

FBP APPRECIATION & INCOME OPPORTUNITY FUND
(formerly FBP BALANCED FUND)

****SUPPLEMENTAL TAX INFORMATION FOR 2011****

FBP Appreciation & Income Opportunity Fund paid the following distributions in 2011:

Record Date	Ex-Dividend Date	Income Dividend Per Share	Percentage of Qualified Dividend Income
3/30/2011	3/31/2011	\$0.0600	100.00%
6/29/2011	6/30/2011	\$0.0770	100.00%
9/29/2011	9/30/2011	\$0.0690	100.00%
12/29/2011	12/30/2011	\$0.0760	100.00%

Federal Taxation

Income dividends paid during 2011 are taxable as ordinary dividends for federal tax purposes. These distributions are taxable whether received in cash or reinvested in additional shares of the Fund. As provided by the Jobs and Growth Tax Relief Reconciliation Act of 2003, certain dividends and capital gain distributions paid by the Fund may be subject to a maximum tax rate of 15%. During 2011, all of the income dividends paid by the Fund were classified as "Qualified Dividends." Complete information for your account will be computed and reported in conjunction with your 2011 Form 1099-DIV.

A Form 1099-DIV, "Dividends and Distributions," has been provided to all non-exempt shareholders who earned gross taxable dividends of \$10 or more during 2011. The information on Form 1099-DIV will be sent to the Internal Revenue Service and should be utilized in the preparation of your 2011 federal income tax return.

State Taxation

The state taxation of regulated investment company dividends that are derived in whole or in part from interest on federal obligations varies from state to state. Please consult your tax adviser concerning the taxation of regulated investment company dividends in your state.

During 2011, FBP Appreciation & Income Opportunity Fund derived its income from securities issued by the following:

Common Stocks	63.48%
Preferred Stocks	3.72%
Corporate Obligations	32.76%
Repurchase Agreements	0.02%
Money Market Funds	<u>0.02%</u>
	<u>100.00%</u>

As of December 31, 2011, the portfolio of FBP Appreciation & Income Opportunity Fund was invested as follows:

Common Stocks	72.96%
Preferred Stocks	1.50%
Corporate Obligations	14.86%
Repurchase Agreements	6.12%
Money Market Funds	<u>4.56%</u>
	<u>100.00%</u>