



Near-Term Tax Free Fund

Symbol: NEARX CUSIP: 911476-85-1 U.S. Global Investors Funds

2nd Quarter 2009

Fund Objective

The Near-Term Tax Free Fund seeks current income that is exempt from federal income tax and also seeks preservation of capital.

Fund Strategy

Management uses a combination of a top-down and bottom-up strategy. Some of the factors used to look at the top-down macroeconomic portion of the strategy include the strength of the economy, the forecasted direction of interest rates and the outlook for income tax rates. When reviewing a bond from a bottom-up micro perspective, management will look at such things as credit ratings and the financial strength of the issuer. When these two strategies are combined with an actively managed municipal bond portfolio, management expects to achieve consistent superior performance in the municipal arena. The Near-Term Tax Free Fund will invest so that its weighted average portfolio maturity will not exceed five years.

Portfolio Team

Frank Holmes, Chief Investment Officer

Years of investment experience: 30

Education: BA, University of Western Ontario

John Derrick, CFA

Years of investment experience: 14

Education: BBA, University of Texas at Arlington

For the latest commentary from the portfolio team, visit www.usfunds.com/fundcommentary.

5 Lipper Leader Preservation

5 Lipper Rating Expense

Lipper ratings for Preservation reflect funds' historical loss avoidance relative to other funds within the same asset class, as of 6/30/09. Preservation ratings

are relative, rather than absolute, measures, and funds named Lipper Leaders for Preservation may still experience losses periodically; those losses may be larger for equity and mixed equity funds than for fixed income funds. Lipper ratings for Expense reflect funds' expense minimization relative to peers with similar load structures as of 6/30/09. Past performance is no guarantee of future results.

★★★★★ Morningstar Overall, 3-year, 5-year and 10-year Ratings™

Among 121, 121, 118 and 65 Municipal National Short-term funds, the Near-Term Tax Free Fund earned 4 stars, 4 stars, 4 stars and 4 stars for the overall, 3-, 5- and 10-year periods. Ratings are based on risk-adjusted return as of 6/30/09. The Overall Morningstar Rating for a fund is derived from a weighted-average of the performance figures associated with its 3-, 5- and 10-year (if applicable) Morningstar Rating. Past performance does not guarantee future results.

Portfolio Statistics

Total Net Assets	\$18.1 Million
NAV	\$2.18
YTD Distributions (\$ per share)	\$0.029
Lipper Category	Short/Intermediate Municipal Debt Funds

Year-End Fund Data Fund Calendar Year Total Return (%)

2004	1.75
2005	0.98
2006	2.89
2007	4.53
2008	3.25

¹The Barclays Capital 3-Year Municipal Bond Index is a total return benchmark designed for long-term municipal assets. The index includes bonds with a minimum credit rating BAA3, are issued as part of a deal of at least \$50 million, have an amount outstanding of at least \$5 million and have a maturity of 8 to 12 years. ²Portfolio holdings will change. ³Fund assets can include, but are not limited to, bonds, cash, receivables, pre-paid expenses and other miscellaneous assets. Fund composition represents key components only and should not be considered a complete financial picture of a fund's assets. The Lipper ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for the Preservation and Expense metrics over three-, five-, and ten-year periods (if applicable). The highest 20% of funds in each peer group are named Lipper Leader or a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. Near-Term Tax Free Fund, in Lipper's Short-Intermediate Municipal Debt classification, received the following ratings for the 3-, 5-, and 10-year periods, respectively: Preservation (in Fixed Income asset class): 5 (4109 funds), 5 (3640) and 5 (2417). Expense: 5 (16 funds), 5 (16 funds) and 5 (10 funds). (Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at www.lipperweb.com. Lipper Leader Copyright 2009, Reuters, All Rights Reserved. For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) There is no guarantee that the investment objectives will be met. 09-503

Phone: 1-800-US-FUNDS (1-800-873-8637)

Website: www.usfunds.com

Email: shsvc@usfunds.com

Address: P.O. Box 781234

San Antonio, TX 78278-1234

Distributed by U.S. Global Brokerage, Inc.

All information is unaudited and, unless otherwise indicated, is as of 6/30/09

Average Annual Returns

	Average Annual							Expense Ratio		
	1-month	3-month	Year to Date	1-year	3-year	5-year	10-year	Since Inception (12/4/90)	Gross	Capped
Near-Term Tax Free Fund	-0.23%	0.18%	2.27%	4.88%	4.26%	3.25%	3.77%	4.58%	1.87%	0.45%
Barclays Capital 3-Year Municipal Bond Index ¹	0.18%	0.61%	2.95%	6.72%	5.38%	3.90%	4.25%	n/a	n/a	n/a

The Adviser for the Near-Term Tax Free Fund has contractually limited total fund operating expenses (as a percentage of net assets) to not exceed 0.45% on an annualized basis through September 30, 2009. These contractual limitations, however, may be revised at any time by the funds' Board of Trustees. Performance data quoted above is historical. Past performance is no guarantee of future results. Results reflect the reinvestment of dividends and other earnings. Current performance may be higher or lower than the performance data quoted. The principal value and investment return of an investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Performance does not include the effect of any direct fees described in the fund's prospectus which, if applicable, would lower your total returns. Obtain performance data current to the most recent month-end at www.usfunds.com or 1-800-US-FUNDS.

Tax-exempt income is federal income tax free. A portion of this income may be subject to state and local income taxes, and if applicable, may subject certain investors to the Alternative Minimum Tax as well. Each tax free fund may invest up to 20% of its assets in securities that pay taxable interest. Income or fund distributions attributable to capital gains are usually subject to both state and federal income taxes. Bond funds are subject to interest-rate risk; their value declines as interest rates rise.

Please consider carefully the fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a fund prospectus by visiting www.usfunds.com or by calling 1-800-US-FUNDS (1-800-873-8637). Read it carefully before investing. Distributed by U.S. Global Brokerage, Inc.

Top 10 Holdings²

City of New York NY	3.53%
State of Connecticut	2.71%
Florida State Board of Education	2.62%
City of San Antonio TX	2.25%
Illinois Finance Authority	2.22%
Indiana Finance Authority	2.03%
Virginia College Building Authority/VA	1.86%
Katy Independent School District/TX	1.86%
State of Utah	1.83%
Virginia Public Building Authority/VA	1.81%

Quality

AAA	28%
AA	43%
A	25%
BBB	3%
Other	0%

Top Sectors

General Obligation	26%
School District	20%
General	10%
Cash equivalents	9%
Transportation	6%
Medical	6%

Fund Composition³ as a percentage of total investments

Bonds	91.10%
Cash Equivalents	8.90%
Equities	0.00%

Top 5 States

as a percentage of net assets

Texas	16.39%
Illinois	7.74%
Indiana	6.71%
Florida	5.44%
Alabama	4.28%

Maturity

<1 Year	26%
1-3 Years	16%
3-5 Years	22%
5-10 Years	37%
10-20 Years	0%
20+ Years	0%
Average Maturity	3.42
Average Duration	3.05