



**Performance Report
Third Quarter 2009**

Milwaukee County Deferred
Compensation Plan

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All rates of return presented in this report for time periods greater than one year are annualized. Mutual fund rates of return are provided by Morningstar. Rates of return for the North Shore Savings Fund and the Stable Value Fund are provided by the investment manager. All rates of return contained in this report are net of investment management fees. Percentages in some exhibits may not add to 100% because of rounding.

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INVESTMENT HIGHLIGHTS

RETURN SUMMARY ENDING 9/30/09

	Third Quarter	Year-To-Date	1 Year Ending 9/30/09	3 Years Ending 9/30/09	5 Years Ending 9/30/09
North Shore Savings Fund	0.2 %	0.7 %	1.2 %	2.4 %	2.7 %
iMoney Net Money Fund Average	0.0	0.2	0.5	2.7	2.5
Stable Value Fund	1.1	3.5	4.7	4.8	4.7
EnnisKnupp GIC Index	1.1	3.4	4.6	4.6	4.3
PIMCO Total Return Institutional Fund	6.0	12.7	18.3	9.2	6.9
Barclays Capital Aggregate Bond Index	3.7	5.7	10.6	6.4	5.1

RETURN SUMMARY ENDING 9/30/09

	Third Quarter	Year-To-Date	1 Year Ending 9/30/09	3 Years Ending 9/30/09	5 Years Ending 9/30/09
TRP PS Income	10.8 %	21.8 %	8.4 %	2.7 %	4.9 %
Custom Benchmark	8.1	11.5	3.2	1.6	3.9
TRP PS Balanced	13.7	27.4	6.4	0.8	4.5
Custom Benchmark	11.1	15.6	1.2	-0.2	3.7
TRP PS Growth	16.1	31.0	1.9	-2.0	3.6
Custom Benchmark	14.1	19.4	-1.3	-2.1	3.2

Benchmark descriptions can be found in the Appendix.

INVESTMENT HIGHLIGHTS

RETURN SUMMARY ENDING 9/30/09

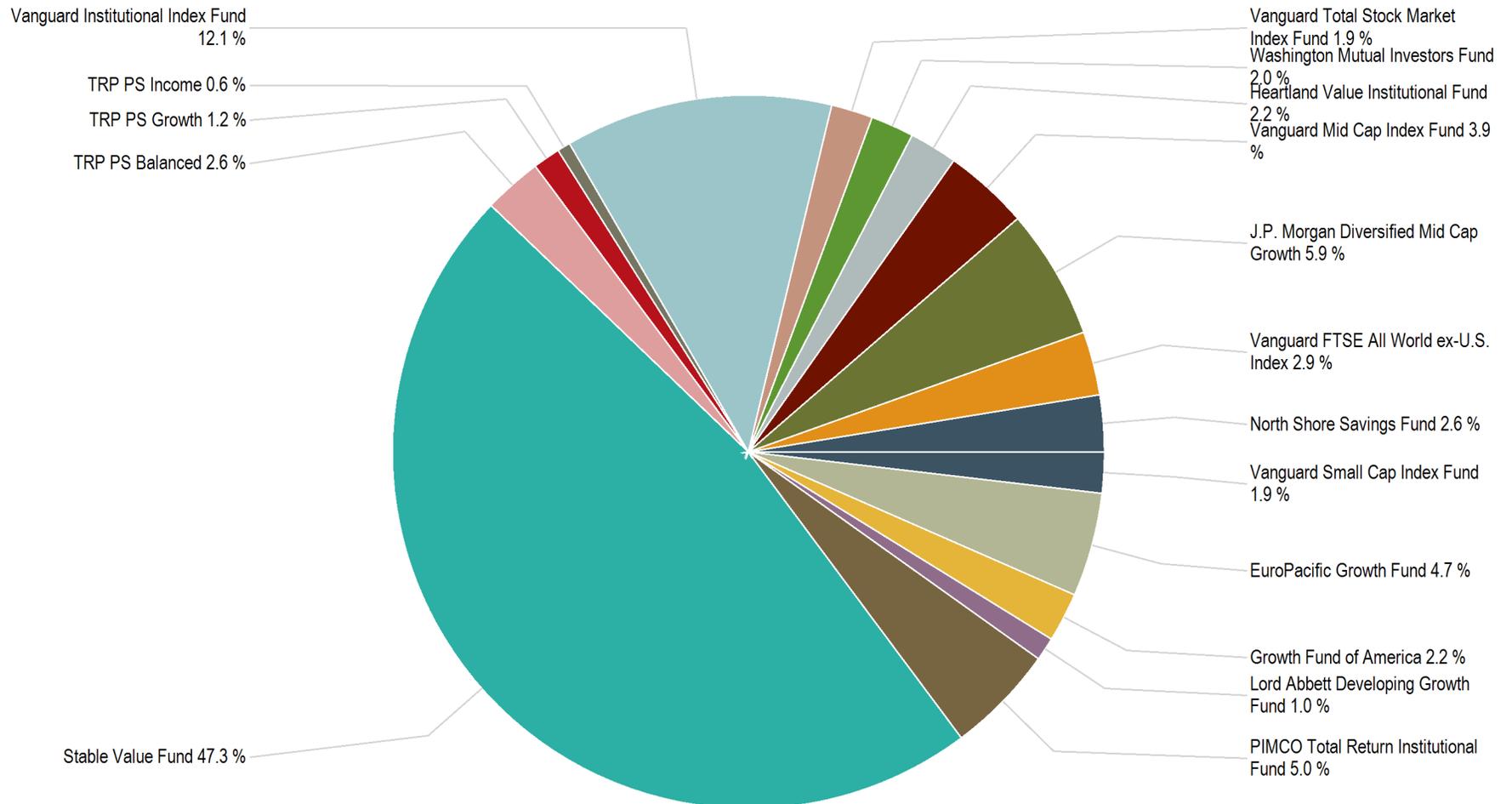
	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Washington Mutual Investors Fund	12.9 %	88	10.7 %	97	-11.7 %	93	-6.5 %	82	0.0 %	86
Russell 1000 Value Index	18.2	26	14.9	90	-10.6	89	-7.9	91	0.9	72
Vanguard Institutional Index Fund	15.6	56	19.4	73	-6.8	68	-5.4	67	1.0	69
S&P 500 Index	15.6	57	19.3	74	-6.9	69	-5.4	68	1.0	70
Growth Fund of America	13.4	84	27.3	38	-2.0	33	-2.7	35	3.9	26
Russell 1000 Growth Index	14.0	79	27.1	39	-1.9	33	-2.5	33	1.9	56
Vanguard Total Stock Market Index Fund	16.5	42	21.7	63	-5.9	62	-4.6	58	1.9	56
Performance Benchmark	16.5	43	21.6	63	-6.1	62	-4.7	59	1.8	57
J.P. Morgan Diversified Mid Cap Growth	16.8	38	32.9	21	-3.3	41	-2.9	38	3.6	30
Russell Mid Cap Growth Index	17.6	31	37.1	14	-0.4	27	-3.1	41	3.8	28
Vanguard Mid Cap Index Fund	21.6	9	31.8	24	-1.9	33	-4.3	54	4.0	25
MSCI U.S. Mid Cap 450 Index	21.6	9	31.7	24	-2.0	34	-4.4	55	3.9	26
Vanguard Small Cap Index Fund	21.8	8	30.9	27	-4.0	47	-2.7	36	3.7	28
Small-Cap Index	21.9	8	30.8	27	-4.2	49	-2.9	37	3.7	29
Lord Abbett Developing Growth Fund	14.3	75	39.0	11	-0.7	28	3.2	4	6.8	5
Russell 2000 Growth Index	15.9	51	29.1	33	-6.3	64	-2.6	34	2.9	40
Heartland Value Institutional Fund	21.0	11	39.2	11	2.1	17	-3.3	43	3.0	39
Russell 2000 Value Index	22.7	6	16.4	86	-12.6	95	-6.6	83	1.8	58

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
EuroPacific Growth Fund	19.6 %	35	34.9 %	23	8.9 %	18	1.4 %	10	10.1 %	6
MSCI All Country World ex-U.S. Index	19.7	33	36.4	20	5.9	33	-1.2	28	8.1	24
Vanguard FTSE All World ex-U.S. Index	19.9	30	34.7	23	5.2	34	--	--	--	--
FTSE All World ex-U.S. Index	20.0	29	38.2	18	7.4	27	--	--	--	--

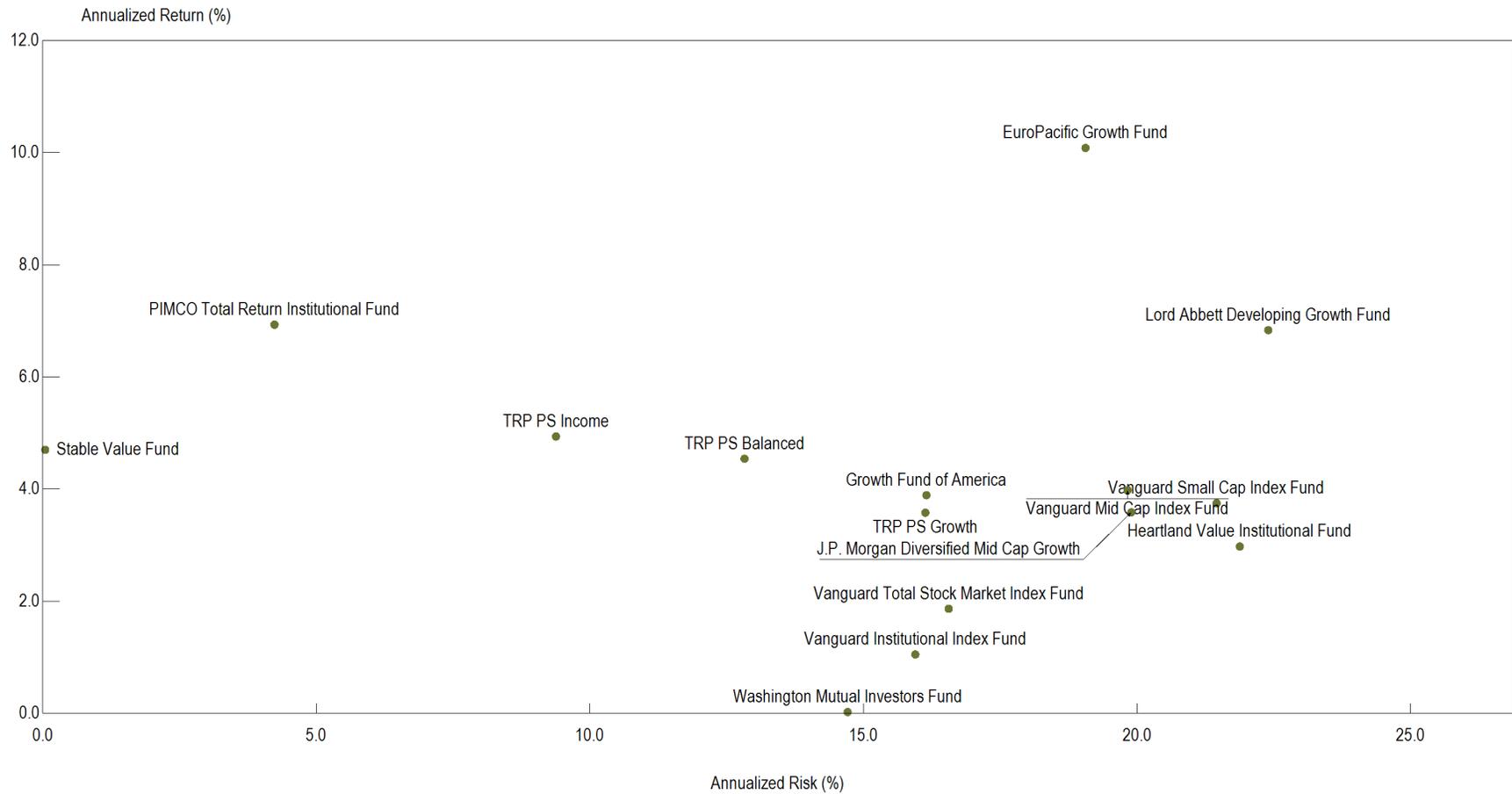
Benchmark descriptions can be found in the Appendix. U.S. equity ranks are obtained using a broad Morningstar universe of 2,067 U.S. stock mutual funds. Non-U.S. equity ranks are obtained using a universe including 97 non-U.S. stock managers calculated by BNY Mellon Performance and Risk Analytics.

ASSET ALLOCATION
ACTUAL AS OF 9/30/09



INVESTMENT HIGHLIGHTS

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



Cash Flow Summary

Quarter Ending September 30, 2009

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
EuroPacific Growth Fund	\$8,600,094	-\$719,746	\$611,520	-\$108,226	\$1,667,570	\$10,159,438
Growth Fund of America	\$5,057,147	-\$1,104,644	\$243,114	-\$861,530	\$622,882	\$4,818,500
Heartland Value Institutional Fund	\$3,792,643	-\$144,117	\$263,089	\$118,972	\$806,617	\$4,718,232
J.P. Morgan Diversified Mid Cap Growth	\$11,181,573	-\$652,762	\$344,072	-\$308,690	\$1,869,120	\$12,742,003
Lord Abbett Developing Growth Fund	\$1,956,610	-\$97,918	\$129,037	\$31,119	\$278,002	\$2,265,731
North Shore Savings Fund	\$5,920,853	-\$840,471	\$446,169	-\$394,302	\$9,866	\$5,536,417
PIMCO Total Return Institutional Fund	\$9,081,398	-\$498,782	\$1,543,585	\$1,044,804	\$565,922	\$10,692,124
Stable Value Fund	\$99,552,153	-\$2,986,329	\$4,491,385	\$1,505,056	\$1,160,979	\$102,218,187
TRP PS Balanced	\$5,037,440	-\$164,942	\$148,859	-\$16,084	\$692,283	\$5,713,639
TRP PS Growth	\$2,163,889	-\$64,880	\$214,942	\$150,062	\$362,135	\$2,676,086
TRP PS Income	\$1,194,418	-\$60,308	\$21,669	-\$38,639	\$129,453	\$1,285,232
Vanguard FTSE All World ex-U.S. Index	\$4,985,352	-\$708,011	\$934,639	\$226,628	\$1,012,401	\$6,224,382
Vanguard Institutional Index Fund	\$21,495,388	-\$564,862	\$1,858,310	\$1,293,448	\$3,430,567	\$26,219,404
Vanguard Mid Cap Index Fund	\$7,008,024	-\$544,271	\$365,764	-\$178,507	\$1,503,025	\$8,332,542
Vanguard Small Cap Index Fund	\$2,620,208	-\$361,151	\$1,111,322	\$750,171	\$637,484	\$4,007,863
Vanguard Total Stock Market Index Fund	\$3,555,990	-\$236,112	\$178,978	-\$57,134	\$574,923	\$4,073,779
Washington Mutual Investors Fund	\$4,935,735	-\$1,438,351	\$155,675	-\$1,282,676	\$571,191	\$4,224,250
Total	\$198,138,915	-\$11,187,659	\$13,062,131	\$1,874,472	\$15,894,421	\$215,907,809

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Factor	Rationale	Measurement
1. Short -Term Performance Concerns	Short term performance should never be the sole factor in a manager's assessment; however, short-term performance concerns should be monitored and understood.	Has the fund underperformed in three of the last four quarters?
2. Longer-Term Performance Concerns	Since past performance is not indicative of future performance, performance records must be considered carefully. Longer-term underperformance, and poor results compared to peers, may indicate that more competitive offerings are available.	Has the fund underperformed or fallen below the median fund in an appropriate peer group over the trailing 5 year period?
3. Investment Strategy Concerns	An investment option in a savings plan often serves a unique role; significant divergence from the strategy could indicate the fund is no longer appropriate for the Plan.	Has the fund diverged from its strategy?
4. Portfolio Management Concerns	The portfolio manager (or managers) responsible for the buy and sell decisions of the fund has a key role. Adverse changes could present performance challenges going forward.	Have there been adverse changes to the fund's management?
5. Organizational Concerns	A stable and strong organization is preferred. Adverse changes to the organization could negatively impact the fund's strategy, focus, resources, or management team.	Have there been adverse changes to the organization?

Each fund will be evaluated every quarter within this framework. The monitoring system will have a "generally indicated status" based on the number of affirmative answers to the above questions.

- **Green-Level Status.** No concerns; or only one affirmative response to measurement 1, 2, or 3.
- **Yellow-Level Status.** An investment fund receives a Yellow designation with two or three affirmative responses or if there is an affirmative response to measurement 4 or 5.
- **Red-Level Status.** An investment fund receives a Red designation when it has been on the Yellow status for more than two consecutive quarters or when there are four or more affirmative responses.

FUND MONITORING SYSTEM

If a manager is placed on the Red Level Status, a formal manager review will be conducted by EnnisKnupp. EnnisKnupp will review the concerns regarding the fund and recommend to the Committee whether it should be retained or terminated. If the fund is retained, and remains on red-status, it will be re-reviewed every six months.

Special Circumstances

In the event of a major change in the firm's ownership, performance, or staffing, EnnisKnupp may immediately recommend termination of a manager without placing a fund on a specific "status." Any fund monitoring system should only be used as a tool in a Committee's monitoring activities. The Committee has the right to take action on any fund regardless of its status in the monitoring system.

Applying the Fund Monitoring System to the Plan

The table on the following page has applied the fund monitoring system to the funds in the Milwaukee County Plan. As shown, all the funds are currently on green status.

FUND MONITORING SYSTEM

Investment Fund Monitoring Summary:

	1.	2.	3.	4.	5.			
	Underperformed in 3 of 4 Trailing Calendar Quarters?	Underperformed Benchmark and/or Falls Below Median over Trailing Five Year Period?*	Diverged from Strategy?	Adverse Change in Portfolio Manager?	Adverse Organizational Change?	3rd Quarter 2009 Status	2nd Quarter 2009 Status	1st Quarter 2009 Status
North Shore Savings Fund	No	No	No	No	No			
Stable Value Fund	No	No	No	No	No			
PIMCO Total Return Fund	No	No	No	No	No			
TRP PS Income	No	No	No	No	No			
TRP PS Balanced	No	No	No	No	No			
TRP PS Growth	No	No	No	No	No			
Washington Mutual Investors	No	Yes	No	No	No			
Vanguard Institutional Index	No	No	No	No	No			
Growth Fund of America	No	No	No	No	No			
Vanguard Total Stock Market	No	No	No	No	No			
JP Morgan Diversified Mid Cap Growth	No	Yes	No	No	No			
Vanguard Mid Cap Index	No	No	No	No	No			
Vanguard Small Cap Index	No	No	No	No	No			
Lord Abbett	No	No	No	No	No			
Heartland Value	No	No	No	No	No			
EuroPacific Growth	No	No	No	No	No			
Vanguard FTSE All World ex-U.S.	No	Yes*	No	No	No			

*The Vanguard FTSE All World ex-U.S. Fund started in April 2007. Therefore, performance is based on since-inception period

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MARKET ENVIRONMENT
Third Quarter 2009

MARKET ENVIRONMENT

OVERVIEW

MAJOR MARKET RETURNS

	Third Quarter	Year-To-Date	1 Year Ending 9/30/09	3 Years Ending 9/30/09	5 Years Ending 9/30/09	10 Years Ending 9/30/09
Dow Jones US Total Stock Index	16.3 %	21.5 %	-6.2 %	-4.8 %	1.8 %	0.9 %
MSCI All Country World ex-U.S. Index	19.7	36.4	5.9	-1.2	8.1	4.1
MSCI EAFE Index	19.5	29.0	3.2	-3.6	6.1	2.6
MSCI Emerging Markets Index	20.9	64.4	19.1	8.0	17.3	11.4
MSCI All Country World Index	17.9	28.7	-0.1	-3.2	4.6	1.6
Barclays Capital Aggregate Bond Index	3.7	5.7	10.6	6.4	5.1	6.3

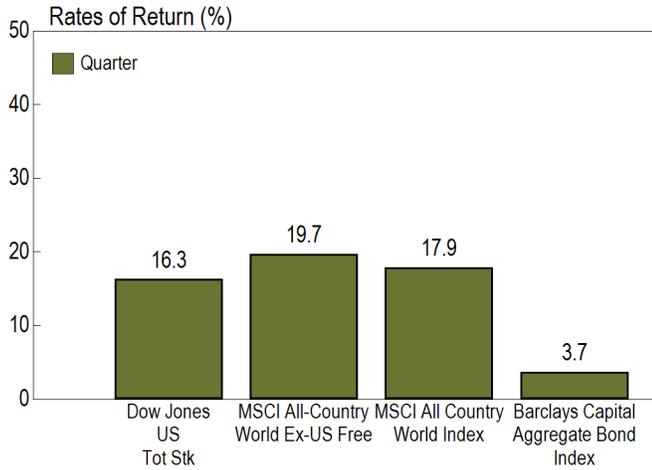
Global capital markets continued to rebound during the third quarter of 2009 with all major markets delivering positive returns. However investors remained uncertain as to the extent of recovery and volatility in the equity markets remained above the ten-year average. The Federal Open Markets Committee met twice during the quarter, in August and September, each time maintaining the target federal funds rate at 0.00-0.25%. Immediately following the quarter-end U.S. stocks posted the largest declines of the past three-month period as the unemployment rate rose to 9.8%, emphasizing the long-term nature of the recovery ahead.

The Dow Jones U.S. Total Stock Market Index returned 16.3% for the third quarter of 2009, bringing its trailing ten-year return back into positive territory. Value stocks outperformed growth stocks across a capitalization spectrum. From a size perspective, small cap stocks outperformed their large cap counterparts. Materials outperformed all other sectors, returning 27.1%, with financials and industrials returning 23.2% and 20.5%, respectively. Telecommunications and utilities have been the poorest performers, both quarterly and year-to-date, however all sectors have yielded positive returns during these time periods.

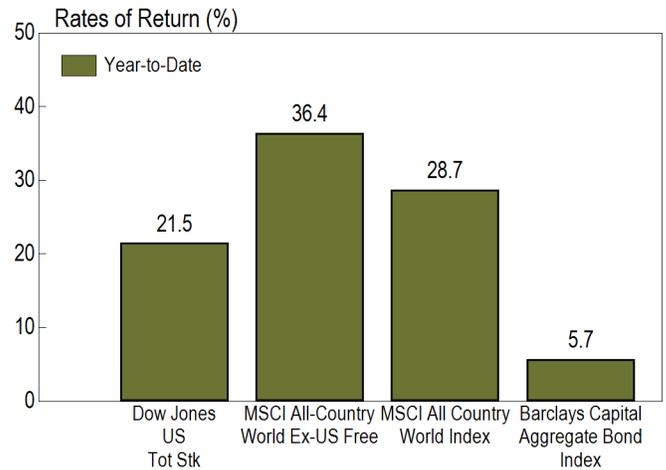
International markets continued to outperform U.S. stocks, albeit by a much narrower margin than in the second quarter. Emerging markets cooled in their recovery, with the MSCI Emerging Markets Index returning 1.4 percentage points over the MSCI EAFE Index compared to a year-to-date excess return of 35.4 percentage points (and a second quarter excess return of 12.4 percentage points). Japan continued to be the lowest performing region, returning 6.5% for the quarter and 9.3% year-to-date. All other regions yielded double digit figures, with Pacific Ex-Japan leading the way at 27.4% for the quarter. Year-to-date the Latin America and Pacific Ex-Japan regions have yielded the highest returns at 81.2% and 64.3%, respectively.

The domestic fixed income market, as measured by the Barclays Capital Aggregate Bond Index returned 3.7% for the third quarter, with all sectors yielding positive returns. Below investment grade bonds returned 14.2% as investors, confident in the markets, continued to develop their appetite for risk. Government securities underperformed the broad bond market as investors sought higher returns and Treasury yields fell slightly across all maturities.

**MAJOR MARKET RETURNS
THIRD QUARTER**

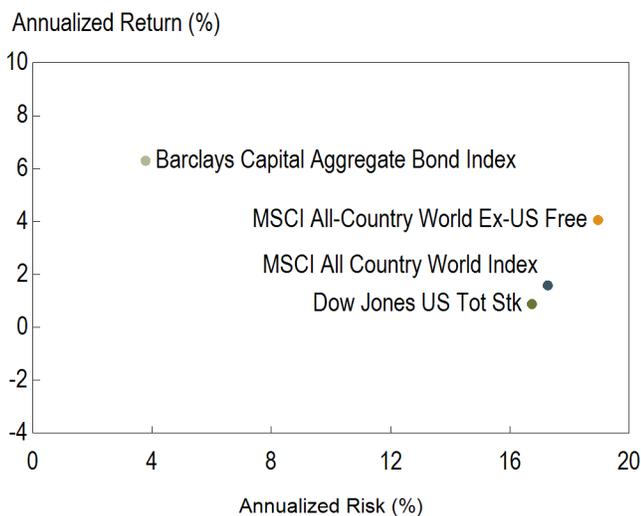


**MAJOR MARKET RETURNS
YEAR-TO-DATE ENDING 9/30/09**

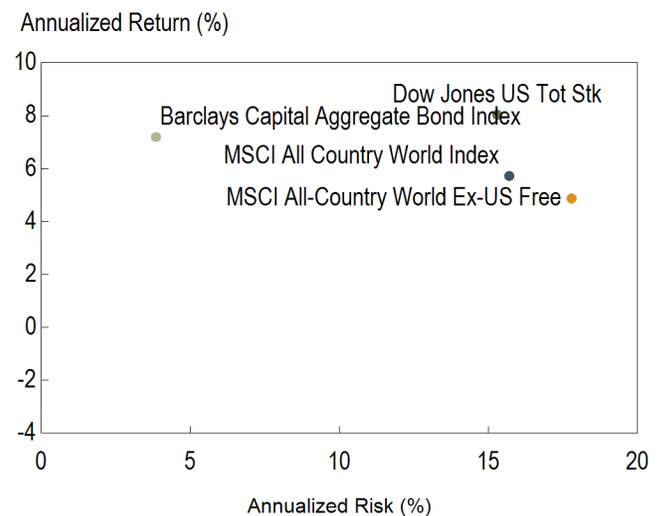


The exhibits above show the performance of the major capital markets during the third quarter and year-to-date periods.

**MARKET RISK/RETURN
10 YEARS ENDING 9/30/09**



**MARKET RISK/RETURN
20 YEARS ENDING 9/30/09**

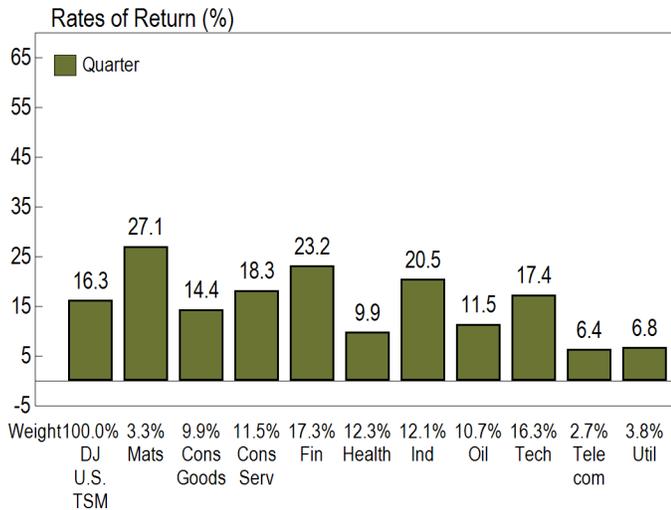


The exhibits above show the historical performance of the major capital markets and the amount of risk (volatility of returns) incurred. Points near the top of the chart represent a greater return and points near the right of the chart indicate greater volatility.

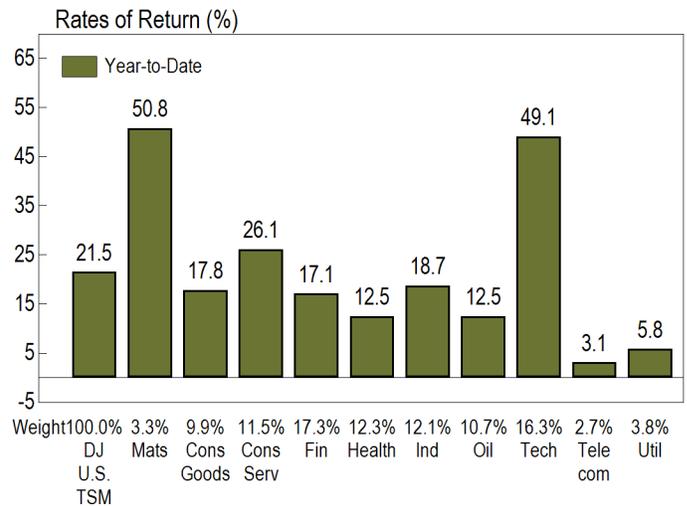
MARKET ENVIRONMENT

U.S. STOCK MARKET

SECTOR RETURNS THIRD QUARTER



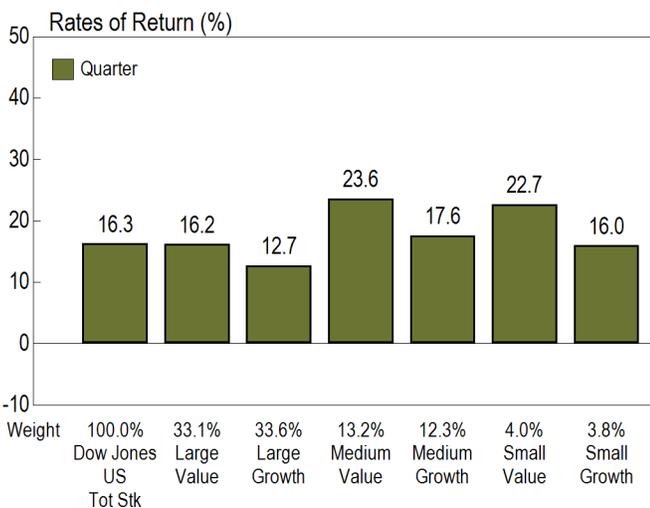
SECTOR RETURNS YEAR-TO-DATE ENDING 9/30/09



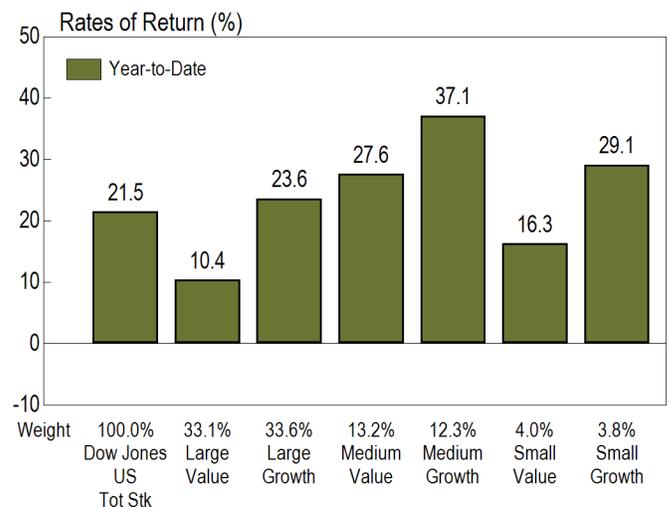
The Dow Jones U.S. Total Stock Market Index is the broadest available measure of the aggregate domestic stock market. It includes all domestic common stocks with readily available price information.

The exhibits above show the performance of the sectors that comprise the Dow Jones U.S. Total Stock Market Index. The percentage below each bar indicates the sector's weight within the Dow Jones U.S. Total Stock Market Index at quarter-end.

STYLE RETURNS THIRD QUARTER

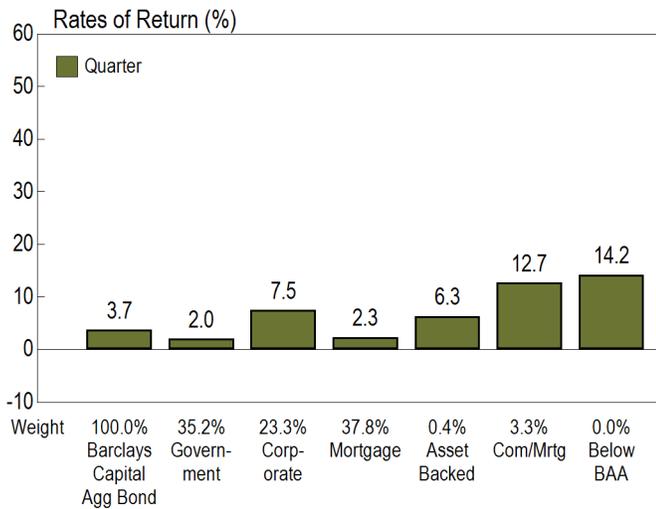


STYLE RETURNS YEAR-TO-DATE ENDING 9/30/09

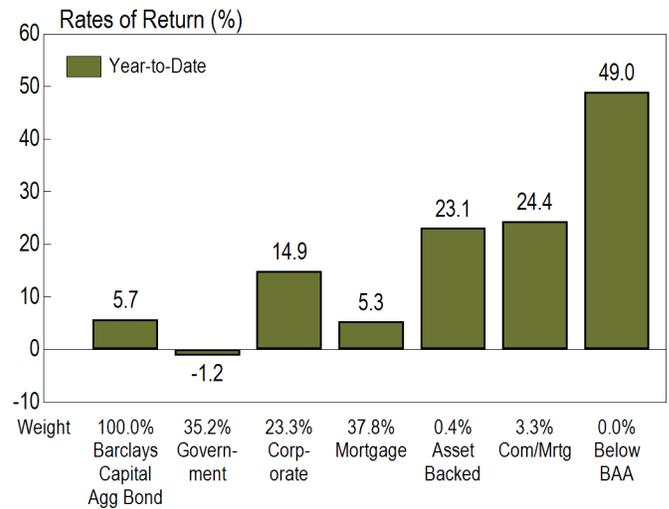


The exhibits above illustrate the performance of stock investment styles according to capitalization (large and small) and style characteristics (value and growth). The percentage below each bar indicates the segment's weight within the Dow Jones U.S. Total Stock Market Index at quarter-end.

SECTOR RETURNS
THIRD QUARTER



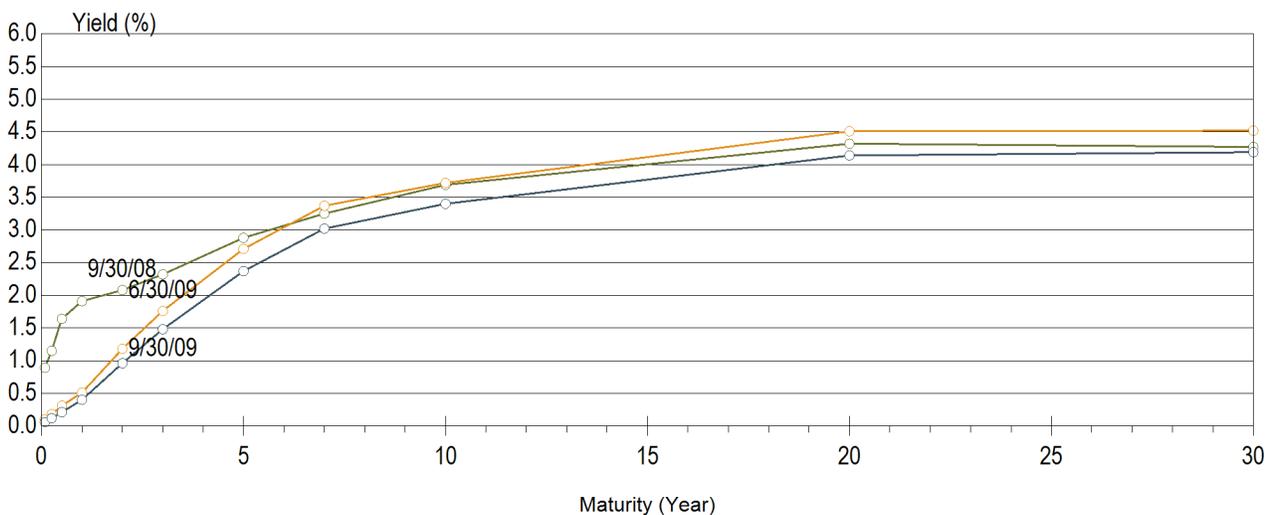
SECTOR RETURNS
YEAR-TO-DATE ENDING 9/30/09



The Barclays Capital Aggregate Bond Index is a broad measure of the U.S. investment grade fixed income market. The Index consists of credit, government, and mortgage-backed securities and includes credit card, auto, and home equity loan-backed securities.

The exhibits above show the performance of the sectors that comprise the broad domestic bond market. The percentage below each bar indicates the sector's weight within the Barclays Capital Aggregate Bond Index at quarter-end.

U.S. TREASURY CURVE

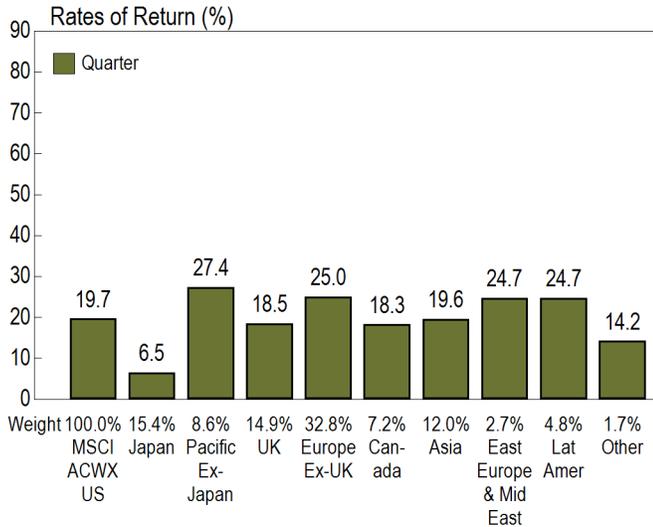


The exhibit above illustrates yields of Treasury securities of various maturities as of September 30, 2008, June 30, 2009, and September 30, 2009.

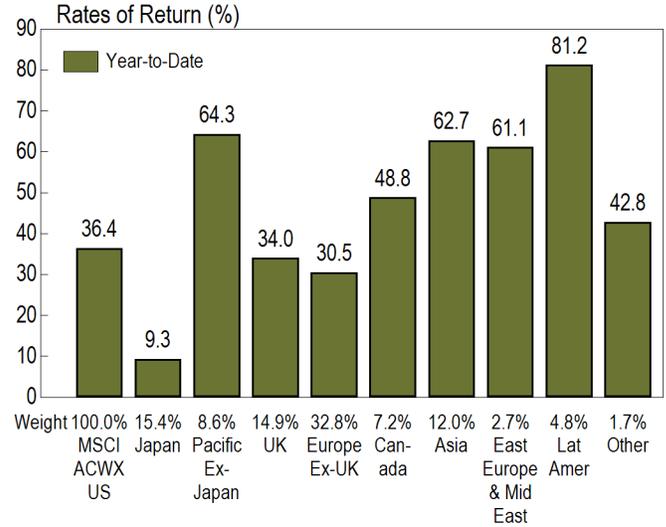
MARKET ENVIRONMENT

NON-U.S. STOCK MARKETS

**NON-U.S. STOCK MARKET RETURNS
THIRD QUARTER**

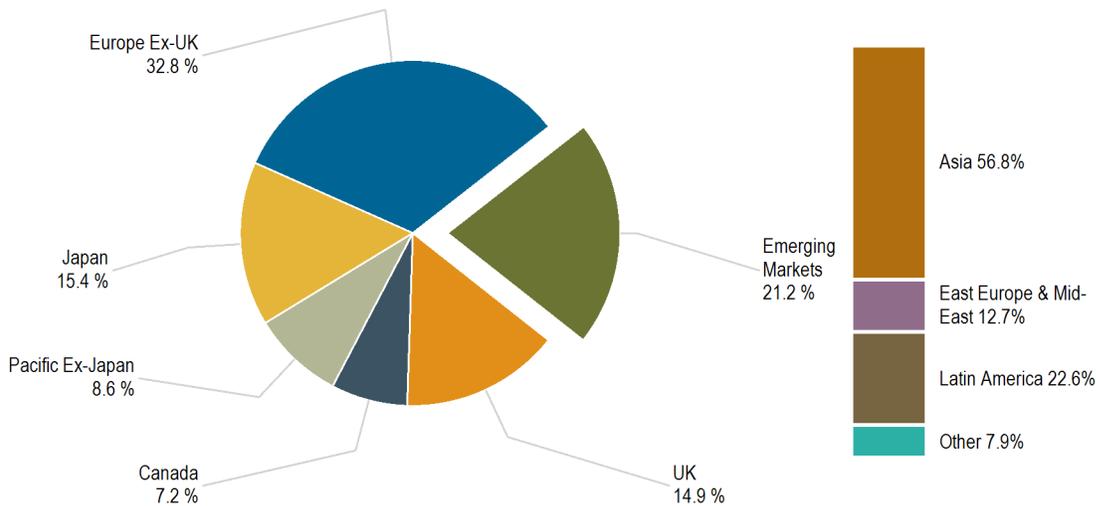


**NON-U.S. STOCK MARKET RETURNS
YEAR-TO-DATE ENDING 9/30/09**



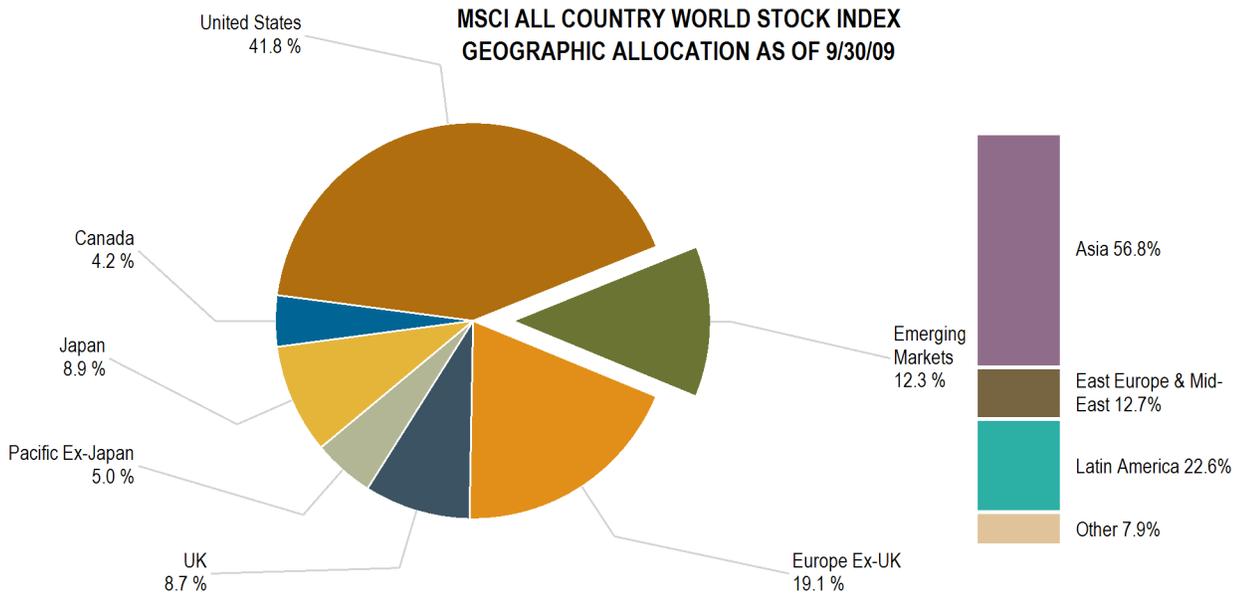
The MSCI All Country World ex-U.S. Index is a capitalization-weighted index of stocks representing 22 developed stock markets and 22 emerging stock markets around the world. The exhibits above show the performance of the regions that comprise the MSCI All Country World ex-U.S. Index at quarter-end.

**MSCI ALL COUNTRY WORLD EX-U.S. STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 9/30/09**



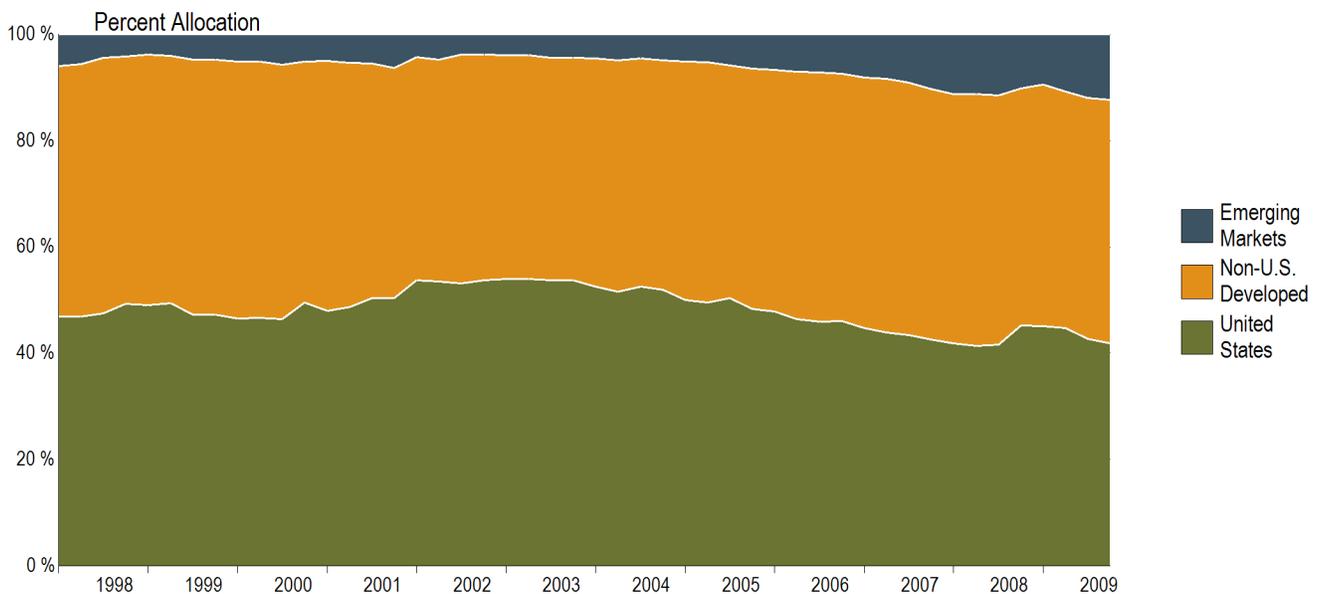
The exhibit above illustrates the percent each region represents of the non-U.S. stock market as measured by the MSCI All Country World ex-U.S. Index.

Note on Other: Includes South Africa, Egypt, and Morocco. Returns expressed are the weighted average returns.



The MSCI All Country World Index is a capitalization-weighted index of stocks representing 23 developed stock markets and 22 emerging stock markets around the world. The graph above shows the allocation to each region at quarter-end. Note on Other: Includes South Africa, Egypt, and Morocco.

ALLOCATION



The graph above shows the changes in the breakdown between the United States, non-U.S. developed markets, and emerging markets in the MSCI All Country World Index over time.

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**RETURN SUMMARY
ENDING 9/30/09**

	Third Quarter	Year-To-Date	1 Year Ending 9/30/09	3 Years Ending 9/30/09	5 Years Ending 9/30/09
North Shore Savings Fund	0.2%	0.7%	1.2%	2.4%	2.7%
iMoney Net Money Fund Average	0.0	0.2	0.5	2.7	2.5

Investment Strategy

The objective of the North Shore Savings Fund is to preserve capital and provide current income, while maintaining a high level of liquidity. The Fund is FDIC insured. The Milwaukee County Investment Policy Statement requires that the savings account be with a "well-capitalized" bank, which means the bank has to have a risk-based capital ratio of at least 10%. This ratio takes into account the asset quality and loan-loss reserve coverage. As of 9/30/09 North Shore was "well capitalized".

**HISTORICAL RETURNS
(BY YEAR)**

	North Shore Savings Fund	iMoney Net Money Fund Average	Return Difference
	Return	Return	
1998	5.2%	5.0%	0.2
1999	4.8	4.6	0.2
2000	5.3	5.9	-0.6
2001	4.3	3.7	0.6
2002	1.6	2.1	-0.5
2003	1.4	0.9	0.5
2004	1.3	0.6	0.7
2005	2.8	1.7	1.1
2006	3.7	3.8	-0.1
2007	3.7	4.7	-1.0
2008	2.0	2.0	0.0
2009 (9 months)	0.7	0.2	0.5
Trailing 1-Year	1.2%	0.5%	0.7
Trailing 3-Year	2.4	2.7	-0.3
Trailing 5-Year	2.7	2.5	0.2
Trailing 10-Year	2.8	2.7	0.1

STABLE VALUE

RETURN SUMMARY ENDING 9/30/09

	Third Quarter	Year-To-Date	1 Year Ending 9/30/09	3 Years Ending 9/30/09	5 Years Ending 9/30/09
Stable Value Fund	1.1 %	3.5 %	4.7 %	4.8 %	4.7 %
EnnisKnupp GIC Index	1.1	3.4	4.6	4.6	4.3

Investment Strategy

The Stable Value Fund managed by Great-West seeks to provide a stable rate of return through current income while preserving capital. The Fund invests solely in fixed income securities rated AAA or those issued by the U.S. government and its agencies. The Fund will allocate assets to sectors that management believes offer increased yield potential.

HISTORICAL RETURNS (BY YEAR)

	Stable Value Fund	EnnisKnupp GIC Index	Return Difference
	Return	Return	
1998	6.3%	6.2%	0.1
1999	6.3	6.0	0.3
2000	6.5	6.4	0.1
2001	6.5	6.2	0.3
2002	5.7	5.1	0.6
2003	4.3	4.1	0.2
2004	4.2	3.9	0.3
2005	4.5	3.7	0.8
2006	4.8	4.1	0.7
2007	4.9	4.6	0.3
2008	4.8	4.7	0.1
2009 (9 months)	3.5	3.4	0.1
Trailing 1-Year	4.7 %	4.6 %	0.1
Trailing 3-Year	4.8	4.6	0.2
Trailing 5-Year	4.7	4.3	0.4
Trailing 10-Year	5.1	4.8	0.3

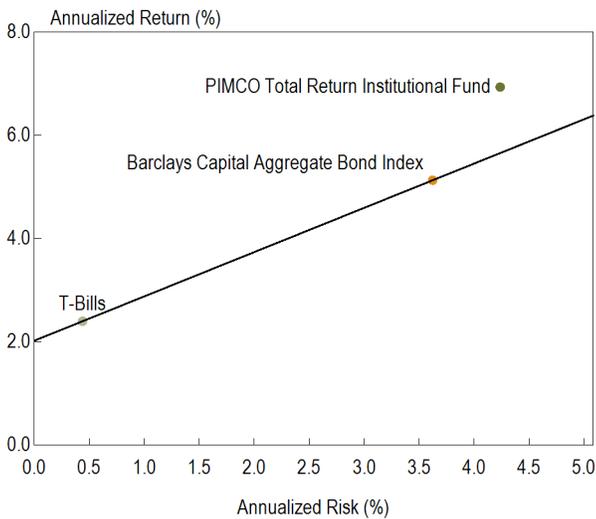
RETURN SUMMARY
ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
PIMCO Total Return Institutional Fund	6.0%	65	12.7%	42	18.3%	25	9.2%	5	6.9%	6
Barclays Capital Aggregate Bond Index	3.7	94	5.7	88	10.6	85	6.4	51	5.1	60

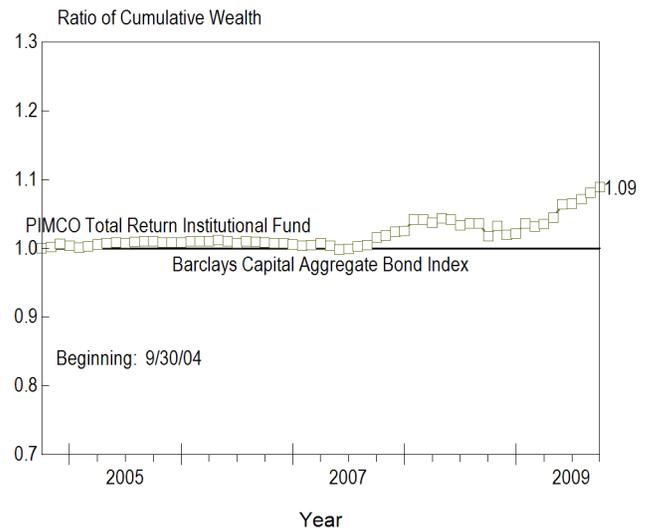
Investment Strategy

The PIMCO Total Return Fund, Institutional Shares, seeks total return consistent with preservation of capital. The Fund's strategy includes active sector rotation and moderate interest-rate anticipation. PIMCO's objective is to outperform the Barclays Capital Aggregate Bond Index without incurring greater risk by utilizing innovative investment techniques or identifying sector and issue buying opportunities. The Fund maintains a duration between 3 and 6 years and can invest up to 10% in issues rated below BBB but no lower than B. The Fund may invest up to 20% of assets in non-dollar bonds.

ANNUALIZED RISK RETURN
5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 9/30/09



PIMCO TOTAL RETURN INSTL

Fund Information as of 09/30/2009

Fund Name	Pimco Fds Total Return Bd Fund I
Ticker	PTRX
Category	Intermediate-Term Bond
Benchmark	Barclays Capital Aggregate Bond Index
Expense Ratio	0.46%
Fund Assets (millions)	107,798.95
Share Class Inception Date	5/11/1987
Manager Tenure	22

Credit Quality as of 06/30/2009*

AAA	66.0%
AA	10.0%
A	14.0%
BBB	6.0%
BB	3.0%
B	0.0%
Below B	1.0%
Not Rated	0.0%

Maturities as of 06/30/2009*

1 to 3 Years	27.3%
3 to 5 Years	6.9%
5 to 7 Years	2.2%
7 to 10 Years	8.3%
10 to 15 Years	3.6%
15 to 20 Years	2.3%
20 to 30 Years	61.5%
Greater than 30 Years	18.6%

HISTORICAL RETURNS

(BY YEAR)

	PIMCO Total Return Institutional Fund		Barclays Capital Aggregate Bond Index		Return Difference
	Return	Rank	Return	Rank	
1998	9.8 %	15	8.7 %	38	1.1
1999	-0.3	29	-0.8	47	0.5
2000	12.1	16	11.6	25	0.5
2001	9.5	11	8.4	39	1.1
2002	10.2	26	10.3	25	-0.1
2003	5.6	47	4.1	82	1.5
2004	5.1	44	4.3	72	0.8
2005	2.9	37	2.4	64	0.5
2006	4.0	72	4.3	55	-0.3
2007	9.1	9	7.0	41	2.1
2008	4.8	29	5.2	26	-0.4
2009 (9 months)	12.7	42	5.7	88	7.0
Trailing 1-Year	18.3 %	25	10.6 %	85	7.7
Trailing 3-Year	9.2	5	6.4	51	2.8
Trailing 5-Year	6.9	6	5.1	60	1.8
Trailing 10-Year	7.6	14	6.3	58	1.3

* Fund information throughout the report is shown as of the most recent date available.

RETURN SUMMARY
ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TRP PS Income	10.8%	21	21.8%	16	8.4%	14	2.7%	23	4.9%	12
Custom Benchmark	8.1	65	11.5	73	3.2	54	1.6	47	3.9	36

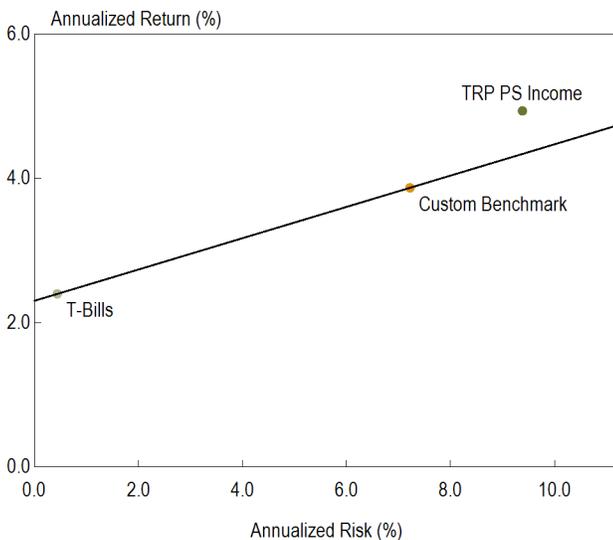
Investment Strategy

T. Rowe Price Personal Strategy Income Fund seeks to provide income, with a secondary goal of capital appreciation. The Fund invests in a variety of both stocks and bonds, with an emphasis on dividend-paying stocks and government and high-quality corporate, income-producing bonds.

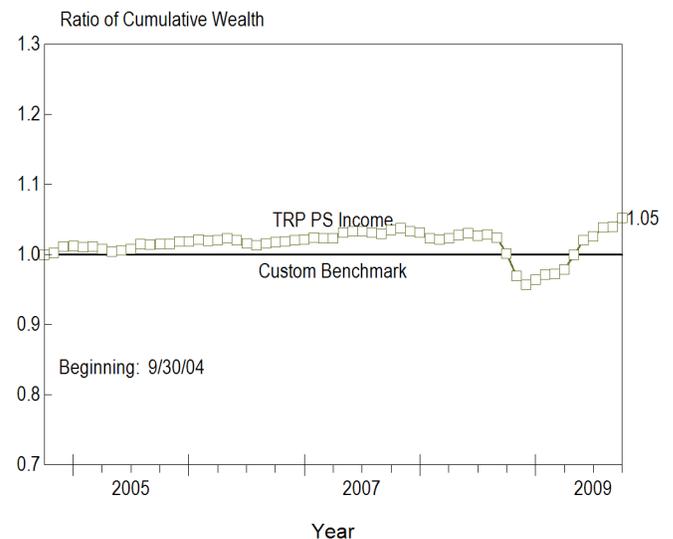
The Fund's target asset allocation is 40% stocks, 40% bonds, and 20% cash. Typically, the Fund maintains a 5% - 10% exposure to non-U.S. stocks. It is the most conservative of the three T. Rowe Price lifestyle funds.

As illustrated in the graphs below and the table above, T. Rowe Price Personal Strategy Income Fund has exceeded the Index over the trailing five-year period at a higher level of risk.

ANNUALIZED RISK RETURN
5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 9/30/09



T. ROWE PRICE

PERSONAL STRATEGY INCOME

Fund Information as of 09/30/2009

Fund Name	T Rowe Price Prs Str:Inc
Ticker	PRSEX
Category	Conservative Allocation
Benchmark	Custom Benchmark
Expense Ratio	0.72%
Fund Assets (millions)	775.63
Share Class Inception Date	7/29/1994
Manager Tenure	11

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	2.1%
CONSUMER GOODS	3.5%
CONSUMER SERVICES	4.9%
ENERGY	4.4%
FINANCIAL SERVICES	8.7%
HARDWARE	3.9%
HEALTHCARE	4.4%
INDUSTRIAL MATERIALS	5.0%
MEDIA	1.8%
SOFTWARE	1.5%
TELECOMMUNICATION	2.9%
UTILITIES	1.2%

Top Holdings as of 09/30/2009

T. ROWE PRICE RESERVE	12.7%
T. ROWE PRICE INSTL HIGH YIELD	6.3%
T. ROWE PRICE INSTL EMERGING MKTS BOND	5.2%
T. ROWE PRICE INSTL INTL BOND	4.5%
T. ROWE PRICE INSTL EMERGING MKTS EQ	1.9%
APPLE, INC.	0.9%
MICROSOFT CORPORATION	0.8%
UNITED STATES TREAS NTS 4%	0.8%
UNITED STATES TREAS NTS	0.7%
UNITED STATES TREAS NTS 3.125%	0.7%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Income		Custom Benchmark		Return Difference
	Return	Rank	Return	Rank	
1998	11.5 %	47	14.1 %	31	-2.6
1999	5.2	69	9.9	42	-4.7
2000	6.6	34	1.0	68	5.6
2001	0.9	36	-0.9	49	1.8
2002	-3.4	30	-4.1	36	0.7
2003	18.6	16	14.3	47	4.3
2004	9.9	13	7.4	41	2.5
2005	5.2	27	4.5	38	0.7
2006	9.6	17	9.3	21	0.3
2007	7.3	35	6.3	45	1.0
2008	-20.4	63	-14.9	27	-5.5
2009 (9 months)	21.8	16	11.5	73	10.3
Trailing 1-Year	8.4 %	14	3.2 %	54	5.2
Trailing 3-Year	2.7	23	1.6	47	1.1
Trailing 5-Year	4.9	12	3.9	36	1.0
Trailing 10-Year	5.4	28	3.8	60	1.6

**RETURN SUMMARY
ENDING 9/30/09**

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TRP PS Balanced	13.7%	18	27.4%	12	6.4%	13	0.8%	28	4.5%	18
Custom Benchmark	11.1	54	15.6	67	1.2	46	-0.2	45	3.7	33

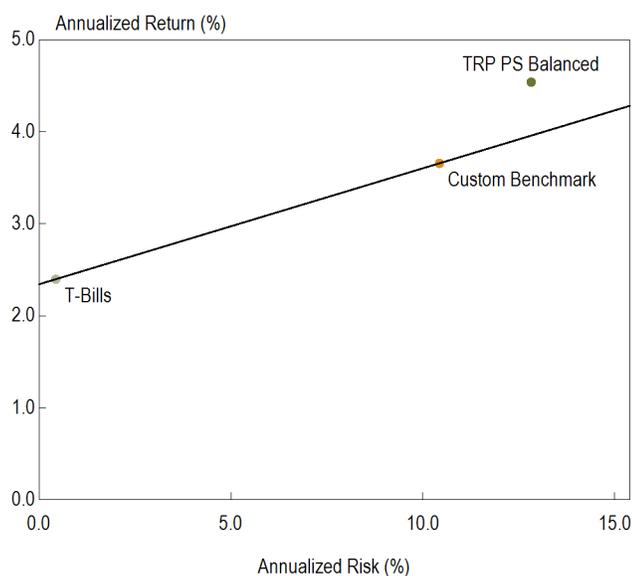
Investment Strategy

T. Rowe Price Personal Strategy Balanced Fund seeks both capital appreciation and income. The Fund invests in a variety of both stocks and bonds, with an emphasis on blue-chip, dividend-paying stocks, government and high-quality corporate, income-producing bonds.

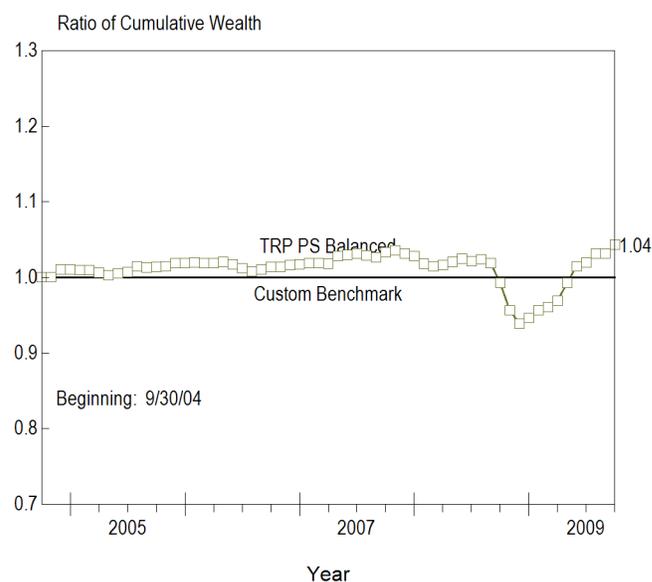
The Fund's neutral asset allocation is 60% stocks, 30% bonds, and 10% cash. Typically, the Fund maintains a 10% exposure to non-U.S. stocks. The balanced fund is the moderate fund relative to the three T. Rowe Price lifestyle funds in terms of expected risk and reward.

As illustrated in the graphs below and the table above, T. Rowe Price Personal Strategy Balanced Fund has exceeded the Index over the trailing five-year period at a higher level of risk.

**ANNUALIZED RISK RETURN
5 YEARS ENDING 9/30/09**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 9/30/09**



T. ROWE PRICE

PERSONAL STRATEGY BALANCED

Fund Information as of 09/30/2009

Fund Name	T Rowe Price Prs Str:Bal
Ticker	TRPBX
Category	Moderate Allocation
Benchmark	Custom Benchmark
Expense Ratio	0.81%
Fund Assets (millions)	1,325.30
Share Class Inception Date	7/29/1994
Manager Tenure	11

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	3.1%
CONSUMER GOODS	5.0%
CONSUMER SERVICES	7.1%
ENERGY	6.3%
FINANCIAL SERVICES	12.4%
HARDWARE	5.6%
HEALTHCARE	6.4%
INDUSTRIAL MATERIALS	7.1%
MEDIA	2.5%
SOFTWARE	2.1%
TELECOMMUNICATION	4.2%
UTILITIES	1.8%

Top Holdings as of 09/30/2009

T. ROWE PRICE INSTL HIGH YIELD	3.8%
T. ROWE PRICE RESERVE	3.8%
T. ROWE PRICE INSTL EMERGING MKTS BOND	3.5%
T. ROWE PRICE INSTL INTL BOND	2.8%
T. ROWE PRICE INSTL EMERGING MKTS EQ	2.8%
APPLE, INC.	1.4%
MICROSOFT CORPORATION	1.1%
GOOGLE, INC.	0.9%
AMAZON.COM, INC.	0.9%
GOLDMAN SACHS GROUP, INC.	0.9%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Balanced		Custom Benchmark		Return Difference
	Return	Rank	Return	Rank	
1998	13.9 %	47	17.4 %	32	-3.5
1999	8.0	70	14.4	45	-6.4
2000	5.6	32	-3.0	69	8.6
2001	-2.5	37	-4.7	49	2.2
2002	-7.7	24	-9.2	33	1.5
2003	24.4	22	20.4	42	4.0
2004	12.6	15	9.6	38	3.0
2005	6.4	29	5.6	40	0.8
2006	11.9	20	12.1	19	-0.2
2007	7.7	37	6.5	45	1.2
2008	-29.3	73	-23.2	30	-6.1
2009 (9 months)	27.4	12	15.6	67	11.8
Trailing 1-Year	6.4 %	13	1.2 %	46	5.2
Trailing 3-Year	0.8	28	-0.2	45	1.0
Trailing 5-Year	4.5	18	3.7	33	0.8
Trailing 10-Year	5.0	33	3.2	60	1.8

RETURN SUMMARY
ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TRP PS Growth	16.1%	20	31.0%	14	1.9%	24	-2.0%	46	3.6%	32
Custom Benchmark	14.1	42	19.4	60	-1.3	45	-2.1	48	3.2	38

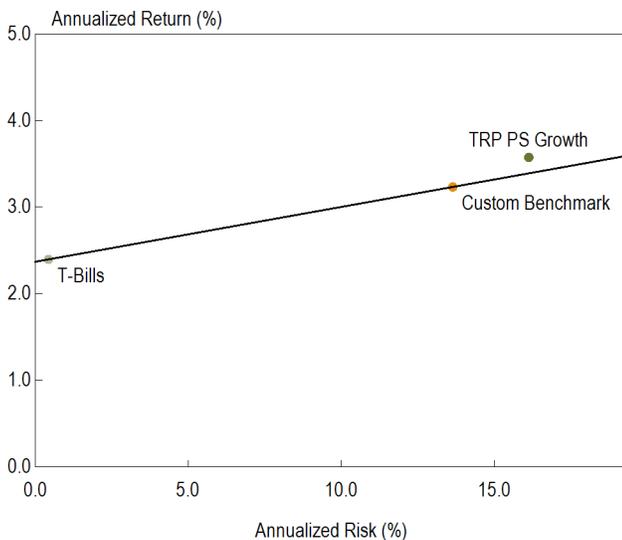
Investment Strategy

T. Rowe Price Personal Strategy Growth Fund seeks capital appreciation, with a secondary goal of income. The Fund invests in a variety of both stocks and bonds, with an emphasis on blue-chip, dividend-paying stocks, government and high-quality corporate, and income-producing bonds.

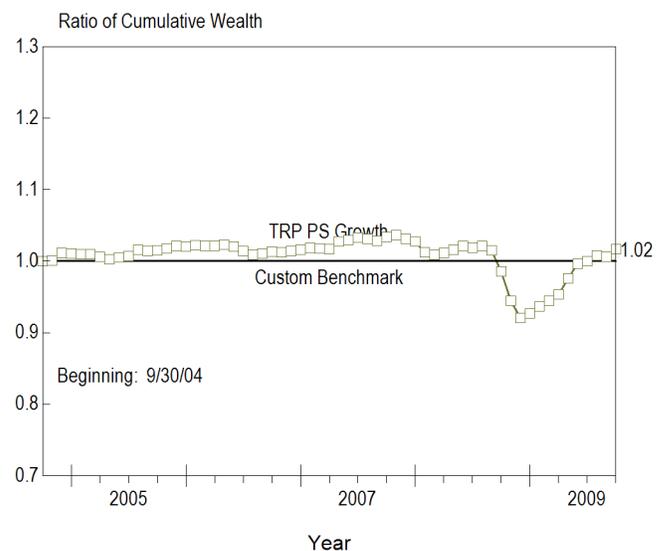
The Fund's neutral asset allocation is 80% stocks and 20% bonds. Typically, the Fund maintains a 15% - 25% exposure to non-U.S. stocks. The growth fund has the highest expected risk/reward profile of the three T. Rowe Price lifestyle funds.

As illustrated in the graphs below and the table above, T. Rowe Price Personal Strategy Growth Fund has exceeded the Index over the trailing five-year period at a higher level of risk.

ANNUALIZED RISK RETURN
5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 9/30/09



T. ROWE PRICE

PERSONAL STRATEGY GROWTH

Fund Information as of 09/30/2009

Fund Name	T Rowe Price Prs Str:Gro
Ticker	TRSGX
Category	Moderate Allocation
Benchmark	Custom Benchmark
Expense Ratio	0.91%
Fund Assets (millions)	1,006.84
Share Class Inception Date	7/29/1994
Manager Tenure	11

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	4.0%
CONSUMER GOODS	6.5%
CONSUMER SERVICES	9.2%
ENERGY	8.2%
FINANCIAL SERVICES	16.1%
HARDWARE	7.3%
HEALTHCARE	8.4%
INDUSTRIAL MATERIALS	9.2%
MEDIA	3.3%
SOFTWARE	2.8%
TELECOMMUNICATION	5.5%
UTILITIES	2.3%

Top Holdings as of 09/30/2009

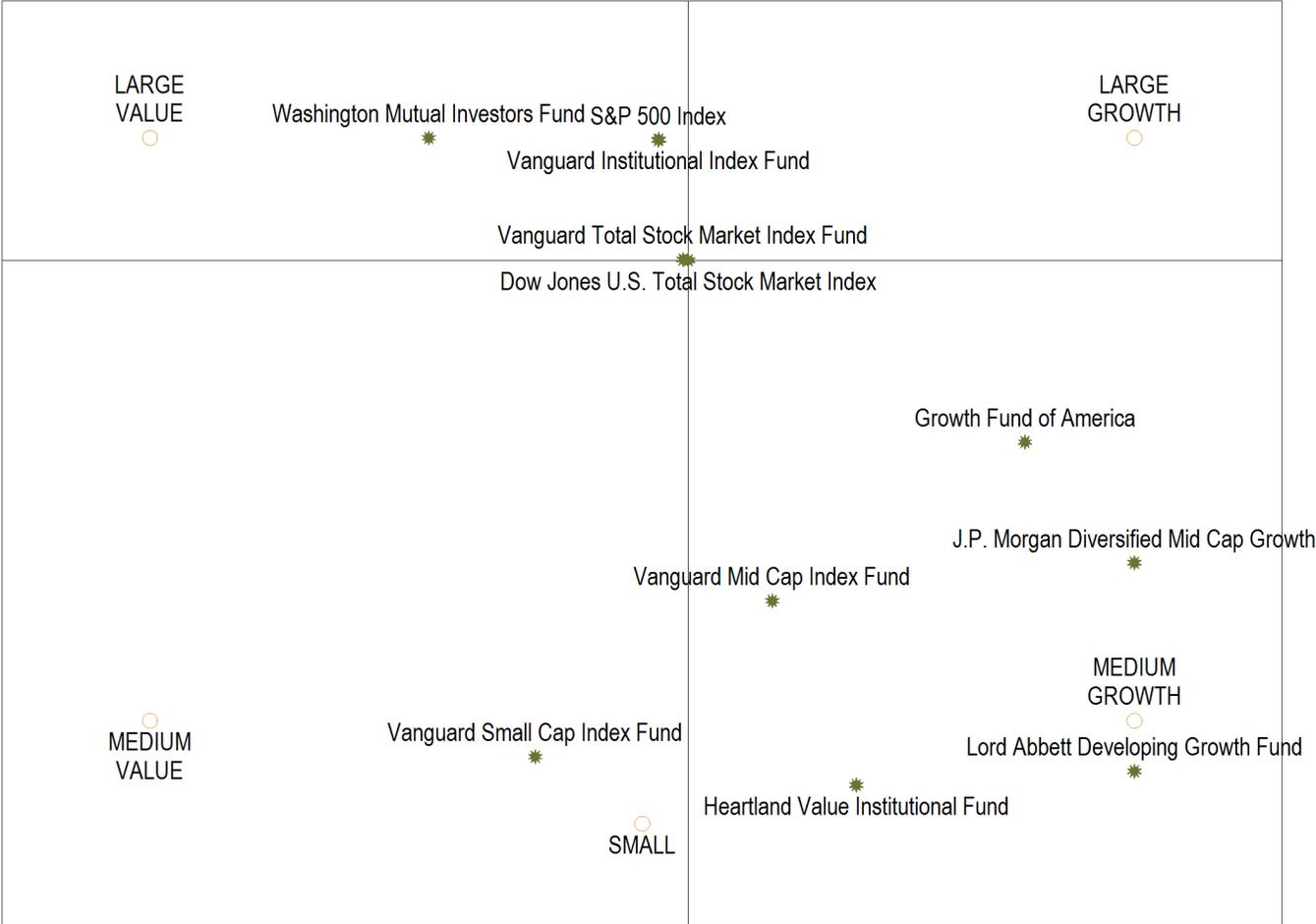
T. ROWE PRICE INSTL EMERGING MKTS EQ	3.0%
T. ROWE PRICE RESERVE	2.0%
APPLE, INC.	1.8%
T. ROWE PRICE INSTL HIGH YIELD	1.6%
T. ROWE PRICE INSTL EMERGING MKTS BOND	1.5%
MICROSOFT CORPORATION	1.5%
GOOGLE, INC.	1.2%
T. ROWE PRICE INSTL INTL BOND	1.2%
GOLDMAN SACHS GROUP, INC.	1.1%
AMAZON.COM, INC.	1.1%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Growth		Custom Benchmark		Return Difference
	Return	Rank	Return	Rank	
1998	15.6 %	48	20.6 %	33	-5.0
1999	11.2	70	18.9	47	-7.7
2000	4.7	31	-7.0	69	11.7
2001	-6.0	39	-8.4	48	2.4
2002	-12.4	24	-14.4	33	2.0
2003	29.3	30	26.6	40	2.7
2004	15.0	18	11.8	37	3.2
2005	7.6	31	6.5	43	1.1
2006	14.1	23	14.7	19	-0.6
2007	7.8	40	6.7	47	1.1
2008	-37.6	81	-30.8	36	-6.8
2009 (9 months)	31.0	14	19.4	60	11.6
Trailing 1-Year	1.9 %	24	-1.3 %	45	3.2
Trailing 3-Year	-2.0	46	-2.1	48	0.1
Trailing 5-Year	3.6	32	3.2	38	0.4
Trailing 10-Year	4.1	40	2.4	61	1.7

EFFECTIVE STYLE MAP
 5 YEARS ENDING 9/30/09



WASHINGTON MUTUAL INVESTORS

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Washington Mutual Investors Fund	12.9 %	88	10.7 %	97	-11.7 %	93	-6.5 %	82	0.0 %	86
Russell 1000 Value Index	18.2	26	14.9	90	-10.6	89	-7.9	91	0.9	72
S&P 500 Index	15.6	57	19.3	74	-6.9	69	-5.4	68	1.0	70

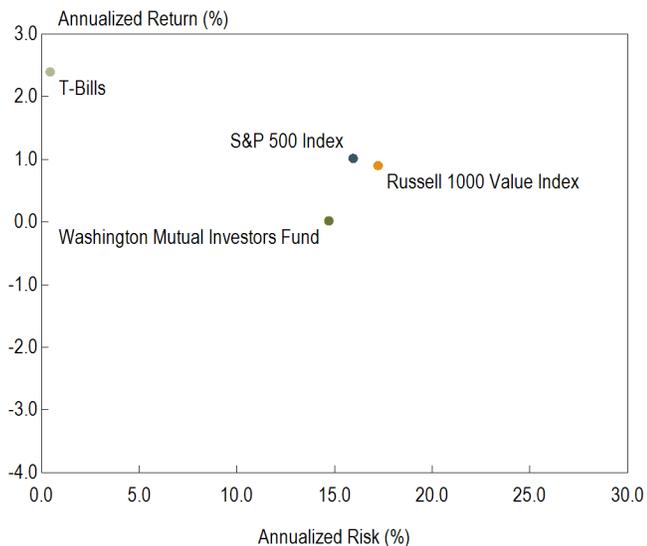
Investment Strategy

Washington Mutual Investors Fund seeks both income and growth of capital. Management prefers companies that have paid consistent dividends and by mandate excludes those that derive their primary revenues from alcohol or tobacco. In particular, they seek companies that have paid dividends in at least nine of the last ten years.

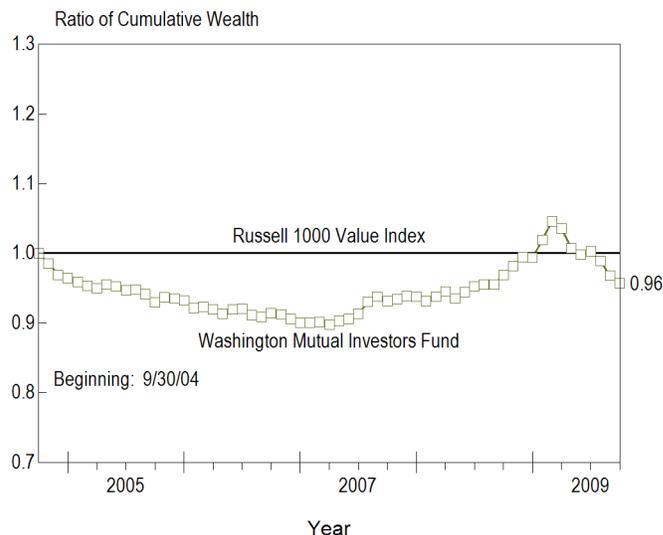
Capital Research & Management (the American Funds family) provides investment services for this Fund. Management looks for stocks with strong long-term prospects selling at low prices. The Fund may invest up to 5% of assets in securities of non-U.S. issuers.

As illustrated in the graphs below and the table above, Washington Mutual Investors Fund has modestly trailed the Index over the trailing five-year period at a lower level of risk.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



Fund Information as of 09/30/2009

Fund Name	AMERICAN-WA-A
Ticker	AWSHX
Category	Large Value
Benchmark	Russell 1000 Value Index
Expense Ratio	0.67%
Fund Assets (millions)	37,864.56
Share Class Inception Date	7/31/1952
Manager Tenure	5

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	4.06%
CONSUMER GOODS	10.54%
CONSUMER SERVICES	6.30%
ENERGY	14.21%
FINANCIAL SERVICES	7.74%
HARDWARE	4.66%
HEALTHCARE	14.13%
INDUSTRIAL MATERIALS	17.00%
MEDIA	0.44%
SOFTWARE	1.40%
TELECOMMUNICATION	8.21%
UTILITIES	10.43%

Top Holdings as of 09/30/2009

CHEVRON CORPORATION	4.89%
AT&T, INC.	3.94%
VERIZON COMMUNICATIONS INC.	3.76%
ROYAL DUTCH SHELL PLC ADR B	3.64%
MERCK & CO., INC.	3.24%
COCA-COLA COMPANY	2.61%
MCDONALD'S CORPORATION	2.52%
BOEING COMPANY	2.47%
UNITED TECHNOLOGIES	2.47%
ABBOTT LABORATORIES	2.39%

HISTORICAL RETURNS

(BY YEAR)

	Washington Mutual Investors Fund	Russell 1000 Value Index	Return Difference	S&P 500 Index	Return Difference
	Return	Return		Return	
1998	19.4 %	15.6 %	3.8	28.6 %	-9.2
1999	1.2	7.3	-6.1	21.0	-19.8
2000	9.1	7.0	2.1	-9.1	18.2
2001	1.5	-5.6	7.1	-11.9	13.4
2002	-14.8	-15.5	0.7	-22.1	7.3
2003	25.8	30.0	-4.2	28.7	-2.9
2004	9.9	16.5	-6.6	10.9	-1.0
2005	3.5	7.1	-3.6	4.9	-1.4
2006	18.0	22.2	-4.2	15.8	2.2
2007	4.0	-0.2	4.2	5.5	-1.5
2008	-33.1	-36.8	3.7	-37.0	3.9
2009 (9 months)	10.7	14.9	-4.2	19.3	-8.6
Trailing 1-Year	-11.7 %	-10.6 %	-1.1	-6.9 %	-4.8
Trailing 3-Year	-6.5	-7.9	1.4	-5.4	-1.1
Trailing 5-Year	0.0	0.9	-0.9	1.0	-1.0
Trailing 10-Year	2.2	2.6	-0.4	-0.2	2.4

VANGUARD INSTITUTIONAL INDEX

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Vanguard Institutional Index Fund	15.6%	56	19.4%	73	-6.8%	68	-5.4%	67	1.0%	69
S&P 500 Index	15.6	57	19.3	74	-6.9	69	-5.4	68	1.0	70

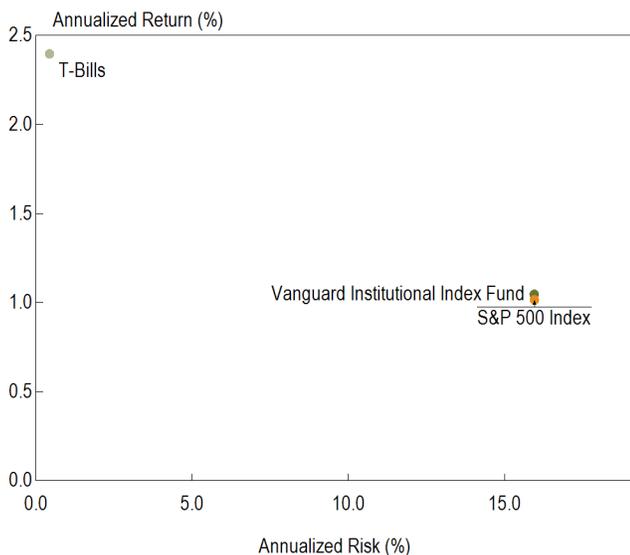
Investment Strategy

The Vanguard Institutional Index Fund is designed to approximate the performance of the S&P 500 Stock Index. The Fund holds a capitalization-weighted position in all 500 securities of the S&P 500 Stock Index.

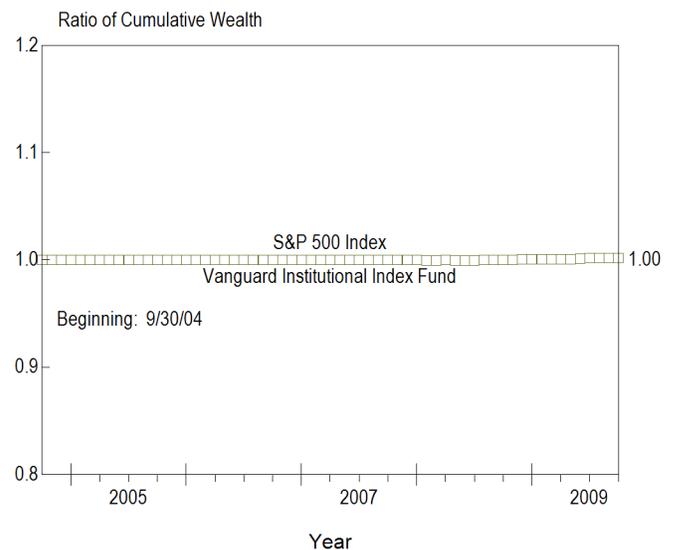
Management uses S&P 500 Index futures to manage fund inflows and outflows.

As illustrated in the graphs below and the table above, Vanguard Institutional Index Fund has tracked the Index over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



Fund Information as of 09/30/2009

Fund Name	VANGUARD-INST-IS
Ticker	VINIX
Category	Large Blend
Benchmark	S&P 500 Index
Expense Ratio	0.05%
Fund Assets (millions)	41,003.06
Share Class Inception Date	7/31/1990
Manager Tenure	5

Sector Allocation as of 06/30/2009

BUSINESS SERVICES	3.35%
CONSUMER GOODS	10.82%
CONSUMER SERVICES	8.56%
ENERGY	12.22%
FINANCIAL SERVICES	13.32%
HARDWARE	9.82%
HEALTHCARE	13.19%
INDUSTRIAL MATERIALS	10.22%
MEDIA	2.42%
SOFTWARE	4.30%
TELECOMMUNICATION	7.12%
UTILITIES	4.00%

Top Holdings as of 06/30/2009

EXXONMOBIL CORPORATION	4.21%
MICROSOFT CORPORATION	2.25%
JOHNSON & JOHNSON	1.93%
PROCTER & GAMBLE COMPANY	1.84%
AT&T, INC.	1.81%
INTERNATIONAL BUSINESS MACHINES CORP	1.70%
CHEVRON CORPORATION	1.64%
J.P. MORGAN CHASE & CO.	1.64%
APPLE, INC.	1.57%
GENERAL ELECTRIC COMPANY	1.53%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Institutional Index Fund		S&P 500 Index		Return Difference
	Return	Rank	Return	Rank	
1998	28.8 %	19	28.6 %	20	0.2
1999	21.2	53	21.0	53	0.2
2000	-8.9	60	-9.1	61	0.2
2001	-11.9	48	-11.9	48	0.0
2002	-22.0	48	-22.1	48	0.1
2003	28.7	60	28.7	60	0.0
2004	10.9	57	10.9	57	0.0
2005	4.9	67	4.9	67	0.0
2006	15.8	30	15.8	29	0.0
2007	5.5	54	5.5	54	0.0
2008	-37.0	37	-37.0	38	0.0
2009 (9 months)	19.4	73	19.3	74	0.1
Trailing 1-Year	-6.8 %	68	-6.9 %	69	0.1
Trailing 3-Year	-5.4	67	-5.4	68	0.0
Trailing 5-Year	1.0	69	1.0	70	0.0
Trailing 10-Year	-0.1	78	-0.2	79	0.1

GROWTH FUND OF AMERICA

RETURN SUMMARY

ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Growth Fund of America	13.4 %	84	27.3 %	38	-2.0 %	33	-2.7 %	35	3.9 %	26
Russell 1000 Growth Index	14.0	79	27.1	39	-1.9	33	-2.5	33	1.9	56

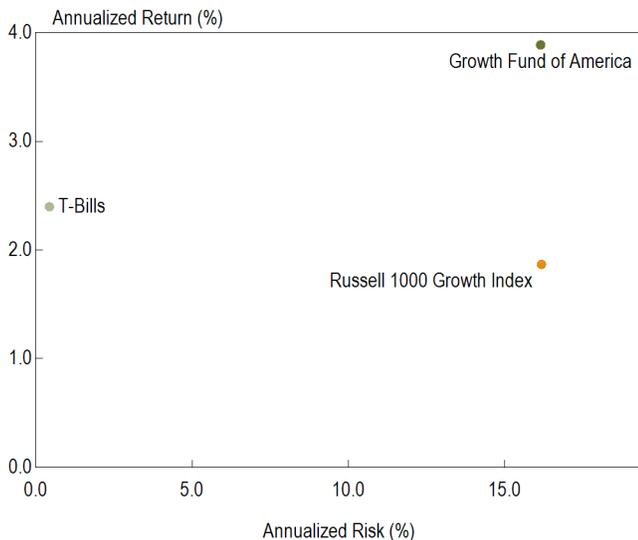
Investment Approach

Capital Research and Management is the sub-advisor for the Growth Fund of America. Capital Research uses a multiple-counselor system in managing the portfolio's assets. The portfolio is divided into segments and the counselors manage their respective segments autonomously. The research analysts are responsible for making the investment decisions for one of the segments.

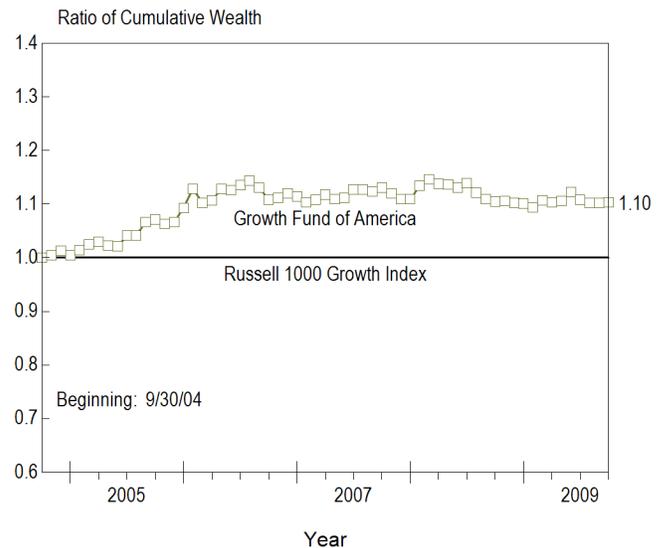
The Capital Research and Management Investment Committee is responsible for making sure the portfolio stays within its limits and adheres to its investment policies. The objective of the Fund is to provide long-term growth of capital by investing in a diversified portfolio of common stocks while using a growth-at-a-reasonable price strategy. The Fund may invest up to 15% of its assets in companies domiciled outside the U.S. This Fund is less volatile than most large cap growth funds.

As illustrated in the graphs below and the table above, Growth Fund of America has outperformed the Index over the trailing five-year period at approximately the same level of risk.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



Fund Information as of 09/30/2009

Fund Name	Growth Fund of America
Ticker	RGAFX
Category	Large Growth
Benchmark	Russell 1000 Growth Index
Expense Ratio	0.37%
Fund Assets (millions)	14,235.07
Share Class Inception Date	5/15/2002
Manager Tenure	8

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	5.44%
CONSUMER GOODS	7.22%
CONSUMER SERVICES	5.27%
ENERGY	9.31%
FINANCIAL SERVICES	11.02%
HARDWARE	10.23%
HEALTHCARE	11.50%
INDUSTRIAL MATERIALS	10.45%
MEDIA	3.28%
SOFTWARE	7.38%
TELECOMMUNICATION	6.94%
UTILITIES	0.83%

Top Holdings as of 09/30/2009

MICROSOFT CORPORATION	3.49%
GOOGLE, INC.	3.06%
ORACLE CORPORATION	2.53%
APPLE, INC.	2.04%
CISCO SYSTEMS, INC.	1.80%
BANK OF AMERICA CORPORATION	1.51%
COCA-COLA COMPANY	1.43%
PHILIP MORRIS INTERNATIONAL INC	1.32%
J.P. MORGAN CHASE & CO.	1.30%
MEDTRONIC, INC.	1.28%

HISTORICAL RETURNS

(BY YEAR)

	Growth Fund of America		Russell 1000 Growth Index		Return Difference
	Return	Rank	Return	Rank	
1998	31.8 %	14	38.7 %	6	-6.9
1999	45.7	22	33.2	33	12.5
2000	7.5	24	-22.4	93	29.9
2001	-12.3	51	-20.4	77	8.1
2002	-21.8	47	-27.9	79	6.1
2003	33.3	39	29.7	54	3.6
2004	12.2	48	6.3	88	5.9
2005	14.5	6	5.3	64	9.2
2006	11.2	66	9.1	76	2.1
2007	11.3	28	11.8	27	-0.5
2008	-38.9	55	-38.4	52	-0.5
2009 (9 months)	27.3	38	27.1	39	0.2
Trailing 1-Year	-2.0 %	33	-1.9 %	33	-0.1
Trailing 3-Year	-2.7	35	-2.5	33	-0.2
Trailing 5-Year	3.9	26	1.9	56	2.0
Trailing 10-Year	4.3	36	-2.6	96	6.9

VANGUARD TOTAL STOCK MARKET INDEX

RETURN SUMMARY ENDING 9/30/09

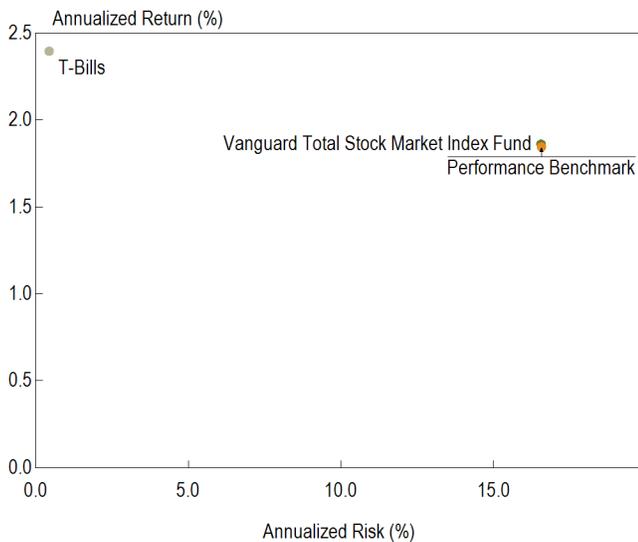
	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Vanguard Total Stock Market Index Fund	16.5%	42	21.7%	63	-5.9%	62	-4.6%	58	1.9%	56
Performance Benchmark	16.5	43	21.6	63	-6.1	62	-4.7	59	1.8	57

Investment Strategy

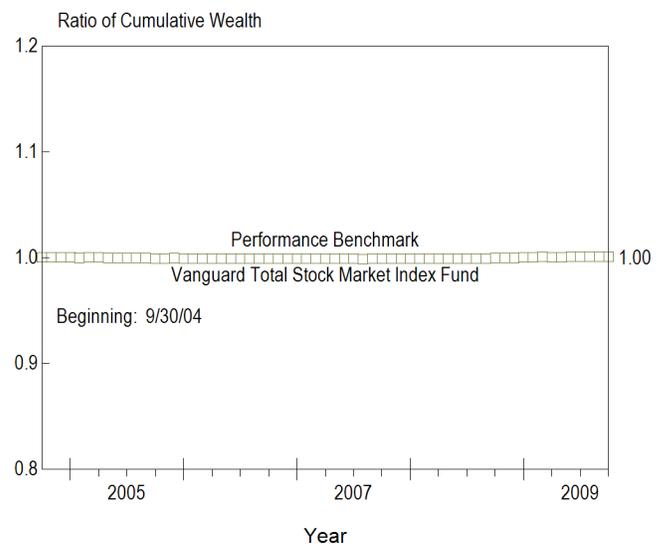
The objective of the Vanguard Total Stock Market Index Fund is to approximate the return of the MSCI U.S. Broad Market Index. The Vanguard Total Stock Market Index Fund utilizes a sampling technique that approximates the industry weightings and market capitalizations of the MSCI U.S. Broad Market Index. The Fund will replicate the weightings of the largest stocks in the Index and invest in a representative sample for the remaining portion. Through computer modeling techniques, management intends to match the Index's characteristics, including sector weightings, yield, price ratios, and risk.

As illustrated in the graphs below and the table above, Vanguard Total Stock Market Index Fund has closely tracked the return of the Index over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



An explanation of the Performance Benchmark can be found in the Appendix.

VANGUARD TOTAL STOCK MARKET INDEX

Fund Information as of 09/30/2009

Fund Name	VANGUARD-T ST-AD
Ticker	VTSAX
Category	Large Blend
Benchmark	Performance Benchmark
Expense Ratio	0.06%
Fund Assets (millions)	25,590.18
Share Class Inception Date	11/13/2000
Manager Tenure	15

Sector Allocation as of 06/30/2009

BUSINESS SERVICES	4.68%
CONSUMER GOODS	10.12%
CONSUMER SERVICES	8.68%
ENERGY	11.23%
FINANCIAL SERVICES	14.34%
HARDWARE	9.61%
HEALTHCARE	12.79%
INDUSTRIAL MATERIALS	10.45%
MEDIA	2.31%
SOFTWARE	4.52%
TELECOMMUNICATION	6.54%
UTILITIES	4.05%

Top Holdings as of 06/30/2009

EXXONMOBIL CORPORATION	3.45%
MICROSOFT CORPORATION	1.90%
JOHNSON & JOHNSON	1.57%
PROCTER & GAMBLE COMPANY	1.50%
AT&T, INC.	1.46%
INTERNATIONAL BUSINESS MACHINES CORP	1.40%
CHEVRON CORPORATION	1.33%
APPLE, INC.	1.27%
J.P. MORGAN CHASE & CO.	1.27%
GENERAL ELECTRIC COMPANY	1.24%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Total Stock Market Index Fund		Performance Benchmark		Return Difference
	Return	Rank	Return	Rank	
1998	23.3 %	36	23.4 %	35	-0.1
1999	23.8	48	23.6	48	0.2
2000	-10.6	69	-10.9	70	0.3
2001	-10.9	44	-11.0	44	0.1
2002	-21.0	42	-20.9	42	-0.1
2003	31.4	46	31.7	45	-0.3
2004	12.6	45	12.6	45	0.0
2005	6.1	57	6.2	56	-0.1
2006	15.7	31	15.7	31	0.0
2007	5.6	53	5.6	53	0.0
2008	-36.9	37	-37.0	38	0.1
2009 (9 months)	21.7	63	21.6	63	0.1
Trailing 1-Year	-5.9 %	62	-6.1 %	62	0.2
Trailing 3-Year	-4.6	58	-4.7	59	0.1
Trailing 5-Year	1.9	56	1.8	57	0.1
Trailing 10-Year	0.9	69	0.9	69	0.0

J.P. MORGAN DIVERSIFIED MID CAP GROWTH

RETURN SUMMARY ENDING 9/30/09

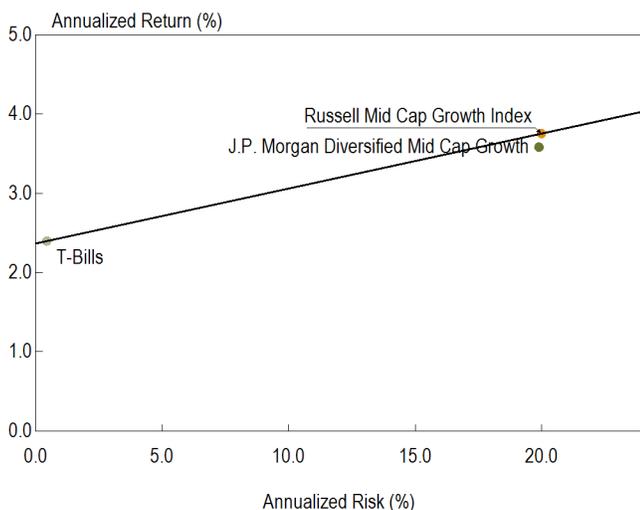
	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
J.P. Morgan Diversified Mid Cap Growth	16.8 %	38	32.9 %	21	-3.3 %	41	-2.9 %	38	3.6 %	30
Russell Mid Cap Growth Index	17.6	31	37.1	14	-0.4	27	-3.1	41	3.8	28

Investment Strategy

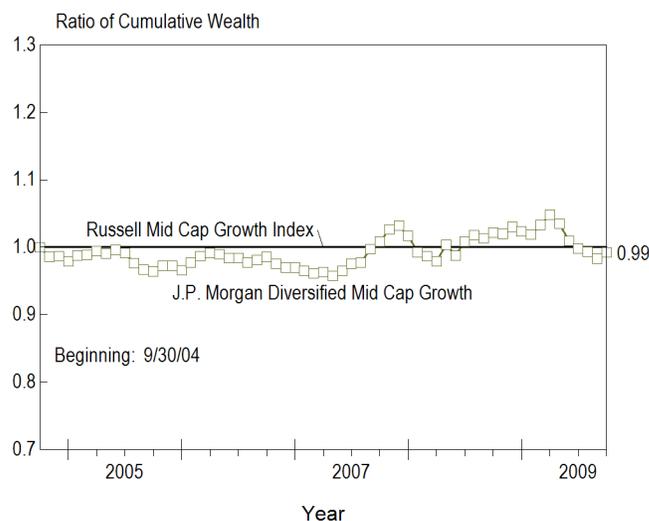
The J.P. Morgan Diversified Mid Cap Growth Fund seeks growth of capital and current income by investing primarily in equity securities. The Fund invests in common stocks of mid-cap companies with market capitalizations of \$1 billion to \$5 billion. The current benchmark is the Russell Mid Cap Growth Index; however, the Fund's actual allocations can vary from those in the Index. The Fund may use derivatives to hedge various investments.

As illustrated in the graphs below and the table above, J.P. Morgan Diversified Mid Cap Growth Fund has marginally underperformed the return of the Index with approximately the same level of risk over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



An explanation of the Performance Benchmark can be found in the Appendix.

J.P. MORGAN DIVERSIFIED MID CAP GROWTH

Fund Information as of 09/30/2009

Fund Name	JPMorgan:Dvds MCG;A
Ticker	OSGIX
Category	Mid-Cap Growth
Benchmark	Russell Mid Cap Growth Index
Expense Ratio	1.24%
Fund Assets (millions)	600.10
Share Class Inception Date	2/18/1992
Manager Tenure	5

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	10.19%
CONSUMER GOODS	6.48%
CONSUMER SERVICES	15.25%
ENERGY	6.06%
FINANCIAL SERVICES	12.31%
HARDWARE	12.50%
HEALTHCARE	11.07%
INDUSTRIAL MATERIALS	8.80%
MEDIA	1.43%
SOFTWARE	10.36%
TELECOMMUNICATION	3.01%
UTILITIES	0.00%

Top Holdings as of 09/30/2009

AMDOCS LTD.	2.61%
COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION A	1.84%
PRECISION CASTPARTS CORP.	1.81%
LANDSTAR SYSTEM, INC.	1.58%
MARVELL TECHNOLOGY GROUP, LTD.	1.56%
AMPHENOL CORPORATION	1.42%
KOHL'S CORPORATION	1.40%
BROADCOM CORPORATION	1.33%
VCA ANTECH, INC.	1.28%
EXPRESS SCRIPTS	1.26%

HISTORICAL RETURNS

(BY YEAR)

	J.P. Morgan Diversified Mid Cap Growth		Russell Mid Cap Growth Index		Return Difference
	Return	Rank	Return	Rank	
1998	37.1 %	8	17.9 %	48	19.2
1999	28.7	39	51.3	18	-22.6
2000	5.6	27	-11.7	73	17.3
2001	-10.9	44	-20.2	76	9.3
2002	-20.4	39	-27.4	77	7.0
2003	26.5	75	42.7	16	-16.2
2004	12.6	45	15.5	28	-2.9
2005	10.6	22	12.1	14	-1.5
2006	11.0	67	10.7	69	0.3
2007	16.8	14	11.4	28	5.4
2008	-43.9	82	-44.3	83	0.4
2009 (9 months)	32.9	21	37.1	14	-4.2
Trailing 1-Year	-3.3 %	41	-0.4 %	27	-2.9
Trailing 3-Year	-2.9	38	-3.1	41	0.2
Trailing 5-Year	3.6	30	3.8	28	-0.2
Trailing 10-Year	3.9	40	2.2	56	1.7

VANGUARD MID CAP INDEX

RETURN SUMMARY ENDING 9/30/09

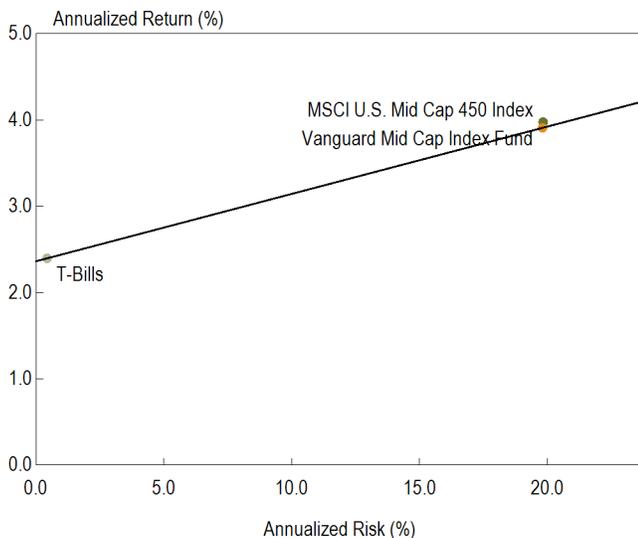
	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Vanguard Mid Cap Index Fund	21.6%	9	31.8%	24	-1.9%	33	-4.3%	54	4.0%	25
MSCI U.S. Mid Cap 450 Index	21.6	9	31.7	24	-2.0	34	-4.4	55	3.9	26

Investment Strategy

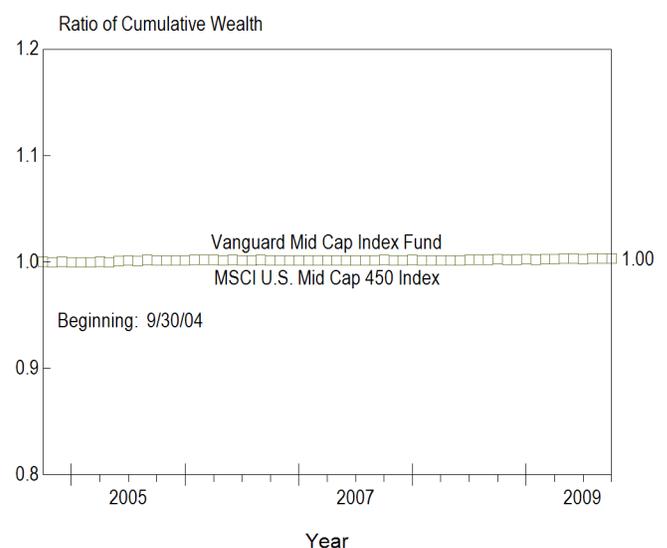
The Vanguard Mid Cap Index Fund seeks to replicate the performance of the MSCI U.S. Mid Cap 450 Index. In 2003, the Fund adopted the MSCI version of the mid-cap index. The Performance Benchmark consists of the S&P Mid Cap 400 Index prior to June 2003. In June 2003, the benchmark was changed to the MSCI Mid Cap 450 Index.

As illustrated in the graphs below and the table above, Vanguard Mid Cap Index Fund has matched the return of the Index over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



Fund Information as of 09/30/2009

Fund Name	VANGUARD-MC I-IS
Ticker	VMCIX
Category	Mid-Cap Blend
Benchmark	MSCI U.S. Mid Cap 450 Index
Expense Ratio	0.09%
Fund Assets (millions)	5,626.29
Share Class Inception Date	5/21/1998
Manager Tenure	11

Sector Allocation as of 06/30/2009

BUSINESS SERVICES	7.54%
CONSUMER GOODS	9.45%
CONSUMER SERVICES	9.83%
ENERGY	7.25%
FINANCIAL SERVICES	17.12%
HARDWARE	8.34%
HEALTHCARE	9.05%
INDUSTRIAL MATERIALS	14.13%
MEDIA	1.79%
SOFTWARE	4.53%
TELECOMMUNICATION	4.26%
UTILITIES	6.58%

Top Holdings as of 06/30/2009

BUNGE, LTD.	0.53%
FISERV, INC.	0.53%
LIFE TECHNOLOGIES CORP	0.52%
INTERCONTINENTALEXCHANGE, INC.	0.51%
COMPUTER SCIENCES CORPORATION	0.49%
ROCKWELL COLLINS, INC.	0.48%
EL PASO CORPORATION	0.47%
MCAFEE, INC.	0.47%
RANGE RESOURCES CORPORATION	0.47%
INTUITIVE SURGICAL, INC.	0.46%

HISTORICAL RETURNS
(BY YEAR)

	Vanguard Mid Cap Index Fund		MSCI U.S. Mid Cap 450 Index		Return Difference
	Return	Rank	Return	Rank	
1998 (7 months)	11.1 %	35	1.9 %	65	9.2
1999	15.5	68	34.3	32	-18.8
2000	18.4	10	-1.9	40	20.3
2001	-0.4	21	-6.4	33	6.0
2002	-14.5	16	-16.5	23	2.0
2003	34.3	36	39.0	23	-4.7
2004	20.5	10	20.5	10	0.0
2005	14.1	8	13.9	8	0.2
2006	13.8	48	13.7	49	0.1
2007	6.2	50	6.2	50	0.0
2008	-41.8	73	-41.8	73	0.0
2009 (9 months)	31.8	24	31.7	24	0.1
Trailing 1-Year	-1.9 %	33	-2.0 %	34	0.1
Trailing 3-Year	-4.3	54	-4.4	55	0.1
Trailing 5-Year	4.0	25	3.9	26	0.1
Trailing 10-Year	7.3	16	5.6	27	1.7

VANGUARD SMALL CAP INDEX

RETURN SUMMARY ENDING 9/30/09

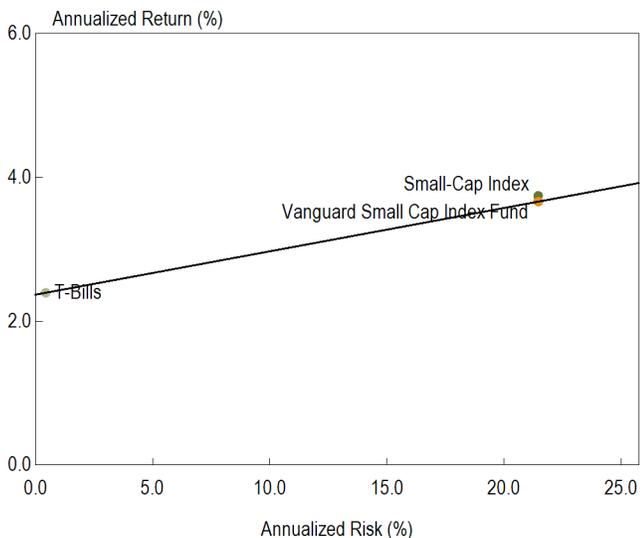
	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Vanguard Small Cap Index Fund	21.8 %	8	30.9 %	27	-4.0 %	47	-2.7 %	36	3.7 %	28
Small-Cap Index	21.9	8	30.8	27	-4.2	49	-2.9	37	3.7	29

Investment Strategy

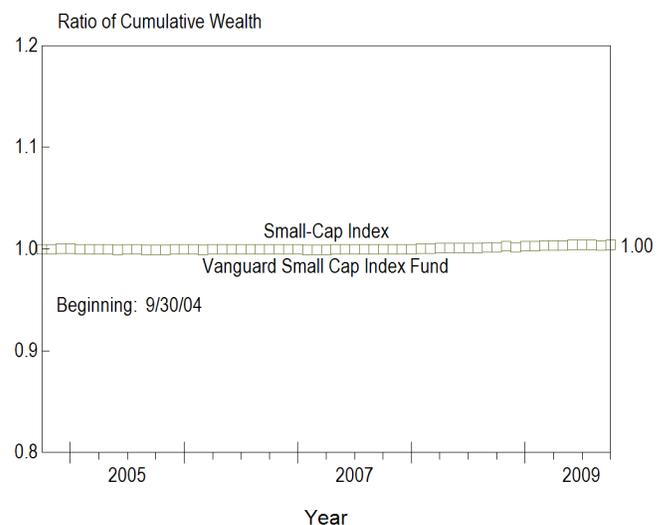
The Vanguard Small Cap Index Fund's strategy is designed to track the investment performance of the MSCI U.S. 1750 Small Cap Index, which is comprised of the 1,750 smallest stocks out of the 2,500 largest stocks. Prior to June 30, 2003, the Fund used a sampling technique to track the Russell 2000 Index. The Fund was moved from Admiral shares to the new Signal share class on October 6, 2007.

As illustrated in the graphs below and the table above, Vanguard Small Cap Index Fund has matched the return of the Index over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



An explanation of the Performance Benchmark can be found in the Appendix.

Fund Information as of 09/30/2009

Fund Name	VANGUARD-SC I-AD
Ticker	VSMAX
Category	Small Blend
Benchmark	Small-Cap Index
Expense Ratio	0.15%
Fund Assets (millions)	1,931.55
Share Class Inception Date	11/13/2000
Manager Tenure	18

Sector Allocation as of 07/31/2009

BUSINESS SERVICES	9.17%
CONSUMER GOODS	9.07%
CONSUMER SERVICES	8.52%
ENERGY	4.30%
FINANCIAL SERVICES	19.65%
HARDWARE	9.02%
HEALTHCARE	11.15%
INDUSTRIAL MATERIALS	11.53%
MEDIA	2.04%
SOFTWARE	5.51%
TELECOMMUNICATION	4.51%
UTILITIES	4.20%

Top Holdings as of 07/31/2009

CMT MARKET LIQUIDITY RATE	0.74%
BROCADE COMMUNICATIONS SYSTEMS, INC.	0.28%
F5 NETWORKS, INC.	0.27%
GENWORTH FINANCIAL, INC.	0.27%
ON SEMICONDUCTOR CORPORATION	0.26%
MSCI, INC.	0.25%
DENDREON CORPORATION	0.24%
ROVI CORP	0.24%
AGL RESOURCES, INC.	0.23%
UNIVERSAL HEALTH SERVICES B	0.23%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Small Cap Index Fund		Small-Cap Index		Return Difference
	Return	Rank	Return	Rank	
1998	-2.6 %	87	-2.5 %	87	-0.1
1999	23.1	49	21.3	52	1.8
2000	-2.7	42	-3.0	43	0.3
2001	3.1	17	2.5	17	0.6
2002	-20.0	37	-20.5	40	0.5
2003	45.6	11	47.5	9	-1.9
2004	19.9	12	20.0	12	-0.1
2005	7.4	45	7.5	44	-0.1
2006	15.8	30	15.8	30	0.0
2007	1.2	79	1.2	79	0.0
2008	-36.0	30	-36.2	31	0.2
2009 (9 months)	30.9	27	30.8	27	0.1
Trailing 1-Year	-4.0 %	47	-4.2 %	49	0.2
Trailing 3-Year	-2.7	36	-2.9	37	0.2
Trailing 5-Year	3.7	28	3.7	29	0.0
Trailing 10-Year	5.8	26	5.7	26	0.1

LORD ABBETT DEVELOPING GROWTH

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Lord Abnett Developing Growth Fund	14.3 %	75	39.0 %	11	-0.7 %	28	3.2 %	4	6.8 %	5
Russell 2000 Growth Index	15.9	51	29.1	33	-6.3	64	-2.6	34	2.9	40

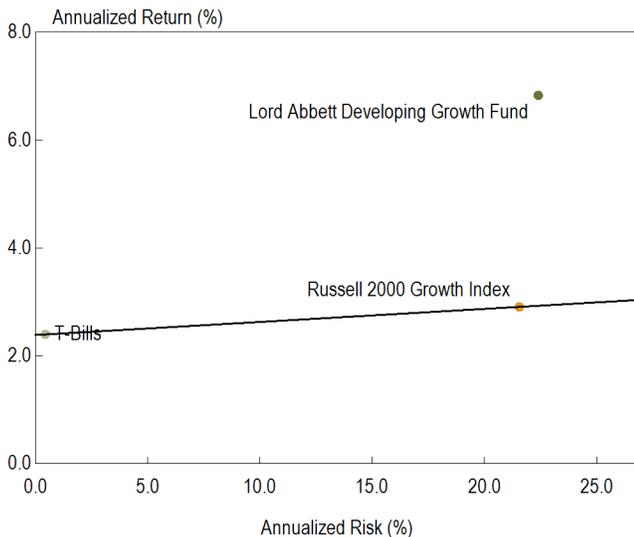
Investment Approach

Management of the Lord Abnett Developing Growth Fund employs a process of fundamental research to identify small cap companies that are entering a period of dramatic growth. Management begins by combining growth, balance sheet, and financial statement factors to identify a promising universe of approximately 400 stocks. Portfolio managers and analysts then undertake fundamental and industry research, including company, customer, and supplier visits, to select businesses with growth and earnings prospects. However, management sets valuation limits on purchase candidates, preferring to buy stocks at low valuations and then hold them throughout several growth stages.

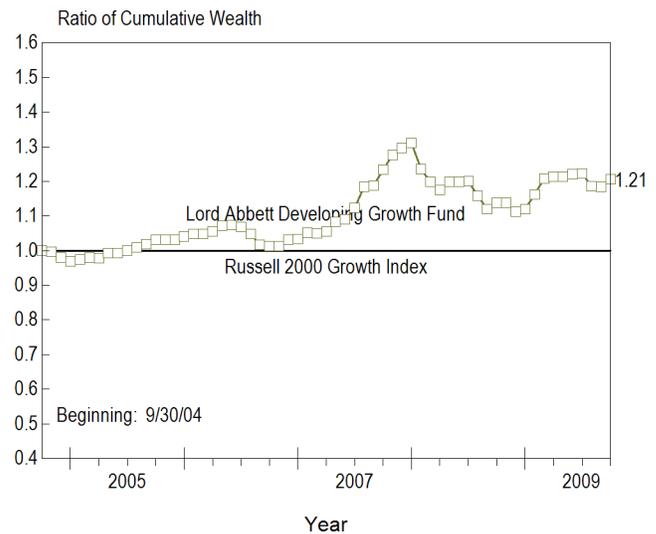
The Fund tends to feature sector diversification, albeit with substantial exposure to growth industries. The portfolio holds approximately 130 micro- and small-cap stocks.

As illustrated in the graphs below and the table above, Lord Abnett Developing Growth Fund has exceeded the return of the Index over the trailing five-year period at a slightly higher level of risk .

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



LORD ABBETT DEVELOPING GROWTH

Fund Information as of 09/30/2009

Fund Name	Lord Abbett Dev Gro;A
Ticker	LAGWX
Category	Small Growth
Benchmark	Russell 2000 Growth Index
Expense Ratio	1.13%
Fund Assets (millions)	489.72
Share Class Inception Date	10/10/1973
Manager Tenure	6

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	12.23%
CONSUMER GOODS	5.74%
CONSUMER SERVICES	11.10%
ENERGY	2.10%
FINANCIAL SERVICES	8.32%
HARDWARE	18.68%
HEALTHCARE	15.74%
INDUSTRIAL MATERIALS	10.61%
MEDIA	0.98%
SOFTWARE	9.84%
TELECOMMUNICATION	2.63%
UTILITIES	1.73%

Top Holdings as of 09/30/2009

ENERNOC, INC.	1.97%
SILICON LABORATORIES, INC.	1.82%
NETLOGIC MICROSYSTEMS, INC.	1.69%
VISTAPRINT, LTD.	1.66%
CONCUR TECHNOLOGIES, INC.	1.64%
ALEXION PHARMACEUTICALS, INC.	1.62%
MERCADOLIBRE, INC.	1.55%
SUCCESSFACTORS, INC.	1.50%
LULULEMON ATHLETICA, INC	1.48%
LUMBER LIQUIDATORS, INC.	1.45%

HISTORICAL RETURNS

(BY YEAR)

	Lord Abbett Developing Growth Fund		Russell 2000 Growth Index		Return Difference
	Return	Rank	Return	Rank	
1998	8.3 %	69	1.2 %	82	7.1
1999	38.2	27	43.1	23	-4.9
2000	-17.7	86	-22.4	93	4.7
2001	-7.0	34	-9.2	39	2.2
2002	-29.5	84	-30.3	87	0.8
2003	40.1	21	48.5	8	-8.4
2004	6.0	89	14.3	35	-8.3
2005	11.9	15	4.2	78	7.7
2006	12.4	59	13.3	52	-0.9
2007	35.8	1	7.0	46	28.8
2008	-47.5	92	-38.5	52	-9.0
2009 (9 months)	39.0	11	29.1	33	9.9
Trailing 1-Year	-0.7 %	28	-6.3 %	64	5.6
Trailing 3-Year	3.2	4	-2.6	34	5.8
Trailing 5-Year	6.8	5	2.9	40	3.9
Trailing 10-Year	2.3	54	1.1	67	1.2

HEARTLAND VALUE INSTITUTIONAL

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Heartland Value Institutional Fund	21.0%	11	39.2%	11	2.1%	17	-3.3%	43	3.0%	39
Russell 2000 Value Index	22.7	6	16.4	86	-12.6	95	-6.6	83	1.8	58

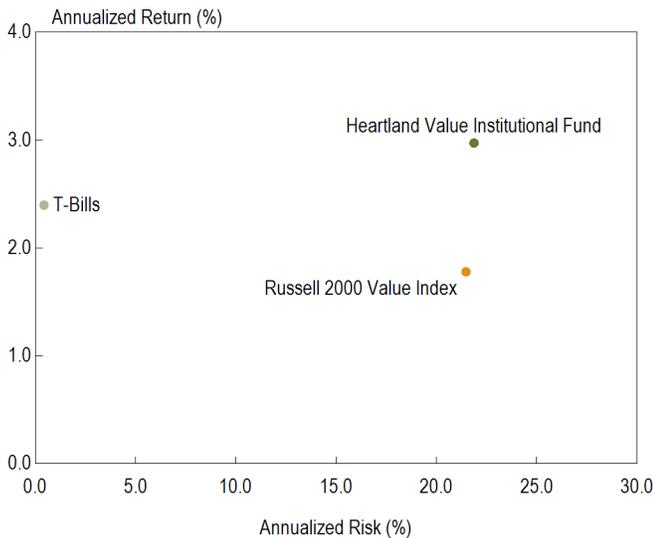
Investment Approach

The Heartland Value Fund seeks long-term capital appreciation through investments in small or micro cap securities selected under disciplined, value-oriented criteria. Management seeks companies whose stock prices do not reflect what Heartland believes to be the companies' intrinsic or potential values. A company's stock may be undervalued because it is under-followed by Wall Street analysts, misunderstood by investors, temporarily oversold or out-of-favor as a result of investor overreaction to unexpected news or an emerging, undiscovered opportunity.

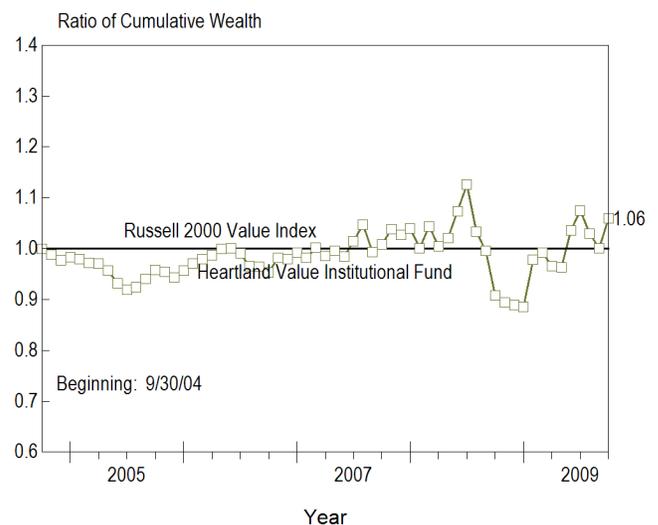
Heartland builds portfolios based on a bottom-up fundamental analysis of individual securities while avoiding over-concentration in a particular industry or industries. Heartland begins its search for investment ideas by performing a weekly computer screening of a universe of over 10,000 securities. The database is screened to find securities that have a market capitalization of \$750 million or less. The firm's analysts, using 10 value-based criteria referred to at Heartland as the "10 Point Grid", extensively research each security considered for purchase.

As illustrated in the graphs below and the table above, Heartland Value Fund has outperformed the Index over the trailing five-year period at a similar level of risk.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



Fund Information as of 09/30/2009

Fund Name	Heartland Val Inst
Ticker	HNTVX
Category	Small Value
Benchmark	Russell 2000 Value Index
Expense Ratio	0.99%
Fund Assets (millions)	55.08
Share Class Inception Date	5/1/2008
Manager Tenure	5

Sector Allocation as of 06/30/2009

BUSINESS SERVICES	8.04%
CONSUMER GOODS	12.98%
CONSUMER SERVICES	3.05%
ENERGY	6.96%
FINANCIAL SERVICES	7.54%
HARDWARE	9.19%
HEALTHCARE	22.00%
INDUSTRIAL MATERIALS	17.46%
MEDIA	0.61%
SOFTWARE	4.21%
TELECOMMUNICATION	4.95%
UTILITIES	2.40%

Top Holdings as of 06/30/2009

FORCE PROTECTION, INC.	4.29%
INTERDIGITAL, INC.	3.68%
ANALOGIC CORPORATION	3.52%
ACCURAY, INC.	2.45%
BIOSCRIP, INC.	2.32%
HOLLYSYS AUTOMATION TECHNOLOGIES LTD	2.08%
IAMGOLD CORPORATION	2.03%
ENCORE CAPITAL GROUP, INC.	2.00%
ROSETTA RESOURCES, INC.	1.76%
SWIFT ENERGY COMPANY	1.67%

HISTORICAL RETURNS

(BY YEAR)

	Heartland Value Institutional Fund		Russell 2000 Value Index		Return Difference
	Return	Rank	Return	Rank	
1998	-11.5 %	98	-6.5 %	93	-5.0
1999	25.0	45	-1.5	94	26.5
2000	2.0	33	22.8	6	-20.8
2001	29.5	1	14.0	7	15.5
2002	-11.5	10	-11.4	10	-0.1
2003	70.2	1	46.0	10	24.2
2004	9.1	74	22.2	6	-13.1
2005	2.0	92	4.7	71	-2.7
2006	28.0	1	23.5	3	4.5
2007	-5.5	95	-9.8	99	4.3
2008	-39.4	58	-28.9	8	-10.5
2009 (9 months)	39.2	11	16.4	86	22.8
Trailing 1-Year	2.1 %	17	-12.6 %	95	14.7
Trailing 3-Year	-3.3	43	-6.6	83	3.3
Trailing 5-Year	3.0	39	1.8	58	1.2
Trailing 10-Year	10.6	4	8.1	13	2.5

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RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		3 Years Ending 9/30/09		5 Years Ending 9/30/09	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
EuroPacific Growth Fund	19.6 %	35	34.9 %	23	8.9 %	18	1.4 %	10	10.1 %	6
MSCI All Country World ex-U.S. Index	19.7	33	36.4	20	5.9	33	-1.2	28	8.1	24

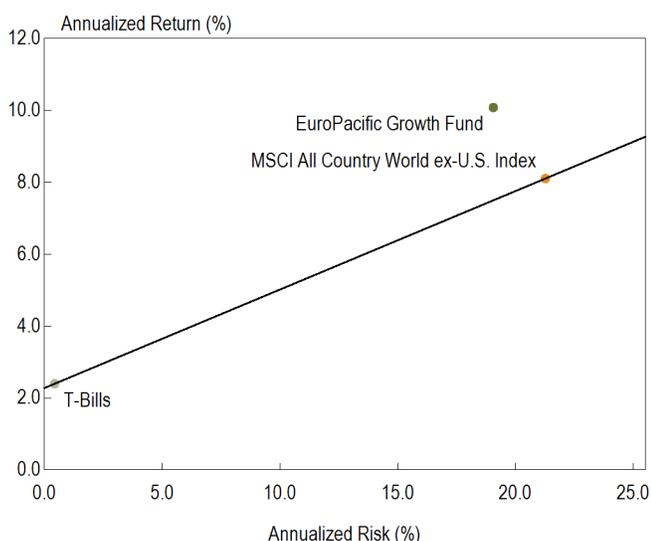
Investment Approach

Capital Research and Management is the sub-advisor for the EuroPacific Growth Fund. Capital Research uses a multiple-counselor system in managing the portfolio's assets. The portfolio is divided into segments and the counselors manage their respective segments autonomously. The research analysts are responsible for making the investment decisions for one of the segments.

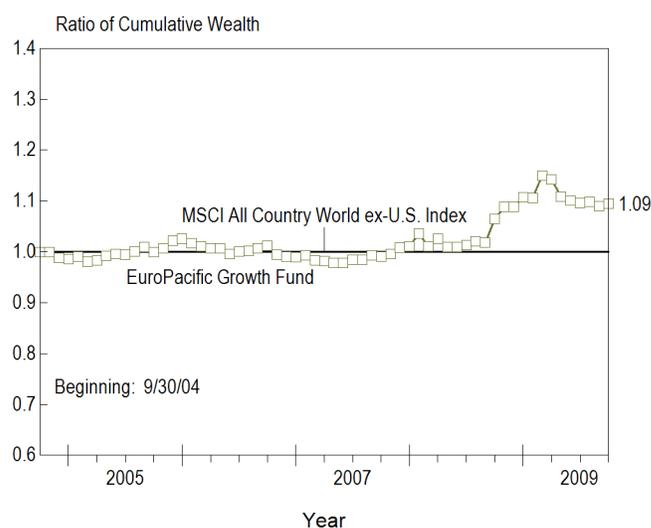
The Capital Research and Management Investment Committee is responsible for making sure the portfolio stays within its limits and adheres to its investment policies. The objective of the fund is to provide long-term growth of capital by investing in a diversified portfolio of international stocks while using a growth-at-a-reasonable price strategy.

As illustrated in the graphs below and the table above, EuroPacific Growth Fund has exceeded the return of the Index over the trailing five-year period at a lower level of risk.

ANNUALIZED RISK RETURN 5 YEARS ENDING 9/30/09



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 9/30/09



EUROPACIFIC GROWTH

Fund Information as of 09/30/2009

Fund Name	EuroPacific Growth Fund
Ticker	RERFX
Category	Foreign Large Blend
Benchmark	MSCI All Country World ex-U.S. Index
Expense Ratio	0.54%
Fund Assets (millions)	16,413.64
Share Class Inception Date	5/15/2002
Manager Tenure	8

Sector Allocation as of 09/30/2009

BUSINESS SERVICES	1.38%
CONSUMER GOODS	15.92%
CONSUMER SERVICES	4.83%
ENERGY	8.68%
FINANCIAL SERVICES	19.77%
HARDWARE	3.68%
HEALTHCARE	11.76%
INDUSTRIAL MATERIALS	10.88%
MEDIA	1.11%
SOFTWARE	1.53%
TELECOMMUNICATION	9.54%
UTILITIES	3.23%

Top Holdings as of 09/30/2009

BAYER AG	2.64%
AMERICA MOVIL S.A.B. DE C.V. ADR L	2.25%
ANHEUSER-BUSCH INBEV SA	2.05%
ROCHE HOLDING AG	1.92%
BANCO SANTANDER SA	1.89%
NOVARTIS	1.85%
TELEFONICA, S.A.	1.72%
GAZPROM OAO (EDR)	1.57%
NOVO NORDISK A/S	1.51%
SAMSUNG ELECTRONICS	1.39%

HISTORICAL RETURNS

(BY YEAR)

	EuroPacific Growth Fund		MSCI All Country World ex-U.S. Index		Return Difference
	Return	Rank	Return	Rank	
1998	15.5 %	51	14.1 %	64	1.4
1999	57.0	17	30.6	58	26.4
2000	-17.8	69	-15.3	52	-2.5
2001	-12.2	10	-19.7	44	7.5
2002	-13.4	40	-14.9	50	1.5
2003	33.2	68	40.8	22	-7.6
2004	20.0	35	20.9	28	-0.9
2005	21.4	15	16.6	39	4.8
2006	22.2	79	26.7	45	-4.5
2007	19.2	12	16.7	25	2.5
2008	-40.4	21	-45.5	60	5.1
2009 (9 months)	34.9	23	36.4	20	-1.5
Trailing 1-Year	8.9 %	18	5.9 %	33	3.0
Trailing 3-Year	1.4	10	-1.2	28	2.6
Trailing 5-Year	10.1	6	8.1	24	2.0
Trailing 10-Year	6.2	24	4.1	41	2.1

EUROPACIFIC GROWTH

COUNTRY ALLOCATION/RETURNS

3 MONTHS ENDING 9/30/09

	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	--	0.2 %	29.0 %
Belgium	0.1 %	0.7	28.7
Czech Republic*	--	0.1	22.6
Denmark	0.2	0.7	18.0
Finland	0.2	0.9	12.8
France	0.2	7.8	26.6
Germany	1.2	5.8	23.2
Greece	--	0.5	32.8
Hungary*	--	0.1	42.0
Ireland	0.7	0.2	19.2
Italy	0.2	2.7	27.0
Netherlands	0.2	1.8	31.2
Norway	--	0.5	26.5
Poland*	--	0.2	33.8
Portugal	--	0.2	20.2
Russia*	0.1	1.3	27.0
Spain	0.3	3.4	27.3
Sweden	--	1.8	25.4
Switzerland	2.8	5.5	22.7
United Kingdom	1.6	14.9	18.5
Asia/Pacific			
Australia	0.4 %	5.9 %	33.1 %
China*	0.4	3.7	7.8
Hong Kong	0.1	1.7	14.4
India*	0.2	1.6	19.6
Indonesia*	--	0.4	37.8
Japan	0.7	15.4	6.5
Korea*	0.2	2.9	34.5
Malaysia*	--	0.6	14.8
New Zealand	--	0.1	25.5
Philippines*	--	0.1	14.9
Singapore	--	1.0	19.4
Taiwan, China*	0.2	2.5	22.5
Thailand*	--	0.3	19.9
Americas			
Brazil*	1.1 %	3.3 %	27.4 %
Canada	4.1	7.2	18.3
Chile*	--	0.3	5.6
Colombia*	--	0.2	35.9
Mexico*	0.5	0.9	18.1
Peru*	--	0.1	44.0
United States	72.9	--	--
Other			
Egypt*	--	0.1 %	22.6 %
Israel*	0.9 %	0.6	10.3
Morocco*	--	0.1	-6.7
Other Countries*	0.1	--	--
South Africa*	--	1.5	14.4
Turkey*	--	0.3	32.4
Cash			
Cash	10.4 %	--	--
Total	100.0 %	100.0 %	19.7 %
Developed	85.9	78.8	
Emerging*	3.7	21.2	
Cash	10.4	--	

VANGUARD FTSE ALL WORLD EX-U.S. INDEX

RETURN SUMMARY ENDING 9/30/09

	Third Quarter		Year-To-Date		1 Year Ending 9/30/09		Since Inception		Inception Date
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	
Vanguard FTSE All World ex-U.S. Index	19.9 %	30	34.7 %	23	5.2 %	34	-6.3 %	19	3/31/07
FTSE All World ex-U.S. Index	20.0	29	38.2	18	7.4	27	-5.8	17	

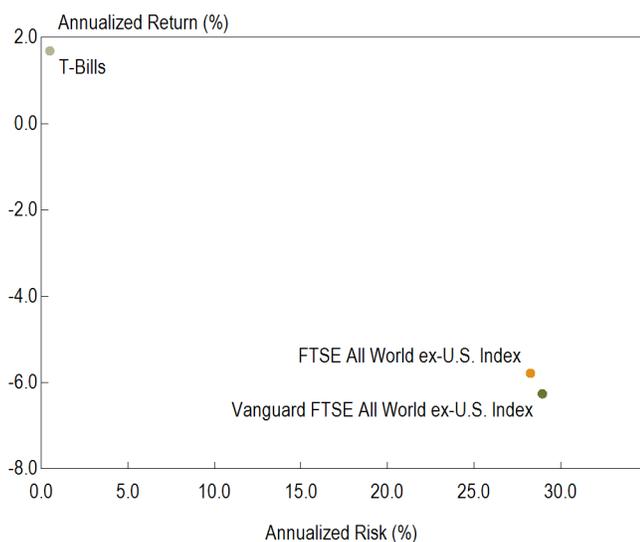
Investment Strategy

The Vanguard FTSE All World ex-U.S. Index Fund is designed to track the investment performance of the FTSE All World ex-U.S. Index which is comprised of approximately 47 developed and emerging countries, excluding the U.S., while including Canada.

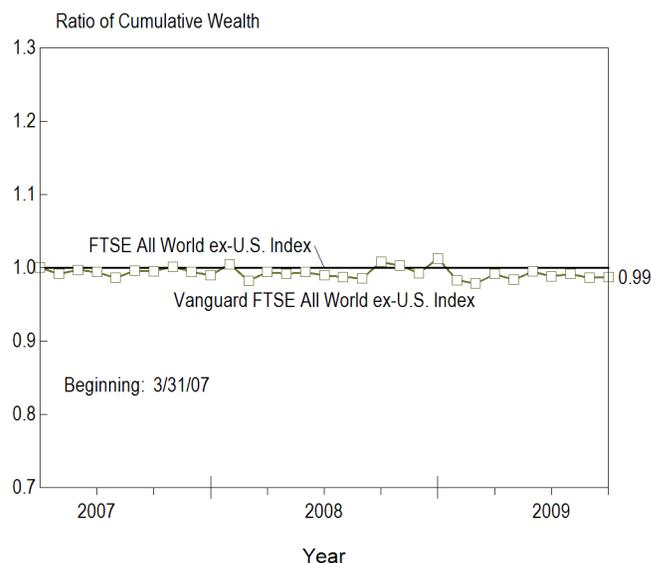
The Fund's year-to-date return has trailed the return of the Index. The discrepancy is due to the effects of fair value pricing which is employed by Vanguard. During the trailing one-year period, the Fund has lagged the Index also as a result of fair value pricing. Since the Fund's inception in March 2007, it has trailed the Index by 50 basis points.

As illustrated in the graphs below and the table above, FTSE All World ex-U.S. Index Fund has underperformed the return of the Index since its inception at a modestly higher risk level.

**ANNUALIZED RISK RETURN
2 YEARS 6 MONTHS ENDING 9/30/09**



**RATIO OF CUMULATIVE WEALTH
2 YEARS 6 MONTHS ENDING 9/30/09**



VANGUARD FTSE ALL WORLD EX-U.S. INDEX

Fund Information as of 09/30/2009

Fund Name	Vanguard FTSE AWIdxUS It
Ticker	VFWSX
Category	Foreign Large Blend
Benchmark	FTSE All World ex-U.S. Index
Expense Ratio	0.15%
Fund Assets (millions)	1,474.36
Share Class Inception Date	4/30/2007
Manager Tenure	3

Sector Allocation as of 06/30/2009

BUSINESS SERVICES	3.21%
CONSUMER GOODS	14.27%
CONSUMER SERVICES	4.19%
ENERGY	10.63%
FINANCIAL SERVICES	23.97%
HARDWARE	2.40%
HEALTHCARE	6.16%
INDUSTRIAL MATERIALS	16.56%
MEDIA	1.36%
SOFTWARE	0.82%
TELECOMMUNICATION	8.06%
UTILITIES	4.69%

Top Holdings as of 06/30/2009

BP PLC	1.22%
HSBC HOLDINGS PLC	1.18%
NESTLE	1.18%
TOTAL SA	1.05%
TELEFONICA, S.A.	0.85%
VODAFONE GROUP PLC	0.84%
BANCO SANTANDER SA	0.81%
TOYOTA MOTOR CORPORATION	0.80%
ROCHE HOLDING AG	0.79%
GLAXOSMITHKLINE PLC	0.76%

HISTORICAL RETURNS

(BY Years)

	Vanguard FTSE All World ex-U.S. Index		FTSE All World ex-U.S. Index	
	Return	Rank	Return	Rank
2007 (9 months)	12.7 %	22	13.9 %	15
2008	-44.0	48	-45.3	59
2009 (9 months)	34.7	23	38.2	18
Trailing 1-Year	5.2 %	34	7.4 %	27
Since Inception (3/31/07)	-6.3	19	-5.8	17

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RETURNS OF THE MAJOR CAPITAL MARKETS

	Third Quarter	Annualized Periods Ending 9/30/09				
		1-Year	3-Year	5-Year	10-Year	15-Year
Domestic Stock Indices:						
Dow Jones US Total Stock Index	16.3%	-6.2%	-4.8%	1.8%	0.9%	7.7%
S&P 500 Index	15.6	-6.9	-5.4	1.0	-0.2	7.6
Russell 3000 Index	16.3	-6.4	-5.1	1.6	0.7	7.7
Russell 1000 Value Index	18.2	-10.6	-7.9	0.9	2.6	8.5
Russell 1000 Growth Index	14.0	-1.9	-2.5	1.9	-2.6	6.4
Russell MidCap Value Index	23.6	-7.1	-5.7	3.5	7.4	10.3
Russell MidCap Growth Index	17.6	-0.4	-3.1	3.8	2.2	7.6
Russell 2000 Value Index	22.7	-12.6	-6.6	1.8	8.1	9.4
Russell 2000 Growth Index	15.9	-6.3	-2.6	2.9	1.1	4.7
Domestic Bond Indices:						
Barclays Capital Aggregate Index	3.7%	10.6%	6.4%	5.1%	6.3%	6.8%
Barclays Capital Govt/Credit Index	4.2	11.5	6.2	4.9	6.3	6.8
Barclays Capital Long Govt/Credit Index	8.5	18.4	6.9	6.0	7.8	8.4
Barclays Capital 1-3 Year Govt/Credit Index	1.4	6.2	5.4	4.3	4.9	5.4
Barclays Capital U.S. MBS Index	2.3	9.9	7.4	5.9	6.4	7.0
Barclays Capital High Yield Index	14.2	22.3	5.3	6.1	6.2	7.1
Barclays Capital Universal Index	4.5	10.9	6.1	5.2	6.4	6.9
Real Estate Indices:						
NCREIF Property Index	-3.3%	-22.1%	-1.3%	6.2%	7.8%	9.1%
NCREIF ODCE Index	-7.5	-35.7	-8.3	1.2	4.8	6.8
Dow Jones Real Estate Securities Index	35.9	-29.5	-13.9	1.1	9.5	9.1
FTSE NAREIT US Real Estate Index	33.3	-28.4	-12.4	1.4	9.5	9.1
Foreign/Global Stock Indices:						
MSCI All Country World Index	17.9%	-0.1%	-3.2%	4.6%	1.6%	5.8%
MSCI All Country World IMI	18.4	0.9	-3.4	4.6	2.1	5.6
MSCI All Country World ex-U.S. Index	19.7	5.9	-1.2	8.1	4.1	5.3
MSCI All Country World ex-U.S. IMI	20.1	7.3	-1.1	8.3	4.1	4.9
MSCI All Country World ex-U.S. Small Cap Index	22.9	20.1	-0.4	9.7	6.7	4.7
MSCI EAFE Index	19.5	3.2	-3.6	6.1	2.6	4.7
MSCI EAFE IMI	19.8	4.5	-3.5	6.3	2.5	4.5
MSCI EAFE Index (in local currency)	14.8	-1.7	-7.2	3.7	0.4	4.0
MSCI Emerging Markets IMI	21.2	21.5	8.4	17.6	11.0	4.0
Foreign Bond Indices:						
Citigroup World Gov't Bond Index	7.3%	16.1%	10.2%	7.1%	6.7%	6.6%
Citigroup Hedged World Gov't Bond Index	2.0	7.9	5.3	5.2	5.5	7.3
Cash Equivalents:						
Treasury Bills (30-Day)	0.0%	0.2%	2.1%	2.4%	2.5%	3.3%
EnnisKnupp STIF Index	0.1	0.9	3.3	3.5	3.4	4.1
Inflation Index:						
Consumer Price Index	0.1%	-1.3%	2.1%	2.6%	2.5%	2.5%

APPENDIX II

Benchmark Descriptions

iMoney Net Money Fund Average - An index made up of the entire universe of taxable money market mutual funds. The index currently represents 1,228 funds, or approximately 99 percent of all money fund assets.

Custom Benchmark (Personal Strategy Balanced) - A mix of 51% Dow Jones U.S. Total Stock Market Index, 30% Barclays Capital Aggregate Bond Index, 10% 90-Day Treasury Bills, and 9% MSCI EAFE Index.

Custom Benchmark (Personal Strategy Growth) - A mix of 65% Dow Jones U.S. Total Stock Market Index, 20% Barclays Capital Aggregate Bond Index and 12% MSCI EAFE Index.

Custom Benchmark (Personal Strategy Income) - A mix of 34% Dow Jones U.S. Total Stock Market Index, 40% Barclays Capital Aggregate Bond Index, 20% 90-Day Treasury Bills, and 6% MSCI EAFE Index.

Performance Benchmark (Vanguard Total Stock Market Index) - Dow Jones U.S. Total Stock Market Index until 4/30/2005, the MSCI U.S. Broad Market Index going forward.

Performance Benchmark (Vanguard Small Cap Index) - Russell 2000 Index until 6/30/2003, the MSCI U.S. 1750 Small Cap Index going forward.

EnnisKnupp GIC Index - This benchmark index is an average of the 2-, 3-, 4- and 5-year GICs as surveyed by T.Rowe Price.

Barclays Capital Aggregate Bond Index - A market value-weighted index consisting of government bonds, SEC-registered corporate bonds and mortgage-related and asset-backed securities with at least one year to maturity and an outstanding par value of \$150 million or greater. This index is a broad measure of the performance of the investment grade U.S. fixed income market.

MSCI All Country World ex-U.S. Free Index - A capitalization-weighted index of stocks representing 48 developed and emerging country stock markets, excluding the U.S. market.

MSCI U.S. 1750 Small Cap Index - An index representing the universe of small capitalization companies in the U.S. equity market. This index targets for inclusion 1,750 companies and represents approximately 12% of the capitalization of the U.S. equity market.

Benchmark Descriptions

S&P 500 Index - A capitalization-weighted index representing stocks chosen by Standard & Poor's, Inc. for their size, liquidity, stability and industry group representation. The companies in the S&P 500 Index are generally among the largest in their industries. Currently the Index comprises industrial, utility, financial and transportation stocks.

FTSE All World ex-U.S. Index - An index of stocks representing approximately 47 developed and emerging countries, excluding the U.S. while including Canada.

Russell 1000 Index - A capitalization-weighted index of the 1,000 largest publicly traded U.S. stocks by capitalization.

Russell 1000 Value Index - An Index that measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower I/B/E/S growth forecasts.

Russell 1000 Growth Index - An Index that measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher I/B/E/S growth forecasts.

Russell Mid Cap Index - A capitalization-weighted index consisting of the smallest 800 companies in the Russell 1000 Index. The Russell 1000 Index represents the 1,000 largest publicly traded stocks by capitalization.

Russell 2500 Index - A capitalization-weighted, small-cap stock index representing the performance of 2,500 domestic stocks. This Index represents approximately 22% of the domestic market. Its median market capitalization is approximately \$786 million.

Russell 2000 Index - A capitalization-weighted index of the smallest 2,000 stocks in the Russell 3000 Index. The Index excludes the largest- and smallest-capitalization issues in the domestic stock market.

Russell 2000 Value Index - A capitalization-weighted index representing those companies within the Russell 2000 Index with lower price-to-book ratios and lower I/B/E/S earnings growth forecasts.

Russell 2000 Growth Index - A capitalization-weighted index representing those companies within the Russell 2000 Index with higher price-to-book ratios and higher I/B/E/S earnings growth forecasts.

Dow Jones U.S. Total Stock Market Index - A capitalization-weighted stock index representing all domestic common stocks traded regularly on the organized exchanges. The Index is the broadest measure of the aggregate domestic stock market.

APPENDIX II

Universe Descriptions

U.S. Equity Ranks - A broad Morningstar universe of 2,067 U.S. stock mutual funds.

Fixed Income Ranks - A Morningstar universe of 625 fixed income mutual funds.

Non-U.S. Equity Ranks - A non-U.S. equity universe calculated by BNY Mellon Performance & Risk Analytics. The universe includes 97 non-U.S. stock managers with an aggregate market value of \$237.2 billion.