

## About Amana Mutual Funds

- Founded in 1984 for the Muslim community
- Largest mutual fund family in the US guided by Islamic principles
- Four unique *halal* investing strategies:
  - **Amana Income:** current income and capital preservation
  - **Amana Growth:** long-term capital growth
  - **Amana Developing World:** long-term capital growth, by investing in common stocks of companies with significant exposure to developing economies
  - **Amana Participation:** capital preservation and current income

Amana's Trustees selected **Saturna Capital**, a seasoned investment firm of industry professionals, to conduct Amana's investments and operations. Saturna manages 13 mutual funds in two fund groups, pooled investment partnerships, and privately managed accounts.

## Investment Minimums

Open an account with as little as \$100:

<b>Investor Shares</b> (AMAPX)	<b>\$5,000</b> \$100 for IRA, ESA, HSA
<b>Institutional Shares</b> (AMIPX)	<b>\$100,000</b>
<b>Employer Plans</b>	<i>Varies by account type and plan; please consult with your plan sponsor for available share options and minimums.</i>

As the Fund is intended for long-term investment, **shares held less than 182 calendar days are subject to a 2% early redemption fee.**

## Principal Risks

**Income, Growth, Developing World, and Participation Funds:** The value of the shares of each of the Funds rises and falls as the value of the securities in which the Funds invest go up and down. The Amana Mutual Funds limit the securities they purchase to those consistent with Islamic principles. This limits opportunities and may affect performance. Each of the Funds may invest in securities that are not traded in the United States. Investments in the securities of foreign issuers may involve risks in addition to those normally associated with investments in the securities of US issuers. These risks include currency and market fluctuations, and political or social instability. The risks of foreign investing are generally magnified in the smaller and more volatile securities markets of the developing world.

**Growth Fund:** The smaller and less seasoned companies that may be in the Growth Fund have a greater risk of price volatility.

**Participation Fund:** While the Participation Fund does not invest in conventional bonds, risks similar to those of conventional nondiversified fixed-income funds apply. These include: diversification and concentration risk, liquidity risk, interest rate risk, credit risk, and high-yield risk. The Participation Fund also includes risks specific to investments in Islamic fixed-income instruments. The structural complexity of sukuk, along with the weak infrastructure of the sukuk market, increases risk. Compared to rights of conventional bondholders, holders of sukuk may have limited ability to pursue legal recourse to enforce the terms of the sukuk or to restructure the sukuk in order to seek recovery of principal. Sukuk are also subject to the risk that some Islamic scholars may deem certain sukuk as not meeting Islamic investment principles subsequent to the sukuk being issued.

**Please carefully consider an investment's objectives, risks, charges and expenses before investing. To obtain a prospectus or summary prospectus that contains this and other important information about the Amana Funds, and for performance data current to the most recent month-end, please visit [www.amanafunds.com](http://www.amanafunds.com) or call us toll-free at 1-800-728-8762. Please read the prospectus or summary prospectus carefully before investing.**

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Saturna Capital Corporation  
1300 N. State St.  
Bellingham, WA 98225  
1-800-728-8762  
[www.saturna.com](http://www.saturna.com)



**Amana Mutual Funds Trust**



## PARTICIPATION FUND

Investor Shares: **AMAPX**  
Institutional Shares: **AMIPX**

**Following Principles of Islamic Finance**

[www.amanafunds.com](http://www.amanafunds.com)

## Investment Objective & Strategy

The **Amana Participation Fund** seeks capital preservation and current income, consistent with Islamic principles. Capital preservation is its primary objective.

Generally, these principles require that investors avoid interest (*riba*) and investments in businesses such as liquor, pornography, gambling, and banks.

The Fund primarily invests in Islamic fixed-income securities, including (a) *sukuk*, which link the returns and cash flows of financing to the assets purchased, or the returns generated from an asset purchased, (b) *murabaha*, which involves a purchase and sale contract, and (c) *wakala*, in which accounts are operated under the Islamic finance principle of wakala (an agency agreement).

Of course, no mutual fund can guarantee that it will achieve its objectives.

## Islamic Consultant

The Fund's adviser, **Saturna Capital Corporation**, selects investments. To ensure that investments meet the requirements of the Islamic faith, Saturna engages **Amanie Advisors Sdn Bhd**, a leading consultant specializing in Islamic finance.

## Role In An Investor's Portfolio

The **Amana Participation Fund** may be appropriate for investors who:

- Want to generate *halal* income with potentially lower risk and greater downside protection compared to equities/stocks;
- Want to increase their portfolio diversification and/or limit exposure to equities/stocks;
- Want to invest in the Islamic fixed-income (*sukuk*) market;
- Have at least a 2 to 5 year investment horizon.

## Retirement Plans and More

**Saturna Capital** and the **Amana Mutual Funds** offer a variety of investment accounts to meet your investing needs:

- **Individual Retirement Accounts** (IRA),
- **Health Savings Accounts** (HSA),
- **Education Savings Accounts** (ESA),
- **Employer Plans** (401(k), SEP, SIMPLE),
- **Custodial Accounts** (UGMA/UTMA)
- **Taxable and Joint Accounts**

## What are Sukuk?

*Sukuk* is an Arabic word describing investment certificates that share similar characteristics to conventional bonds. Generally *sukuk* (the plural form of *sak*):

- have a stated maturity date;
- offer a stated annual investment income rate, similar to a coupon offered by a conventional bond; and
- may obtain a credit rating from well recognized credit rating agencies, such as Moody's and Standard & Poor's.

It is important to note that while *sukuk* may share similar features with conventional bonds, unlike conventional bonds, they typically reflect an undivided beneficial ownership interest in an underlying asset, similar to a stock. The returns of the underlying asset provide the investment return, and *sukuk* holders share in the underlying asset's profits as well as potential losses.

It is Saturna's view that *sukuk* are an asset class distinct from both stocks and bonds.

The benefits of investing in *sukuk* include:

- **Diversification**
  - *Sukuk* tend to be uncorrelated to both stocks and bonds;
  - *Sukuk* offer access to growing markets typically inaccessible through more conventional securities;
- **Income**
  - *Sukuk* pass through income generated from an underlying asset.

*Diversification does not assure a profit or protect against a loss in a declining market.*

## Portfolio Managers



**Patrick Drum** MBA, CFA®, CFP®  
Research Analyst  
**Participation Fund** Portfolio Manager



**Bryce Fegley** CFA®, CIPM®  
Tactician, Investment Analyst  
**Participation Fund** Deputy Portfolio Manager