



## STEWARD SELECT BOND FUND

INDIVIDUAL CLASS SHARES

### INVESTMENT OBJECTIVE

To provide high current income with capital appreciation and growth of income.

### INVESTMENT STRATEGY

- Investments consistent with Biblical principles and a Christian lifestyle.
- Active approach - investing primarily in bonds of corporations, mortgage-backed securities, U.S. government and agencies and securities issue by churches and other non-profit organizations.
- The application of cultural values screening policies designed to avoid investing in companies materially involved with pornography, abortion, alcohol, gambling or tobacco.

### INVESTMENT PROCESS

The Fund employs a three-step process focused on high quality fixed income securities.

1. Identify short-term and long-term trends in interest rates to determine an appropriate maturity/duration range for the portfolio relative to the market.
2. Conduct a comparison of bond market sectors to determine which sectors currently offer the most value.
3. The most attractive bonds from within these target sectors undergo a thorough quality analysis before being added to the portfolio.

### PORTFOLIO MANAGEMENT

The Steward Select Bond Fund is managed by a team of dedicated professionals focused on investments in fixed income securities. The Portfolio Managers of the team are as follows:

The Fund's portfolio management team is headed by Ed Jaroski. Ed is a co-founder of Capstone Asset Management Company and the Firm's President & Chief Executive Officer. He received his BBA from Temple University and has achieved the insurance industry professional designations of Chartered Life Underwriter (CLU), Charter Financial Consultant (ChFC) and Fellow Life Management Institute (FLMI). Ed began his career in 1969 and has over 42 years of experience in the financial service industry.

Claude Cody. Mr. Cody began his investment career in 1976 as a securities analyst for American General Insurance Company in Houston and has over 35 years of experience in the financial service industry. Later he was promoted to portfolio manager in the equity department. After American General, Mr. Cody managed fixed income and equity portfolios for a variety of financial institutions that included pension funds, savings institutions, insurance companies and mutual funds. Most recently, he was a Senior Portfolio Manager at AIM Management and was responsible for the AIM Balanced Fund. Mr. Cody joined Capstone Asset Management Company as a Senior Vice President in 2009. Mr. Cody has served as a portfolio manager for the Capstone Church Capital Fund since January 2010 and he became a co-lead portfolio manager of the Steward Select Bond Fund on August 24, 2010. He received his MBA from University of Texas and BA from Vanderbilt University.

MANAGING WEALTH  
PROTECTING VALUES

### FAITH-BASED SCREENING METHODOLOGY

The Fund uses CFS Consulting Services, LLC (CCS) as its provider of cultural values research data in the screening of securities. Management at CCS were pioneers in the initial development of values-based investing in the mid 1990's. Their experience includes having started an investment research firm dedicated to values-based investing data and analysis in 1996.

The Fund applies a comprehensive set of cultural values screens to all of the investments. Screens applied to the portfolio management process allow investors to avoid owning securities in companies that choose to profit from businesses that are at odds with values consistent with a Christian lifestyle.

The Fund applies strict exclusionary screens to companies involved in the businesses of abortion and pornography. In addition, the Fund screens for businesses that are principally involved in gambling, or the manufacturing of alcoholic or tobacco products. The Fund employs only avoidance screens and does not dilute the portfolio by seeking to invest in companies that promote any individual cultural or social issue.

This methodology gives the Fund the ability to serve a rapidly growing number of investors seeking competitive investment returns without compromising their personal convictions.

Steward Funds, Inc.

1.800.262.6631

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

**Risk Factors:** *The Fund may not achieve its stated investment objective. Please be aware that the Fund may be subject to certain additional risks such as Cultural Values Screening and Credit and Interest Rate Risk. The Fund could lose money if an issuer of fixed income securities defaults on its interest payments, fails to repay principal or its credit rating is downgraded. In general, bond prices rise when interest rates fall. This effect is usually more pronounced for bonds with long-term maturities. Please see the Fund's prospectus for a further explanation of these risks.*

**See the reverse side of this document for important disclosure information on an investment in the Fund.**

INDIVIDUAL CLASS SHARES

**FUND PERFORMANCE HISTORY**

AS OF 12/31/2011

	Fund	BCI Agg <sup>*</sup>
Quarter-to-date	0.22%	0.91%
Year-to-date	2.87%	5.97%
1 Year	2.87%	5.97%
3 Years <sup>**</sup>	4.35%	6.19%
5 Years <sup>**</sup>	4.35%	6.09%
Since Inception <sup>**</sup>	3.57%	-----

<sup>\*</sup> Barclay's Capital Intermediate Aggregate Bond Index

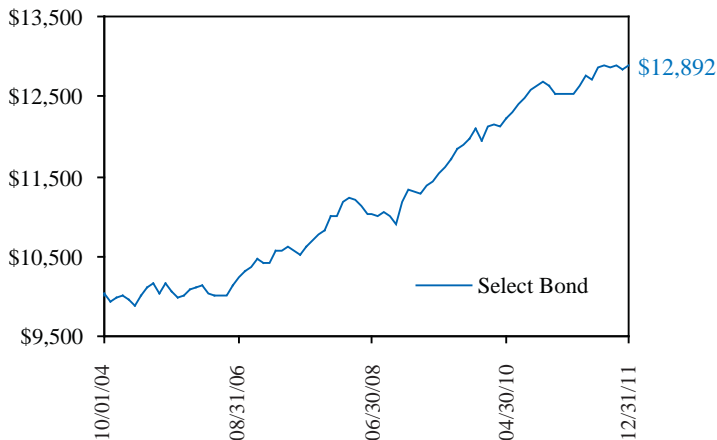
<sup>\*\*</sup> Annualized

Past performance is no guarantee of future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. The Fund's current performance may be lower or higher than quoted. For the Fund's performance as of the most recent month end, please call 800-262-6631. Returns are historical and are calculated by determining the percentage change in the net asset value (NAV) with all income and capital gain distributions reinvested. Inception date for the Fund is October 1, 2004.

**GROWTH OF \$10,000**

AS OF 12/31/2011

Investment at NAV with Dividends Reinvested


**FUND INFORMATION**

AS OF 12/31/2011

Ticker Symbol	SEAKX
CUSIP Number	860324409
NAV Per Share	\$25.13
Total Net Assets	\$12.32 Million
Inception Date	October 1, 2004
Expense Ratio as of 4/30/2011	1.01%

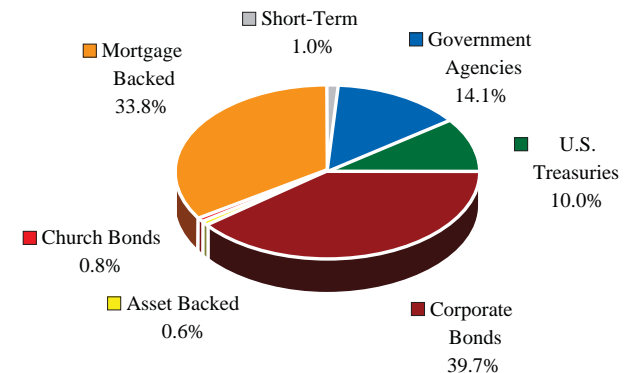
**PORTFOLIO CHARACTERISTICS**

AS OF 12/31/2011

SEC 30-Day Yield <sup>1</sup>	1.85%
Duration <sup>2</sup>	4.87
Average Life <sup>3</sup>	6.00
Average Credit Quality	AA
Number of Holdings	112

**SECTOR DIVERSIFICATION**

AS OF 12/31/2011



This is not an offer to sell or a solicitation to buy Fund shares. Sales of Fund shares may only be made by prospectus. Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by calling Capstone Asset Planning Company, Distributor for the Steward Funds, Inc., (800) 262-6631. Please read the prospectus carefully before you invest.

<sup>1</sup> The SEC Yield is a standardized annual yield based on the most recent 30-day period. It is calculated in accordance with current Securities and Exchange Commission regulations and is subject to change. <sup>2</sup> Duration is the measure of the price sensitivity of a fixed-income security to an interest rate change of 100 basis points (1%). The calculation is based on the weighted average of the present values for all cash flows. <sup>3</sup> Average Life: Average length of time before the bond issuer pays the bond holder.

The *Barclay's Capital Intermediate Aggregate Bond Index* is an unmanaged index comprised of U.S. investment grade, fixed rate bond market securities, including government, government agency, corporate and mortgage-backed securities with maturities between three and ten years. Please note that indexes do not take into account any fees and expenses of investing in the individual securities that they track and investors cannot invest directly in any index.

NOT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE VALUE

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