting. Out-of-town directors are also reimbursed for their travel expenses to meetings. Officers are not paid by the Fund.

Name of Person, Position	Aggregate Compensation From Fund	Pension or Retirement Benefits Accrued As Part of Fund Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation From Fund and Fund Complex Paid to Directors
Eddie R. Bush Independent Director	\$19,279	\$0	\$0	\$19,279
Darrell Bush Independent Director	\$17,290	\$0	\$0	\$17,290
Timothy Taggart Interested Director and President	\$0	\$0	\$0	\$0

In addition to the amounts disclosed in the table, the Fund makes payments to Mr. Taggart for other services, and if those amounts are included, the total compensation paid to Mr. Taggart by the Fund and Fund Complex is \$83,766.

During the year ended July 31, 2023, Messrs. Taggart, E. Bush, and D. Bush were the only directors serving during that year.

The Fund, its Investment Advisor (Investment Research Corporation) and its underwriter (World Capital Brokerage, Inc.) have adopted a Code of Ethics under rule 17j-1 of the Investment Company Act. These Code of Ethics contain guidelines for purchasing securities that are held by the Fund and are available by contacting the Fund at 800-525-2406.

### PROXY VOTING POLICIES

For proxy votes cast on behalf of American Growth Fund:

Investment Research Corporation ("the Advisor"), the investment Advisor of the Fund, has a fiduciary duty to act solely in the best interests of the Fund. As it relates to proxy voting, the Advisor recognizes that it must vote Fund securities in a timely manner and make voting decisions that are in the best interests of the Fund.

The following are general policies of the Advisor with respect to proxy voting but the Advisor does reserve the right to depart from these policies, if such a departure is in the best interests of the Fund and its shareholders.

**Election of Directors:** Unless we are aware of extenuating circumstances, such as a proxy fight for board seats, the Advisor will generally vote in favor of management's slate of directors.

**Appointment of Auditors:** The Advisor will generally vote in favor of the auditors recommended by management.

**Changes In Capital Structure:** The Advisor will generally vote in accordance with management's recommendation unless other information indicates that the Fund's interests are better served by a vote against the proposal.

Other Proxy Issues: The Advisor will consider other proxy issues on a case by case basis with the Fund's interests determining the vote.

Conflicts of Interest: The Advisor recognizes that there may be situations where a proxy issue presents a conflict of interest between the interest of the Fund and the Advisor's representative casting the proxy vote. If a conflict exists, any votes inconsistent with this policy will be submitted to the Fund's Board of Directors for review and approval.

The Chief Compliance Officer of the Fund is responsible for voting all proxies. Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available without charge, upon request, by calling 800-525-2406 or through the Fund's website at [www.americangrowthfund.com](http://www.americangrowthfund.com) and on the Security and Exchange Commission's website at <http://www.sec.gov>.

### CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

Control Persons. No person controls more than 25% of the Fund's voting securities.

Management Ownership. All officers and directors own a combined total of 0.38% of Fund shares.

### INVESTMENT ADVISORY AGREEMENT

Since the organization of the Fund in 1958, its investment advisor for Class A, Class B, Class C and Class D shares, since share inception, has been Investment Research Corporation ("IRC"), 1636 N. Logan Street, Denver, Colorado 80203.

Under the terms of its advisory agreement with the Fund, the Advisor is paid an annual fee of one percent of the Fund's average net assets up to \$30,000,000 of such assets and three-fourths of one percent of such assets above \$30,000,000. This fee and all other expenses of the Fund are paid by the Fund. The fee is computed daily based on the assets and paid on the fifth day of the ensuing month. For this fee the Advisor manages the portfolio of the Fund and furnishes such statistical and analytical information as the Fund may reasonably require.

IRC will obtain assistance from employees of World Capital Advisors ("WCA"), who will be acting in the capacity of employees of IRC, in managing Series One. In return for receiving such services IRC pays those employees up to the full amount of its investment advisory fee.

The advisory agreements require the Fund to pay its own expenses subject to the limitations set by the securities laws in effect from time to time in the states in which the Fund's securities are then registered for sale or are exempt from registration and offered for sale. The categories of expenses paid by the Fund are set forth in detail in the Fund's financial statements. At the time of this filing the Fund's securities are either registered for sale or are exempt from registration and offered for sale in all fifty states, the District of Columbia and the Commonwealth of Puerto Rico.

Total advisory fees paid by the Fund to the Investment Research Corporation in fiscal years 2021, 2022 and 2023 were \$204,322, \$193,950, and \$168,235 resulting in management fees of 1.00%, 1.00% and 1.00% of average net assets, respectively.

The advisory agreement will continue from year to year so long as such continuance is specifically approved annually either by the vote of the entire Board of Directors of the Fund or by the vote of a majority of the outstanding shares of the Fund, and in either case by the vote of a majority of the directors who are not interested persons of the Fund or the Advisor cast in person at a meeting called for the purpose of voting on such approval. The advisory agreement may be canceled without penalty by either party upon 60 days' notice and automatically terminates in the event of assignment.

### PRINCIPAL UNDERWRITER

World Capital Brokerage, Inc., at 1636 N. Logan Street, Denver, CO 80203, is the underwriter and distributor for the Fund. Timothy E. Taggart is the President and a Director of the Underwriter.

Total fees paid to the Underwriter/Distributor for the fiscal years 2021, 2022 and 2023 were \$6,806, \$1,365, and \$1,595, respectively.

### SERVICE AGREEMENTS

The Fund's Transfer Agent is Fund Services, Inc. and was paid, \$97,048 for the 2021 fiscal year, \$81,143 for the 2022 fiscal year and \$48,043 for the 2023 fiscal year.

UMB Bank is the Fund's Custodian. For the fiscal years 2021, 2022 and 2023 total fees paid to the Custodian were \$6,635, \$12,421, and \$10,510, respectively.

Tait, Weller and Baker LLP was the Fund's auditor for fiscal years 2021, 2022 and 2023. For the fiscal years 2021 and 2022 total fees paid to the Auditor were \$43,571, and \$48,722, \$49,144, respectively.

American Growth Fund, Inc has engaged Sanville & Company CPA as the Fund's auditor starting with the Annual Report ending July 31, 2023.

### OTHER INVESTMENT ADVICE

No other person advises the Fund.

### DEALER REALLOWANCES

No front-end sales loads were reallocated to dealers.

### RULE 12b-1 PLANS

The Fund's directors have adopted separate 12b-1 plans for Class A, B and C that allow each class to pay distribution fees for the sales and distribution of its shares. Class A shares are subject to an annual 12b-1 fee no greater than 0.30% of average net assets. For approximately seven years after you buy Class B shares, they are subject to annual 12b-1 fees no greater than 1% of average daily net assets, of which 0.25% are service fees paid to the Distributor, dealers or others for providing services and maintaining accounts. Class C shares are subject to an annual 12b-1 fee which may not be greater than 1% of average daily net assets, of which 0.25% is service fees and 0.75% is distribution fees paid to the distributor, dealers or others for providing personal services and maintaining shareholder accounts.

For the fiscal year ended July 31, 2023 principal types of activities for which payments were made, including those amounts, are;

Type	Amount
Advertising	\$0
Printing and mailing of prospectuses to other than current shareholders	\$0
Compensation to the Underwriter	\$1,595
Compensation to the Broker-Dealer	\$12,680*
Compensation to sales personnel	\$0
Interest, carrying, or other financial charges	\$0
Other (specify)	\$0

\*Of which \$114 was retained by the distributor.

In addition to the for mentioned service fees, the 12b-1 plan allows for reimbursement to the Distributor of expenses incurred. Expenses are reimbursed on an ongoing basis, subject to review by the board of directors and do not carryover from year to year.

The Fund does not participate in any joint distribution activities.

No affiliated person of the Fund has a direct or indirect financial interest in the operation of the 12b-1 plan or related agreements.

The Fund anticipates the 12b-1 plan to provide the Fund and its shareholders with a high level of service. The 12b-1 plan is subject to the review of the board of directors quarterly.

### OTHER SERVICE PROVIDERS

No other person provides significant administrative or business affairs management services for the Fund.

## SECURITIES LENDING

During the last fiscal year, the Fund did not lend any securities and therefore does not have any revenue from such activities to report.

## PORTFOLIO MANAGERS

The Fund is managed by IRC through an Investment Advisory Committee, which is made up of; Timothy Taggart, the Advisor's and the Fund's President who has been a member of the Investment Advisory Committee since September of 2010 and is the President of the Fund's principal underwriter and distributor, World Capital Brokerage, Inc. ("WCB"); Robert Fleck, an employee of the Advisor and Investment Advisory Committee member since September 2010; and Matthew Taggart, an employee of the Advisor and Investment Committee member since April of 2021. Messrs. Taggart and Mr. Fleck are jointly and primarily responsible for the portfolio management of Series One (total net assets of \$18,057,676 as of close of business on 07/31/2023). As of 7/31/2023 there were no conflicts of interest in connection with the portfolio manager's management of Series One. Messrs. Taggart receives a salary which is allocated between the Fund, the Advisor, the Underwriter and other affiliated companies. Mr. Fleck receives 85% of the management fee of assets raised directly by him and 15% of the management fee of assets raised from other sources. None of the individuals' compensation is based upon performance of the Fund. None of the individuals manage any other funds. As of 12/31/2022 Mr. T. Taggart owned between \$10,001-\$50,000 of Series One Fund shares and Mr. Fleck owned over \$100,000 of Series One Fund shares. As of the 10/31/2023, Mr. M. Taggart owned \$1 - \$10,000 of Series One Fund shares.

## DISTRIBUTION OF SHARES

The Fund's distributor is World Capital Brokerage, Inc., (WCB or the Distributor) 1636 N. Logan Street, Denver, Colorado 80203, which continuously sells the Funds shares to dealers and directly to investors. The offering of the Funds shares is subject to withdrawal or cancellation at any time. The Fund and the Distributor reserve the right to reject any order for any reason.

The Fund offers four classes of shares with a par value \$.01 per share. The shares are fully paid and non-assessable when issued. The Fund offers four classes of shares; Class A, Class B, Class C and Class D shares of the Fund represent an identical interest in the investment portfolio. All four classes of the Fund have the same rights, except that Class A, Class B, and Class C shares bear the expenses of ongoing service fees and distribution fees, Class B, and Class C may bear the additional incremental transfer agency costs resulting from the deferred sales charge arrangements, and Class B shares have a conversion feature. The fees that are imposed on Class A, Class B, and Class C shares are imposed directly against those classes and not against all assets of the Funds and, accordingly, such charges do not affect the net asset value of any other class or have any impact on investors choosing another sales charge option. Dividends paid by the Fund for each class of shares are calculated in the same manner at the same time and will differ only to the extent that distribution and service plan fees and any incremental transfer agency or other costs relating to a particular class are borne exclusively by that class. Class A, Class B, and Class C shares each have exclusive voting rights with respect to the distribution and service plan adopted with respect to such class pursuant to which distribution and service plan fees are paid, except that because Class B and C shares convert automatically to Class A shares approximately seven years after issuance. The distribution and service plan for Class A shares is also subject to the right of Class B and C shareholders to vote with respect to it.

The Fund has entered into separate distribution agreements with the Distributor in connection with the offering of each class of shares of the Fund (the "Distribution Agreements"). The Distributor has made no firm commitment to take any Fund shares from the Fund and is permitted to buy only sufficient shares to fill unconditional orders placed with it by investors and selected investment dealers. The Distribution Agreements obligate the Distributor to pay certain expenses in connection with the offering of each class of shares of the Fund. After the prospectuses, statements of additional information and periodic reports have been prepared, set in type and mailed to shareholders, the Distributor pays for the printing and

distribution of copies thereof used in connection with the offering to dealers and investors. The Distributor also pays for other supplementary sales literature and advertising costs.

Fund shares may be purchased at the public offering price through the Distributor or through broker-dealers who are members of the Financial Industry Regulatory Authority who have sales agreements with the Distributor. The Prospectus contains information concerning how the public offering price of the Funds shares is determined. The Distributor allows dealers discounts or concessions from the applicable public offering price on Class A, and Class D shares. Concessions are alike for all dealers in the United States and its territories, but the Distributor may pay additional compensation for special services. On direct sales to customers through its own sales representatives, the Distributor pays to them such portion of the sales commission as it deems appropriate.

**Initial Sales Alternatives - Class A and Class D Shares.** The gross sales charges for the sale of Class D shares for the fiscal years ended July 31, 2021, 2022, and 2023 were \$1,371 (of which \$1,185 were paid for dealer commissions and \$186 were paid to the underwriter), \$218 (of which \$189 were paid for dealer commissions and \$29 were paid to the underwriter), and \$166 (of which \$144 were paid for dealer commissions and \$22 were paid to the underwriter) respectively. The gross sales charges for the sale of Class A shares for the fiscal years ended July 31, 2021, 2022, and 2023 were \$20,622 (of which \$17,541 were paid for dealer commissions and \$3,081 were paid to the underwriter), \$9,473 (of which \$8,137 were paid for dealer commissions and \$1,336 were paid to the underwriter), and \$10,210 (of which \$8,637 were paid for dealer commissions and \$1,573 were paid to the underwriter) respectively. For the fiscal years ended July 31, 2021, 2022, and 2023, for the sale of Class D shares the Distributor retained \$325 (of which \$139 were retained for the dealer commission and \$186 were retained for the underwriter), \$118 (of which \$89 were retained for the dealer commission and \$29 were retained for the underwriter), and \$111 (of which \$89 were retained for the dealer commission and \$22 were retained for the underwriter) respectively, as its portion of commissions paid by purchasers of the Fund's shares after allowing as concessions to other dealers \$1,046, \$99, and \$55 respectively. For the fiscal years ended July 31, 2021, 2022, and 2023, for the sale of Class A shares the Distributor retained \$3,081 (of which \$0 were retained for dealer commissions and \$3,081 were retained for the underwriter), and \$1,348 (of which \$12 were retained for dealer commissions and \$1,336 were retained for the underwriter), and \$1,597 (of which \$25 were retained for dealer commissions and \$1,572 were retained for the underwriter) respectively, as its portion of commissions paid by purchasers of the Fund's shares after allowing as concessions to other dealers \$17,541, \$8,124, and \$8,612 respectively.

The following sample calculation of the public offering price of one Class A Class B, Class C and Class D share of the Fund is based on the net asset value of one Class A and Class D share as of July 31, 2023 and a transaction with an applicable sales charge at the maximum rate of 5.75%.

Net asset value per share	Class D	Class A	Class B	Class C
Total net assets/Total shares outstanding)	\$ 7.07	\$ 6.51	\$ 4.81	\$ 5.28
(5.75% of offering price)	0.43	0.40	0.00	0.00
Maximum offering price per share	\$ 7.50	\$ 6.90	\$ 4.81	\$ 5.28

**Investment Plans.** Investors have flexibility in the purchase of shares under the Fund's investment plans. They may make single, lump-sum investments and they may add to their accounts on a regular basis, including through reinvestment of dividends and capital gains distributions.

An investor may elect on his application to have all dividends and capital gains distributions reinvested or take income dividends in cash and have any capital gains distributions reinvested. An investor may also

retain the option of electing to take any year's capital gains distribution in cash by notifying the Fund of his choice to do so in writing.

The Internal Revenue Code of 1986, as amended (the "Code") contains limitations and restrictions upon participation in all forms of qualified plans and for contributions made to retirement plans for tax years beginning after December 31, 1986. Consultation with an attorney or a competent tax advisor regarding retirement plans is recommended. A discussion of the various qualified plans offered by the Fund is contained elsewhere in this Statement of Additional Information.

Investor's Right of Accumulation. For Class A and Class D shareholders the value of all assets held the day an order is received which qualifies for rights of accumulation may be combined to determine the aggregate investment of any person in ascertaining the sales charge applicable to each subsequent purchase. For example, for any person who has previously purchased and still holds Class A or Class D shares, respectively, with a value (at current offering price) of \$20,000 on which he paid a charge of 5.75% and subsequently purchases \$80,000 of additional Class A or Class D shares, respectively, the charge applicable to the trade of \$80,000 would be 3.50%.

The Distributor must be notified by the shareholder when a purchase takes place if the shareholder wishes to qualify for the reduced charge on the basis of previous purchases. The reduced sales charge is inapplicable to income dividends and capital gain distributions which are reinvested at net asset value. The reduced charge is subject to confirmation of the investor's holdings through a check of the Funds records.

Letter of Intent. For Class A and Class D shareholders any person (as defined under Calculation of Net Asset Value) may sign a letter of intent covering purchases to be made within a period of thirteen months (which may include the preceding 90 days) and thereby become eligible for the reduced sales charge applicable to the total amount purchased, provided such amount is not less than \$50,000. After a letter of intent is established, each future purchase will be made at the reduced sales charge applicable to the intended dollar amount noted on the application. Reinvestment of income dividends and capital gains distributions is not considered a purchase hereunder. If, within the 13-month period, ownership of the designated class of Fund shares does not reach the intended dollar amount, the difference between what you paid for such shares and the amount which would have been paid for them must be promptly paid as if the normal sales commission applicable to such purchases had been charged. The difference between the sales charge as applied to a regular purchase and the sales charge as applied on the letter of intent will be held in escrow in the form of shares (computed to the nearest full share) and can be retained by the Fund. If during the 13-month period the intended dollar amount is increased, a new or revised letter of intent must be signed and complied with to receive a further sales charge reduction. This reduction will apply retroactively to all shares theretofore purchased under this letter.

Automatic Investment Plan. After making an initial investment, a shareholder may make additional purchases at any time either through the shareholder's securities dealer, or by mail directly to the transfer agent. Voluntary accumulation also can be made through a service known as the Fund's Automatic Investment Plan whereby the Fund is authorized through pre-authorized checks or automated clearing house debits to charge the regular bank account of the shareholder on a regular basis to provide systematic additions to the account of such shareholder.

Deferred Sales Charges. As discussed in the Prospectuses, Class B shares redeemed within seven years of purchase, Class C shares redeemed within one year of purchase, and certain purchases of Class A and Class D shares at net asset value and redeemed within one year of purchase, are each subject to a Contingent Deferred Sales Charge. However, under most circumstances, the charge is waived on redemptions in connection with certain post-retirement withdrawals from an IRA or other retirement plan or following the death or disability of a shareholder. Redemptions for which the waiver applies are: (a) any partial or complete redemption in connection with a distribution following retirement under a tax-deferred retirement plan or attaining age 59 1/2 in the case of an IRA or other retirement plan, or part of a series of equal periodic payments (not less frequently than annually) made for life (or life expectancy) or any redemption resulting from the tax-free return of an excess contribution to an

IRA; or (b) any partial or complete redemption following the death or disability (as defined in the Internal Revenue Code) of a shareholder (including one who owns the shares as joint tenant with his or her spouse), provided the redemption is requested within one year of the death or initial determination of disability. The contingent deferred sales charge (CDSC) is waived on redemption of shares in connection with a Systematic Withdrawal Plan where the total withdrawal is less than 12% of the previous year value or of the original purchase, whichever is greater.

For the fiscal year ended July 31, 2023, the Distributor received CDSCs of \$550, with respect to redemptions of Class B shares, all of which was paid to the Distributor. For the fiscal year ended July 31, 2023 the Distributor received CDSCs of \$899 with respect to redemptions of Class C shares.

From time to time the Distributor may pay a finder's fee to Selling Group Members not to exceed 1% of the purchase for net asset value trades over one million dollars.

#### Intermediary-Defined Sales Charge Waiver Policies

The availability of certain initial or deferred sales charge waivers and discounts may depend on the particular financial intermediary or type of account through which you purchase or hold Fund shares. Intermediaries may have different policies and procedures regarding the availability of front-end sales load waivers or contingent deferred (back-end) sales load ("CDSC") waivers, which are discussed below. In all instances, it is the purchaser's responsibility to notify the fund or the purchaser's financial intermediary at the time of purchase of any relationship or other facts qualifying the purchaser for sales charge waivers or discounts. For waivers and discounts not available through a particular intermediary, shareholders will have to purchase fund shares directly from the fund or through another intermediary to receive these waivers or discounts.

Effective March 1, 2019, shareholders purchasing fund shares will be eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI.

#### Front-end sales load waivers on Class A shares available:

- Shares purchased in an investment advisory program.
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund (but not any other fund within the fund family).
- Employees and registered representatives of Broker Dealers or their affiliates and their immediate family members.
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (known as Rights of Reinstatement).
- A shareholder in the Fund's Class C shares will have their shares converted at net asset value to Class A shares (or the appropriate share class) of the Fund if the shares are no longer subject to a CDSC and the conversion is in line with the policies and procedures of the Broker Dealer.

#### CDSC Waivers on Classes A, B and C shares available:

- Death or disability of the shareholder.
- Shares sold as part of a systematic withdrawal plan as described in the fund's prospectus.
- Return of excess contributions from an IRA Account.
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching age 70½ as described in the fund's prospectus.
- Shares sold to pay Broker Dealer fees but only if the transaction is initiated by the Broker Dealer.
- Shares acquired through a right of reinstatement.

#### Front-end load discounts available: breakpoints, and/or rights of accumulation

- Breakpoints as described in this prospectus.
- Rights of accumulation which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser's household. Eligible fund family assets not held at the Broker Dealer may be included in the rights of



accumulation calculation only if the shareholder notifies his or her financial Advisor about such assets.

### **AUTOMATIC CASH WITHDRAWAL PLAN**

The Automatic Withdrawal Plan is designed as a convenience for those shareholders wishing to receive a stated amount of money at regular intervals from their investment in shares of the Fund. A Plan is opened by completing an application for such Plan and surrendering to the Fund all certificates issued to the investor for Fund shares. No minimum number of shares or minimum withdrawal amount is required. Withdrawals are made from investment income dividends paid on shares held under the Plan and, if these are not sufficient, from the proceeds from redemption of such number of shares as may be necessary to make periodic payments. As such redemptions involve the use of capital, over a period of time they will very likely exhaust the share balance of an account held under a Plan and may result in capital gains taxable to the investor. Use of a Plan cannot assure realization of investment objectives, including capital growth or protection against loss. Price determinations with respect to share redemptions are generally made on the 23rd of each month or the next business day thereafter. Proceeds from such transactions are generally mailed three business days following such transaction date.

Withdrawals concurrent with purchases of additional shares may be inadvisable because of duplication of sales charges. Single payment purchases of shares in amounts less than \$5,000 in combination with a withdrawal plan will not ordinarily be permitted. No withdrawal plan will be permitted if the investor is also a purchaser under a continuous investment plan. Either the owner or the Fund may terminate the Plan at any time, for any reason, by written notice to the other.

Investment income dividends paid on shares held in a withdrawal plan account will be credited to such account and reinvested in additional Fund shares. Any optional capital gains distributions will be taken in shares, which will be added to the share balance held in the Plan account. Dividends and distributions paid into the Plan account are taxable for federal income tax purposes.

### **RETIREMENT PLANS**

The Fund makes available retirement plan services to all classes of its shares. Investors in the Fund can establish accounts in any one of the retirement plans offered by the Fund. Each participant in a retirement plan account is charged a \$20 annual service fee to offset expenses incurred in servicing such accounts. Dividends and capital gains distributions are automatically reinvested. Under each of the plans, the Fund's retirement plan custodian or successor custodian provides custodial services required by the Code, including the filing of reports with the Internal Revenue Service ("IRS"). Consultation with an attorney or competent tax advisor is recommended before establishing any retirement plan. Brochures which describe the following retirement plans and contain IRS model or prototype plan documents may be obtained from the Distributor. The Distributor, in its sole discretion, may reimburse a Fund shareholder for any penalties which the shareholder may incur in transferring assets from a retirement plan established with a third party to one or more of the retirement plans offered by the Fund. No such reimbursement shall exceed the amount of the dealer concession which the Distributor would otherwise pay to a dealer in conjunction with the investment by the shareholders in the Funds retirement plan(s).

INDIVIDUAL RETIREMENT ACCOUNTS. The Fund makes available a model Individual Retirement Account (IRA) under Section 408(a) of the Code on IRS Form 5305-A. A qualified individual may invest annually in an IRA. Persons who are not eligible to make fully deductible contributions will be able to make non-deductible contributions to their IRAs, subject to limits specified in the Code, to the extent that deductible contributions are not allowed. IRA earnings on non-deductible, as well as deductible, contributions will accumulate tax deferred. An IRA account may also be established in a tax-free roll-over transfer within 60 days of receipt of a lump sum distribution from a qualified pension plan resulting from severance of employment or termination by the employer of such a plan.

The Code provides for penalties for violation of certain of its provisions including, but not limited to,

contributions in excess of the stipulated limitations, improper distributions and certain prohibited transactions. To afford plan holders the right of revocation described in the IRA disclosure statements, investments made in a newly established IRA may be canceled within seven days of the date the plan holder signed the Custodial Agreement by writing the Fund's retirement plan custodian.

SIMPLIFIED EMPLOYEE PENSION PLANS. The Fund makes available model Simplified Employee Pension Plans (SEPs) on IRS Form 5305-SEP and Salary Reduction Simplified Employee Pension Plans (SARSEPs) on IRS Form 5305A-SEP. By adopting a SEP, employers may contribute to each eligible employees own IRA. Commencing with tax years beginning after December 31, 1986, salary reduction contributions may be made to SEPs maintained by employers meeting certain qualifications specified in the Code.

TEACHER AND NON-PROFIT EMPLOYEE RETIREMENT PLAN. Employees of tax exempt, charitable, religious and educational organizations described in Section 501(c)(3) of the Code, and employees of public school systems and state and local educational institutions, may establish a retirement plan under Section 403(b) of the Code.

PROTOTYPE MONEY PURCHASE AND PROFIT-SHARING PENSION PLANS. Available generally to employers, including self-employed individuals, partnerships, subchapter S corporations and corporations.

### **DISTRIBUTION PLANS**

Reference is made to Purchase of Shares--Distribution Plans in the Prospectuses for certain information with respect to separate distribution plans for Class A, Class B, and Class C shares pursuant to Rule 12b-1 under the Investment Company Act of the Fund (each a "Distribution Plan") and with respect to the shareholder service and distribution fees paid by the Fund to the Distributor with respect to such classes.

Payments of the shareholder service fees and/or distribution fees are subject to the provisions of Rule 12b-1 under the Investment Company Act of 1940. Among other things, each Distribution Plan provides that the Distributor shall provide, and the Directors shall review quarterly reports of the disbursement of the service fees and/or distribution fees paid to the Distributor. In their consideration of each Distribution Plan, the Directors must consider all factors they deem relevant, including information as to the benefits of the Distribution Plan to the Fund and its related class of shareholders. Each Distribution Plan further provides that, so long as the Distribution Plan remains in effect, the selection and nomination of Directors who are not interested persons of the Fund, as defined in the Investment Company Act (the Independent Directors), shall be committed to the discretion of the Independent Directors then in office. In approving each Distribution Plan in accordance with Rule 12b-1, the Independent Directors considered the potential benefits that the Distribution Plans could provide to the Fund and the respective classes and their shareholders, and concluded that there is reasonable likelihood that such Distribution Plan will benefit the Fund and its shareholders. Each Distribution Plan can be terminated at any time, without penalty, by the vote of a majority of the Independent Directors or by the vote of the holders of a majority of the outstanding voting securities of the applicable class. A Distribution Plan cannot be amended to increase materially the amount to be spent there under without the approval of the applicable class of shareholders, and all material amendments are required to be approved by the vote of Directors, including a majority of the Independent Directors who have no direct or indirect financial interest in such Distribution Plan, cast in person at a meeting called for that purpose. Rule 12b-1 further requires that the Fund preserve copies of each Distribution Plan and any report made pursuant to such plan for a period of not less than six years from the date of such Distribution Plan or such report, the first two years in an easily accessible place.

For the fiscal year ended July 31, 2023, the Fund paid the Distributor \$26,260 (based on an average net assets relating to the Class A shares of approximately \$8,779,791) pursuant to the Class A Distribution

Plan, \$20,974 of which was paid to other broker-dealers for providing account maintenance and distribution-related services in connection with the Class A shares and \$5,286 (of which \$4,310 was for the certain distribution related activities and \$976 was for providing account maintenance and distribution related services) was retained by the Distributor. For the fiscal year ended July 31, 2023, the Fund paid the Distributor \$2,663 (based on average net assets relating to the Class B shares of approximately \$263,992) pursuant to the Class B Distribution Plan, \$660 of which was paid to other broker-dealers for providing account maintenance and distribution-related services in connection with the Class B shares and \$1,973 (of which \$1,973 was for the certain distribution-related activities and \$0 was for providing account maintenance and distribution-related services) was retained by the distributor. For the fiscal year ended July 31, 2023, the Fund paid the Distributor \$13,053 (based on average net assets relating to the Class C shares of approximately \$1,308,877) pursuant to the Class C Distribution Plan, \$11,222 of which was paid to other broker-dealers for providing account maintenance and distribution-related services in connection with the Class C shares and \$1,831 (of which \$1,831 was for the certain distribution-related activities and \$0 was for providing account maintenance and distribution-related services) was retained by the Distributor. For the fiscal year ended July 31, 2023, the Advisor paid \$16,165 (based on average net assets relating to the Class D shares of approximately \$6,473,137) pursuant to the Class D Distribution Plan, \$5,996 of which was paid to other broker-dealers for providing account maintenance and distribution-related services in connection with the Class D shares and \$10,169 (of which \$0 was for the certain distribution-related activities and \$10,169 was for providing account maintenance and distribution-related services) was retained by the Distributor. At July 31, 2023, the net assets of the Fund subject to the Class B Distribution Plan aggregated approximately \$271,424. At this net asset level, the annual fee payable pursuant to the Class B Distribution Plan would aggregate approximately \$2,714. At July 31, 2023, the net assets of the Fund subject to Class C Distribution Plan approximated \$1,298,836. At this asset level, the annual fee payable pursuant to the Class C Distribution Plan would approximate \$12,988.

**Net Asset Value Purchases of Class A Shares.** Class A shares of the Fund may be purchased at net asset value through certain organizations (which may be broker-dealers, banks or other financial organizations)(Processing Organizations) which have agreed with the Distributor to purchase and hold shares for their customers. A Processing Organization may require persons purchasing through it to meet the minimum initial or subsequent investments, which may be higher or lower than the Fund's minimum investments, and may impose other restrictions, charges and fees in addition to or different from those applicable to other purchasers of shares of the Fund. Investors contemplating a purchase of Fund shares through a Processing Organization should consult the materials provided by the Processing Organization for further information concerning purchases, redemptions and transfers of Fund shares as well as applicable fees and expenses and other procedures and restrictions. Certain Processing Organizations may receive compensation from the Advisor and the Distributor.

Class A shares of the Fund may also be purchased at net asset value by an investment Advisor registered with the Securities and Exchange Commission or appropriate state authorities who clears such Fund transactions through a broker-dealer, bank or trust company (each of which may impose transaction fees with respect to such transactions) and who either purchases shares for its own account or for accounts for which the investment Advisor is authorized to make investment decisions. Such investment Advisors may impose charges and fees on their clients for their services, which charges and fees may vary from investment Advisor to investment Advisor.

Class A shares may be offered at net asset value in connection with the acquisition of assets of other investment companies. Class A shares also are offered at net asset value, without sales charge, to an investor who has a business relationship with an American Growth Fund Distribution Plan, if certain conditions set forth in the Statement of Additional Information are met.

The Fund also sells its Class A shares at net asset value in connection with a qualified rollover of assets held in a previously existing tax-exempt retirement plan (including an IRA, 401(k) plan or 403(b) plan) through broker-dealers who have entered into an agreement with the Underwriter relating to such rollovers.

## BROKERAGE

Decisions to buy and sell securities for the Fund, assignment of its portfolio business, and negotiation of its commission rates, where applicable, are made by the Fund's securities order department. The Fund does not have any agreement or arrangement to use any particular broker for its portfolio transactions. The Fund's primary consideration in effecting a security transaction will be execution at the most favorable price. When selecting a broker-dealer to execute a particular transaction, the Fund will take the following into consideration: the best net price available; the reliability, integrity and financial condition of the broker-dealer; the size of and difficulty in executing the order; the value of the expected contribution of the broker-dealer to the investment performance of the Fund on a continuing basis; sales of Fund shares; and the value of brokerage, research and other services provided by the broker-dealer. The commission charged by a broker may be greater than the amount another firm might charge if the management of the Fund determines in good faith that the amount of such commissions is reasonable in relation to the value of the brokerage and research services provided by such broker.

Portfolio transactions placed through dealers serving as primary market makers are effected at net prices, without commission as such, but which include compensation to the dealer in the form of mark up or mark down. In certain instances, the Fund may make purchases of underwritten issues at prices which include underwriting fees. When making purchases of underwritten issues with fixed underwriting fees, the Fund may designate broker-dealers who have agreed to provide the Fund with certain statistical, research, and other information, or services which are deemed by the Fund to be beneficial to the Fund's investment program. With respect to money market instruments, the Fund anticipates the portfolio securities transactions will be affected with the issuer or with a primary market maker acting as principal for the securities on a net basis (without commissions).

Any statistical or research information furnished to the Advisor may be used in advising its other clients. Generally, no specific value can be determined for research and statistical services furnished without cost to the Fund by a broker-dealer. The Fund is of the opinion that the material is beneficial in supplementing research and analysis provided by the Fund's Advisor.

The Fund may use affiliated brokers, as that term is defined in the Investment Company Act, if in the Advisor's best judgment based on all relevant factors, the affiliated broker is able to implement the policy of the Fund to obtain, at reasonable expense, the best execution (prompt and reliable execution at the most favorable price obtainable) of such transactions. The Advisor need not seek competitive commission bidding but is expected to minimize the commissions paid to the extent consistent with the interest and policies of the Fund as established by its Board of Directors. Purchases of securities from underwriters include a commission or concession paid by the issuer to the underwriter, and purchases from dealers include a spread between the bid and asked price.

The Fund paid total brokerage commissions of \$0, \$0, and \$0 in fiscal years 2021, 2022, and 2023, respectively. The Fund did not purchase securities offered by any broker-dealer that executed portfolio transactions during such fiscal years. The Fund paid brokerage commissions of \$0, \$0, and \$0 in fiscal years 2021, 2022 and 2023 to World Capital Brokerage, the distributor and an affiliate of the Fund. Commissions and sales charges paid by investors on the purchase of Fund shares totaled \$21,992, \$14,726, and \$14,271 in fiscal years 2021, 2022, and 2023 respectively, of which \$3,406, \$1,467, and \$1,709 were retained by World Capital Brokerage. The aggregate dollar amount of transactions effected through World Capital Brokerage involving the payment of commissions represented 100% of the aggregate dollar amount of all transactions involving the payment of commissions during fiscal year 2023.

While some stocks considered in the opinion of management to be least sensitive to business declines will be maintained as long term holdings, others considered most sensitive to such declines will be sold whenever in management's judgment economic conditions may be in for a major decline. Resulting funds may be temporarily invested in United States Government securities, high-grade bonds and high-grade preferred stocks, until management believes business and market conditions indicate that reinvestment in common stocks is desirable. The portfolio turnover rate of the Fund for the fiscal years ended July 31, 2021, 2022, and 2023 was 4%, 3% and 3%, respectively.

## CALCULATION OF NET ASSET VALUE

The Fund offers its shares continuously to the public at their net asset value next computed after receipt of the order to purchase plus any applicable sales charge. Net asset value is determined as of the close of business on the New York Stock Exchange each day the Exchange is open for trading, and all purchase orders are executed at the next price that is determined after the order is received. Orders received and properly time-stamped by dealers and received by the Distributor prior to 2:00 p.m. Denver time on any business day will be confirmed at the public offering price effective at the close on that day. Orders received after such time will be confirmed at the public offering price determined as of the close of the Exchange on the next business day. It is the responsibility of the dealers to remit orders promptly to the Distributor. The New York Stock Exchange is closed on the following holidays: New Year's Day, Martin Luther King Day, Presidents Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

In determining net asset value, securities traded on the New York Stock Exchange or other stock exchange approved for this purpose by the board of directors will be valued on the basis of the closing sale thereof on such stock exchange, or, if such sale is lacking, at the mean between closing bid and asked prices on such day. If no bid and asked prices are quoted for such day or information as to New York or other approved exchange transactions is not readily available, the security will be valued by reference to recognized composite quotations or such other method as the board of directors in good faith deems will reflect its fair market value. Securities not traded on any stock exchange but for which market quotations are readily available are valued on the basis of the mean of the last bid and asked prices. Short-term securities are valued at the mean between the closing bid and asked prices or by such other method as the board of directors determines to reflect their fair market value. The board of directors in good faith determines the manner of ascertaining the fair market value of other securities and assets.

The net asset price of Fund shares will be computed by deducting total liabilities from total assets. The net asset value per share will be ascertained by dividing the Fund's net assets by the total number of shares outstanding, exclusive of treasury shares and shares tendered for redemption the redemption price of which has been determined. Adjustment for fractions will be made to the nearest cent.

The per share net asset value of Class A, Class B, and Class C shares generally will be lower than the per share net asset value of the Class D shares reflecting the daily expense accruals of the service, distribution and higher transfer agency fees applicable with respect to the Class A, Class B, and Class C shares. The per share net asset value of the Class B and Class C shares generally will be lower than the per share net asset value of Class A shares reflecting the daily expense accruals of the service and distribution fees and higher transfer agency fees applicable with respect to Class B and Class C shares of the Fund. It is expected, however, that the per share net asset value of the classes will tend to converge (although not necessarily meet) immediately after the payment of dividends or distributions, which will differ by approximately the amount of the expense accrual differential between the classes.

## DIVIDENDS, DISTRIBUTIONS AND TAXES

As a "regulated investment company" under the Code, the Fund is subject to three tests: the income test, the asset diversification test, and the distribution test. In some circumstances, the character and timing of income realized by the Fund for purposes of the income test or the identification of the issuer for purposes of the asset diversification test is uncertain under current law with respect to a particular investment, and an adverse determination or future guidance by the IRS with respect to such type of investment may adversely affect the Fund's ability to satisfy these tests. In other circumstances, the Fund may be required to sell portfolio holdings in order to meet the income test, the asset diversification test, or the distribution test, which may have a negative impact on the Fund's income and performance. In lieu of potential disqualification, the Fund is permitted to pay a tax for certain failures to satisfy the asset diversification test or the income test, which, in general, are limited to those due to reasonable cause and not willful neglect.

If for any taxable year the Fund does not qualify as a regulated investment company, all of its taxable income (including its net capital gain) would be subject to tax at regular corporate rates without any deduction for dividends paid to shareholders, and the dividends would be taxable to the shareholders as

ordinary income (or possibly as qualified dividend income) to the extent of the Fund's current and accumulated earnings and profits. Failure to qualify as a regulated investment company, subject to savings provisions for certain qualification failures, which, in general, are limited to those due to reasonable cause and not willful neglect, would thus have a negative impact on the Fund's income and performance. In that case, the Fund would be liable for federal, and possibly state, corporate taxes on its taxable income and gains, and distributions to you would be taxed as dividend income to the extent of the Fund's earnings and profits. Even if such savings provisions apply, the Fund may be subject to a monetary sanction of \$50,000 or more. Moreover, the Board of Directors reserves the right not to maintain the qualification of the Fund as a regulated investment company if it determines such a course of action to be beneficial to shareholders.

As a regulated investment company, the Fund will not be subject to U.S. federal income tax on its income and gains which it distributes as dividends or capital gains distributions provided that it distributes to shareholders at least 90% of its investment company taxable income for the taxable year. The Fund intends to distribute sufficient income to meet this test.

The per share dividends and distributions on Class A, Class B, and Class C shares will be lower than the per share dividends and distributions on Class D shares as a result of the account maintenance, distribution and higher transfer agency fees applicable with respect to the Class A, Class B, and Class C shares; similarly, the per share dividends and distributions on Class A shares will be higher than the per share dividends and distributions on Class B and Class C shares as a result of the lower account maintenance fees applicable with respect to the Class A shares and a lower distribution fee. See Calculation of Net Asset Value.

Net capital gains (which consist of the excess of net long-term capital gains over net short-term capital losses) are not included in the definition of investment company taxable income. The Board of Directors will determine at least once a year whether to distribute any net capital gains. A determination by the Board of Directors to retain net capital gains will not affect the ability of the Fund to qualify as a regulated investment company. If the Fund retains for investment its net capital gains, it will be subject to a tax of 21% of the amount retained. In that event, the Fund expects to designate the retained amount of undistributed capital gains in a notice to its shareholders who (i) if subject to U.S. federal income tax on long-term capital gains, will be required to include in income for tax purposes as long term-capital gain, their shares of such undistributed amount, and (ii) will be entitled to credit their proportionate shares of the 21% tax paid by the Fund against their U.S. federal income tax liabilities and to claim refunds to the extent the credit exceeds such liabilities. For U.S. federal income tax purposes, the tax basis of shares owned by a shareholder of the Fund will be increased by an amount equal to 79% of the amount of undistributed capital gains included in the shareholder's gross income.

Under the Code, amounts not distributed on a timely basis in accordance with a calendar year distribution requirement are subject to a nondeductible 4% excise tax. To avoid the tax, the Fund must distribute during each calendar year (1) at least 98.2% of its ordinary income (not taking into account any capital gains or losses) for the calendar year, (2) at least 98% of its capital gains in excess of its capital losses for the twelve-month period ending on October 31 of the calendar year, and (3) all ordinary income and net capital gains for previous years that were not distributed during such years. To avoid application of the excise tax, the Fund intends to make distributions in accordance with the calendar year distribution requirement. A distribution will be treated as paid on December 31 of the calendar year if it is paid during the calendar year or if declared by the Fund in October, November or December of such year, payable to shareholders of record on a date in such month and paid by the Fund during January of the following year. Any such distributions paid during January of the following year will be taxable to shareholders as of December 31 of the year such distributions were declared, rather than the date on which the distributions are received.

Distributions of net investment income (which includes interest, dividend income, other than qualified dividend income, and the excess of net short-term capital gains over net long-term capital losses) are taxable to a shareholder as ordinary income, whether paid in cash or shares. Certain distributions made to you may be from qualified dividend income and net capital gain (which consists of the excess of long-

term capital gains over net short-term capital losses), if any, and are taxable as long-term capital gains, whether paid in cash or in shares, regardless of how long the shareholder has held the Fund shares, and are not eligible for the dividends received deduction.

Upon a sale or exchange of its shares, a shareholder will realize a taxable gain or loss depending upon its basis in the shares. Such gain or loss will be treated as capital gain or loss if the shares are capital assets in the shareholder's hands and such capital gain or loss will be long-term capital gain or loss if the shares have been held for more than one year. Any loss realized on a sale or exchange will be disallowed to the extent the shares disposed of are replaced within a period of 61 days, beginning 30 days before and ending 30 days after disposal of the shares. Any loss realized by a shareholder on the sale of shares of the Fund held by the shareholder for six months or less will be treated for tax purposes as a long-term capital loss to the extent of any distributions of net capital gains received by the shareholder with respect to such shares.

Shareholders receiving distributions in the form of newly issued shares will have a cost basis in each share received equal to the fair market value of a share of the Fund on the distribution date. Shareholders will be notified annually as to the U.S. federal income tax status of distributions and shareholders receiving distributions in the form of newly issued shares will receive a report as to the fair market value of the shares received. If the net asset value of shares is reduced below a shareholder's cost as a result of a distribution by the Fund, such distribution will be taxable even though it represents a return of invested capital. Investors should be careful to consider the tax implications of buying shares just prior to a distribution. The price of shares purchased at this time may reflect the amount of the forthcoming distribution. Those purchasing just prior to a distribution will receive a distribution which will nevertheless be taxable to them.

Income received by the Fund from sources within foreign countries may be subject to withholding and other taxes imposed by such countries. Income tax treaties between certain countries and the United States may reduce or eliminate such taxes. It is impossible to determine in advance the effective rate of foreign tax to which the Fund will be subject, since the amount of the Fund assets to be invested in various countries is not known. It is not anticipated that shareholders will be entitled to claim foreign tax credits with respect to their share of foreign taxes paid by the Fund.

Distributions may also be subject to additional state, local and foreign taxes depending on each shareholder's particular situation. Shareholders are advised to consult their own tax advisors with respect to the particular tax consequences to them of an investment in the shares of the Fund.

If a shareholder has elected to receive dividends and/or capital gain distributions in cash and the postal or other delivery service is unable to deliver checks to the shareholder's address of record, such shareholder's distribution option will automatically be converted to having all dividends and other distributions reinvested in additional shares. No interest will accrue on amounts represented by uncashed distribution or redemption checks.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and Treasury Regulations presently in effect. For the complete provisions, reference should be made to the pertinent Code sections and the Treasury Regulations promulgated thereunder. The Code and the Treasury Regulations are subject to change by legislative or administrative action either prospectively or retroactively.

In some circumstances, the character and timing of income realized by the Fund for purposes of the income requirement or the identification of the issuer for purposes of the asset diversification test is uncertain under current law with respect to a particular investment, and an adverse determination or future guidance by the IRS with respect to such type of investment may adversely affect the Fund's ability to satisfy these requirements. In other circumstances, the Fund may be required to sell portfolio holdings in order to meet the income requirement, distribution requirement, or asset diversification test, which may have a negative impact on the Fund's income and performance. In lieu of potential disqualification, the

Fund is permitted to pay a tax for certain failures to satisfy the asset diversification test or income requirement, which, in general, are limited to those due to reasonable cause and not willful neglect.

If for any taxable year the Fund does not qualify as a regulated investment company, all of its taxable income (including its net capital gain) would be subject to tax at regular corporate rates without any deduction for dividends paid to shareholders, and the dividends would be taxable to the shareholders as ordinary income (or possibly as qualified dividend income) to the extent of the Fund's current and accumulated earnings and profits. Failure to qualify as a regulated investment company, subject to savings provisions for certain qualification failures, which, in general, are limited to those due to reasonable cause and not willful neglect, would thus have a negative impact on the Fund's income and performance. In that case, the Fund would be liable for federal, and possibly state, corporate taxes on its taxable income and gains, and distributions to you would be taxed as dividend income to the extent of the Fund's earnings and profits. Even if such savings provisions apply, the Fund may be subject to a monetary sanction of \$50,000 or more. Moreover, the board reserves the right not to maintain the qualification of the Fund as a regulated investment company if it determines such a course of action to be beneficial to shareholders.

### PERFORMANCE DATA

See the discussion of performance information in the Fund's prospectuses under the heading, Performance Information. The average annual total returns are calculated pursuant to the following formula:  $P(1 + T)^n = ERV$  (where P = a hypothetical initial payment of \$1,000, T = the average annual total return, n = the number of years, and ERV = the ending redeemable value of a hypothetical \$1,000 payment made at the beginning of the period at the end of the 1, 5 or 10 year periods).

For the periods ended July 31, 2023, the average annual total returns at maximum offering price for the Class D shares of the Fund was 5.42% for 1 year, 4.57% for 5 years, and 8.31% for 10 years. For the year ended July 31, 2023, the average annual total return at maximum offering price for the Fund's Class A shares was 5.02% for 1 year, 4.18% for 5 years, and 7.92% for 10 years, Class B shares was 9.69% for 1 year, 4.04% for 5 years, and 7.43% for 10 years, including the conversion from B shares to A shares after 7 years, and Class C shares was 10.47% for 1 year, 5.23% for 5 years, 8.08% for 10 years, including the conversion from C shares to A shares after 7 years.

In addition to the standardized calculation of annual total return, the Fund may from time to time use other methods of calculating its performance in order to illustrate the effect of a hypothetical investment in a plan or the effect of withdrawing funds from an account over a period of time. Any presentation of non-standardized calculations will be accompanied by standardized performance measures as well. Calculations of performance may be expressed in terms of the total return as well as the average annual compounded rate of return of a hypothetical investment in the Fund over varying periods of time in addition to the 1, 5, and 10 year periods (up to the life of the Fund) and may reflect the deduction of the appropriate sales charge imposed upon an initial investment of more than \$1,000 in the Fund. These performance calculations will reflect the deduction of a proportional share of Fund expenses (on an annual basis), will assume that all dividends and distributions are reinvested when paid, may include periodic investments or withdrawals from the account in varying amounts and/or percentages and may include deductions for an annual custodian fee. The Fund may calculate its total return or other performance information prior to the deduction of a sales charge.

The performance figures described above may also be used to compare the performance of the Fund's shares against certain widely recognized standards or indices for stock and bond market performance. The following are the indices against which the Portfolios may compare performance:

The Standard & Poor's Composite Index of 500 Stocks (the S&P 500 Index) is a market value-weighted and unmanaged index showing the changes in the aggregate market value of 500 stocks relative to the base period 1941-43. The S&P 500 Index is composed almost entirely of common stocks of companies listed on the NYSE, although the common stocks of a few companies listed on the American Stock Exchange or traded OTC are included. The 500 companies represented include 400 industrial, 60 transportation and 50 financial services concerns. The S&P 500 Index represents about 80% of the



market value of all issues traded on the NYSE.

The Dow Jones Industrial Average is an unmanaged index composed of 30 blue-chip industrial corporation stocks.

The Lipper Mutual Fund Performance Analysis and Mutual Fund Indices measure total return and average current yield for the mutual fund industry. Ranks individual mutual fund performance over specified time periods assuming reinvestment of all distributions, exclusive of sales charges.

The Consumer Price Index (or Cost of Living index), published by the U.S. Bureau of Labor Statistics, is a statistical measure of periodic change in the price of goods and services in major expenditure groups.

The following table presents a hypothetical initial investment of \$1,000 on August 1, 1958 with subsequent investments of \$1,000 made annually through July 31, 2023. The illustration assumes that the investment was made in Class D shares, (the only class existing at that time), and a sales load of 5.75% has been deducted from the initial and subsequent investments, a \$20 annual fee (representing the annual service fee charged to retirement plan accounts) has been deducted from the account annually, and that all dividend and capital gain distributions have been reinvested when paid. While the illustration uses an investment of \$1,000 and a 5.75% sales load, the Fund may select any multiple of \$1,000 in order to illustrate the effect of an investment plan and the sales load will reflect the appropriate sales load for the initial and subsequent investments as determined by the Funds currently effective prospectuses. Class A, Class B, and Class C shares are subject to additional distribution charges as outlined in the prospectus, which would have, if the Class was in effect, produced a lower rate of return. The sales load may be reduced pursuant to rights of accumulation and letter of intent.

Year Ended	Total of initial & annual investments	Dividends from investment income reinvested	Cumulative reinvested dividends	Cumulative cost including reinvested dividends	Acquired with initial & annual investments	Accepted as capital gains distributions (Cumulative)	Purchased through reinvestment of income (Cumulative)	Ended Value
08/01/58	\$ 1,000	\$ -	\$ -	\$ 1,000	\$ 943	\$ -	\$ -	\$ 943
07/31/59	2,000	0	0	2,000	2,049	0	0	2,049
07/31/60	3,000	28	28	3,028	2,800	0	28	2,850
07/31/61	4,000	82	110	4,110	4,521	62	130	4,713
07/31/62	5,000	94	204	5,204	4,838	76	194	5,108
07/31/63	6,000	120	324	6,324	6,723	251	366	7,340
07/31/64	7,000	122	446	7,446	9,310	432	594	10,336
07/31/65	8,000	146	592	8,592	9,680	1,107	699	11,486
07/31/66	9,000	198	790	9,790	10,630	2,148	894	13,672
07/31/67	10,000	364	1,154	11,154	11,832	3,694	1,320	16,846
07/31/68	11,000	345	1,499	12,499	13,910	4,055	1,814	19,779
07/31/69	12,000	399	1,898	13,898	12,220	5,516	1,806	19,542
07/31/70	13,000	522	2,420	15,420	10,441	5,038	1,836	17,315
07/31/71	14,000	585	3,005	17,005	14,285	6,448	2,985	23,718
07/31/72	15,000	675	3,680	18,680	15,964	6,789	3,850	26,603
07/31/73	16,000	693	4,373	20,373	16,197	6,853	4,346	27,396
07/31/74	17,000	773	5,146	22,146	13,960	5,975	4,176	24,111
07/31/75	18,000	1,389	6,535	24,535	13,635	8,985	5,210	27,830
07/31/76	19,000	1,158	7,693	26,693	16,700	10,397	7,325	34,422
07/31/77	20,000	1,062	8,755	28,755	19,497	11,564	9,300	40,361
07/31/78	21,000	1,006	9,761	30,761	23,628	13,467	11,993	49,088
07/31/79	22,000	2,034	11,795	33,795	27,002	14,859	15,520	57,381

07/31/80	23,000	2,899	14,694	37,694	37,792	21,740	24,526	84,058
07/31/81	24,000	3,723	18,417	42,417	30,413	40,456	22,436	93,305
07/31/82	25,000	4,187	22,604	47,604	27,728	38,656	23,742	90,126
07/31/83	26,000	6,693	29,297	55,297	39,951	54,379	42,184	136,514
07/31/84	27,000	5,594	34,891	61,891	35,017	57,252	41,236	133,505
07/31/85	28,000	4,585	39,476	67,476	37,804	72,022	48,584	158,410
07/31/86	29,000	7,249	46,725	75,725	41,121	76,544	59,601	177,266
07/31/87	30,000	5,927	52,652	82,652	44,221	105,396	69,542	219,159
07/31/88	31,000	3,645	56,297	87,297	31,790	104,330	52,388	188,508
07/31/89	32,000	9,552	65,849	97,849	36,285	115,991	69,190	221,466
07/31/90	33,000	8,906	74,755	107,755	37,861	118,013	79,129	235,003
07/31/91	34,000	8,050	82,805	116,805	40,959	124,699	92,848	258,506
07/31/92	35,000	1,934	84,739	119,739	44,364	149,635	100,502	294,501
07/31/93	36,000	2,772	87,511	123,511	49,965	190,689	114,149	354,803
07/31/94	37,000	1,889	89,400	126,400	50,655	228,509	115,427	394,591
07/31/95	38,000	5,070	94,470	132,470	48,408	292,747	114,187	455,342
07/31/96	39,000	6,245	100,715	139,715	49,971	306,882	121,896	478,749
07/31/97	40,000	6,484	107,199	147,199	64,858	417,972	163,735	646,565
07/31/98	41,000	4,565	111,764	152,764	55,514	402,146	142,269	599,929
07/31/99	42,000	6,295	118,059	160,059	56,941	405,522	150,017	612,480
07/31/2000	43,000	0	118,059	161,059	53,933	411,402	139,558	604,893
07/31/2001	44,000	0	118,059	162,059	25,214	257,139	62,754	345,107
07/31/2002	45,000	0	118,059	163,059	14,689	142,321	34,187	191,197
07/31/2003	46,000	0	118,059	164,059	19,047	175,465	42,149	236,661
07/31/2004	47,000	0	118,059	165,059	19,783	173,515	41,680	234,978
07/31/2005	48,000	0	118,059	166,059	23,625	198,860	47,768	270,253
07/31/2006	49,000	0	118,059	167,059	24,503	198,210	47,612	270,325
07/31/2007	50,000	0	118,059	168,059	29,396	230,053	55,261	314,710
07/31/2008	51,000	0	118,059	169,059	26,529	200,160	48,081	274,770
07/31/2009	52,000	0	118,059	170,059	23,079	167,016	40,119	230,214
07/31/2010	53,000	0	118,059	171,059	24,651	171,565	41,212	237,428
07/31/2011	54,000	0	118,059	172,059	26,343	176,764	42,461	245,568
07/31/2012	55,000	0	118,059	173,059	28,849	187,162	44,958	260,969
07/31/2013	56,000	0	118,059	174,059	37,916	239,801	57,603	335,320
07/31/2014	57,000	0	118,059	175,059	41,677	274,894	66,033	282,604
07/31/2015	58,000	0	118,059	176,059	47,983	308,038	73,994	430,015
07/31/2016	59,000	0	118,059	177,059	47,859	301,192	72,350	421,401
07/31/2017	60,000	0	118,059	178,059	58,857	336,252	79,567	474,676
07/31/2018	61,000	0	118,059	179,059	64,382	368,801	88,553	521,736
07/31/2019	62,000	0	118,059	180,059	74,595	422,050	101,339	597,984
07/31/2020	63,000	0	118,059	181,059	84,399	472,012	113,336	669,747
07/31/2021	64,000	17,507	135,566	199,566	85,342	593,157	137,803	834,500
07/31/2022	65,000	95,187	230,753	295,753	86,285	539,158	106,391	726,413
07/31/2023	66,000	50,930	281,503	347,503	87,228	622,893	111,600	820,293

The table below illustrates the effect of an automatic withdrawal program on an initial hypothetical investment of \$10,000 on August 1, 1958 in the Fund for the life of the Fund. The illustration assumes

that a sales load of 5.75% was deducted from the initial investment, that \$800 was withdrawn annually and withdrawals were made first from income for the year, then from principal. Withdrawals from principal representing the sale of shares were assumed to have been in the order shares were acquired. Continued withdrawals in excess of current income can eventually exhaust principal, particularly in a period of declining market prices. That portion of the total amount withdrawn designated "From Investment Income Dividends" should be regarded as income; the remainder represents a withdrawal of principal. While this illustration assumes that \$800 was withdrawn annually, the Fund may in other illustrations select any percentage or dollar amount to be withdrawn.

Period Ended	Withdrawn from investment income dividends	Withdrawn from principal and capital gains	Annual total withdrawn	Cumulative total withdrawn	Value of remaining original shares	Accepted as Capital Gains distributions	Total Value
07/31/59	\$ 0	\$ 800	\$ 800	\$ 800	\$ 10,490	\$ 0	\$ 10,490
07/31/60	147	653	800	1,600	9,073	0	9,073
07/31/61	262	538	800	2,400	11,078	198	11,276
07/31/62	224	576	800	3,200	8,984	223	9,207
07/31/63	216	584	800	4,000	10,211	556	10,767
07/31/64	180	620	800	4,800	12,144	868	13,012
07/31/65	187	616	800	5,600	10,805	1,695	12,500
07/31/66	215	585	800	6,400	10,252	2,822	13,074
07/31/67	349	451	800	7,200	10,118	4,312	14,430
07/31/68	295	505	800	8,000	10,620	4,733	15,353
07/31/69	310	490	800	8,800	8,094	5,556	13,650
07/31/70	364	436	800	9,600	5,807	4,843	10,650
07/31/71	360	440	800	10,400	7,023	6,198	13,221
07/31/72	376	424	800	11,200	6,990	6,526	13,516
07/31/73	352	448	800	12,000	6,225	6,425	12,650
07/31/74	357	443	800	12,800	4,526	5,380	9,906
07/31/75	571	229	800	13,600	3,933	6,323	10,256
07/31/76	427	373	800	14,400	4,228	7,317	11,545
07/31/77	356	444	800	15,200	4,290	8,138	12,428
07/31/78	310	490	800	16,000	4,554	9,478	14,032
07/31/79	582	218	800	16,800	4,879	10,457	15,336
07/31/80	775	25	800	17,600	6,763	14,653	21,416
07/31/81	800	0	800	18,400	5,498	17,236	22,734
07/31/82	800	0	800	19,200	5,035	15,896	20,931
07/31/83	800	0	800	20,000	8,324	22,362	30,686
07/31/84	800	0	800	20,800	7,482	21,515	28,997
07/31/85	800	0	800	21,600	8,201	25,201	33,402
07/31/86	800	0	800	22,400	9,595	26,784	36,379
07/31/87	800	0	800	23,200	10,697	33,286	43,983
07/31/88	732	68	800	24,000	7,440	29,402	36,842
07/31/89	800	0	800	24,800	9,611	32,688	42,299
07/31/90	800	0	800	25,600	10,647	33,257	43,904
07/31/91	800	0	800	26,400	12,175	35,142	47,317
07/31/92	354	446	800	27,200	12,488	40,443	52,931
07/31/93	498	302	800	28,000	13,557	49,240	62,797

07/31/94	334	466	800	28,800	13,018	55,852	68,870
07/31/95	800	0	800	29,600	12,451	66,056	78,507
07/31/96	800	0	800	30,400	12,889	68,689	81,578
07/31/97	800	0	800	31,200	17,022	92,189	109,211
07/31/98	771	29	800	32,000	14,285	86,086	100,371
07/31/99	800	0	800	32,800	14,702	86,809	101,511
07/31/2000	0	800	800	33,600	12,877	86,417	99,294
07/31/2001	0	800	800	34,400	4,990	50,702	55,692
07/31/2002	0	800	800	35,200	1,919	27,982	29,901
07/31/2003	0	800	800	36,000	1,565	34,499	36,064
07/31/2004	0	800	800	36,800	748	34,115	34,863
07/31/2005	0	800	800	37,600	57	39,099	39,156
07/31/2006	0	800	800	38,400	0	38,971	38,228
07/31/2007	0	800	800	39,200	0	45,232	43,569
07/31/2008	0	800	800	40,000	0	39,354	37,108
07/31/2009	0	800	800	40,800	0	32,838	30,163
07/31/2010	0	800	800	41,600	0	33,732	30,185
07/31/2011	0	800	800	42,400	0	34,754	30,299
07/31/2012	0	800	800	43,200	0	36,799	31,282
07/31/2013	0	800	800	44,000	0	47,148	39,280
07/31/2014	0	800	800	44,800	0	54,048	44,228
07/31/2015	0	800	800	45,600	0	60,564	48,760
07/31/2016	0	800	800	46,400	0	58,418	46,876
07/31/2017	0	800	800	47,200	0	64,653	51,721
07/31/2018	0	800	800	48,000	0	68,817	54,892
07/31/2019	0	800	800	48,800	0	77,953	62,018
07/31/2020	0	800	800	49,600	0	86,381	68,560
07/31/2021	800	0	800	50,400	0	107,511	84,531
07/31/2022	800	0	800	51,200	0	84,976	72,688
07/31/2023	800	0	800	52,000	0	91,800	81,184
<b>TOTAL</b>	<b>\$ 23,501</b>	<b>\$ 28,499</b>	<b>\$ 52,000</b>				

Performance information for the Fund reflects only the performance of a hypothetical investment in the Fund during the particular time period on which the calculations are based. Performance information should be considered in light of the Funds investment objectives and policies, characteristics and quality of the portfolio and the market conditions during the given time period and should not be considered as a representation of what may be achieved in the future.

#### CUSTODIAN AND INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

All securities and cash of the Fund are held by its custodian, UMB Bank NA Investment Services Group, 928 Grand Blvd, Fifth Floor, Kansas City, MO 64106. The Fund's registered public accounting firm is Sanville & Company CPA, 1514 Old York Road, Abington, PA 19001 provides auditing and tax services to the Fund.

#### TRANSFER AGENT

The Fund's transfer agent is Fund Services, Inc. 8730 Stony Point Parkway, Stony Point Bldg. III, Suite 205, Richmond, VA 23235.