

ARMADA CONSERVATIVE ALLOCATION FUND

I SHARES (INSTITUTIONAL) • QUARTERLY FUND HIGHLIGHTS • PERIOD ENDING 6/30/2004



OBJECTIVE

Armada Conservative Allocation Fund seeks to provide current income and moderate capital appreciation consistent with preservation of capital.

INVESTMENT STRATEGY

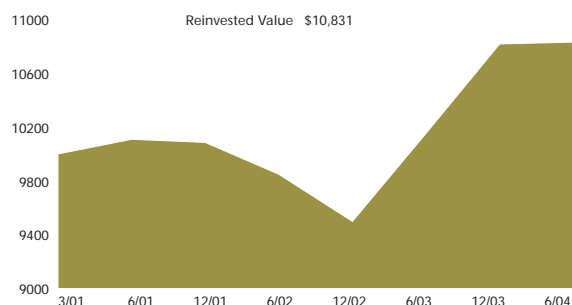
A well-allocated portfolio may provide more consistent returns over time

Armada Conservative Allocation Fund's managers employ a top-down approach to asset allocation. They use proprietary models to determine broad market and sector allocations, then draw on the expertise of our highly specialized investment management teams to find the best investment opportunities available in each marketplace. In general, 50% to 80% of the Fund's net assets will be invested in bond funds (Armada Bond and Intermediate Bond Funds), 20% to 50% in stock funds (Armada International Equity, Large Cap Growth, Large Cap Value, Small Cap Growth, and Small Cap Value Funds), and up to 20% in shares of the Armada Money Market Fund. The Fund normally intends to invest in shares of underlying Armada Funds, but may also invest directly in shares of U.S. government securities and short-term money market instruments. The benchmark for the Armada Conservative Allocation Fund is the **65/35 Hybrid of S&P 500 and Lehman Intermediate U.S. Government/Credit Bond Index***.

INVESTMENT RISKS

Asset allocation cannot guarantee a profit or prevent a loss. An investment in the Fund is subject to interest rate risk, which is the possibility that the Fund's yield will decline due to falling interest rates. International investments are subject to special risks not ordinarily associated with domestic investments, including currency fluctuations, economic and political change, and differing accounting standards that may adversely affect portfolio securities. Investments in small/mid-sized companies present a greater risk of loss than investments in large companies. The Advisor may be subject to conflicts of interest in allocating Fund assets among the various underlying Armada Funds. Although Armada seeks to preserve the value of the Money Market Fund at \$1.00 per share, it is possible to lose money by investing.

GROWTH OF A \$10,000 INVESTMENT



This chart illustrates a hypothetical \$10,000 investment in Class I shares since the Fund's inception, assuming reinvestment of all distributions. The growth of an investment in other classes may vary due to different sales loads and expenses.

Performance shown is past performance. Current performance may be lower or higher. Please visit our web site at www.armadafunds.com to obtain returns current to the most recent month-end. Past performance does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost.

TOTAL RETURNS

Share Class (Inception Date)	3 Months	1 Year	Annualized 3 Years	Annualized 5 Years	Annualized 10 Years	Annualized Life of Fund
I Shares (3/6/2001)	-1.05%	6.67%	2.33%	N/A	N/A	2.43%

Total returns reflect reinvestment of dividends, capital gains and deductions of applicable sales charges, operating expenses and fees. Returns also reflect a voluntary fee waiver of .25%. Without such a fee waiver, performance of the Fund would have been lower. Because the Conservative Allocation Fund invests in other Armada mutual funds your investment in the Conservative Allocation Fund is directly subject to the operating expenses of those underlying mutual funds. Accordingly, the total operating expenses for the Funds without fee waivers ranges from 1.52% to 2.13%. Such expenses with waivers range from 1.27% to 1.88% for Class I Shares of the underlying Armada mutual funds, which is the only class of shares that the Conservative Allocation Fund invests in.

Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month-end is available at 1-800-622-FUND (3863) or www.armadafunds.com.

*The 65/35 Hybrid of S&P 500 and Lehman Intermediate U.S. Government/Credit Bond Index is a blend of 65% Lehman U.S. Aggregate Bond Index and 35% S&P Composite 500 Index, as calculated by the Advisor and is not available for direct investment. Unlike a mutual fund, the performance of an index assumes no taxes, transaction costs, management fees or other expenses.



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PORTFOLIO MANAGEMENT

National City Investment Management Company (IMC), a wholly owned subsidiary of National City Corporation, is the advisor to Armada Funds. IMC built its business on a solid foundation, leveraging a long history serving institutions and individuals. IMC is dedicated to governing by three principles: investment experience, portfolio discipline and specialized team management. The Fund is managed by the Asset Allocation Investment Management Team.

WHAT SETS ARMADA APART

An organization defined by **stability** and trust

Integrity in our people and processes

Commitment to **partnership** with financial advisors

Access to what you need, when you need it

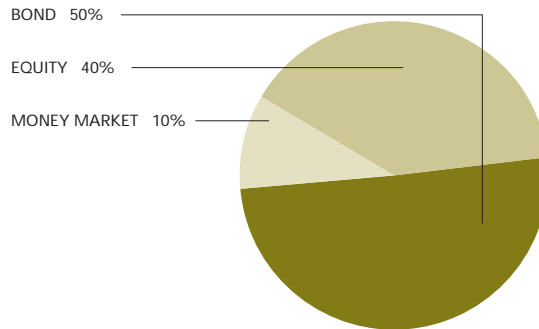


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PORTFOLIO STATISTICS

Class	I
Assets (millions)	\$5.15
Cusip number	04208N598
NASDAQ symbol	AOAIX
Net asset value (as of 6/30/2004)	\$10.08
Net asset value (past 12 months)	
High	\$10.34
Low	\$9.48
Inception date	3/6/2001
Dividend frequency	Monthly
Dividends paid (\$ per share)	
Past quarter	\$0.0351
Current year	\$0.0351
Capital gains	N/A
Total net assets (as of 6/30/2004 in millions)	\$11.14

PORTFOLIO COMPOSITION (SUBJECT TO CHANGE)⁺



FUND ALLOCATION (SUBJECT TO CHANGE)⁺ (% OF TOTAL NET ASSETS)

ARMADA INTERMEDIATE BOND	50%
ARMADA LARGE CAP VALUE FUND	20%
ARMADA LARGE CAP GROWTH FUND	20%
ARMADA MONEY MARKET FUND	10%

You should consider the investment objectives, risks, charges, and expenses of the Armada Funds carefully before investing. A prospectus with this and other information about the Funds may be obtained by calling 1-800-622-FUND (3863). It should be read carefully before investing.

• NOT FDIC INSURED • NO BANK GUARANTEE • MAY LOSE VALUE

⁺Portfolio composition and fund allocation, which are as of 6/30/2004, are for illustration purposes only and are not a permanent reflection of the Fund. Mutual funds involve risk, including the possible loss of principal. National City Investment Management Company (IMC) serves as investment advisor to Armada Funds, for which it receives an investment advisory fee. Armada Funds are distributed by Professional Funds Distributor, LLC (PFD), 760 Moore Road, King of Prussia, PA, 19406. PFD is not affiliated with IMC and is not a bank.