HIGH YIELD CORPORATE DEBT SECURITIES
RISK DISCLOSURE STATEMENT

THIS SECTION FOR INTERNAL USE ONLY	
Advisor Name:	Advisor Phone Number:
Client Name:	Client Account Number(s):

AN INVESTMENT IN HIGH YIELD CORPORATE DEBT SECURITIES IS SUBJECT TO SPECIAL RISKS WHICH AN INVESTOR SHOULD CAREFULLY CONSIDER.

StateTrust Investments, Inc. is providing this Risk Disclosure Statement as a service to its clients who are considering an investment in high yield corporate debt securities. This document is not intended to be an exhaustive description of the risks involved in any individual security, but rather a general statement of risks commonly associated with securities of this type. Please read these risks carefully, and sign the bottom of this form to indicate your acknowledgement of these risks.

HIGH YIELD CORPORATE DEBT SECURITIES

High yield securities are corporate debt securities that a nationally recognized credit rating organization, such as Standard & Poor's or Moody's, has rated below "investment grade" or may be non-rated. These securities typically offer a higher yield than investment grade bonds, but also present greater risks with respect to liquidity, volatility, and non-payment of principal and interest. As a result of being classified as below investment grade debt, high yield corporate debt securities present a greater degree of credit risk relative to many other fixed income securities. The following is a more inclusive description of risks associated with emerging market debt.

Credit Risk: An investment grade debt issue generally has a high capacity to pay interest and repay principal with little susceptibility to adverse changes in economic conditions. Conversely, a high yield corporate debt security that is not investment grade generally has predominantly speculative characteristics with respect to the issuer's capacity to pay interest and repay principal. Therefore, there is greater risk of non-payment of interest and loss of principal. In fact, many issuers of high yield corporate debt securities have experienced substantial difficulties in servicing their debt obligations, which has led to defaults and restructuring. Additional risks discussed below may also increase the risk of default for an issuer of high yield corporate debt securities. Due to these risks, the issuers of these securities generally have to pay a higher rate of interest than that which is available from investment grade debt securities issued by U.S. corporations or municipalities.

Liquidity & Secondary Market Risk: The "markets" in which high yield corporate debt securities are traded are generally more limited than those in which investment grade securities are traded. This lack of liquidity may make it more difficult to resell these securities and obtain market quotations. In addition, the proceeds from sales prior to maturity may be more or less than principal invested due to changes in market conditions or changes in the credit quality of the issuer.

Interest Rate Risk: Generally, a rise in interest rates may negatively affect the price of market-traded bonds, because bond prices tend to move counter to the direction of rates. Therefore, rising rates may cause bond prices to decline. Additionally, bonds with longer maturities may be more sensitive to such interest rate movements.

Call Risk: High yield corporate debt securities may be subject to call by the issuer, providing the issuer the right to redeem its issued debt, fully or partially, before the scheduled maturity date of the security. In the event a security is called, an investor may be unable to reinvest the proceeds from such redemption, in an investment with similar return and risk characteristics. In many situations, reinvesting may occur in a lower interest rate environment when compared to the original issuance date of the emerging market debt security that was called.

Downgrade Risk: Downgrades in the credit rating of high yield corporate bonds by rating agencies are generally accompanied by declines in the market value of these bonds. In some circumstances, investors in the high yield bond market may anticipate such downgrades as a result of these credits being placed on "credit watch" by rating agencies, causing volatility and speculation of further credit deterioration.

Volatility Risk: The market value of high yield corporate debt securities tend to be sensitive to developments involving the issuer and to changes in economic conditions. Consequently, high yield corporate debt securities have greater price volatility than investment grade debt securities.

Event Risk: This includes any of a variety of events that can adversely affect the issuer of a high yield corporate debt security, and therefore the issuer's ability to meet debt service obligations to repay principal and interest to bond holders. Event risk may pertain to the issuer specifically, the industry or business sector of the issuer, or generally upon the overall economy. For example, the issuer may have a change in management, poor earnings, or difficulty obtaining additional credit to support operations. The issuer's industry sector may be experiencing financial difficulties due to increased competition, rising costs, or a changing regulatory environment. Lastly, there may be adverse geopolitical or global economic news such as a recession, changes in fiscal or monetary policies, or adverse market conditions having direct or indirect impact on the high yield corporate bond issuer and their outstanding debt.

Economic Risk: Relates to the general vulnerability of a bond due to a downturn in the economy. In difficult economic environments, high yield corporate bonds may be more susceptible to price volatility as investors may reevaluate holdings in lower-quality bonds in favor of investment-grade corporate bonds. This is often referred to a "flight to quality". The concern is often associated with the underlying credit issuer's ability to repay interest and principal if an economic downturn negatively impacts the company's business.

DISCLAIMER

Neither the information provided nor any opinion expressed within this Risk Disclosure Statement constitutes a solicitation for the purchase or sale of any security.

The information provided herein is not intended as an analysis of any individual security. All descriptions of risks are provided for discussion purposes only and reflect some but not all of the risks commonly associated with securities of this type. Information has been obtained from sources we believe to be reliable, but we cannot guarantee its accuracy or completeness. **StateTrust Investments, Inc.** and/or its affiliates and persons employed or associated with such entities (together, the "Firm"), as principal or agent, may at any time or from time to time be long, short, sell or buy any securities mentioned in this material. The firm may from time to time perform investment banking or other services for, or solicit investment banking or other services from, companies or sovereigns issuing securities mentioned in this material.

The firm is not in the business of providing tax or legal advice. These materials and any tax-related statements are not intended or written to be used, and cannot be used or relied upon, by any taxpayer for the purpose of avoiding tax liabilities or penalties. Tax-related statements, if any, may have been written in connection with the "promotion or marketing" of the transaction(s) or matter(s) addressed by these materials, to the extent allowed by applicable law. Purchasers of these securities should seek advice based on such taxpayer's particular circumstances from an independent tax advisor. Securities offered through **StateTrust Investments, Inc.**, member of SIPC/FINRA.

Client Attestation:
I understand the potential risks associated with purchasing High Yield Corporate Debt securities as described to me within this Disclosure Statement. I also understand that these risks may result in complete or partial loss of principal invested, failure to receive periodically scheduled interest payments, and volatility in market value.

TO BE COMPLETED BY CLIENT

By: (Signature of Client)	Date:
PRINT Name	Title:
By: (Signature of Client - Joint Acct.)	Date:
PRINT Name	Title:
By: (Signature of Client - Joint Acct.)	Date:
PRINT Name	Title:
Approved by (signature):	Date: