

MARKET OVERVIEW

The powerful rally that began in early March continued through the end of the year, delivering returns no one would have thought possible nine months ago. The S&P 500[®] Index was up 26.46% and the Russell Midcap[®] Growth Index gained 46.29% on the year.

The stability that investors crave has quietly displaced the fear and volatility we have endured since the summer of 2007. Although economic reports remain depressed, most are either no longer in decline or are actually improving. Throughout the year, corporate profits have been surprisingly healthy, as many companies aggressively controlled costs.

Initially, the rally was very broad based – a rising tide, lifting all boats (but those that were about to sink had more to gain). In percentage terms, the performance was biased toward lower quality companies, but this trend showed signs of reversing in the fourth quarter. Growth outperformed value at every market cap level.

PERFORMANCE OVERVIEW

The Stephens Mid Cap Growth Fund Class A gained 6.32% (without sales charge) in the fourth quarter of 2009, nearly matching the Fund's benchmark, the Russell Midcap[®] Growth Index, which was up 6.69%. For the year, the Fund had returns of 39.94% (without sales charge).

Consumer stocks slightly underperformed, but the combination of our underweight position and our stock picking helped us. Restaurant operator, Panera Bread Co. was particularly strong. We had avoided the hotel and gaming stocks, and that boosted our performance relative to the benchmark.

The Fund had a difficult quarter in Healthcare. Both Psychiatric Solutions Inc., and VCA Antech Inc., two long-time core holdings, had disappointing results during the quarter. We continue to own positions in both companies. Illumina Inc. was also a poor performer, as they posted lower than expected results. It is our belief that the shortfall was a timing issue, and that long term fundamentals are still in tact.

As it has been nearly all year, Technology was once again a source of strength for the Fund. It was our best performing sector in absolute terms and our largest in terms of percent of assets. Salesforce.com was a top contributor for the second quarter in a row. F5 Networks Inc. was also a big winner for the Fund, as their Internet traffic management solutions are gaining momentum in the marketplace. We also had success with ARM Holdings PLC.

Energy also performed well, and our large overweight position here added to the Fund's return. Both oil and natural gas prices moved higher, and the stocks followed.

Our holdings in Financials and Industrials trailed the benchmark slightly, but did not have a big impact on the Fund's overall performance.

Performance data as of 12/31/09

Class A	3 Month	YTD	1 Year	3 Year	Since Inception (2/01/06)	Expense Ratio Gross	Expense Ratio Net ⁴
Stephens Mid Cap Growth Fund (w/ Sales Charge)	0.76%	32.52%	32.52%	-3.58%	-3.31%	2.42%	1.50%
Stephens Mid Cap Growth Fund (w/out Sales Charge)	6.32%	39.94%	39.94%	-1.84%	-1.97%		
Russell Midcap [®] Growth Index	6.69%	46.29%	46.29%	-3.18%	-1.40%		
S&P 500 [®] Index	6.04%	26.46%	26.46%	-5.63%	-1.40%		

Performance data quoted represents past performance and does not guarantee future results. Investment returns and principal value will fluctuate, and when sold, may be worth more or less than their original cost. Performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by calling 866-735-7464. The Fund imposes a 2% redemption fee on shares held less than 30 days. Performance data does not reflect the redemption fee. If reflected, total returns would be reduced. Performance data shown without Sales Charge does not reflect the deduction of the sales load or fee. If reflected, the load or fee would reduce the performance quoted. Performance data shown with Sales Charge reflects the maximum sales charge of 5.25%.

⁴The Investment Advisor has contractually agreed to reduce its fees of the Fund to ensure the total amount of Fund normal operating expenses does not exceed 1.50% of the Fund's average daily net assets through March 30, 2010 and indefinitely thereafter. Investment performance reflects fee waiver, in the absence of such waivers, total return would be reduced.

PORTFOLIO CHARACTERISTICS

Due in part to some industry reclassifications, Technology grew to about 30% of the Fund's assets. This was offset by slight reductions in exposure to Healthcare, Consumer Discretionary, and Financials at 21%, 14%, and 5%, respectively. Relative to our benchmark, we are overweight Technology, Energy, and Healthcare. We are underweight in Industrials, Materials, and Financials.

Growth rates and valuations have continued to rebound in tandem. Our median company's price-to-earnings multiple is 19.8, up slightly from 18.8 last quarter. Earnings estimates have also continued to improve, as our median company is expected to grow more than 13% over the next twelve months. Numbers have improved for the benchmark in a similar fashion. The biggest difference however, is with actual growth rates. Our median stock grew earnings at 7.3% in the most recently reported quarter, while the same metric for the benchmark shows zero growth.

OUTLOOK

This year's low quality rally serves as a reminder that good companies aren't always good stocks. We have commented before on the perverse performance bias favoring the companies with the worst fundamentals – those that had suffered the most. The high quality companies that provided relative protection on the downside didn't quite keep up on the rebound.

The easy money from bouncing off the bottom has been made. We believe that further gains will require improving fundamentals. Valuations aren't cheap anymore and the positive earnings reports from cost-cutting will only last so long. We believe that the stocks that will warrant higher prices will be the ones that are growing.

While the economy seems to have stabilized, the absolute levels of economic activity and employment are still quite depressed. The tailwind of synchronized global growth has subsided, and as such, organic revenue growth will be scarce. We believe that there will be a scarcity of value among these high quality growth stocks, as investors are willing to "pay up" for the better companies.

Lastly, this has been a reluctant bull market. The general consensus seems to be that we may have come too far too fast, or that we are due for a pull-back. Consequently, investors are still sitting on a fair amount of cash. Maybe those things are true, but our contrarian attitude tells us that the fact that people are expecting a pull-back means we are less likely to get a big one.

There are still concerns and fears on the horizon. As we mentioned above, the economy has not fully recovered. Additionally, we are very mindful of the risks of inflation. That being said, we are optimistic about our relative ability to perform. We believe that we are entering an environment that favors quality growth stocks, which happens to be what we do best.

The Russell Midcap Value Index measures the performance of mid-cap value segment of the U.S. equity universe. It includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values. The Russell Midcap® Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The S&P 500 Index is a broad based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Price to Earnings (P/E) ratio reflects the multiple of earnings at which a stock sells. You cannot invest directly in an index.

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The prospectus contains this and other important information about the investment company, and it may be obtained by calling (866)735-7464, or visiting www.stephensfunds.com. Read it carefully before investing.

Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in small and/or mid sized companies, which involve additional risks such as limited liquidity and greater volatility than larger companies. The fund may invest in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods.

NOT FDIC INSURED MAY LOSE VALUE NOT BANK GUARANTEED

Quasar Distributors, LLC, distributor

TOP TEN HOLDINGS

Global Payments, Inc.	1.99%
Salesforce.com, Inc.	1.96%
ARM Holdings PLC - ADR	1.95%
Cerner Corp.	1.86%
Alliance Data Systems Corp.	1.84%
F5 Networks, Inc.	1.76%
ResMed, Inc.	1.71%
Iron Mountain, Inc.	1.64%
QIAGEN NV	1.56%
Express Scripts, Inc.	1.52%

TOTAL TOP TEN HOLDINGS* **17.79%**

* Excludes Money Market Fund holdings.

Fund holdings and asset allocations are subject to change and are not recommendations to buy or sell and security. *Current and future portfolio holdings are subject to risk.*

FOR MORE INFORMATION, CONTACT:

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