

# The Torray Funds

## Late Day Trading

Late day trading is unacceptable and Torray LLC has policies and procedures in place to prevent it from happening in The Torray Fund and The Torray Institutional Fund.

It is our policy to process all share transactions in accordance with Rule 22c-1 of the Investment Company Act of 1940, as amended. In this regard, purchase, redemption and exchange orders must be received by the Transfer Agent by 4:00 p.m. eastern time to receive that day's net asset value per share ("NAV"). Purchase, redemption and exchange orders received by the transfer agent after 4:00 p.m. eastern time will receive the NAV next calculated by the Fund. With respect to transactions with financial intermediaries, purchase, redemption and exchange orders may receive that day's NAV if they are received by the financial intermediary by 4:00 p.m. eastern time, even if such orders are communicated to the Distributor after 4:00 p.m. eastern time. Financial intermediaries must have policies and procedures that are reasonably designed to detect and prevent transactions that would cause the Fund to violate Rule 22c-1 and, in this regard, should be aware of their obligations to appropriately process mutual fund transactions in accordance with NASD Rule 2110.

## Market Timing

"Market timing" is not a defined term under the federal securities laws, but generally refers to trading strategies that are designed to create profits by anticipating short-term market movements or taking advantage of arbitrage opportunities in the price of mutual fund shares.

The Torray Funds understand the importance of protecting their shareholders against the potentially dilutive effects of market timing on Fund assets. The Torray Funds are not managed in a way to take advantage of short-term fluctuations in the securities market nor are they intended to serve as a mechanism for frequent trading. If market timing is suspected, the Funds reserve the right to take appropriate action, up to and including closing an account, to the extent consistent with applicable law or regulation.