The Fund’s investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company, and it may be obtained by visiting www.nicholasfunds.com. Read it carefully before investing.

Diversification does not assure a profit or protect against loss in a declining market.

Mutual fund investing involves risk. Principal loss is possible. Investing in small and medium sized companies involves greater risks than those associated with investing in large company stocks, such as business risk, stock price fluctuations and liquidity.

Please refer to Page 2 for additional disclosures.
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. You cannot invest directly in an index.

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One cannot invest directly in an index.

Fund holdings and/or sector weightings are subject to change at any time and are not recommendations to buy or sell any security.

Glossary of Terms:

**EPS**
Company total earnings divided by outstanding shares.

**Free Cash Flow**
Free cash flow is cash flow available for distribution among all the securities holders of an organization.

**Harmonic Price/Book**
Price per share divided by book value per share. The harmonic function reduces the impact of outliers in the denominator on the aggregate calculation.

**Price/Earning Capped**
PE is a valuation ratio of a company's current share price compared to its per-share earnings or in the case of REITs (real estate investment trusts), their funds from operations. These weighted average values are limited in a range between 0 and 60.

**Sharpe Ratio**
A measure of a fund’s historical returns adjusted for risk, or volatility.

**Standard Deviation**
Standard Deviation is a statistical measure of the historical volatility of a mutual fund or portfolio, usually computed using 36 monthly returns.