



**Performance Report
Second Quarter 2010**

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 6/30/10

	Second Quarter		Year-To-Date		1 Year Ending 6/30/10		3 Years Ending 6/30/10		5 Years Ending 6/30/10	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
TRP PS Income	-4.6 %	77	-1.5 %	74	12.6 %	41	0.1 %	46	3.9 %	35
Custom Benchmark	-3.3	60	-0.5	59	9.9	77	-0.4	56	3.0	51
TRP PS Balanced	-7.1	65	-3.4	61	14.2	30	-3.0	32	2.9	24
Custom Benchmark	-6.0	35	-2.5	36	11.8	68	-3.3	40	2.3	39
TRP PS Growth	-9.8	71	-5.7	69	14.8	20	-7.0	27	1.4	20
Custom Benchmark	-8.6	24	-4.3	16	13.8	44	-6.2	21	1.3	21

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Target Retirement Income Fund	-1.2 %	1.2 %	11.0 %	2.5 %	3.7 %
Target Retirement Income Benchmark	-1.2	1.2	10.9	2.4	3.7
Vanguard Target Retirement 2005 Fund	-2.1	0.5	11.8	0.6	3.2
Target Retirement 2005 Benchmark	-2.2	0.6	11.9	0.5	3.2
Vanguard Target Retirement 2010 Fund	-4.1	-0.9	12.8	-1.3	--
Target Retirement 2010 Benchmark	-4.2	-0.9	12.9	-1.4	--
Vanguard Target Retirement 2015 Fund	-5.6	-2.0	13.3	-2.8	2.3
Target Retirement 2015 Benchmark	-5.7	-2.1	13.3	-3.0	2.2
Vanguard Target Retirement 2020 Fund	-6.8	-3.1	13.6	-4.1	--
Target Retirement 2020 Benchmark	-6.8	-3.0	13.6	-4.3	--
Vanguard Target Retirement 2025 Fund	-8.0	-4.0	14.0	-5.5	1.3
Target Retirement 2025 Benchmark	-7.9	-3.9	14.0	-5.6	1.3
Vanguard Target Retirement 2030 Fund	-9.1	-5.0	14.1	-6.8	--
Target Retirement 2030 Benchmark	-9.0	-4.9	14.3	-6.9	--
Vanguard Target Retirement 2035 Fund	-10.2	-5.9	14.1	-7.7	0.7
Target Retirement 2035 Benchmark	-10.1	-5.8	14.4	-7.8	0.7
Vanguard Target Retirement 2040 Fund	-10.2	-5.9	14.1	-7.6	--
Target Retirement 2040 Benchmark	-10.1	-5.8	14.4	-7.8	--
Vanguard Target Retirement 2045 Fund	-10.2	-5.9	14.1	-7.7	1.1
Target Retirement 2045 Benchmark	-10.1	-5.8	14.4	-7.8	1.0
Vanguard Target Retirement 2050 Fund	-10.2	-5.9	14.1	-7.6	--
Target Retirement 2050 Benchmark	-10.1	-5.8	14.4	-7.8	--

Benchmark descriptions can be found in the Appendix.

INVESTMENT HIGHLIGHTS

RETURN SUMMARY

ENDING 6/30/10

	Second Quarter		Year-To-Date		1 Year Ending 6/30/10		3 Years Ending 6/30/10		5 Years Ending 6/30/10	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Vanguard Total Bond Market Index	3.6 %	13	5.4 %	44	9.5 %	87	7.7 %	35	5.6 %	33
Barclays Capital Aggregate Bond Index	3.5	24	5.3	47	9.5	86	7.5	39	5.5	40
Vanguard Institutional Index Fund	-11.4	59	-6.7	61	14.5	60	-9.8	62	-0.8	62
S&P 500 Index	-11.4	58	-6.7	61	14.4	61	-9.8	62	-0.8	62
Vanguard Total Stock Market Index Fund	-11.3	55	-5.9	55	16.0	51	-9.1	54	-0.2	52
Performance Benchmark	-11.3	56	-5.9	55	16.0	51	-9.2	54	-0.2	53
Vanguard Mid Cap Index Fund	-9.9	50	-2.1	25	27.0	8	-8.5	52	1.2	46
MSCI U.S. Mid Cap 450 Index	-9.9	49	-2.1	25	27.0	8	-8.5	52	1.2	46
Vanguard Small Cap Index Fund	-10.0	70	-1.4	45	25.2	26	-7.3	40	1.4	39
Small-Cap Index	-10.0	70	-1.3	45	25.2	26	-7.4	42	1.4	41
Vanguard FTSE All World ex-U.S. Index	-13.0	39	-11.5	39	9.5	31	-10.5	20	--	--
FTSE All World ex-U.S. Index	-12.2	23	-10.8	31	11.1	24	-9.9	17	4.3	13

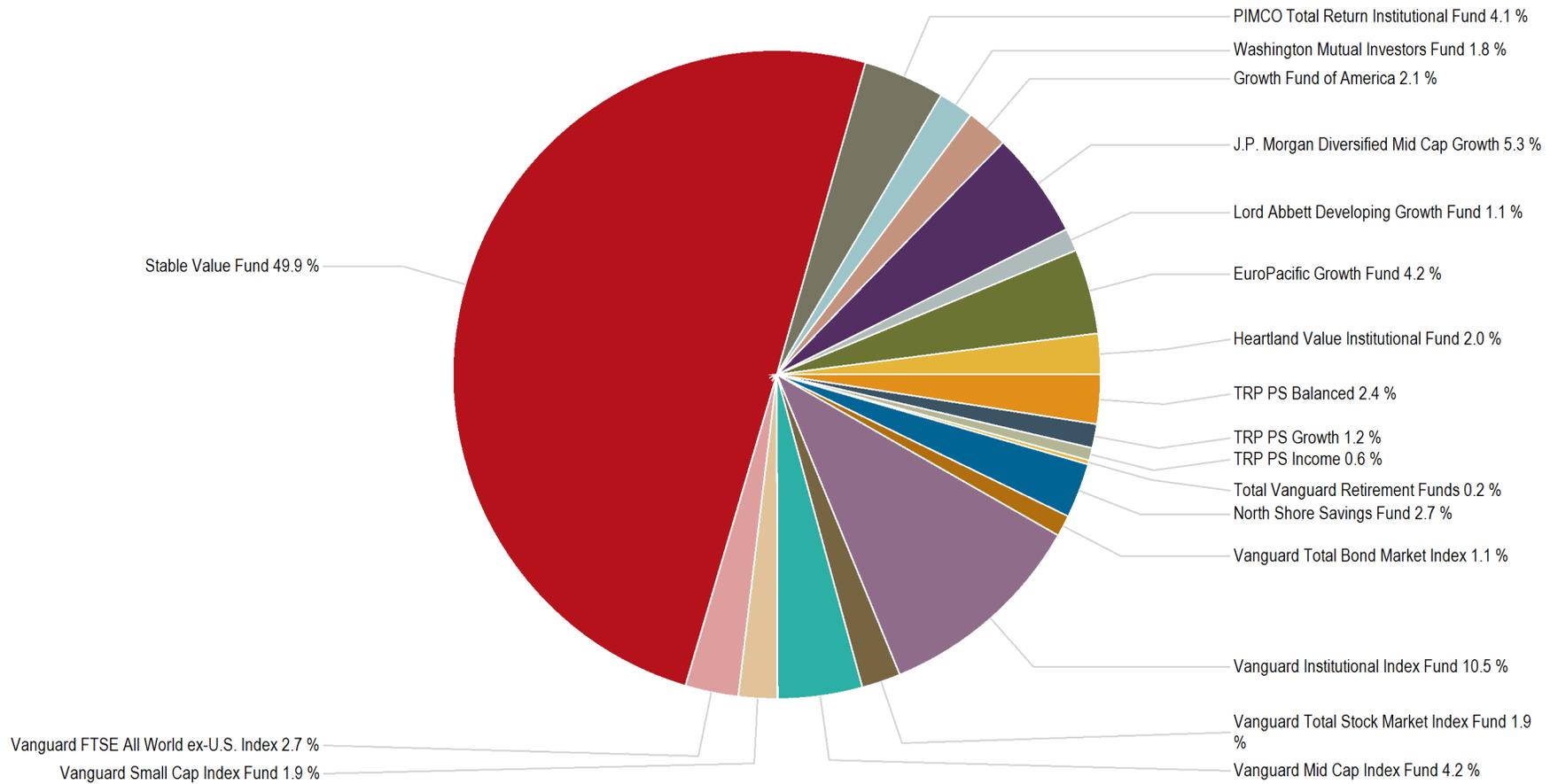
RETURN SUMMARY

ENDING 6/30/10

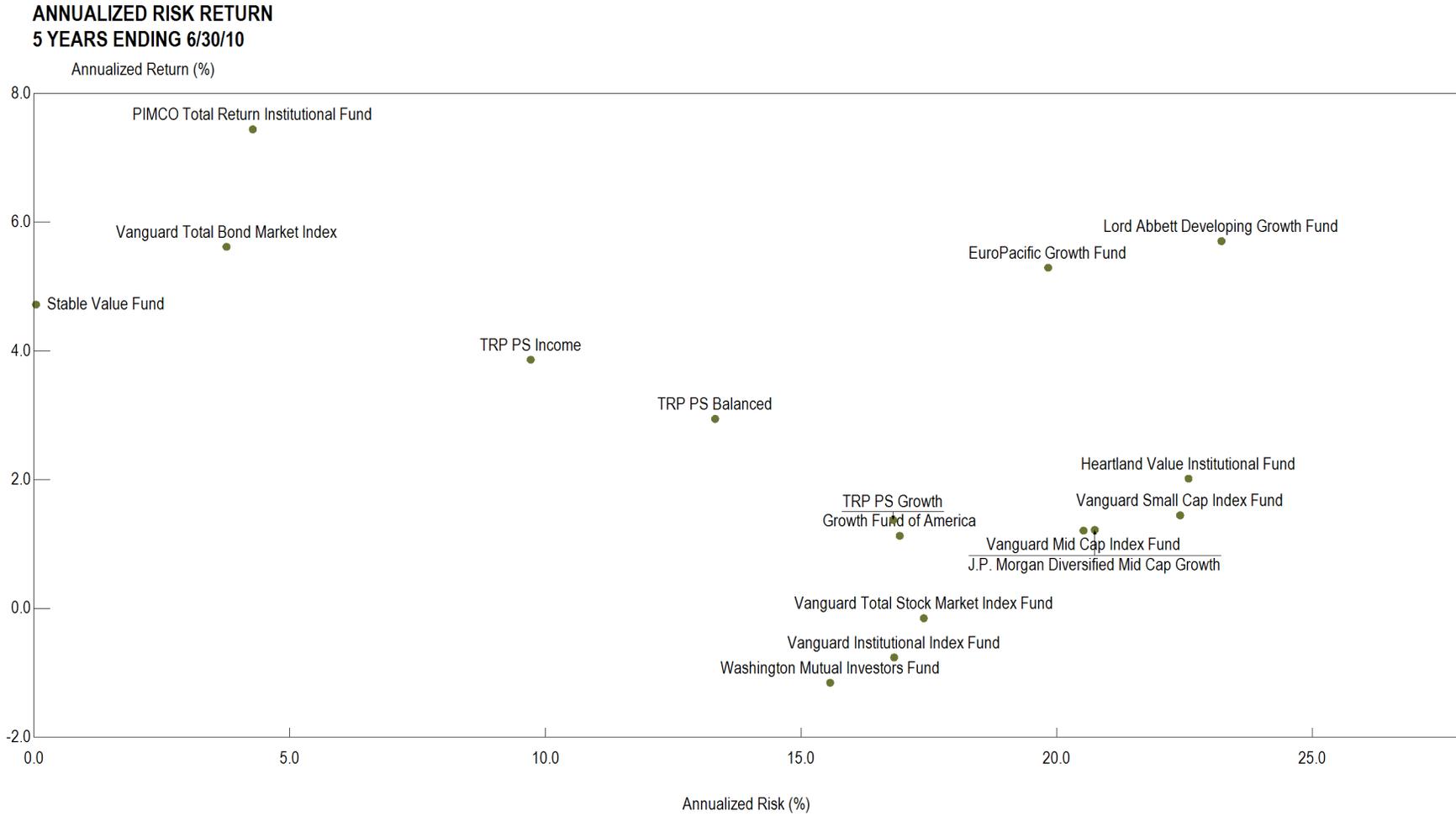
	Second Quarter		Year-To-Date		1 Year Ending 6/30/10		3 Years Ending 6/30/10		5 Years Ending 6/30/10	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
North Shore Savings Fund	0.1 %	--	0.2 %	--	0.5 %	--	1.6 %	--	2.4 %	--
iMoney Net Money Fund Average	0.1	--	0.1	--	0.1	--	1.5	--	2.4	--
Stable Value Fund	1.1	--	2.2	--	4.6	--	4.7	--	4.7	--
EnnisKnupp GIC Index	0.9	--	2.0	--	4.1	--	4.5	--	4.3	--
PIMCO Total Return Institutional Fund	2.8	59	5.8	31	13.3	41	11.1	2	7.4	2
Barclays Capital Aggregate Bond Index	3.5	24	5.3	47	9.5	86	7.5	39	5.5	40
Washington Mutual Investors Fund	-10.3	13	-6.8	36	13.1	53	-10.5	36	-1.2	38
Russell 1000 Value Index	-11.1	27	-5.1	12	16.9	14	-12.3	74	-1.6	54
Growth Fund of America	-11.6	33	-7.8	47	10.7	77	-8.2	60	1.1	28
Russell 1000 Growth Index	-11.7	37	-7.6	41	13.6	38	-6.9	44	0.4	40
J.P. Morgan Diversified Mid Cap Growth	-10.4	64	-4.9	78	19.5	57	-7.2	34	1.2	52
Russell MidCap Growth Index	-10.2	63	-3.3	56	21.3	36	-7.5	45	1.4	47
Lord Abbett Developing Growth Fund	-7.9	29	-0.4	23	20.4	46	-4.2	12	5.7	3
Russell 2000 Growth Index	-9.2	61	-2.3	61	18.0	68	-7.5	48	1.1	44
Heartland Value Institutional Fund	-7.7	13	-3.7	83	21.3	81	-9.0	58	2.0	38
Russell 2000 Value Index	-10.6	68	-1.6	57	25.1	53	-9.8	70	-0.5	72
EuroPacific Growth Fund	-12.0	22	-11.3	36	9.8	30	-7.6	8	5.3	8
MSCI All Country World ex-U.S. Index	-12.4	30	-11.1	34	10.4	26	-10.7	22	3.4	17

Benchmark descriptions can be found in the Appendix.

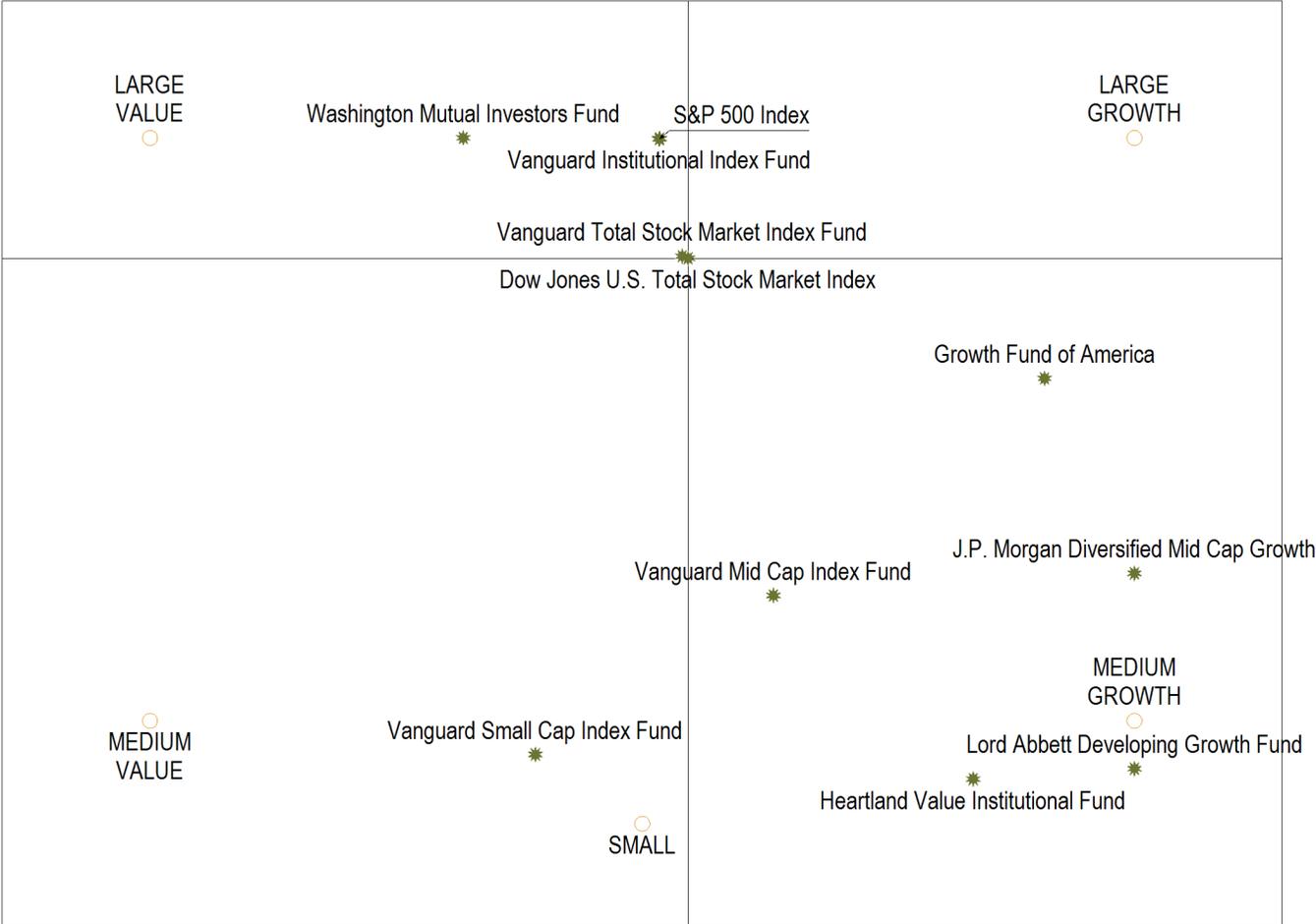
ASSET ALLOCATION
ACTUAL AS OF 6/30/10



INVESTMENT HIGHLIGHTS



EFFECTIVE STYLE MAP
 5 YEARS ENDING 6/30/10



INVESTMENT HIGHLIGHTS

Cash Flow Summary

Quarter Ending June 30, 2010

	Beginning Market Value	Withdrawals	Contributions	Net Cash Flow	Net Investment Change	Ending Market Value
TRP PS Income	\$1,460,550	-\$82,882	\$90,236	\$7,354	-\$67,396	\$1,400,508
TRP PS Balanced	\$6,110,358	-\$361,668	\$164,653	-\$197,015	-\$421,374	\$5,491,969
TRP PS Growth	\$3,002,879	-\$156,012	\$118,256	-\$37,756	-\$290,815	\$2,674,308
Vanguard Target Retirement Income Fund	\$3,531	-\$110	\$167,687	\$167,577	-\$363	\$170,745
Vanguard Target Retirement 2005 Fund	\$0	\$0	\$0	\$0	\$0	\$0
Vanguard Target Retirement 2010 Fund	\$8,000	\$0	\$116,489	\$116,489	-\$7,587	\$116,902
Vanguard Target Retirement 2015 Fund	\$21,170	-\$8,508	\$36,291	\$27,783	-\$3,706	\$45,247
Vanguard Target Retirement 2020 Fund	\$12,292	-\$12,694	\$5,601	-\$7,093	-\$29	\$5,170
Vanguard Target Retirement 2025 Fund	\$6,320	-\$6,422	\$22,678	\$16,256	-\$703	\$21,873
Vanguard Target Retirement 2030 Fund	\$24	-\$4,379	\$56,407	\$52,028	-\$5,566	\$46,486
Vanguard Target Retirement 2035 Fund	\$20,151	\$0	\$1,974	\$1,974	-\$2,197	\$19,928
Vanguard Target Retirement 2040 Fund	\$0	\$0	\$225	\$225	-\$9	\$216
Vanguard Target Retirement 2045 Fund	\$27,562	\$0	\$13,109	\$13,109	-\$4,505	\$36,166
Vanguard Target Retirement 2050 Fund	\$255	\$0	\$455	\$455	-\$45	\$665
Vanguard Total Bond Market Index	\$1,048,716	-\$160,714	\$1,420,678	\$1,259,964	\$69,732	\$2,378,412
Vanguard Institutional Index Fund	\$26,853,617	-\$928,256	\$790,426	-\$137,830	-\$3,069,210	\$23,646,577
Vanguard Total Stock Market Index Fund	\$4,740,348	-\$159,351	\$328,464	\$169,113	-\$553,475	\$4,355,986
Vanguard Mid Cap Index Fund	\$10,465,282	-\$516,196	\$548,660	\$32,464	-\$1,043,257	\$9,454,489
Vanguard Small Cap Index Fund	\$4,780,947	-\$448,026	\$523,140	\$75,114	-\$503,830	\$4,352,231
Vanguard FTSE All World ex-U.S. Index	\$6,962,598	-\$682,584	\$563,311	-\$119,273	-\$898,114	\$5,945,211
North Shore Savings Fund	\$5,436,907	-\$264,310	\$938,475	\$674,164	\$4,041	\$6,115,112
Stable Value Fund	\$105,534,301	-\$3,612,327	\$8,722,548	\$5,110,221	\$1,196,532	\$111,841,054
PIMCO Total Return Institutional Fund	\$10,811,622	-\$2,485,393	\$507,750	-\$1,977,643	\$252,438	\$9,086,417
Washington Mutual Investors Fund	\$5,042,288	-\$819,472	\$176,864	-\$642,609	-\$460,234	\$3,939,445
Growth Fund of America	\$5,344,272	-\$255,737	\$208,796	-\$46,942	-\$621,776	\$4,675,554
J.P. Morgan Diversified Mid Cap Growth	\$13,597,447	-\$542,588	\$229,467	-\$313,121	-\$1,393,893	\$11,890,433
Lord Abbett Developing Growth Fund	\$2,724,411	-\$173,598	\$212,987	\$39,389	-\$223,537	\$2,540,263
Heartland Value Institutional Fund	\$5,049,383	-\$344,261	\$238,370	-\$105,892	-\$382,590	\$4,560,901
EuroPacific Growth Fund	\$10,817,997	-\$808,042	\$790,906	-\$17,136	-\$1,325,880	\$9,474,981
Total	\$229,883,228	-\$12,833,533	\$16,994,902	\$4,161,369	-\$9,757,349	\$224,287,249

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 except the Vanguard FTSE All World ex-U.S. Index Fund and the JP Morgan Diversified Mid Cap Growth Fund are currently on "Green" status. The JP Morgan Diversified Mid Cap Growth Fund is currently in "yellow" status as a result of underperformance. The Vanguard FTSE All World ex-U.S. Index Fund is on "Red" status as a result of being on yellow status since 1Q 2009. During the May 2010 Committee meeting, we provided a review and assessment of the fund's tracking error which is the basis for having a yellow status. As mentioned in the assessment, underperformance is due to the effects of fair value pricing which is employed by Vanguard. Differences in the Fund's performance and the Index's performance that result from fair value pricing typically wash over several quarters. We are comfortable with Vanguard's use of fair value pricing, as this is a typical methodology used by many mutual fund managers. We expect that the discrepancy between the Vanguard Index fund and the index will continue to decrease over longer-term periods.

FUND MONITORING SYSTEM

Investment Fund Monitoring Summary:

	1. Underperformed in 3 of 4 Trailing Calendar Quarters?	2. Underperformed Benchmark over Trailing Five Year Period?*	3. Diverged from Strategy?	4. Adverse Change in Portfolio Manager?	5. Adverse Organizational Change?	2nd	1st	4th	3rd
						Quarter 2010 Status	Quarter 2010 Status	Quarter 2009 Status	Quarter 2009 Status
North Shore Savings 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				
Vanguard Total Bond Market Index	No	No	No	No	No				
Vanguard Institutional Index	No	No	No	No	No				
Vanguard Total Stock Market	No	No	No	No	No				
Vanguard Mid Cap Index	No	No	No	No	No				
Vanguard Small Cap Index	No	No	No	No	No				
Vanguard FTSE All World ex-U.S.	Yes	Yes*	No	No	No				
Stable Value Fund	No	No	No	No	No				
PIMCO Total Return Fund	No	No	No	No	No				
Washington Mutual Investors	No	No	No	No	No				
Growth Fund of America	Yes	No	No	No	No				
JP Morgan Diversified Mid Cap Growth	Yes	Yes	No	No	No				
Lord Abbett	No	No	No	No	No				
Heartland Value	No	No	No	No	No				
EuroPacific Growth	Yes	No	No	No	No				

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

FUND MONITORING SYSTEM

Investment Fund Monitoring Summary:

	1.	2.	3.	4.	5.	2nd Quarter 2010 Status	1st Quarter 2010 Status
	Underperformed in 3 of 4 Trailing Calendar Quarters?	Underperformed Benchmark over Trailing Five Year Period?*	Diverged from Strategy?	Adverse Change in Portfolio Manager?	Adverse Organizational Change?		
Vanguard Target Retirement Income Fund	No	No	No	No	No		
Vanguard Target Retirement 2005 Fund	No	No	No	No	No		
Vanguard Target Retirement 2010 Fund	No	No	No	No	No		
Vanguard Target Retirement 2015 Fund	No	No	No	No	No		
Vanguard Target Retirement 2020 Fund	No	No	No	No	No		
Vanguard Target Retirement 2025 Fund	No	No	No	No	No		
Vanguard Target Retirement 2030 Fund	No	No	No	No	No		
Vanguard Target Retirement 2035 Fund	Yes	No	No	No	No		
Vanguard Target Retirement 2040 Fund	Yes	No	No	No	No		
Vanguard Target Retirement 2045 Fund	Yes	No	No	No	No		
Vanguard Target Retirement 2050 Fund	Yes	No	No	No	No		

*The Vanguard Target Retirement Funds 2010, 2020, 2030, 2040, 2050 began in July 2006. Therefore, performance is based on since-inception period.

MARKET ENVIRONMENT
Second Quarter 2010

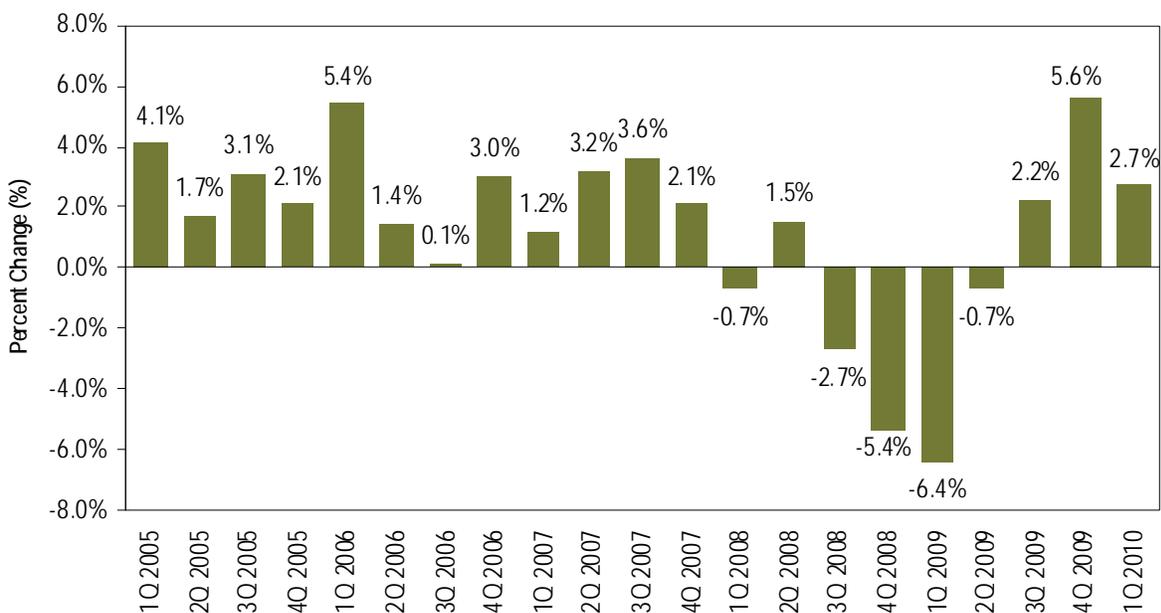
MARKET ENVIRONMENT

MACRO HIGHLIGHTS

The Federal Open Market Committee (FOMC) held the monetary policy steady at the April meeting, retaining the Fed Funds Rate target at 0 – 0.25% and continues to anticipate that economic conditions are likely to warrant exceptionally low levels of the federal funds rate for an extended period. Thomas Hoinig, president of the Federal Reserve Bank of Kansas City, was the lone dissenter and again voted against the policy decision resulting in a 9-1 vote. The FOMC downgraded its outlook for the U.S. economy following its June 23rd meeting, stating that “financial conditions have become less supportive of economic growth on balance, largely reflecting developments abroad.”

According to the final estimate released by the Bureau of Economic Analysis, real GDP increased 2.7% in the first quarter of 2010. This was a downward revision of 0.3 percentage points from the second estimate in May. This is further evidence that the fiscal issues abroad continued to impact the economy in the first quarter. The notable deceleration in real GDP from 5.6% in the fourth quarter 2009 was attributable to the increase in imports, continued decrease in the commercial construction investment, and further spending cuts at the state and local government levels.

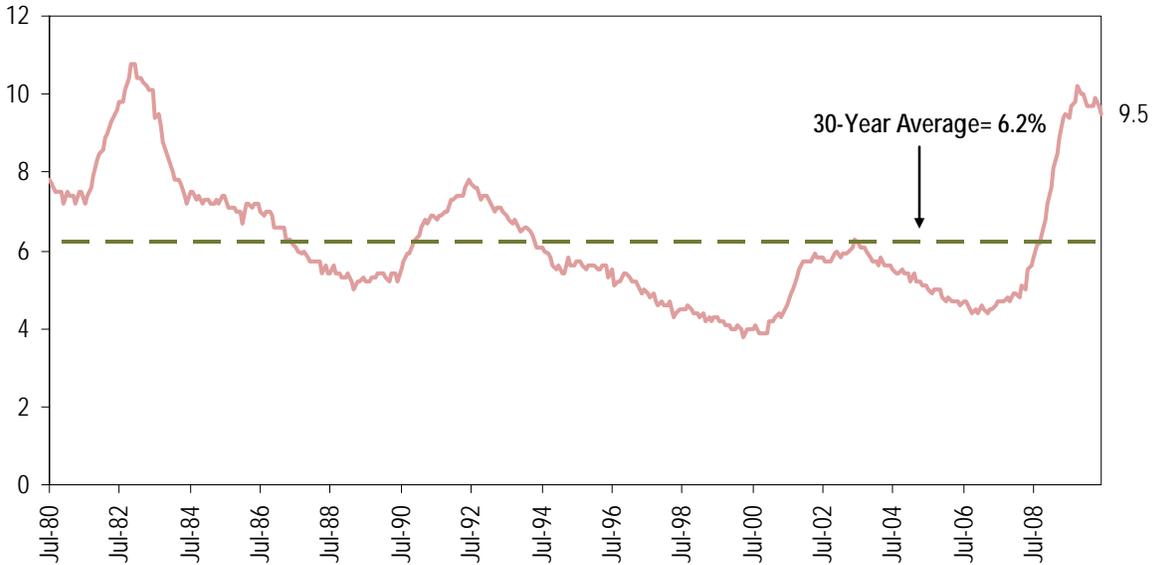
Quarterly Gross Domestic Product (Annualized)



Source: Bureau of Economics Statistics

According to the Bureau of Labor Statistics, the unemployment rate decreased from 9.7% to 9.5% in June as the civilian labor force declined by 652k workers. Nonfarm payrolls declined 125k jobs in June, below expectations for a loss of 100k. The report has become increasingly influenced by the government’s temporary employment of Census workers. In June, 225k Census jobs were shed while private employment increased by 83k versus expectations of +110k, led by continued strength in temporary jobs, hospitality and healthcare. Construction employment remained weak. On a positive note, hourly earnings increased 0.3% versus expectations of 0.1%, which is good news in an environment increasingly focused on potential deflationary forces. The average work week moved to 34.2 hours from 34.1 hours, continuing a steady increase in 2010 that demonstrates companies are maximizing existing resources.

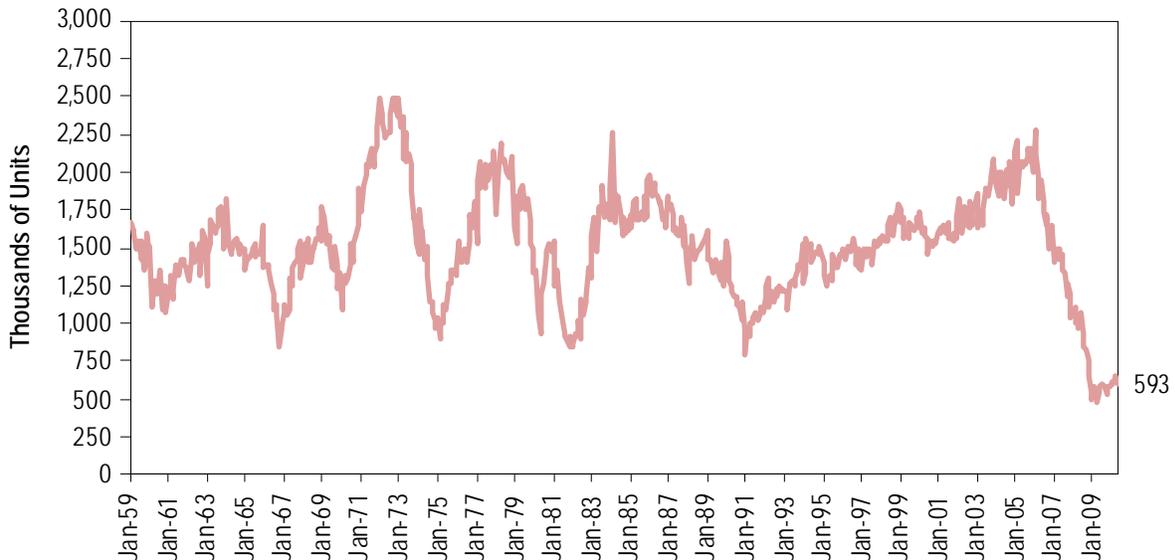
Unemployment Rate
As of June 2010



Source: Bureau of Labor Statistics

With the termination of the home buyer tax incentive at the end of April, overall housing starts decreased 10.0% to a seasonally adjusted annual rate of 593,000 units in May, according to the U.S. Commerce Department. The large decline is attributable to the single-family side which was the segment of home buyers that the government's tax incentive had the greatest impact on in previous months.

Single Family Housing Starts
Seasonally Adjusted Annual Rate
As of May 2010



Source: U.S. Census Bureau

MARKET ENVIRONMENT

MACRO HIGHLIGHTS

According to the Bureau of Labor Statistics, March's Consumer Price Index (CPI-U) declined 0.2% month-over-month on a seasonally adjusted basis. For the second consecutive month in a row, the energy index declined accounting for the seasonally adjusted decline. The energy index decreased 2.9% in May and more than offset a slight increase in the index for all items less food and energy. Within the energy component, the gasoline index accounted for majority of the decline resulting in a 5.2 percent decrease for the month. The food index remained unchanged. The medical care commodities index increased 0.1% in May for a third straight positive month resulting in a positive 3.4% twelve month change on a seasonally unadjusted basis. The CPI-U increased 2.0% over the trailing twelve months.

The core CPI, which excludes volatile food and energy prices, rose 0.1% in May after being unchanged each of the previous two months. The shelter index increased for the first time since August 2009, rising 0.1 percent. New vehicles, used cars and trucks, and shelter continued to post positive results. The index for used cars and trucks rose 0.6% in May resulting in a positive 16.2% over the last twelve months. Over the last twelve months, core CPI has risen 0.9 percent, well below the 2.0% average annual increase over the past 10 years. This underperformance is largely due to the continued deceleration of the shelter index, which has declined 0.7% for the trailing twelve months.

At the wholesale level, the Producer Price Index (PPI) measures the average change over time in the selling prices received by domestic producers for their output. The prices included in the PPI are from the first commercial transaction for many products and some services. After a 0.7% increase in March, PPI declined 0.6% in April and was down 0.3% in May as the crude goods index declined 2.8 percent. On an unadjusted basis, prices for finished goods rose 5.3% over the last twelve months. This signified the second consecutive month of slowing year-over-year change following a 6.0% increase in March 2010.

MARKET ENVIRONMENT

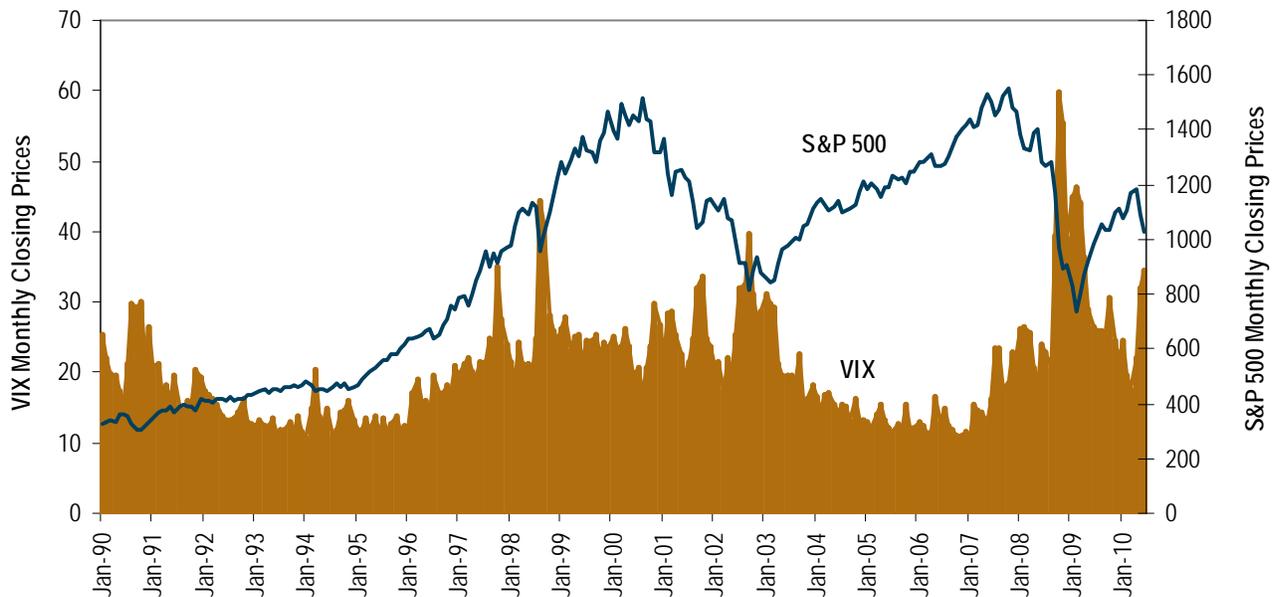
MAJOR MARKET ISSUES

MAJOR MARKET RETURNS

	Second Quarter	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10	10 Years Ending 6/30/10
Dow Jones US Total Stock Index	-11.1%	16.1%	-9.2%	-0.2%	-0.7%
MSCI All Country World ex-U.S. Index	-12.4	10.4	-10.7	3.4	1.9
MSCI EAFE Index	-14.0	5.9	-13.4	0.9	0.2
MSCI Emerging Markets Index	-8.4	23.2	-2.5	12.7	10.0
MSCI All Country World Index	-12.1	11.8	-10.5	1.2	-0.3
Barclays Capital Aggregate Bond Index	3.5	9.5	7.5	5.5	6.5

U.S. equity markets post negative returns in the second quarter as investor confidence in a sustainable economic recovery continued to wane. The returns of riskier asset classes suffered during the quarter, and volatility surged as the Dow Jones U.S. Total Stock Market Index fell by more than 11% and the VIX nearly doubled from March's closing price. On May 6, 2010 the U.S. stock market fell by almost 10% in the span of less than thirty minutes in what was dubbed "The Flash Crash." The market recovered most of its losses by end of day, but this was very damaging to investors' confidence in the stability of automated trading.

S&P 500 vs. VIX Monthly Closing Prices
Ending 6/30/2010



Developed international equities and emerging markets declined 14.0% and 8.4%, respectively. In the second quarter of 2010, the U.S. dollar continued to strengthen versus the non-U.S. developed market currencies, specifically the euro (+10.5%). This proved beneficial to investors holding hedged non-U.S. developed equity securities. The search for safety during the second quarter commenced where U.S. investors favored the highest quality securities and non-U.S. investors favored U.S. assets. The European debt crisis has worsened liquidity

MARKET ENVIRONMENT

MARKET HIGHLIGHTS

conditions with the downgrades of Greece and Spain as the investor base for sovereign debt seeks out highly-rated bonds. Helping to stabilize the European banking system was the announcement in May that the EU and IMF would provide a €750 billion safety net for troubled sovereigns in the region. The Eurozone markets were down from 4% (Germany) to more than 34% (Greece) in local currency terms.

Investors caught a case of risk aversion in May, coming to the realization that Greece's financial crisis will indeed have negative implications for global growth and that Europe's banking system is showing cracks from over-aggressive credit extension. Balance sheet problems for European banks range from peripheral sovereign bonds (Portugal, Ireland, Italy, Greece, and Spain) to non-performing mortgage loans that fueled housing bubbles in Spain and Ireland. Interbank funding markets began to show fear of counterparty risk among European banks as 3-month LIBOR increased 19 basis points (bps) to 54 bps in May. The LIBOR-OIS spread, an indicator of banks' willingness to lend, rose from 11 bps to 32 bps—levels above 10 bps were rare prior to the liquidity crisis in 2007. This is a direct result of European banks opting to plow cash into the European Central Bank's (ECB) overnight deposit facility at a rate of 0.25% rather than lend to each other; eurozone banks deposited a record €320 billion with the ECB as of early June, compared to just €22 billion one year ago.

Mistrust among European banks is eerily similar to the U.S. liquidity crisis leading up to the Lehman collapse. There's been some preemptive action by European governments such as Spain's bailout and restructuring of its struggling banking system. While such action temporarily alleviates systemic stress, it is no panacea for the writedowns on bad loans that many banks still need to take. Repairing banks' balance sheets through a combination of loss realization and a steep yield curve is key to the global recovery. Thus, lending to non-financial sectors will remain constrained and European rates are likely to remain low for some time before a meaningful long-term move higher can take hold.

Investor's confidence in a sustainable economic recovery has been shaky in 2010. Congress has drafted a bill for tighter financial regulations, the SEC's filing of fraud charges against Goldman Sachs, the growing severity in BP's massive oil spill in the Gulf of Mexico, and the slowing economic growth in China have been some of the sources of uncertainty that created a flight-to-quality in the second quarter. In the past, sovereign credits of developed countries have been prized for their safety and have enjoyed high credit ratings from the ratings agencies. However, the recent downgrades of Greece and Spain have worsened liquidity conditions as a large part of the investor base for sovereign debt invests in only the highest-rated bonds. This has benefited U.S. Treasuries, as the yield of the 10-year note declined by 90 basis points to 2.93% and the Barclays Capital U.S. Treasury Index returned 4.68%, respectively. Also noteworthy is the collapse in inflation expectations priced into the TIPS breakevens, shown in the table below. The expectation for the annualized inflation rate over the next two years declined from 1.47% to 0.57% quarter-over-quarter as investors realized the macroeconomic implications of Europe's debt crisis on global growth.

Through June 30, 2010

Credit Spreads (bps) (Based on Barclays indices and OAS ^a)	Dec-09	Mar-10	Jun-10	Quarterly Chg (bps)	YTD Chg (bps)	Quarterly Return (%)	YTD Return (%)
Agency Fixed-Rate MBS	19	20	9	-11	-10	2.9	4.6
CMBS	473	323	368	45	-105	2.8	12.1
ABS	100	68	83	15	-17	2.5	4.8
IG Corporates	172	150	193	43	21	3.4	5.8
IG Financials	226	186	249	63	23	1.8	4.7
Convertibles	916	647	800	153	-116	-5.6	-0.3
High Yield	617	570	700	130	83	-0.1	4.5
Ba	453	420	536	116	83	0.4	5.0
B	567	540	676	136	109	0.0	3.6
Caa	868	818	983	165	115	-1.4	3.8
Quality Spread (Caa-Ba)	415	398	447	49	32	-	-
Treasury Yields (% unless noted)							
3-month	0.05	0.16	0.16	0	11	0.0	0.1
2-year	1.14	1.02	0.61	-41	-53	1.2	1.9
5-year	2.68	2.55	1.78	-77	-90	4.7	6.5
10-year	3.84	3.83	2.93	-90	-91	8.4	9.4
30-year	4.64	4.71	3.89	-82	-75	15.3	15.2
3m-10y Spread (bps)	379	367	277	-90	-102	-	-
2y-10y Spread (bps)	270	281	232	-49	-38	-	-
TIPS Breakevens^b (percentage points of implied inflation; negative = deflation)							
2-year BE	1.24	1.47	0.57	-90	-67	-	-
5-year BE	1.95	1.79	1.52	-27	-43	-	-
10-year BE	2.41	2.26	1.84	-42	-57	-	-
30-year BE	2.55	2.55	2.19	-36	-36	-	-
Liquidity Indicators (bps)							
3-mo LIBOR	25	29	53	24	28	-	-
LIBOR-OIS Spread ^c	9	9	33	24	24	-	-
TED Spread ^d	20	14	36	22	16	-	-
Conventional Fixed Rate Mortgage							
30-year	5.18%	5.04%	4.68%	-36	-50	-	-

^a Option-adjusted spread is the spread after removing embedded options, e.g., prepay, callable; better for cross-sector comparison.

^b TIPS Breakevens are the nominal Treasury yield minus the TIPS yield, and represent market expectations for inflation.

^c LIBOR-OIS is the spread between 3-month LIBOR and the overnight indexed swap rate, and is an indicator of banks' willingness to lend.

^d TED Spread is the difference between 3-month LIBOR and the 3-month T-bill yield, and is a measure of risk premium to lend.

Source: Bloomberg, LehmanLive, Mortgage Bankers Association

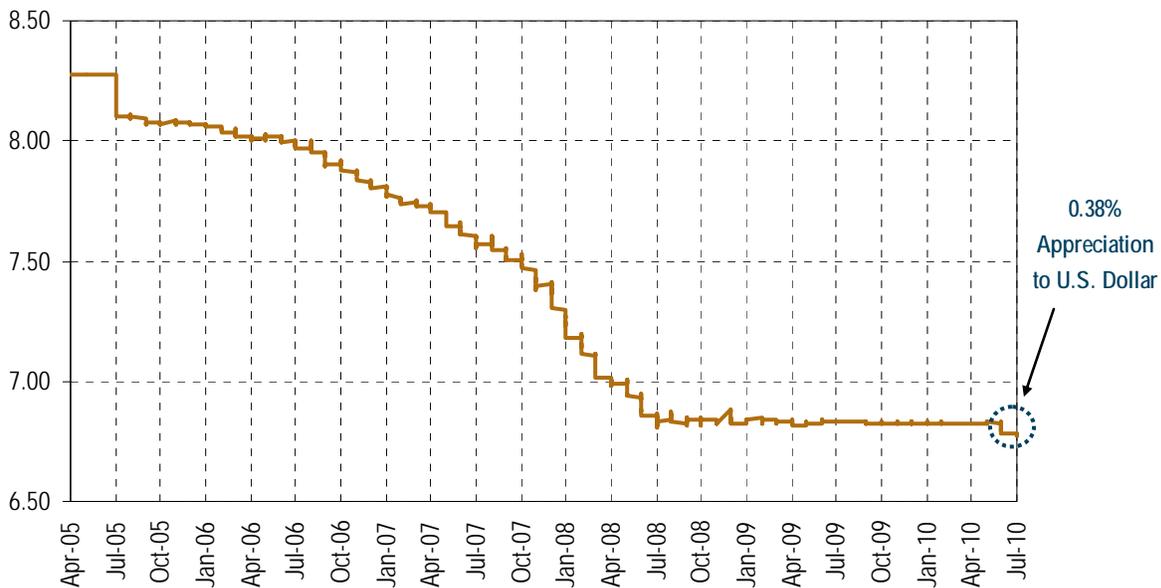
Overall, the U.S. fixed income markets fared well during the second quarter despite the tumultuous macroeconomic environment overseas and recent weakness in the U.S. economy. Although risk assets were shunned by investors in favor of Treasuries, most fixed income asset classes posted positive returns. Treasuries posted the largest gains during the quarter followed by investment grade corporates with 3.4% and agency-MBS posting gains of 2.9%. High yield bond spreads widened 120 bps in May and another 21 bps in June, reversing the tightening seen from January to April 2010 and ending the quarter virtually unchanged (-0.1%). Non-agency mortgages have had some recovery since May and MBS spreads have tightened despite the end of the Fed's buying program. There is a clear trend toward yield-seeking behavior amid the expectation that the U.S. will remain in a low interest rate environment for some time. Fed Funds futures indicate that this benchmark rate will not reach 1% until April 2012.

MARKET ENVIRONMENT

MARKET HIGHLIGHTS

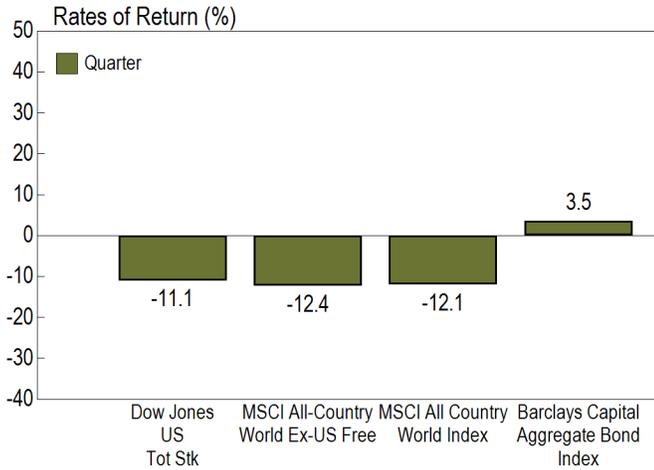
There has been much attention given to the Chinese yuan recently. China's economic success is derived from the competitive edge it holds due to the managed currency pegged to the U.S. dollar, keeping it artificially low. This provides a competitive edge to Chinese exports resulting in a negative influence on other economies with free floating currencies. China announced that it would allow the yuan to appreciate gradually over time in an effort to address preemptively the sensitive currency issues. This June 21st announcement resulted in a 0.38% appreciation for the yuan against the U.S. dollar in the cash market through July 14th. Over the past 4 years, the yuan has appreciated by roughly 15%, or 3.6% annualized. Relaxing the trading band will make products that the U.S. exports more affordable in China and assist in balancing the current trade deficit / surplus imbalance over time.

U.S. Dollar/ Chinese Yuan
Daily Spot Rates 4/1/2005 - 7/14/2010

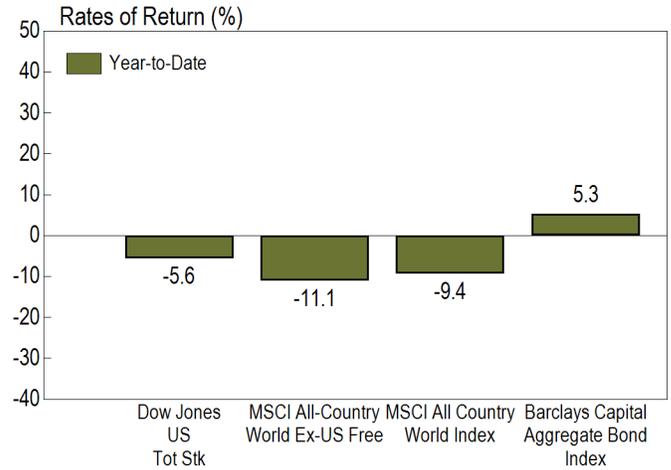


Source: Bank of England

**MAJOR MARKET RETURNS
SECOND QUARTER**

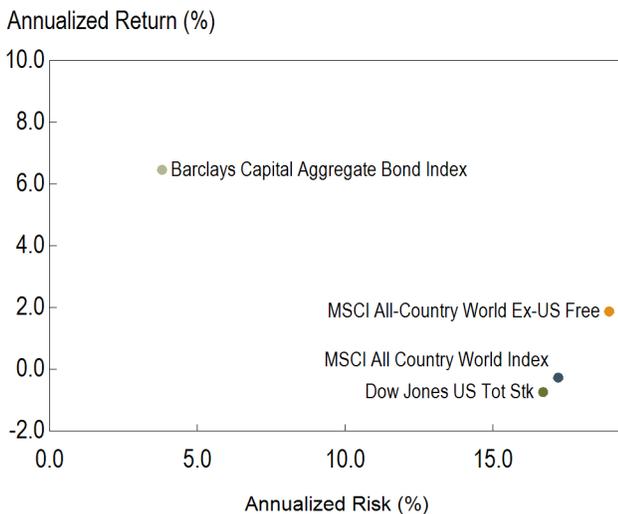


**MAJOR MARKET RETURNS
YEAR-TO-DATE ENDING 6/30/10**

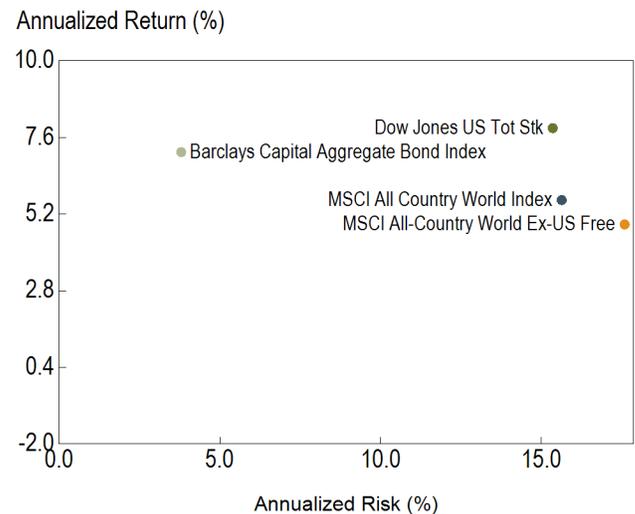


The exhibits above show the performance of the major capital markets during the second quarter and year-to-date periods.

**MARKET RISK/RETURN
10 YEARS ENDING 6/30/10**



**MARKET RISK/RETURN
20 YEARS ENDING 6/30/10**

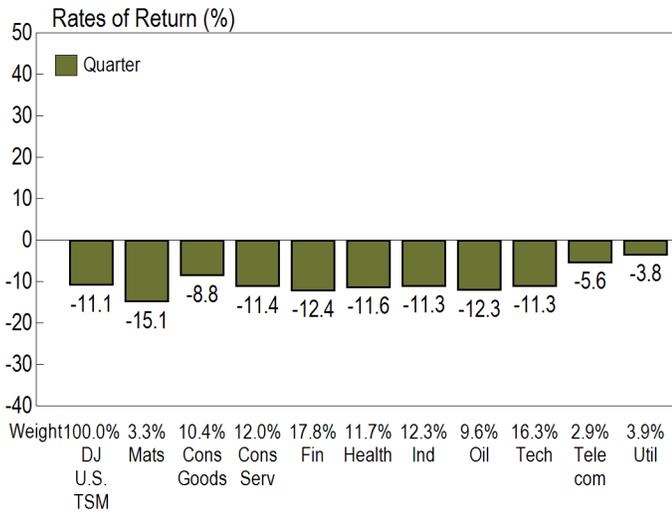


The exhibits above show the historical performance of the major capital markets and the amount of risk (volatility of returns) incurred. Points near the top of the chart represent a greater return and points near the right of the chart indicate greater volatility.

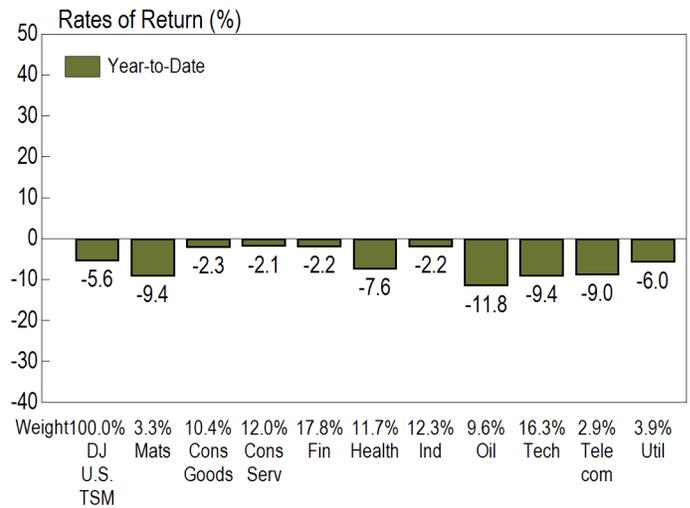
MARKET ENVIRONMENT

U.S. STOCK MARKET

SECTOR RETURNS SECOND QUARTER



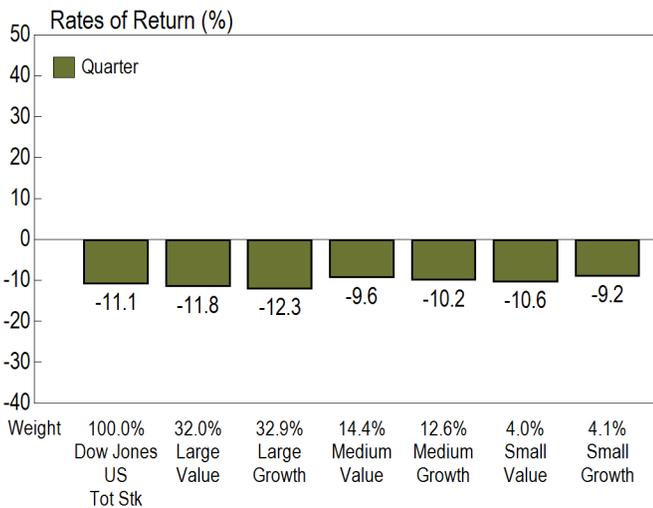
SECTOR RETURNS YEAR-TO-DATE ENDING 6/30/10



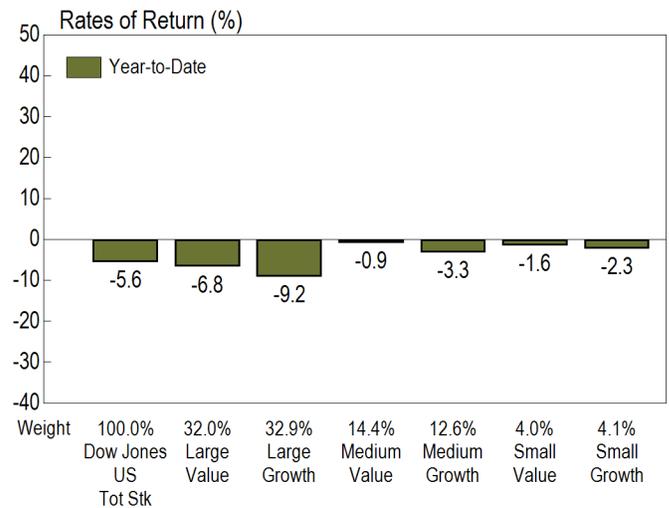
The Dow Jones U.S. Total Stock Market Index is the broadest available measure of the aggregate domestic stock market. It includes all domestic common stocks with readily available price information.

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 SECOND QUARTER

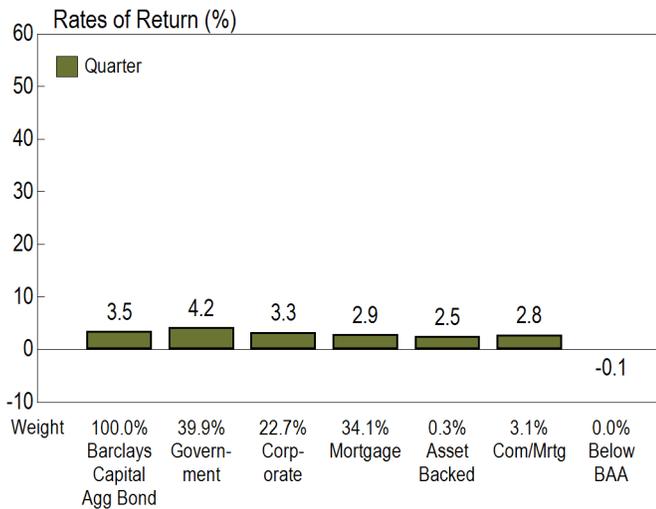


STYLE RETURNS YEAR-TO-DATE ENDING 6/30/10

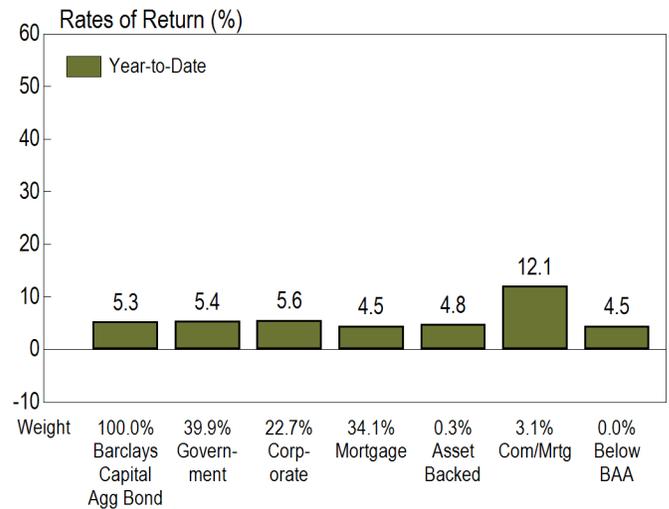


The exhibits above illustrate the performance of stock investment styles according to capitalization (large and small) and style characteristics (value and growth). The percentage below each bar indicates the segment's weight within the Dow Jones U.S. Total Stock Market Index at quarter-end.

**SECTOR RETURNS
SECOND QUARTER**



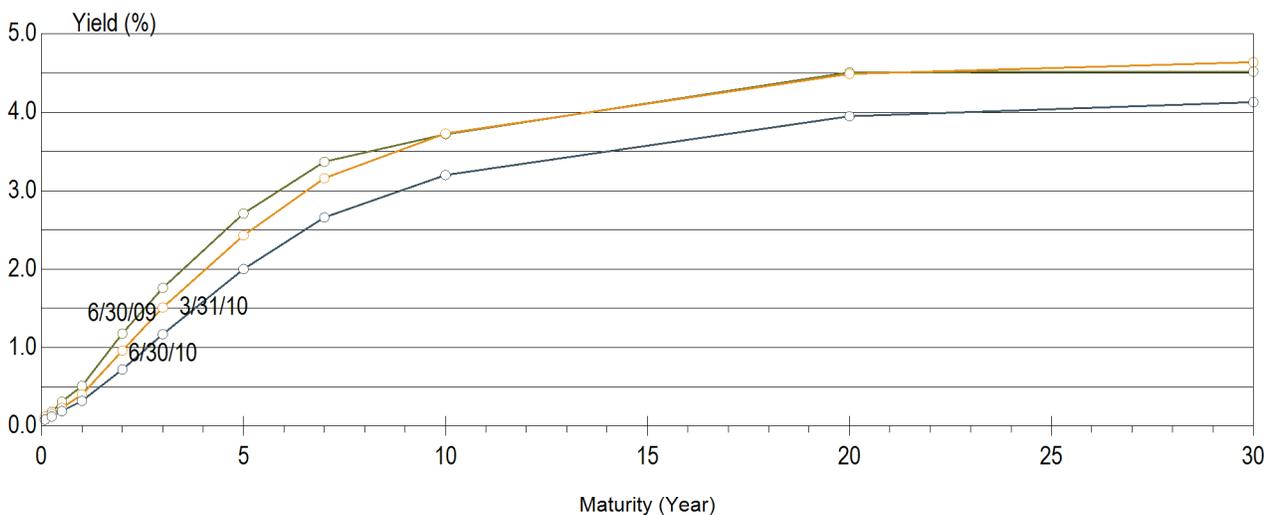
**SECTOR RETURNS
YEAR-TO-DATE ENDING 6/30/10**



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

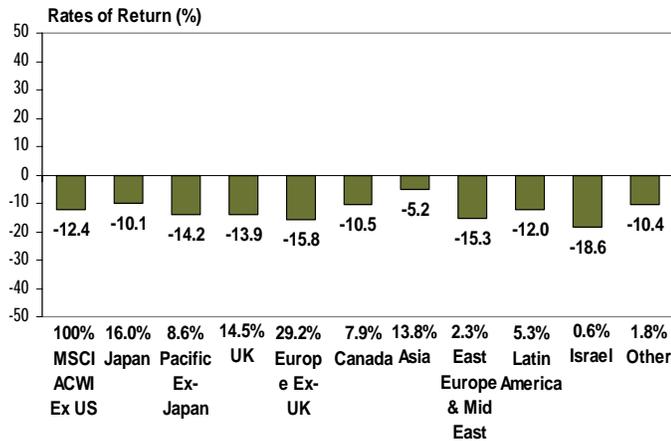


The exhibit above illustrates yields of Treasury securities of various maturities as of June 30, 2010, March 31, 2009, and June 30, 2009.

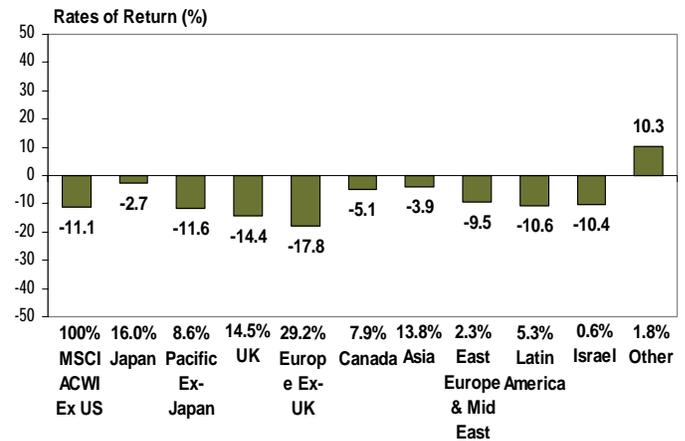
MARKET ENVIRONMENT

NON-U.S. STOCK MARKETS

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

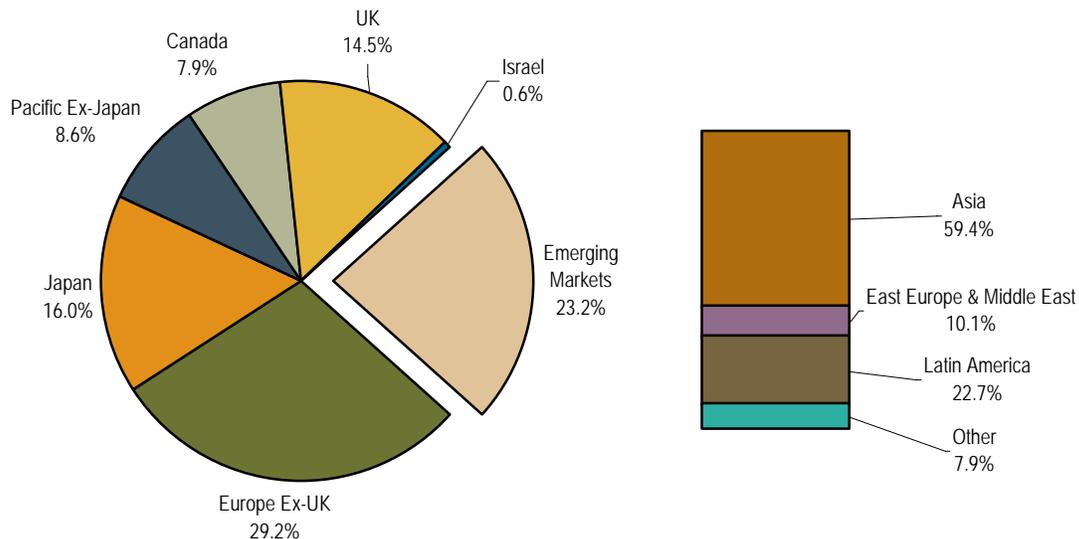


**NON-U.S. STOCK MARKET RETURNS
YEAR-TO-DATE ENDING 6/30/2010**



The MSCI All Country World ex-U.S. Index is a capitalization-weighted index of stocks representing 23 developed stock markets and 21 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.

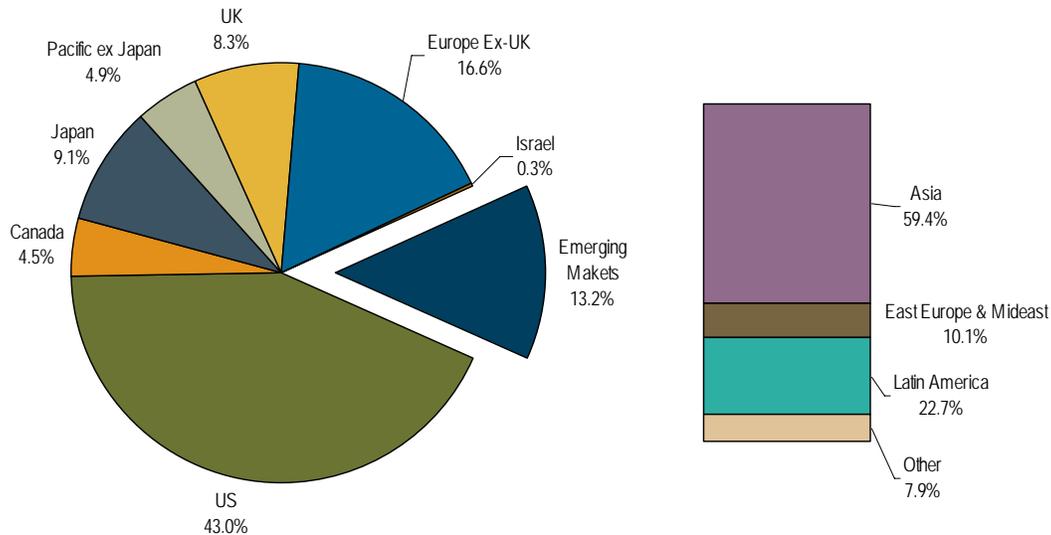
**MSCI ALL-COUNTRY WORLD EX-U.S. STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 6/30/2010**



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.

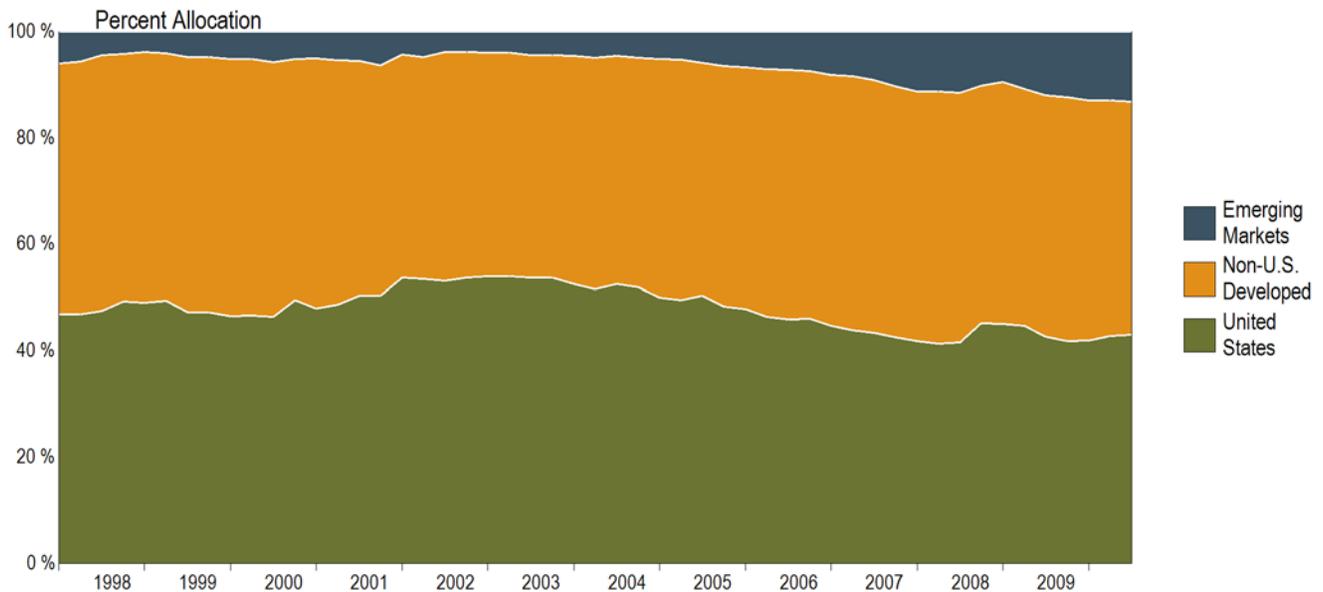
Note on Other: Includes South Africa, Egypt, and Morocco. Returns expressed are the weighted average returns.

MSCI ALL-COUNTRY WORLD STOCK INDEX
GEOGRAPHIC ALLOCATION AS OF 6/30/2010



The MSCI All Country World Index is a capitalization-weighted index of stocks representing 24 developed stock markets and 21 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 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
TRP PS Income	-4.6%	-1.5%	12.6%	0.1%	3.9%
Custom Benchmark	-3.3	-0.5	9.9	-0.4	3.0

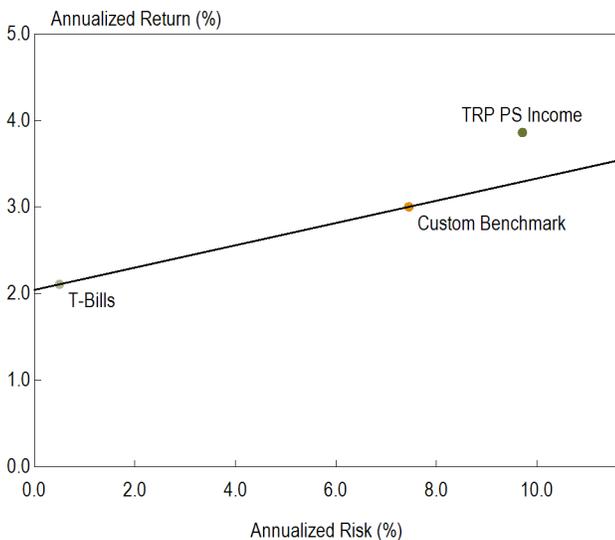
Investment Strategy

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.

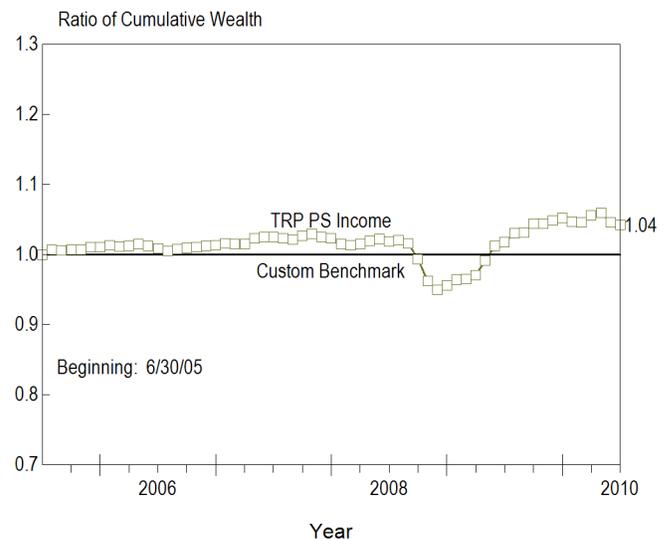
The Fund's target asset allocation is 40% stocks, 40% bonds, and 20% cash. Typically, the Fund maintains a 5% - 10% exposure to non-U.S. stocks. It is the most conservative of the three T. Rowe Price lifestyle funds.

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 6/30/10



RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10



T. ROWE PRICE

PERSONAL STRATEGY INCOME

Fund Information as of 06/30/2010

Fund Name	T Rowe Price Prs Str:Inc
Ticker	PRSEX
Category	Conservative Allocation
Benchmark	Custom Benchmark
Expense Ratio	0.72%
Fund Assets (\$mm)	839.08
Share Class Inception Date	7/29/1994
Manager Tenure	12

Sector Allocation as of 06/30/2010

BUSINESS SERVICES	2.0%
CONSUMER GOODS	3.1%
CONSUMER SERVICES	4.6%
ENERGY	3.9%
FINANCIAL SERVICES	8.2%
HARDWARE	4.1%
HEALTHCARE	3.5%
INDUSTRIAL MATERIALS	5.2%
MEDIA	1.9%
SOFTWARE	0.8%
TELECOMMUNICATION	2.8%
UTILITIES	1.2%

Top Holdings as of 06/30/2010

RESERVE INVT FDS	12.5%
T. ROWE PRICE INSTL HIGH YIELD	7.2%
T. ROWE PRICE INSTL EMERGING MKTS BOND	6.7%
T. ROWE PRICE INSTL INTL BOND	5.0%
T. ROWE PRICE INSTL EMERGING MKTS EQ	1.5%
UNITED STATES TREAS NTS 1.75%	1.4%
APPLE, INC.	1.1%
UNITED STATES TREAS NTS 3.125%	1.1%
UNITED STATES TREAS NTS 2.625%	0.8%
GOOGLE, INC.	0.8%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Income	Custom Benchmark	Return Difference
	Return	Return	
2000	6.6%	1.0%	5.6
2001	0.9	-0.9	1.8
2002	-3.4	-4.1	0.7
2003	18.6	14.3	4.3
2004	9.9	7.4	2.5
2005	5.2	4.5	0.7
2006	9.6	9.3	0.3
2007	7.3	6.3	1.0
2008	-20.4	-14.9	-5.5
2009	25.5	14.0	11.5
2010 (6 months)	-1.5	-0.5	-1.0
Trailing 1-Year	12.6%	9.9%	2.7
Trailing 3-Year	0.1	-0.4	0.5
Trailing 5-Year	3.9	3.0	0.9
Trailing 10-Year	4.9	3.1	1.8

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

**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
TRP PS Balanced	-7.1 %	-3.4 %	14.2 %	-3.0 %	2.9 %
Custom Benchmark	-6.0	-2.5	11.8	-3.3	2.3

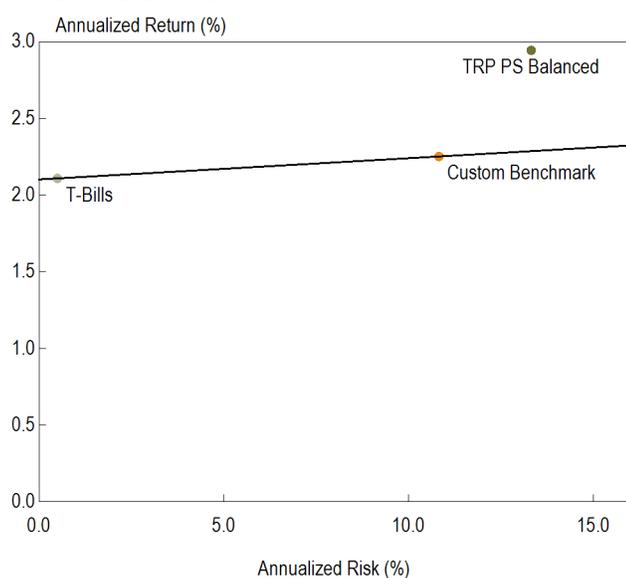
Investment Strategy

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.

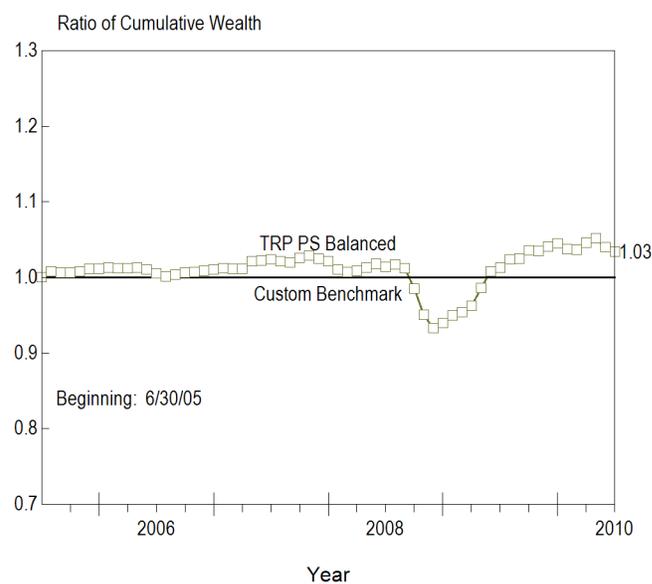
The Fund's neutral asset allocation is 60% stocks, 30% bonds, and 10% cash. Typically, the Fund maintains a 10% exposure to non-U.S. stocks. The balanced fund is the moderate fund relative to the three T. Rowe Price lifestyle funds in terms of expected risk and reward.

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 6/30/10**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10**



T. ROWE PRICE

PERSONAL STRATEGY BALANCED

Fund Information as of 06/30/2010

Fund Name	T Rowe Price Prs Str:Bal
Ticker	TRPBX
Category	Moderate Allocation
Benchmark	Custom Benchmark
Expense Ratio	0.81%
Fund Assets (\$mm)	1,409.62
Share Class Inception Date	7/29/1994
Manager Tenure	12

Sector Allocation as of 06/30/2010

BUSINESS SERVICES	3.0%
CONSUMER GOODS	4.6%
CONSUMER SERVICES	6.8%
ENERGY	5.8%
FINANCIAL SERVICES	12.2%
HARDWARE	6.1%
HEALTHCARE	5.1%
INDUSTRIAL MATERIALS	7.6%
MEDIA	2.8%
SOFTWARE	1.1%
TELECOMMUNICATION	4.1%
UTILITIES	1.7%

Top Holdings as of 06/30/2010

T. ROWE PRICE INSTL HIGH YIELD	4.9%
T. ROWE PRICE INSTL EMERGING MKTS BOND	4.5%
T. ROWE PRICE INSTL INTL BOND RESERVE INVT FDS	3.4%
T. ROWE PRICE INSTL EMERGING MKTS EQ	3.1%
APPLE, INC.	2.3%
UNITED STATES TREAS NTS 1.75%	1.7%
GOOGLE, INC.	1.5%
UNITED STATES TREAS NTS 2.625%	1.1%
J.P. MORGAN CHASE & CO.	1.0%
	0.9%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Balanced	Custom Benchmark	Return Difference
	Return	Return	
2000	5.6%	-3.0%	8.6
2001	-2.5	-4.7	2.2
2002	-7.7	-9.2	1.5
2003	24.4	20.4	4.0
2004	12.6	9.6	3.0
2005	6.4	5.6	0.8
2006	11.9	12.1	-0.2
2007	7.7	6.5	1.2
2008	-29.3	-23.2	-6.1
2009	32.6	19.3	13.3
2010 (6 months)	-3.4	-2.5	-0.9
Trailing 1-Year	14.2%	11.8%	2.4
Trailing 3-Year	-3.0	-3.3	0.3
Trailing 5-Year	2.9	2.3	0.6
Trailing 10-Year	4.2	2.2	2.0

RETURN SUMMARY
ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
TRP PS Growth	-9.8%	-5.7%	14.8%	-7.0%	1.4%
Custom Benchmark	-8.6	-4.3	13.8	-6.2	1.3

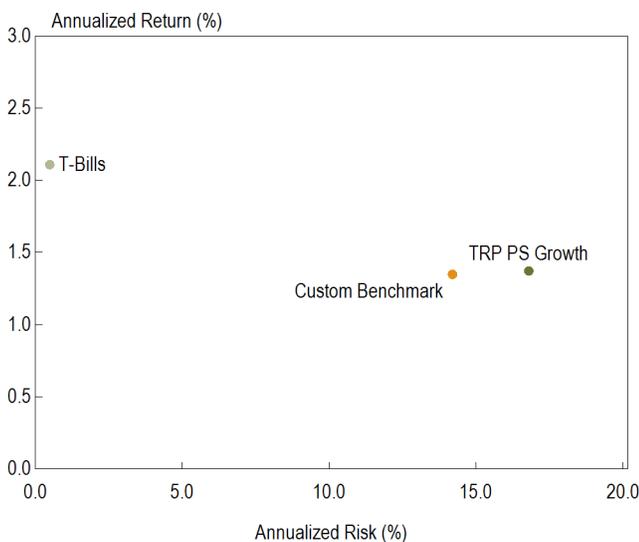
Investment Strategy

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.

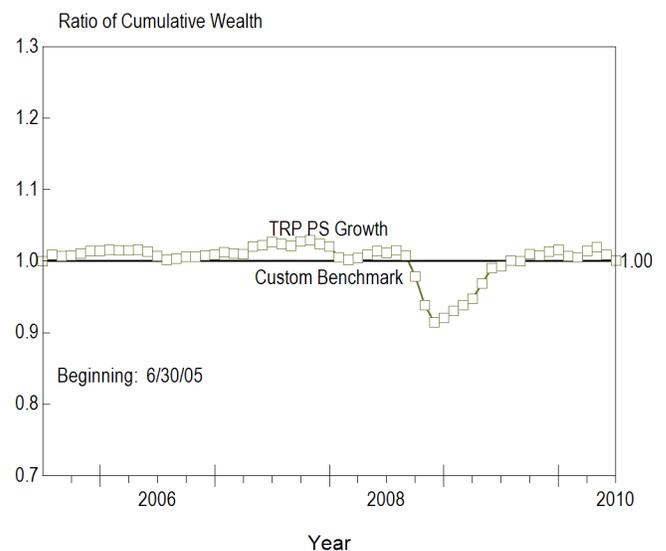
The Fund's neutral asset allocation is 80% stocks and 20% bonds. Typically, the Fund maintains a 15% - 25% exposure to non-U.S. stocks. The growth fund has the highest expected risk/reward profile of the three T. Rowe Price lifestyle funds.

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

ANNUALIZED RISK RETURN
5 YEARS ENDING 6/30/10



RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10



T. ROWE PRICE

PERSONAL STRATEGY GROWTH

Fund Information as of 06/30/2010

Fund Name	T Rowe Price Prs Str:Gro
Ticker	TRSGX
Category	Large Blend
Benchmark	Custom Benchmark
Expense Ratio	0.91%
Fund Assets (\$mm)	973.85
Share Class Inception Date	7/29/1994
Manager Tenure	12

Sector Allocation as of 06/30/2010

BUSINESS SERVICES	4.0%
CONSUMER GOODS	6.1%
CONSUMER SERVICES	9.0%
ENERGY	7.8%
FINANCIAL SERVICES	16.2%
HARDWARE	8.1%
HEALTHCARE	6.8%
INDUSTRIAL MATERIALS	10.1%
MEDIA	3.8%
SOFTWARE	1.5%
TELECOMMUNICATION	5.4%
UTILITIES	2.3%

Top Holdings as of 06/30/2010

T. ROWE PRICE INSTL EMERGING MKTS EQ	3.2%
T. ROWE PRICE INSTL HIGH YIELD	2.3%
APPLE, INC.	2.2%
T. ROWE PRICE INSTL EMERGING MKTS BOND	2.2%
T. ROWE PRICE INSTL INTL BOND	1.6%
GOOGLE, INC.	1.5%
J.P. MORGAN CHASE & CO.	1.2%
RESERVE INVT FDS	1.1%
AMAZON.COM, INC.	1.0%
AMERICAN EXPRESS COMPANY	1.0%

HISTORICAL RETURNS

(BY YEAR)

	TRP PS Growth	Custom Benchmark	Return Difference
	Return	Return	
2000	4.7%	-7.0%	11.7
2001	-6.0	-8.4	2.4
2002	-12.4	-14.4	2.0
2003	29.3	26.6	2.7
2004	15.0	11.8	3.2
2005	7.6	6.5	1.1
2006	14.1	14.7	-0.6
2007	7.8	6.7	1.1
2008	-37.6	-30.8	-6.8
2009	37.5	24.5	13.0
2010 (6 months)	-5.7	-4.3	-1.4
Trailing 1-Year	14.8%	13.8%	1.0
Trailing 3-Year	-7.0	-6.2	-0.8
Trailing 5-Year	1.4	1.3	0.1
Trailing 10-Year	2.9	1.1	1.8

VANGUARD TARGET RETIREMENT FUNDS

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Target Retirement Income Fund	-1.2 %	1.2 %	11.0 %	2.5 %	3.7 %
Target Retirement Income Benchmark	-1.2	1.2	10.9	2.4	3.7
Vanguard Target Retirement 2005 Fund	-2.1	0.5	11.8	0.6	3.2
Target Retirement 2005 Benchmark	-2.2	0.6	11.9	0.5	3.2
Vanguard Target Retirement 2010 Fund	-4.1	-0.9	12.8	-1.3	--
Target Retirement 2010 Benchmark	-4.2	-0.9	12.9	-1.4	--
Vanguard Target Retirement 2015 Fund	-5.6	-2.0	13.3	-2.8	2.3
Target Retirement 2015 Benchmark	-5.7	-2.1	13.3	-3.0	2.2
Vanguard Target Retirement 2020 Fund	-6.8	-3.1	13.6	-4.1	--
Target Retirement 2020 Benchmark	-6.8	-3.0	13.6	-4.3	--
Vanguard Target Retirement 2025 Fund	-8.0	-4.0	14.0	-5.5	1.3
Target Retirement 2025 Benchmark	-7.9	-3.9	14.0	-5.6	1.3
Vanguard Target Retirement 2030 Fund	-9.1	-5.0	14.1	-6.8	--
Target Retirement 2030 Benchmark	-9.0	-4.9	14.3	-6.9	--
Vanguard Target Retirement 2035 Fund	-10.2	-5.9	14.1	-7.7	0.7
Target Retirement 2035 Benchmark	-10.1	-5.8	14.4	-7.8	0.7
Vanguard Target Retirement 2040 Fund	-10.2	-5.9	14.1	-7.6	--
Target Retirement 2040 Benchmark	-10.1	-5.8	14.4	-7.8	--
Vanguard Target Retirement 2045 Fund	-10.2	-5.9	14.1	-7.7	1.1
Target Retirement 2045 Benchmark	-10.1	-5.8	14.4	-7.8	1.0
Vanguard Target Retirement 2050 Fund	-10.2	-5.9	14.1	-7.6	--
Target Retirement 2050 Benchmark	-10.1	-5.8	14.4	-7.8	--

Investment Strategy

The Vanguard Target Retirement Funds are designed to aid investors who do not wish to make asset allocation decisions themselves. Each of the Funds invests in several Vanguard index funds in a mix that coincides with the risk profile of the targeted retirement date for the participant. As the participant moves closer toward the targeted retirement date, the asset allocation of the Fund becomes more risk-averse, focusing more on fixed income and less on equities.

VANGUARD TARGET RETIREMENT FUNDS

Vanguard Target Retirement Income Fund

Domestic Stocks	23.3%
International Stocks	5.9
Nominal Bonds	45.5
Inflation-Protected Bonds	20.3
Cash	5.0

Vanguard Target Retirement 2005 Fund

Domestic Stocks	27.8%
International Stocks	7.1
Nominal Bonds	44.1
Inflation-Protected Bonds	17.5
Cash	3.5

Vanguard Target Retirement 2010 Fund

Domestic Stocks	39.3%
International Stocks	10.0
Nominal Bonds	40.4
Inflation-Protected Bonds	10.3
Cash	0.0

Vanguard Target Retirement 2015 Fund

Domestic Stocks	47.2%
International Stocks	12.0
Nominal Bonds	40.8
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2020 Fund

Domestic Stocks	53.6%
International Stocks	13.5
Nominal Bonds	32.9
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2025 Fund

Domestic Stocks	59.4%
International Stocks	15.0
Nominal Bonds	25.6
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2030 Fund

Domestic Stocks	65.5%
International Stocks	16.5
Nominal Bonds	18.0
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2035 Fund

Domestic Stocks	71.5%
International Stocks	18.1
Nominal Bonds	10.4
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2040 Fund

Domestic Stocks	71.8%
International Stocks	18.1
Nominal Bonds	10.1
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2045 Fund

Domestic Stocks	71.8%
International Stocks	18.1
Nominal Bonds	10.1
Inflation-Protected Bonds	0.0
Cash	0.0

Vanguard Target Retirement 2050 Fund

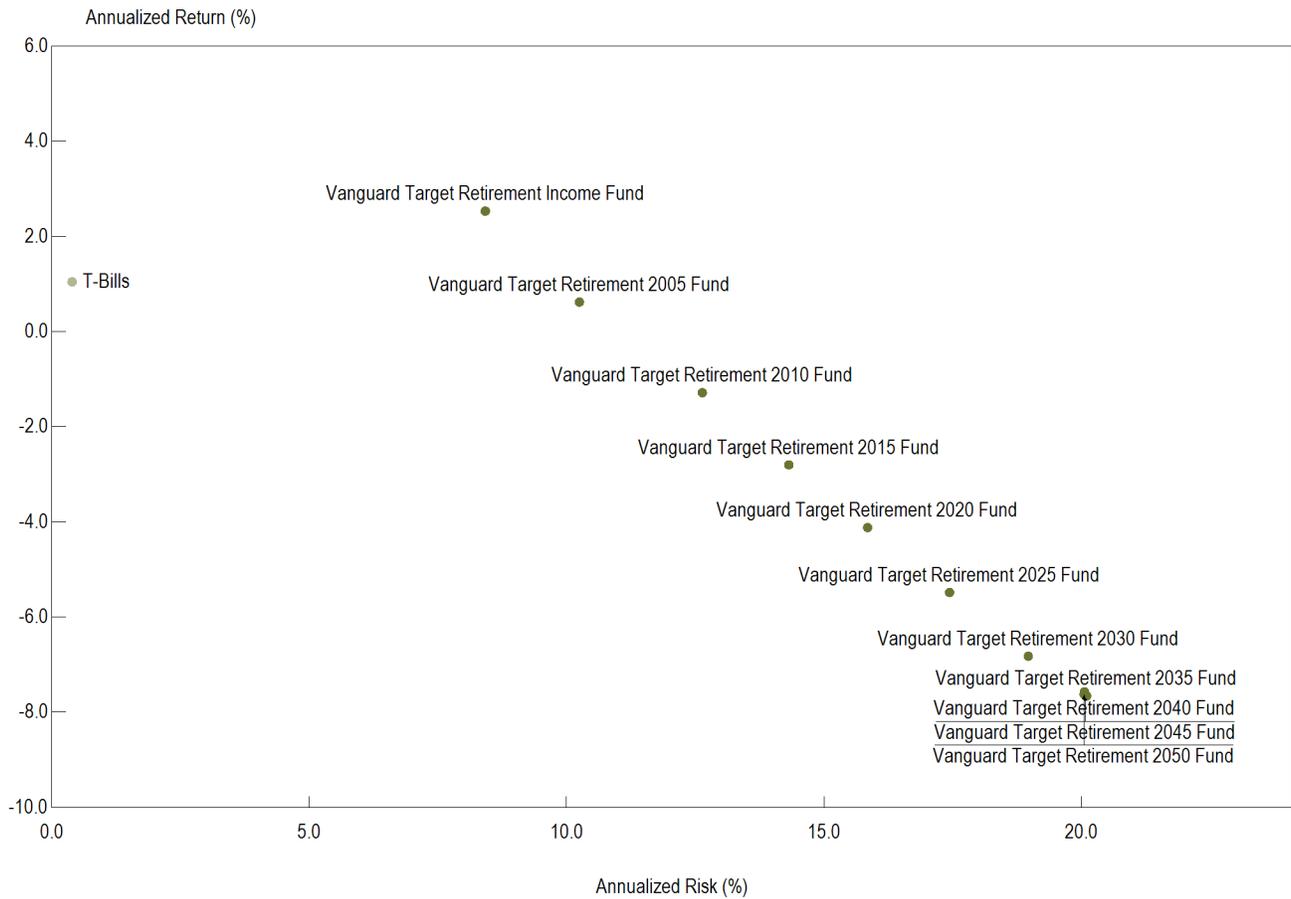
Domestic Stocks	71.8%
International Stocks	18.1
Nominal Bonds	10.1
Inflation-Protected Bonds	0.0
Cash	0.0

Asset Allocation Table

The tables above illustrates the asset allocations for the Vanguard Retirement Funds as of June 30, 2010.

VANGUARD TARGET RETIREMENT FUNDS

ANNUALIZED RISK RETURN 3 YEARS ENDING 6/30/10



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VANGUARD TOTAL BOND MARKET INDEX

RETURN SUMMARY ENDING 6/30/10

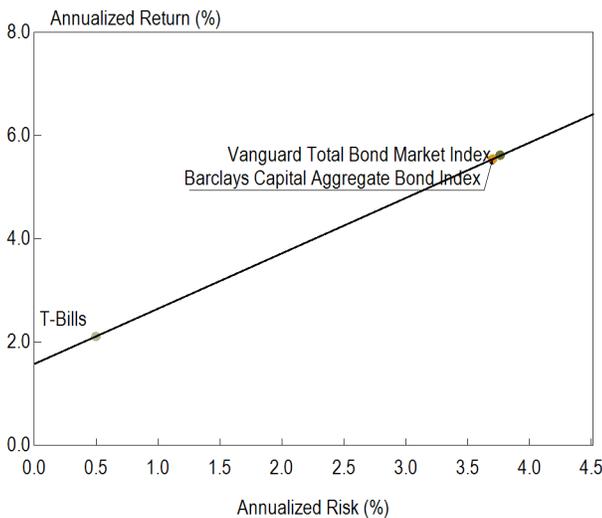
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Total Bond Market Index	3.6%	5.4%	9.5%	7.7%	5.6%
Barclays Capital Aggregate Bond Index	3.5	5.3	9.5	7.5	5.5

Investment Strategy

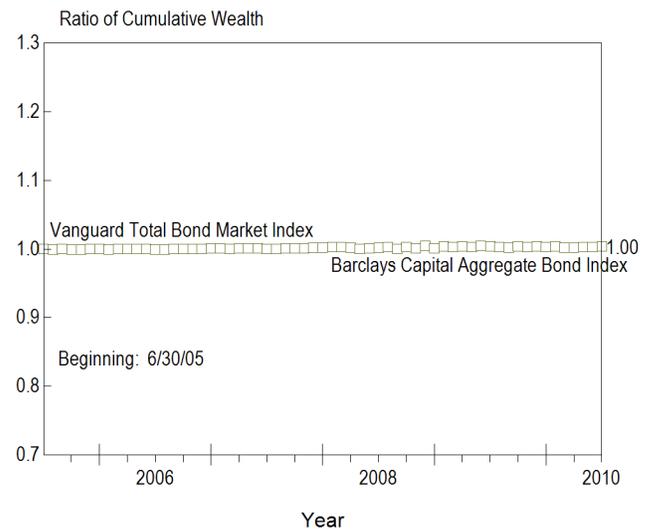
The Vanguard Total Bond Market Index Fund seeks to replicate the performance of the Barclays Capital Aggregate Bond Index. The Fund holds U.S. government and agency securities, high-quality corporate bonds, and mortgage-backed issues.

The Fund attempts to simulate the market's performance by holding a sampling of the more than 4,000 bonds in the Barclays Capital Aggregate Bond Index. Characteristics of the Fund, including interest-rate sensitivity and sector weightings, closely match those of the Index.

ANNUALIZED RISK RETURN 5 YEARS ENDING 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



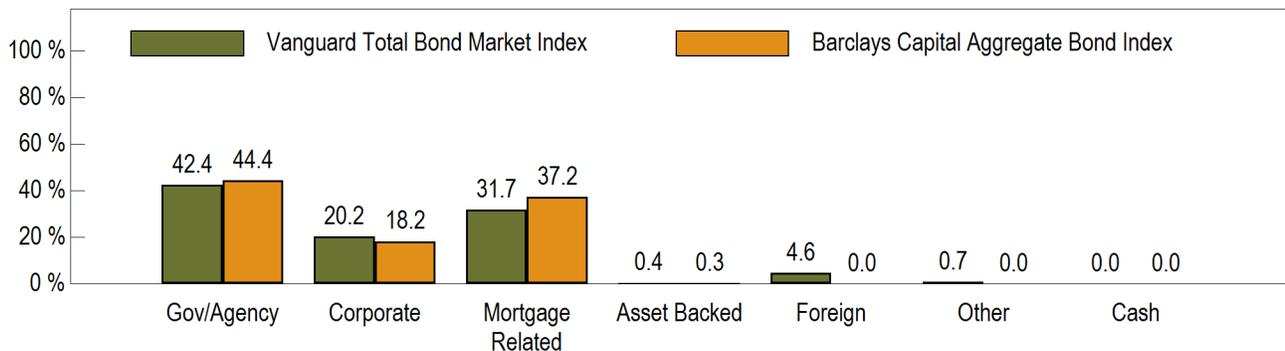
VANGUARD TOTAL BOND MARKET INDEX

Fund Information as of 06/30/2010

Fund Name	VANGUARD-TOT-INS
Ticker	VBTIX
Category	Intermediate-Term Bond
Benchmark	Barclays Capital Aggregate Bond Index
Expense Ratio	0.07%
Fund Assets (\$mm)	18,873.30
Share Class Inception Date	9/18/1995
Manager Tenure	18

SECTOR ALLOCATION AS OF 6/30/10

Vanguard Total Bond Market Index



HISTORICAL RETURNS

(BY YEAR)

	Vanguard Total Bond Market Index	Barclays Capital Aggregate Bond Index	Return Difference
	Return	Return	
2000	11.5%	11.6%	-0.1
2001	8.6	8.4	0.2
2002	8.4	10.3	-1.9
2003	4.1	4.1	0.0
2004	4.4	4.3	0.1
2005	2.5	2.4	0.1
2006	4.4	4.3	0.1
2007	7.0	7.0	0.0
2008	5.2	5.2	0.0
2009	6.1	5.9	0.2
2010 (6 months)	5.4	5.3	0.1
Trailing 1-Year	9.5%	9.5%	0.0
Trailing 3-Year	7.7	7.5	0.2
Trailing 5-Year	5.6	5.5	0.1
Trailing 10-Year	6.3	6.5	-0.2

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Institutional Index Fund	-11.4 %	-6.7 %	14.5 %	-9.8 %	-0.8 %
S&P 500 Index	-11.4	-6.7	14.4	-9.8	-0.8

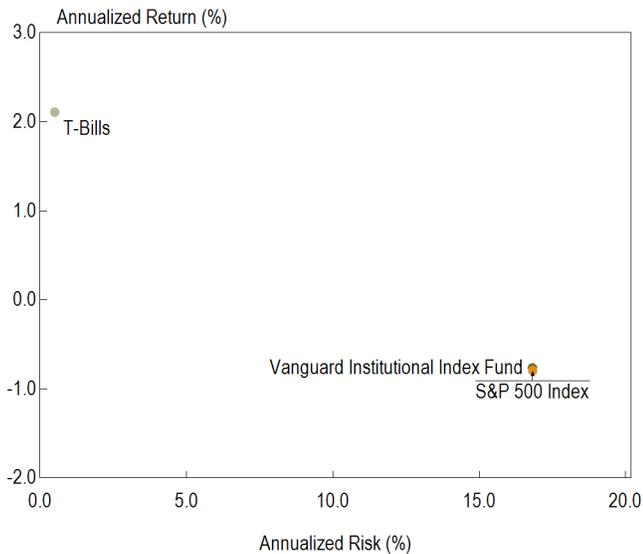
Investment Strategy

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.

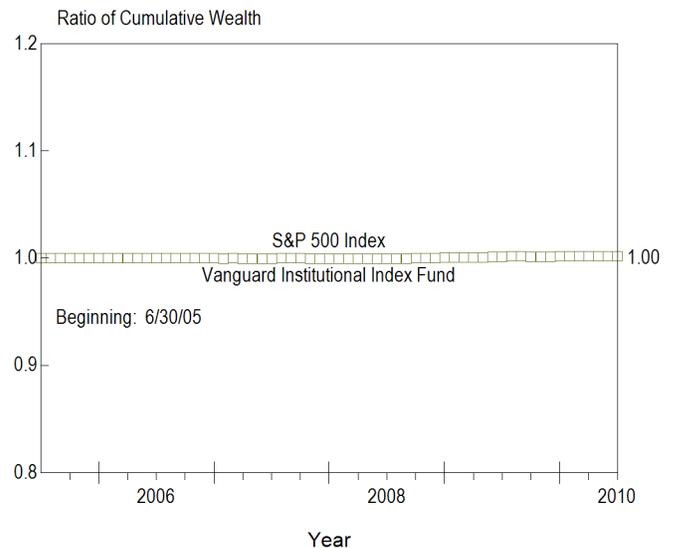
Management uses S&P 500 Index futures to manage fund inflows and outflows.

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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



VANGUARD INSTITUTIONAL INDEX

Fund Information as of 05/31/2010

Fund Name	VANGUARD-INST-IS
Ticker	VINIX
Category	Large Blend
Benchmark	S&P 500 Index
Expense Ratio	0.05%
Fund Assets (\$mm)	45,318.75
Share Class Inception Date	7/31/1990
Manager Tenure	5

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	3.55%
CONSUMER GOODS	10.92%
CONSUMER SERVICES	8.87%
ENERGY	10.93%
FINANCIAL SERVICES	16.47%
HARDWARE	10.85%
HEALTHCARE	11.42%
INDUSTRIAL MATERIALS	11.12%
MEDIA	2.73%
SOFTWARE	4.35%
TELECOMMUNICATION	5.19%
UTILITIES	3.37%

Top Holdings as of 03/31/2010

EXXONMOBIL CORPORATION	2.99%
MICROSOFT CORPORATION	2.11%
APPLE, INC.	2.01%
GENERAL ELECTRIC COMPANY	1.83%
PROCTER & GAMBLE COMPANY	1.74%
BANK OF AMERICA CORPORATION	1.69%
JOHNSON & JOHNSON	1.69%
J.P. MORGAN CHASE & CO.	1.68%
INTERNATIONAL BUSINESS MACHINES CORP	1.57%
WELLS FARGO COMPANY	1.52%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Institutional Index Fund	S&P 500 Index	Return Difference
	Return	Return	
2000	-8.9%	-9.1%	0.2
2001	-11.9	-11.9	0.0
2002	-22.0	-22.1	0.1
2003	28.7	28.7	0.0
2004	10.9	10.9	0.0
2005	4.9	4.9	0.0
2006	15.8	15.8	0.0
2007	5.5	5.5	0.0
2008	-37.0	-37.0	0.0
2009	26.6	26.5	0.1
2010 (6 months)	-6.7	-6.7	0.0
Trailing 1-Year	14.5%	14.4%	0.1
Trailing 3-Year	-9.8	-9.8	0.0
Trailing 5-Year	-0.8	-0.8	0.0
Trailing 10-Year	-1.6	-1.6	0.0

VANGUARD TOTAL STOCK MARKET INDEX

RETURN SUMMARY ENDING 6/30/10

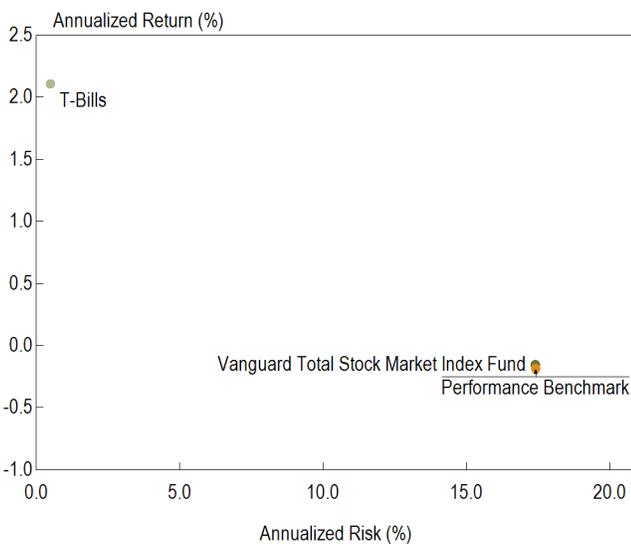
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Total Stock Market Index Fund	-11.3%	-5.9%	16.0%	-9.1%	-0.2%
Performance Benchmark	-11.3	-5.9	16.0	-9.2	-0.2

Investment Strategy

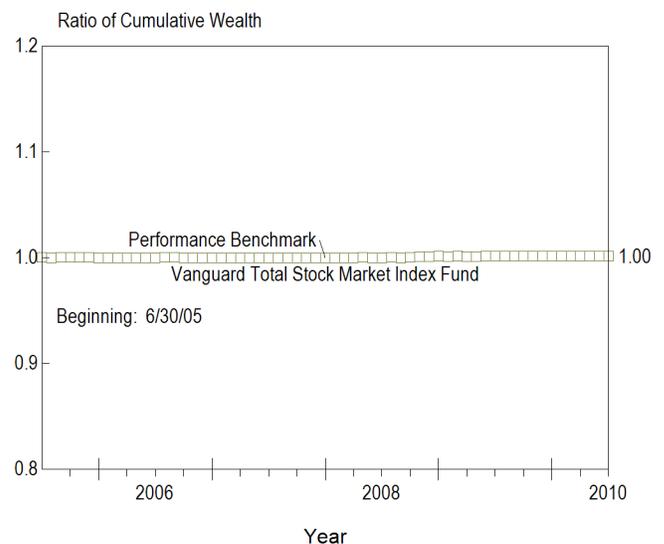
The objective of the Vanguard Total Stock Market Index Fund is to approximate the return of the MSCI U.S. Broad Market Index. The Vanguard Total Stock Market Index Fund utilizes a sampling technique that approximates the industry weightings and market capitalizations of the MSCI U.S. Broad Market Index. 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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



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

VANGUARD TOTAL STOCK MARKET INDEX

Fund Information as of 06/30/2010

Fund Name	Vanguard Index Tr Total Stk Mkt
Ticker	VITSX
Category	Large Blend
Benchmark	Performance Benchmark
Expense Ratio	0.06%
Fund Assets (\$mm)	17,376.99
Share Class Inception Date	7/7/1997
Manager Tenure	16

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	4.52%
CONSUMER GOODS	10.24%
CONSUMER SERVICES	8.78%
ENERGY	10.34%
FINANCIAL SERVICES	16.17%
HARDWARE	10.43%
HEALTHCARE	11.53%
INDUSTRIAL MATERIALS	11.53%
MEDIA	2.69%
SOFTWARE	4.60%
TELECOMMUNICATION	5.01%
UTILITIES	3.42%

Top Holdings as of 03/31/2010

EXXONMOBIL CORPORATION	2.45%
MICROSOFT CORPORATION	1.80%
APPLE, INC.	1.63%
GENERAL ELECTRIC COMPANY	1.49%
PROCTER & GAMBLE COMPANY	1.43%
JOHNSON & JOHNSON	1.39%
BANK OF AMERICA CORPORATION	1.37%
J.P. MORGAN CHASE & CO.	1.36%
INTERNATIONAL BUSINESS MACHINES CORP	1.30%
AT&T, INC.	1.18%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Total Stock Market Index Fund	Performance Benchmark	Return Difference
	Return	Return	
2000	-10.5%	-10.9%	0.4
2001	-10.8	-11.0	0.2
2002	-20.9	-20.9	0.0
2003	31.5	31.7	-0.2
2004	12.6	12.6	0.0
2005	6.1	6.2	-0.1
2006	15.7	15.7	0.0
2007	5.6	5.6	0.0
2008	-36.9	-37.0	0.1
2009	28.8	28.8	0.0
2010 (6 months)	-5.9	-5.9	0.0
Trailing 1-Year	16.0%	16.0%	0.0
Trailing 3-Year	-9.1	-9.2	0.1
Trailing 5-Year	-0.2	-0.2	0.0
Trailing 10-Year	-0.7	-0.7	0.0

RETURN SUMMARY ENDING 6/30/10

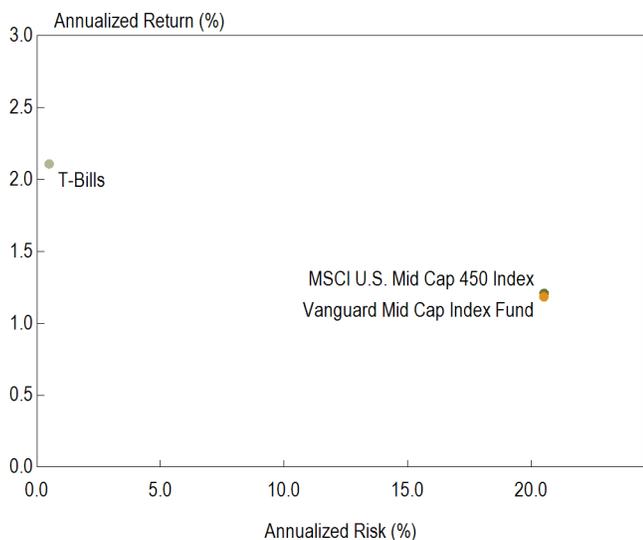
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Mid Cap Index Fund	-9.9%	-2.1%	27.0%	-8.5%	1.2%
MSCI U.S. Mid Cap 450 Index	-9.9	-2.1	27.0	-8.5	1.2

Investment Strategy

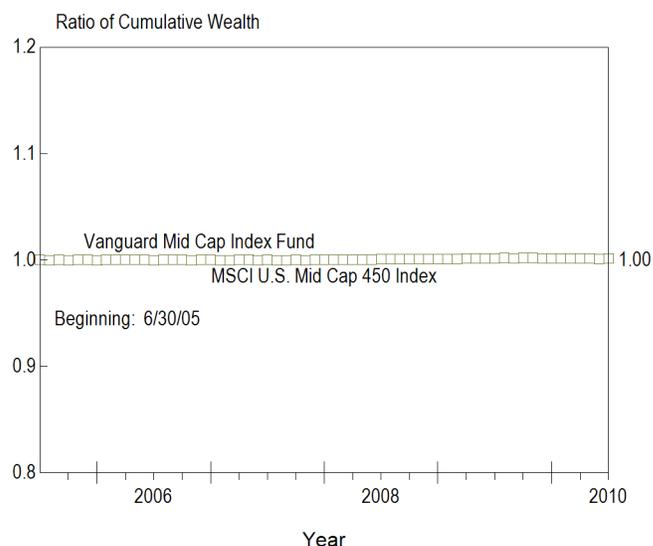
The Vanguard Mid Cap Index Fund seeks to replicate the performance of the MSCI U.S. Mid Cap 450 Index. In 2003, the Fund adopted the MSCI version of the mid-cap index. The Performance Benchmark consists of the S&P Mid Cap 400 Index prior to June 2003. In June 2003, the benchmark was changed to the MSCI 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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



VANGUARD MID CAP INDEX

Fund Information as of 06/30/2010

Fund Name	VANGUARD-MC I-IS
Ticker	VMCIX
Category	Mid-Cap Blend
Benchmark	MSCI U.S. Mid Cap 450 Index
Expense Ratio	0.08%
Fund Assets (\$mm)	6,213.13
Share Class Inception Date	5/21/1998
Manager Tenure	12

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	5.86%
CONSUMER GOODS	9.26%
CONSUMER SERVICES	10.39%
ENERGY	8.25%
FINANCIAL SERVICES	18.94%
HARDWARE	8.85%
HEALTHCARE	9.97%
INDUSTRIAL MATERIALS	13.11%
MEDIA	2.40%
SOFTWARE	4.71%
TELECOMMUNICATION	2.35%
UTILITIES	5.53%

Top Holdings as of 03/31/2010

INTUITIVE SURGICAL, INC.	0.66%
HARTFORD FINANCIAL SERVICES GROUP, INC.	0.59%
DELTA AIR LINES, INC.	0.57%
MARVELL TECHNOLOGY GROUP, LTD.	0.54%
MEAD JOHNSON NUTRITION COMPANY	0.53%
PRICELINE.COM, INC.	0.53%
CAMERON INTERNATIONAL CORPORATION	0.52%
FIFTH THIRD BANCORP	0.51%
ROCKWELL COLLINS, INC.	0.49%
HCP, INC.	0.48%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Mid Cap Index Fund	MSCI U.S. Mid Cap 450 Index	Return Difference
	Return	Return	
2000	18.4%	-1.9%	20.3
2001	-0.4	-6.4	6.0
2002	-14.5	-16.5	2.0
2003	34.3	39.0	-4.7
2004	20.5	20.5	0.0
2005	14.1	13.9	0.2
2006	13.8	13.7	0.1
2007	6.2	6.2	0.0
2008	-41.8	-41.8	0.0
2009	40.5	40.5	0.0
2010 (6 months)	-2.1	-2.1	0.0
Trailing 1-Year	27.0%	27.0%	0.0
Trailing 3-Year	-8.5	-8.5	0.0
Trailing 5-Year	1.2	1.2	0.0
Trailing 10-Year	5.1	3.2	1.9

RETURN SUMMARY ENDING 6/30/10

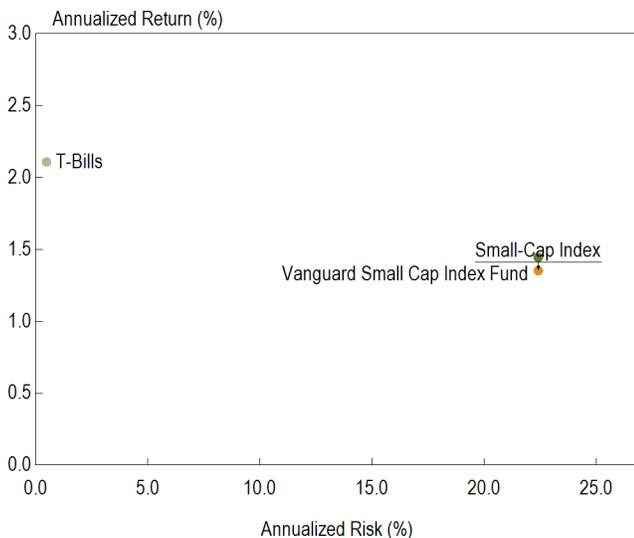
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Vanguard Small Cap Index Fund	-10.0%	-1.4%	25.2%	-7.3%	1.4%
Small-Cap Index	-10.0	-1.3	25.2	-7.4	1.4

Investment Strategy

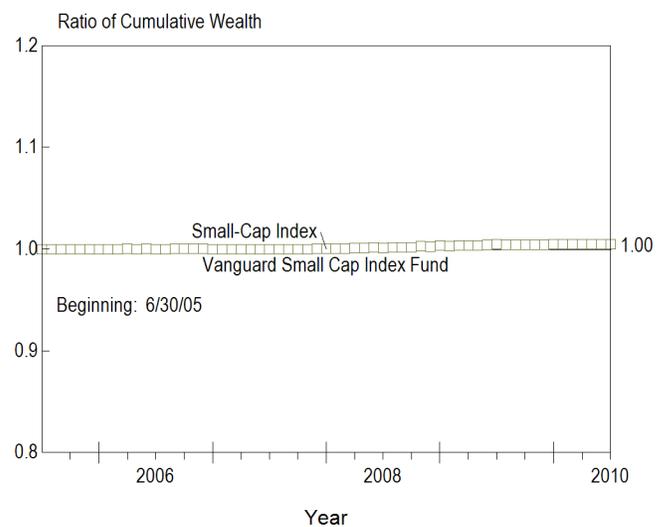
The Vanguard Small Cap Index Fund's strategy is designed to track the investment performance of the MSCI U.S. 1750 Small Cap Index, which is comprised of the 1,750 smallest stocks out of the 2,500 largest stocks. Prior to June 30, 2003, the Fund used a sampling technique to track the Russell 2000 Index. 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 approximated the return of the Index over the trailing five-year period.

ANNUALIZED RISK RETURN 5 YEARS ENDING 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



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

VANGUARD SMALL CAP INDEX

Fund Information as of 06/30/2010

Fund Name	VANGUARD-SC I-AD
Ticker	VSMAX
Category	Small Blend
Benchmark	Small-Cap Index
Expense Ratio	0.14%
Fund Assets (\$mm)	2,091.79
Share Class Inception Date	11/13/2000
Manager Tenure	19

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	9.53%
CONSUMER GOODS	10.07%
CONSUMER SERVICES	8.85%
ENERGY	4.84%
FINANCIAL SERVICES	20.48%
HARDWARE	7.82%
HEALTHCARE	10.57%
INDUSTRIAL MATERIALS	11.90%
MEDIA	2.15%
SOFTWARE	5.10%
TELECOMMUNICATION	4.31%
UTILITIES	3.68%

Top Holdings as of 03/31/2010

CMT MARKET LIQUIDITY RATE	0.61%
WHITING PETROLEUM CORPORATION	0.29%
ASHLAND, INC.	0.27%
ROVI CORP	0.27%
MSCI, INC.	0.26%
OSHKOSH CORPORATION	0.26%
GREEN MOUNTAIN COFFEE ROASTERS, INC.	0.24%
OSI PHARMACEUTICALS, INC.	0.24%
SIRIUS XM RADIO INC.	0.24%
VALEANT PHARMACEUTICALS INTERNATIONAL	0.23%

HISTORICAL RETURNS

(BY YEAR)

	Vanguard Small Cap Index Fund	Small-Cap Index	Return Difference
	Return	Return	
2000	-2.7%	-3.0%	0.3
2001	3.1	2.5	0.6
2002	-20.0	-20.5	0.5
2003	45.6	47.5	-1.9
2004	19.9	20.0	-0.1
2005	7.4	7.5	-0.1
2006	15.8	15.8	0.0
2007	1.2	1.2	0.0
2008	-36.0	-36.2	0.2
2009	36.3	36.1	0.2
2010 (6 months)	-1.4	-1.3	-0.1
Trailing 1-Year	25.2%	25.2%	0.0
Trailing 3-Year	-7.3	-7.4	0.1
Trailing 5-Year	1.4	1.4	0.0
Trailing 10-Year	3.9	3.9	0.0

VANGUARD FTSE ALL WORLD EX-U.S. INDEX

RETURN SUMMARY ENDING 6/30/10

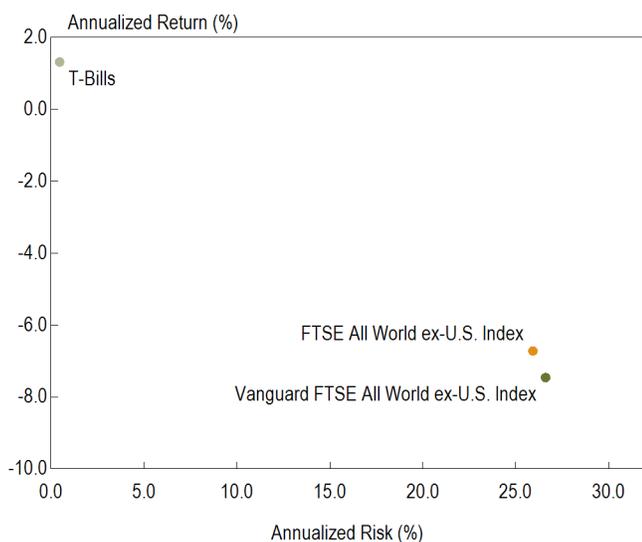
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	Since Inception	Inception Date
Vanguard FTSE All World ex-U.S. Index	-13.0%	-11.5%	9.5%	-10.5%	-7.5%	3/31/07
FTSE All World ex-U.S. Index	-12.2	-10.8	11.1	-9.9	-6.7	

Investment Strategy

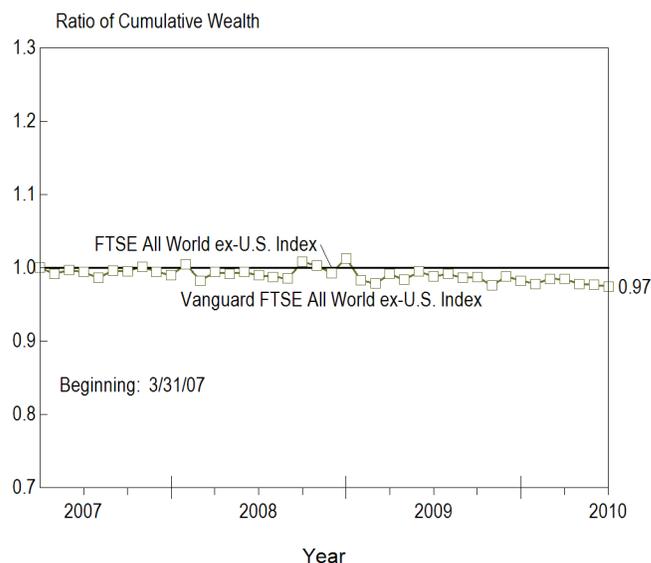
The Vanguard FTSE All World ex-U.S. Index Fund is designed to track the investment performance of the FTSE All World ex-U.S. Index which is comprised of approximately 46 developed and emerging countries, excluding the U.S., while including Canada.

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 April 2007, it has trailed the Index by 80 basis points.

ANNUALIZED RISK RETURN 3 YEARS 3 MONTHS ENDING 6/30/10



RATIO OF CUMULATIVE WEALTH 3 YEARS 3 MONTHS ENDING 6/30/10



VANGUARD FTSE ALL WORLD EX-U.S. INDEX

Fund Information as of 05/31/2010

Fund Name	Vanguard FTSE AWldexUS It
Ticker	VFWSX
Category	Foreign Large Blend
Benchmark	FTSE All World ex-U.S. Index
Expense Ratio	0.15%
Fund Assets (\$mm)	2,622.87
Share Class Inception Date	4/30/2007
Manager Tenure	3

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	3.36%
CONSUMER GOODS	13.66%
CONSUMER SERVICES	5.27%
ENERGY	10.40%
FINANCIAL SERVICES	25.69%
HARDWARE	2.93%
HEALTHCARE	5.86%
INDUSTRIAL MATERIALS	17.59%
MEDIA	1.13%
SOFTWARE	0.94%
TELECOMMUNICATION	6.85%
UTILITIES	4.09%

Top Holdings as of 03/31/2010

NESTLE SA	1.19%
BP PLC	1.14%
HSBC HOLDINGS PLC	1.12%
TOTAL SA	0.89%
BHP BILLITON LIMITED	0.86%
NOVARTIS AG	0.79%
VODAFONE GROUP PLC	0.78%
ROCHE HOLDING AG	0.73%
BANCO SANTANDER SA	0.70%
TELEFONICA, S.A.	0.70%

HISTORICAL RETURNS

(BY Years)

	Vanguard FTSE All World ex-U.S. Index	FTSE All World ex-U.S. Index	Return Difference
	Return	Return	
2007 (9 months)	12.7%	13.9%	-1.2
2008	-44.0	-45.3	1.3
2009	39.0	43.3	-4.3
2010 (6 months)	-11.5	-10.8	-0.7
Trailing 1-Year	9.5%	11.1%	-1.6
Trailing 3-Year	-10.5	-9.9	-0.6
Since Inception (3/31/07)	-7.5	-6.7	-0.8

**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
North Shore Savings Fund	0.1%	0.2%	0.5%	1.6%	2.4%
iMoney Net Money Fund Average	0.1	0.1	0.1	1.5	2.4

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 6/30/10 North Shore was "well capitalized".

**HISTORICAL RETURNS
(BY YEAR)**

	North Shore Savings Fund	iMoney Net Money Fund Average	Return Difference
	Return	Return	
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	0.8	0.2	0.6
2010 (6 months)	0.2	0.1	0.1
Trailing 1-Year	0.5%	0.1%	0.4
Trailing 3-Year	1.6	1.5	0.1
Trailing 5-Year	2.4	2.4	0.0
Trailing 10-Year	2.4	2.3	0.1

STABLE VALUE

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Stable Value Fund	1.1 %	2.2 %	4.6 %	4.7 %	4.7 %
EnnisKnupp GIC Index	0.9	2.0	4.1	4.5	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	
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	4.7	4.5	0.2
2010 (6 months)	2.2	2.0	0.2
Trailing 1-Year	4.6 %	4.1 %	0.5
Trailing 3-Year	4.7	4.5	0.2
Trailing 5-Year	4.7	4.3	0.4
Trailing 10-Year	5.0	4.6	0.4

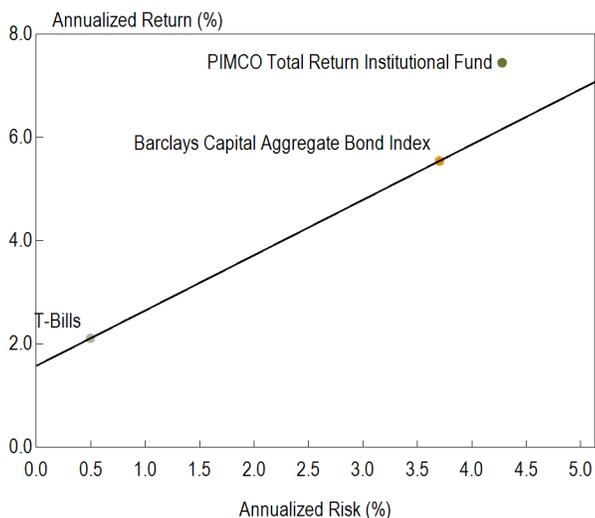
**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
PIMCO Total Return Institutional Fund	2.8 %	5.8 %	13.3 %	11.1 %	7.4 %
Barclays Capital Aggregate Bond Index	3.5	5.3	9.5	7.5	5.5

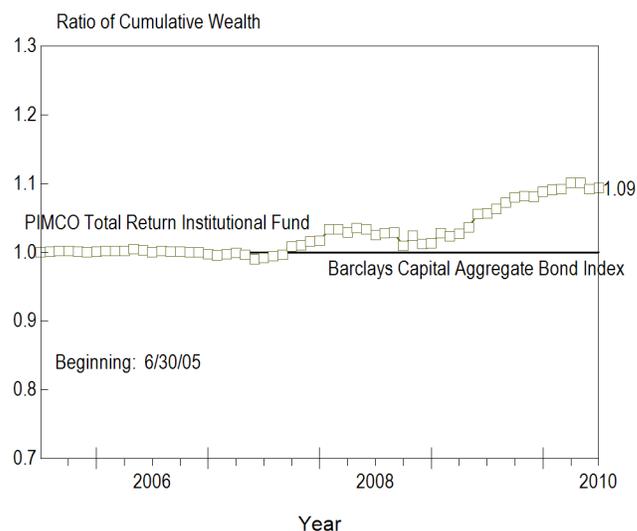
Investment Strategy

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 three and six years and can invest up to 10% in issues rated below BBB, but no lower than B-rated. The Fund may invest up to 20% of assets in non-dollar bonds (currency) and up to 30% in non-U.S. bonds.

**ANNUALIZED RISK RETURN
5 YEARS ENDING 6/30/10**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10**

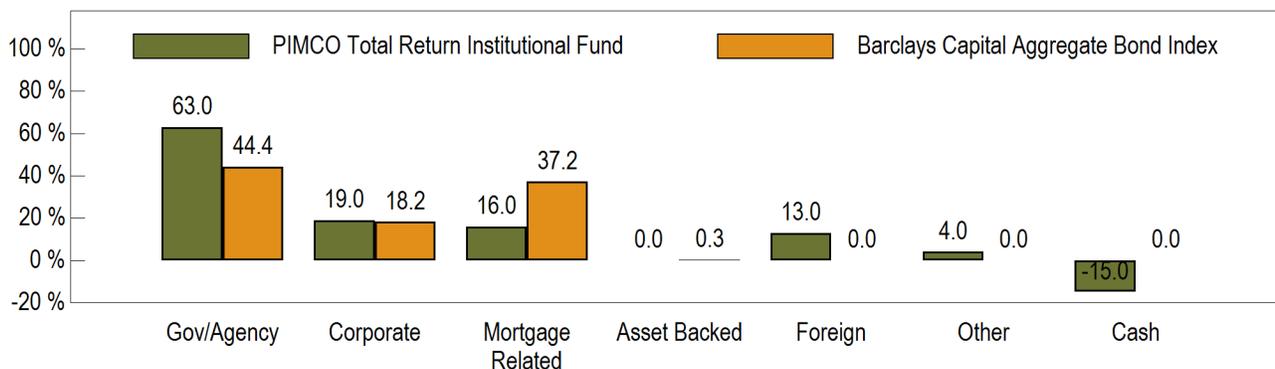


PIMCO TOTAL RETURN INSTL

Fund Information as of 06/30/2010

Fund Name	Pimco Fds Total Return Bd Fund I
Ticker	PTTRX
Category	Intermediate-Term Bond
Benchmark	Barclays Capital Aggregate Bond Index
Expense Ratio	0.46%
Fund Assets (\$mm)	133,927.75
Share Class Inception Date	5/11/1987
Manager Tenure	23

SECTOR ALLOCATION AS OF 6/30/10 PIMCO Total Return Institutional Fund



HISTORICAL RETURNS

(BY YEAR)

	PIMCO Total Return Institutional Fund	Barclays Capital Aggregate Bond Index	Return Difference
	Return	Return	
2000	12.1%	11.6%	0.5
2001	9.5	8.4	1.1
2002	10.2	10.3	-0.1
2003	5.6	4.1	1.5
2004	5.1	4.3	0.8
2005	2.9	2.4	0.5
2006	4.0	4.3	-0.3
2007	9.1	7.0	2.1
2008	4.8	5.2	-0.4
2009	13.8	5.9	7.9
2010 (6 months)	5.8	5.3	0.5
Trailing 1-Year	13.3%	9.5%	3.8
Trailing 3-Year	11.1	7.5	3.6
Trailing 5-Year	7.4	5.5	1.9
Trailing 10-Year	7.8	6.5	1.3

**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Washington Mutual Investors Fund	-10.3%	-6.8%	13.1%	-10.5%	-1.2%
Russell 1000 Value Index	-11.1	-5.1	16.9	-12.3	-1.6
S&P 500 Index	-11.4	-6.7	14.4	-9.8	-0.8

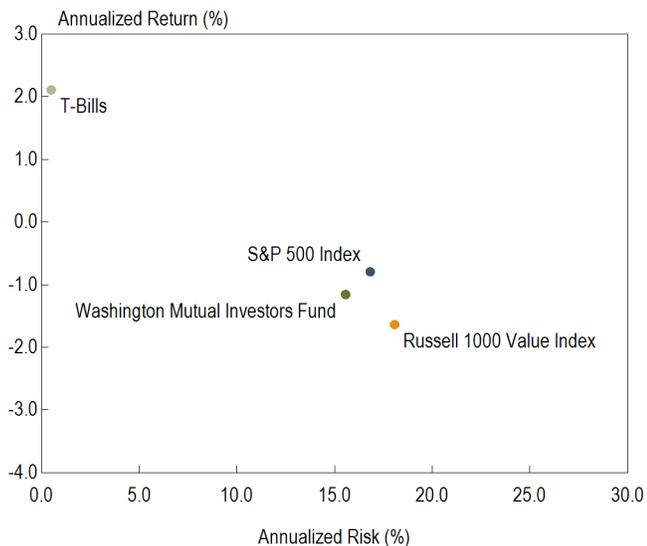
Investment Strategy

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.

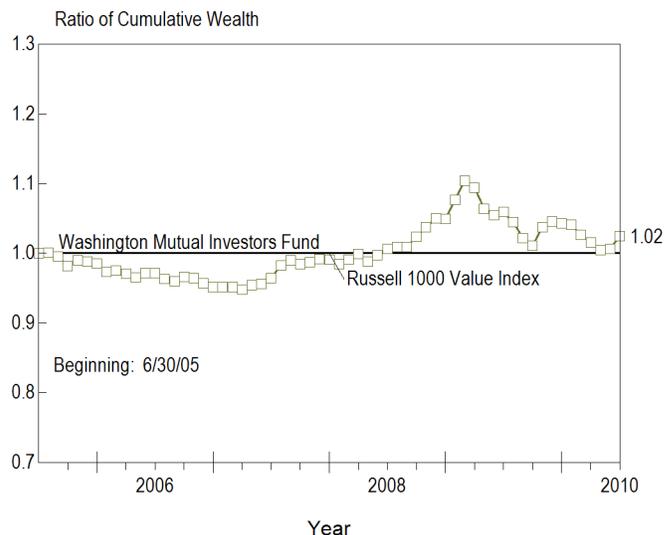
Capital Research & Management (the American Funds family) provides investment services for this Fund. Management looks for stocks with strong long-term prospects selling at low prices. The Fund may invest up to 5% of assets in securities of non-U.S. issuers.

As illustrated in the graphs below and the table above, Washington Mutual Investors Fund has outperformed the Russell 1000 Value Index over the trailing five-year period at a lower level of risk.

**ANNUALIZED RISK RETURN
5 YEARS ENDING 6/30/10**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10**



WASHINGTON MUTUAL INVESTORS

Fund Information as of 06/30/2010

Fund Name	AMERICAN-WA-A
Ticker	AWSHX
Category	Large Value
Benchmark	Russell 1000 Value Index
Expense Ratio	0.70%
Fund Assets (\$mm)	33,997.31
Share Class Inception Date	7/31/1952
Manager Tenure	32

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	3.15%
CONSUMER GOODS	10.76%
CONSUMER SERVICES	7.27%
ENERGY	12.41%
FINANCIAL SERVICES	8.56%
HARDWARE	4.52%
HEALTHCARE	13.61%
INDUSTRIAL MATERIALS	17.97%
MEDIA	0.88%
SOFTWARE	1.94%
TELECOMMUNICATION	7.42%
UTILITIES	10.04%

Top Holdings as of 03/31/2010

CHEVRON CORPORATION	5.07%
VERIZON COMMUNICATIONS INC.	3.96%
MERCK & CO INC	3.35%
MCDONALD'S CORPORATION	3.12%
AT&T, INC.	2.94%
ROYAL DUTCH SHELL PLC ADR B	2.90%
BOEING COMPANY	2.61%
COCA-COLA COMPANY	2.59%
UNITED TECHNOLOGIES	2.49%
ABBOTT LABORATORIES	2.11%

HISTORICAL RETURNS

(BY YEAR)

	Washington Mutual Investors Fund	Russell 1000 Value Index	Return Difference	S&P 500 Index	Return Difference
	Return	Return		Return	
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	19.0	19.7	-0.7	26.5	-7.5
2010 (6 months)	-6.8	-5.1	-1.7	-6.7	-0.1
Trailing 1-Year	13.1 %	16.9 %	-3.8	14.4 %	-1.3
Trailing 3-Year	-10.5	-12.3	1.8	-9.8	-0.7
Trailing 5-Year	-1.2	-1.6	0.4	-0.8	-0.4
Trailing 10-Year	2.5	2.4	0.1	-1.6	4.1

**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Growth Fund of America	-11.6%	-7.8%	10.7%	-8.2%	1.1%
Russell 1000 Growth Index	-11.7	-7.6	13.6	-6.9	0.4

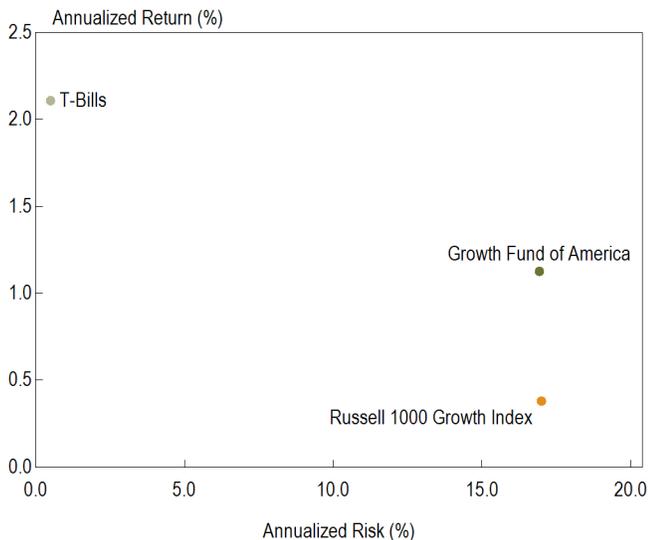
Investment Approach

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.

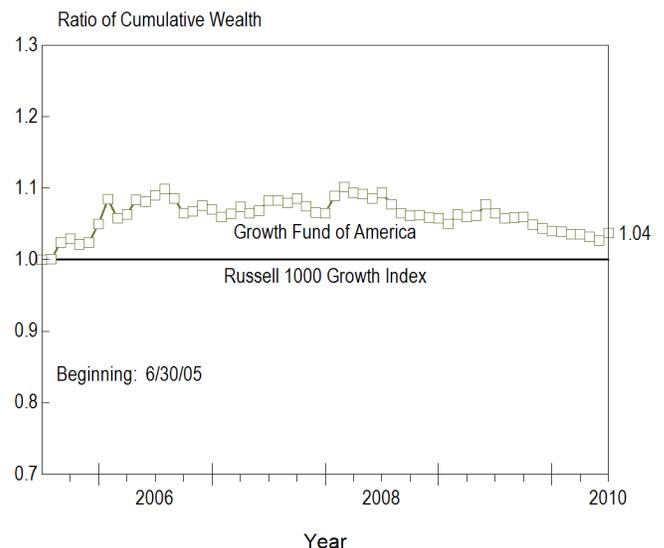
The Capital Research and Management Investment Committee is responsible for making sure the portfolio stays within its limits and adheres to its investment policies. The objective of the Fund is to provide long-term growth of capital by investing in a diversified portfolio of common stocks while using 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 6/30/10**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10**



GROWTH FUND OF AMERICA

Fund Information as of 06/30/2010

Fund Name	Mutual Fund
Ticker	RGAFX
Category	Large Growth
Benchmark	Russell 1000 Growth Index
Expense Ratio	0.40%
Fund Assets (\$mm)	13,058.61
Share Class Inception Date	5/15/2002
Manager Tenure	25

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	5.06%
CONSUMER GOODS	6.58%
CONSUMER SERVICES	6.07%
ENERGY	9.50%
FINANCIAL SERVICES	10.77%
HARDWARE	10.07%
HEALTHCARE	12.12%
INDUSTRIAL MATERIALS	12.84%
MEDIA	3.61%
SOFTWARE	7.55%
TELECOMMUNICATION	6.59%
UTILITIES	0.65%

Top Holdings as of 03/31/2010

MICROSOFT CORPORATION	3.48%
ORACLE CORPORATION	3.04%
GOOGLE, INC.	2.96%
APPLE, INC.	2.10%
CISCO SYSTEMS, INC.	1.81%
MEDTRONIC, INC.	1.34%
J.P. MORGAN CHASE & CO.	1.29%
BARRICK GOLD CORPORATION	1.23%
BANK OF AMERICA CORPORATION	1.20%
WELLS FARGO COMPANY	1.20%

HISTORICAL RETURNS

(BY YEAR)

	Growth Fund of America	Russell 1000 Growth Index	Return Difference
	Return	Return	
2000	7.5 %	-22.4 %	29.9
2001	-12.3	-20.4	8.1
2002	-21.8	-27.9	6.1
2003	33.3	29.7	3.6
2004	12.2	6.3	5.9
2005	14.5	5.3	9.2
2006	11.2	9.1	2.1
2007	11.3	11.8	-0.5
2008	-38.9	-38.4	-0.5
2009	34.9	37.2	-2.3
2010 (6 months)	-7.8	-7.6	-0.2
Trailing 1-Year	10.7 %	13.6 %	-2.9
Trailing 3-Year	-8.2	-6.9	-1.3
Trailing 5-Year	1.1	0.4	0.7
Trailing 10-Year	0.2	-5.1	5.3

RETURN SUMMARY ENDING 6/30/10

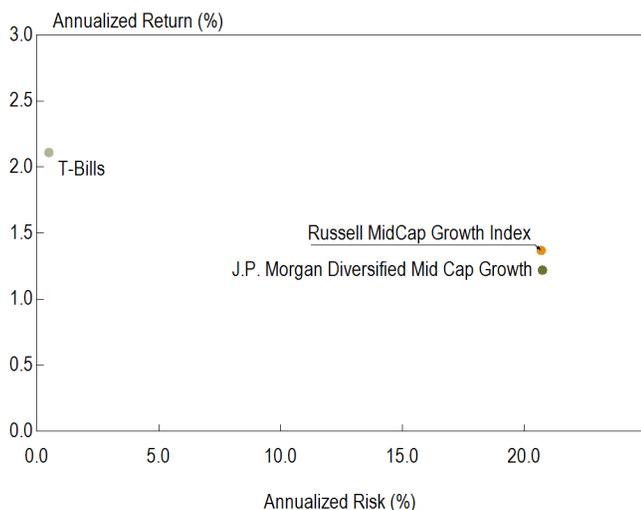
	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
J.P. Morgan Diversified Mid Cap Growth	-10.4 %	-4.9 %	19.5 %	-7.2 %	1.2 %
Russell MidCap Growth Index	-10.2	-3.3	21.3	-7.5	1.4

Investment Strategy

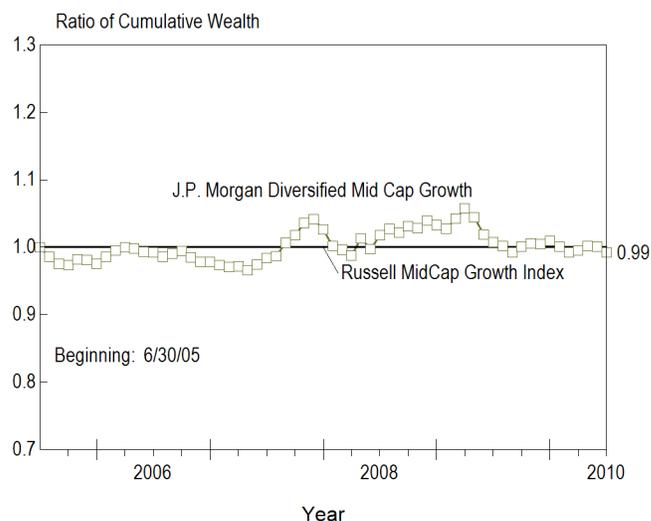
The J.P. Morgan Diversified Mid Cap Growth Fund seeks growth of capital and current income by investing primarily in equity securities. The Fund invests in common stocks of mid-cap companies with market capitalizations of \$1 billion to \$5 billion. The current benchmark is the Russell Mid Cap Growth 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 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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



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

J.P. MORGAN DIVERSIFIED MID CAP GROWTH

Fund Information as of 05/31/2010

Fund Name	JPMorgan:Dvds MCG;A
Ticker	OSGIX
Category	Mid-Cap Growth
Benchmark	Russell MidCap Growth Index
Expense Ratio	1.24%
Fund Assets (\$mm)	612.72
Share Class Inception Date	2/18/1992
Manager Tenure	6

Sector Allocation as of 04/30/2010

BUSINESS SERVICES	11.61%
CONSUMER GOODS	8.94%
CONSUMER SERVICES	16.10%
ENERGY	5.05%
FINANCIAL SERVICES	11.08%
HARDWARE	11.18%
HEALTHCARE	11.84%
INDUSTRIAL MATERIALS	8.09%
MEDIA	1.64%
SOFTWARE	9.95%
TELECOMMUNICATION	2.65%
UTILITIES	0.00%

Top Holdings as of 04/30/2010

AMDOCS LTD.	2.21%
COGNIZANT TECHNOLOGY SOLUTIONS CORPORATION A	1.89%
W.W. GRAINGER, INC.	1.85%
WILLIAMS-SONOMA, INC.	1.62%
SHERWIN-WILLIAMS COMPANY	1.56%
CUMMINS, INC.	1.49%
PRECISION CASTPARTS CORP.	1.46%
FOREST OIL CORPORATION	1.45%
HEWITT ASSOCIATES, INC.	1.43%
NETAPP, INC.	1.41%

HISTORICAL RETURNS

(BY YEAR)

	J.P. Morgan Diversified Mid Cap Growth	Russell MidCap Growth Index	Return Difference
	Return	Return	
2000	5.6%	-11.7%	17.3
2001	-10.9	-20.2	9.3
2002	-20.4	-27.4	7.0
2003	26.5	42.7	-16.2
2004	12.6	15.5	-2.9
2005	10.6	12.1	-1.5
2006	11.0	10.7	0.3
2007	16.8	11.4	5.4
2008	-43.9	-44.3	0.4
2009	42.9	46.3	-3.4
2010 (6 months)	-4.9	-3.3	-1.6
Trailing 1-Year	19.5%	21.3%	-1.8
Trailing 3-Year	-7.2	-7.5	0.3
Trailing 5-Year	1.2	1.4	-0.2
Trailing 10-Year	0.2	-2.0	2.2

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Lord Abbett Developing Growth Fund	-7.9%	-0.4%	20.4%	-4.2%	5.7%
Russell 2000 Growth Index	-9.2	-2.3	18.0	-7.5	1.1

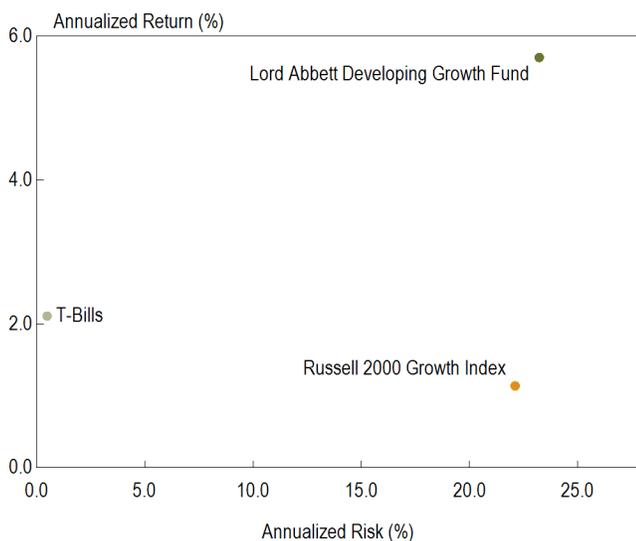
Investment Approach

Management of the Lord Abbett 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.

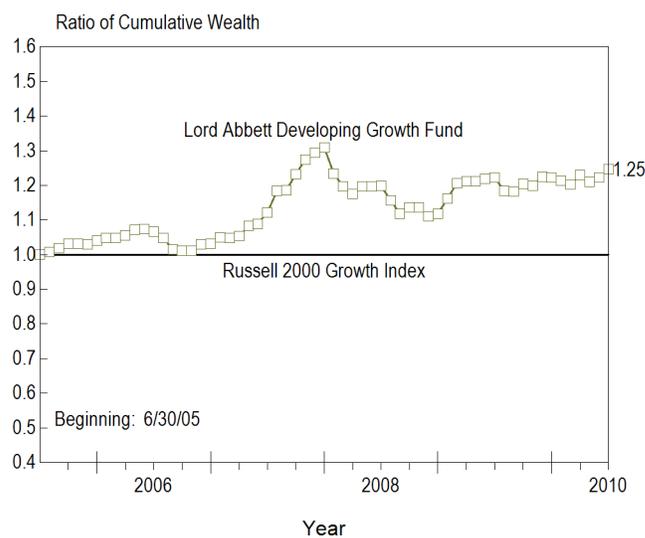
The Fund tends to feature sector diversification, albeit with substantial exposure to growth industries. The portfolio holds approximately 130 micro- and small-cap stocks.

As illustrated in the graphs below and the table above, Lord Abbett 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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



LORD ABBETT DEVELOPING GROWTH

Fund Information as of 05/31/2010

Fund Name	Lord Abbett Dev Gro;A
Ticker	LAGWX
Category	Small Growth
Benchmark	Russell 2000 Growth Index
Expense Ratio	1.28%
Fund Assets (\$mm)	562.63
Share Class Inception Date	10/10/1973
Manager Tenure	7

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	9.49%
CONSUMER GOODS	8.31%
CONSUMER SERVICES	7.45%
ENERGY	2.36%
FINANCIAL SERVICES	7.41%
HARDWARE	16.41%
HEALTHCARE	21.33%
INDUSTRIAL MATERIALS	9.71%
MEDIA	2.58%
SOFTWARE	7.50%
TELECOMMUNICATION	2.36%
UTILITIES	1.21%

Top Holdings as of 03/31/2010

ARUBA NETWORKS, INC.	1.80%
SUCCESSFACTORS, INC.	1.69%
ATHEROS COMMUNICATIONS, INC.	1.65%
OPENTABLE, INC.	1.65%
NETLOGIC MICROSYSTEMS, INC.	1.64%
DECKERS OUTDOOR CORPORATION	1.58%
IMAX	1.51%
ACORDA THERAPEUTICS, INC.	1.49%
HUMAN GENOME SCIENCES	1.49%
VOLCANO CORPORATION	1.46%

HISTORICAL RETURNS

(BY YEAR)

	Lord Abbett Developing Growth Fund	Russell 2000 Growth Index	Return Difference
	Return	Return	
2000	-17.7%	-22.4%	4.7
2001	-7.0	-9.2	2.2
2002	-29.5	-30.3	0.8
2003	40.1	48.5	-8.4
2004	6.0	14.3	-8.3
2005	11.9	4.2	7.7
2006	12.4	13.3	-0.9
2007	35.8	7.0	28.8
2008	-47.5	-38.5	-9.0
2009	47.0	34.5	12.5
2010 (6 months)	-0.4	-2.3	1.9
Trailing 1-Year	20.4%	18.0%	2.4
Trailing 3-Year	-4.2	-7.5	3.3
Trailing 5-Year	5.7	1.1	4.6
Trailing 10-Year	1.6	-1.7	3.3

RETURN SUMMARY ENDING 6/30/10

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
Heartland Value Institutional Fund	-7.7%	-3.7%	21.3%	-9.0%	2.0%
Russell 2000 Value Index	-10.6	-1.6	25.1	-9.8	-0.5

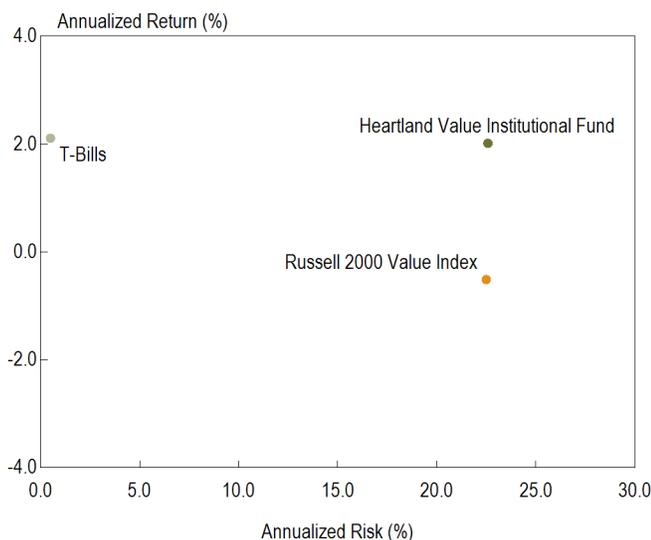
Investment Approach

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.

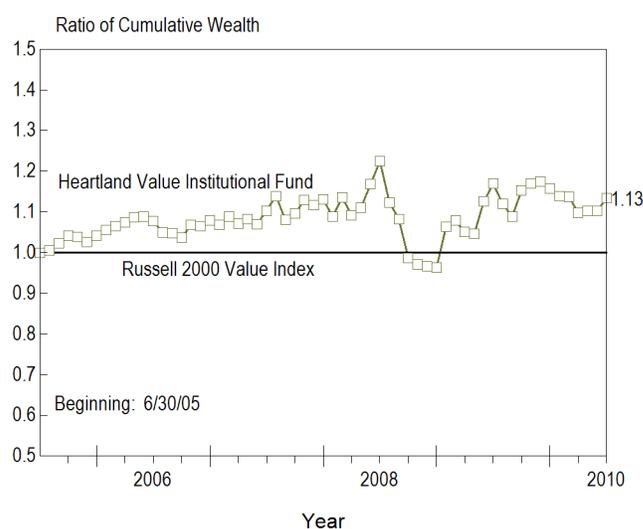
Heartland builds portfolios based on a bottom-up fundamental analysis of individual securities while avoiding over-concentration in a particular industry or industries. Heartland begins its search for investment ideas by performing a weekly computer screening of a universe of over 10,000 securities. 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 6/30/10



RATIO OF CUMULATIVE WEALTH 5 YEARS ENDING 6/30/10



HEARTLAND VALUE INSTITUTIONAL

Fund Information as of 05/31/2010

Fund Name	Heartland Val Inst
Ticker	HNTVX
Category	Small Value
Benchmark	Russell 2000 Value Index
Expense Ratio	0.94%
Fund Assets (\$mm)	37.95
Share Class Inception Date	5/1/2008
Manager Tenure	25

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	7.59%
CONSUMER GOODS	10.21%
CONSUMER SERVICES	5.76%
ENERGY	9.10%
FINANCIAL SERVICES	6.88%
HARDWARE	7.87%
HEALTHCARE	20.95%
INDUSTRIAL MATERIALS	16.65%
MEDIA	0.56%
SOFTWARE	4.50%
TELECOMMUNICATION	5.53%
UTILITIES	3.35%

Top Holdings as of 03/31/2010

INTERDIGITAL, INC.	3.93%
ANALOGIC CORPORATION	3.27%
FEDERAL SIGNAL CORP	2.76%
FORCE PROTECTION, INC.	2.42%
BASIC SANITATION COMPANY OF THE STATE OF SAO PAULO ADR	2.07%
GAMMON GOLD, INC.	2.02%
ACCURAY, INC.	2.01%
SHERRITT INTERNATIONAL CORP	1.92%
SWIFT ENERGY COMPANY	1.86%
UNIT CORPORATION	1.70%

HISTORICAL RETURNS

(BY YEAR)

	Heartland Value Institutional Fund	Russell 2000 Value Index	Return Difference
	Return	Return	
2000	2.0%	22.8%	-20.8
2001	29.5	14.0	15.5
2002	-11.5	-11.4	-0.1
2003	70.2	46.0	24.2
2004	9.1	22.2	-13.1
2005	2.0	4.7	-2.7
2006	28.0	23.5	4.5
2007	-5.5	-9.8	4.3
2008	-39.4	-28.9	-10.5
2009	44.9	20.6	24.3
2010 (6 months)	-3.7	-1.6	-2.1
Trailing 1-Year	21.3%	25.1%	-3.8
Trailing 3-Year	-9.0	-9.8	0.8
Trailing 5-Year	2.0	-0.5	2.5
Trailing 10-Year	9.3	7.5	1.8

**RETURN SUMMARY
ENDING 6/30/10**

	Second Quarter	Year-To-Date	1 Year Ending 6/30/10	3 Years Ending 6/30/10	5 Years Ending 6/30/10
EuroPacific Growth Fund	-12.0%	-11.3%	9.8%	-7.6%	5.3%
MSCI All Country World ex-U.S. Index	-12.4	-11.1	10.4	-10.7	3.4

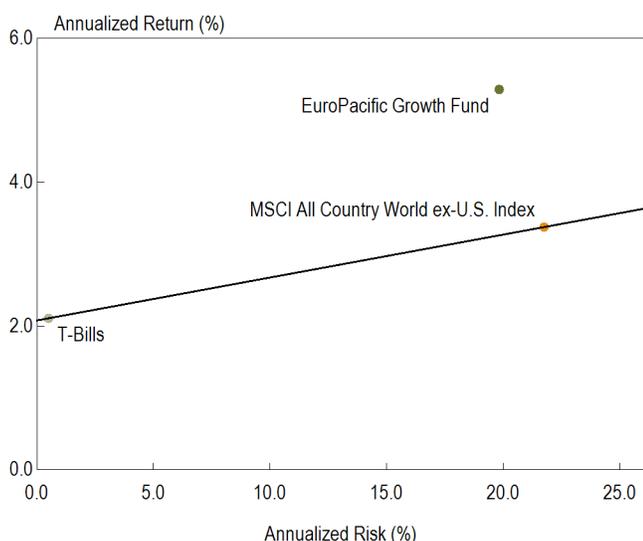
Investment Approach

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.

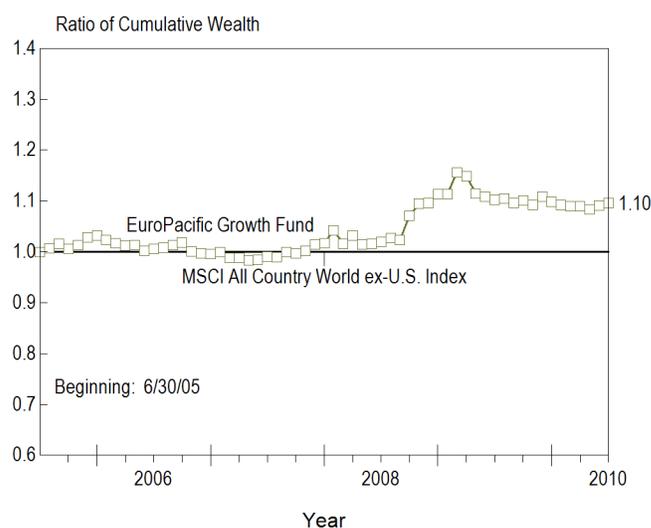
The Capital Research and Management Investment Committee is responsible for making sure the portfolio stays within its limits and adheres to its investment policies. The objective of the fund is to provide long-term growth of capital by investing in a diversified portfolio of international stocks while 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 6/30/10**



**RATIO OF CUMULATIVE WEALTH
5 YEARS ENDING 6/30/10**



EUROPACIFIC GROWTH

Fund Information as of 06/30/2010

Fund Name	AMERICAN-EU-R5
Ticker	RERFX
Category	Foreign Large Blend
Benchmark	MSCI All Country World ex-U.S. Index
Expense Ratio	0.56%
Fund Assets (\$mm)	13,830.69
Share Class Inception Date	5/15/2002
Manager Tenure	26

Sector Allocation as of 03/31/2010

BUSINESS SERVICES	1.95%
CONSUMER GOODS	16.10%
CONSUMER SERVICES	4.67%
ENERGY	7.12%
FINANCIAL SERVICES	21.14%
HARDWARE	4.52%
HEALTHCARE	11.19%
INDUSTRIAL MATERIALS	12.46%
MEDIA	0.93%
SOFTWARE	1.55%
TELECOMMUNICATION	9.13%
UTILITIES	2.55%

Top Holdings as of 03/31/2010

AMERICA MOVIL S.A.B. DE C.V. ADR L	2.61%
ANHEUSER-BUSCH INBEV SA	2.14%
BAYER AG	2.07%
NOVARTIS AG	1.93%
NOVO NORDISK A/S	1.77%
ROCHE HOLDING AG	1.68%
TELEFONICA, S.A.	1.36%
BANCO SANTANDER SA	1.32%
NESTLE SA	1.24%
SAMSUNG ELECTRONICS CO LTD	1.24%

HISTORICAL RETURNS

(BY YEAR)

	EuroPacific Growth Fund	MSCI All Country World ex-U.S. Index	Return Difference
	Return	Return	
2000	-17.8%	-15.3%	-2.5
2001	-12.2	-19.7	7.5
2002	-13.4	-14.9	1.5
2003	33.2	40.8	-7.6
2004	20.0	20.9	-0.9
2005	21.4	16.6	4.8
2006	22.2	26.7	-4.5
2007	19.2	16.7	2.5
2008	-40.4	-45.5	5.1
2009	39.5	41.4	-1.9
2010 (6 months)	-11.3	-11.1	-0.2
Trailing 1-Year	9.8%	10.4%	-0.6
Trailing 3-Year	-7.6	-10.7	3.1
Trailing 5-Year	5.3	3.4	1.9
Trailing 10-Year	2.9	1.9	1.0

EUROPACIFIC GROWTH

COUNTRY ALLOCATION/RETURNS

3 MONTHS ENDING 6/30/10

	Manager Allocation	Index Allocation	Index Return
Europe			
Austria	0.7 %	0.2 %	-22.4 %
Belgium	2.5	0.7	-12.7
Czech Republic*	--	0.1	-13.6
Denmark	2.2	0.7	-5.4
Finland	0.7	0.7	-26.4
France	7.5	6.7	-18.9
Germany	8.3	5.4	-12.8
Greece	0.4	0.2	-40.5
Hungary*	0.2	0.1	-30.2
Ireland	0.9	0.2	-19.8
Italy	1.3	2.0	-21.6
Netherlands	1.5	1.8	-13.2
Norway	0.7	0.5	-18.1
Poland*	--	0.3	-21.8
Portugal	0.2	0.2	-17.5
Russia*	1.6	1.5	-15.6
Spain	2.8	2.4	-20.8
Sweden	1.3	2.0	-7.2
Switzerland	8.2	5.5	-11.8
United Kingdom	10.2	14.5	-13.9
Asia/Pacific			
Australia	2.0 %	5.6 %	-19.0 %
China*	3.5	4.4	-4.6
Hong Kong	1.6	1.8	-5.8
India*	3.2	1.9	-2.2
Indonesia*	0.7	0.6	4.2
Japan	9.6	16.0	-10.1
Korea*	3.2	3.2	-7.6
Malaysia*	--	0.7	0.2
New Zealand	--	0.1	-10.7
Philippines*	0.3	0.1	2.8
Singapore	0.4	1.2	0.0
Taiwan, China*	2.2	2.5	-9.3
Thailand*	--	0.4	-1.8
Americas			
Brazil*	2.3 %	3.6 %	-15.3 %
Canada	3.3	7.9	-10.5
Chile*	--	0.4	2.6
Colombia*	--	0.2	3.6
Mexico*	3.4	1.0	-9.0
Peru*	--	0.2	4.2
United States	--	0.0	-11.7
Other			
Egypt*	0.1 %	0.1 %	-13.4 %
Israel*	0.9	0.6	-18.6
Morocco*	--	0.0	-4.4
Other Countries*	0.2	--	--
South Africa*	1.5	1.7	-9.5
Turkey*	0.4	0.4	-4.4
Cash			
Cash	10.0 %	--	--
Total	100.0 %	100.0 %	-12.4 %
Developed	66.3	76.2	
Emerging*	23.7	23.9	
Cash	10.0	--	

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RETURNS OF THE MAJOR CAPITAL MARKETS

	Second Quarter	Annualized Periods Ending 6/30/10				
		1-Year	3-Year	5-Year	10-Year	15-Year
Domestic Stock Indices:						
Dow Jones US Total Stock Index	-11.1%	16.1%	-9.2%	-0.2%	-0.7%	6.5%
S&P 500 Index	-11.4	14.4	-9.8	-0.8	-1.6	6.2
Russell 3000 Index	-11.3	15.7	-9.5	-0.5	-0.9	6.4
Russell 1000 Value Index	-11.1	16.9	-12.3	-1.6	2.4	7.3
Russell 1000 Growth Index	-11.7	13.6	-6.9	0.4	-5.1	5.0
Russell MidCap Value Index	-9.6	28.9	-9.4	0.7	7.6	9.6
Russell MidCap Growth Index	-10.2	21.3	-7.5	1.4	-2.0	6.7
Russell 2000 Value Index	-10.6	25.1	-9.8	-0.5	7.5	8.9
Russell 2000 Growth Index	-9.2	18.0	-7.5	1.1	-1.7	3.8
Domestic Bond Indices:						
Barclays Capital Aggregate Index	3.5%	9.5%	7.5%	5.5%	6.5%	6.4%
Barclays Capital Govt/Credit Index	3.9	9.7	7.4	5.3	6.5	6.3
Barclays Capital Long Govt/Credit Index	8.6	16.5	9.4	5.6	8.0	7.6
Barclays Capital 1-3 Year Govt/Credit Index	1.1	3.8	5.1	4.5	4.8	5.1
Barclays Capital U.S. MBS Index	2.9	7.5	8.2	6.2	6.5	6.5
Barclays Capital High Yield Index	-0.1	26.8	6.5	7.2	7.3	7.1
Barclays Capital Universal Index	3.1	10.6	7.2	5.6	6.6	6.5
Real Estate Indices:						
NCREIF Property Index	--	--	--	--	--	--
NCREIF ODCE Index	--	--	--	--	--	--
Dow Jones Real Estate Securities Index	-4.3	56.1	-10.5	-0.5	9.5	9.8
FTSE NAREIT US Real Estate Index	--	--	--	--	--	--
Foreign/Global Stock Indices:						
MSCI All Country World Index	-12.1%	11.8%	-10.5%	1.2%	-0.3%	5.0%
MSCI All Country World IMI	-11.9	13.1	-10.6	1.2	0.2	4.9
MSCI All Country World ex-U.S. Index	-12.4	10.4	-10.7	3.4	1.9	4.8
MSCI All Country World ex-U.S. IMI	-12.2	11.5	-10.5	3.6	2.2	4.5
MSCI All Country World ex-U.S. Small Cap Index	-10.1	20.0	-9.7	5.1	6.2	5.1
MSCI EAFE Index	-14.0	5.9	-13.4	0.9	0.2	3.8
MSCI EAFE IMI	-13.7	6.6	-13.2	1.1	0.4	3.8
MSCI EAFE Index (in local currency)	-11.2	9.9	-13.2	-0.1	-1.8	4.3
MSCI Emerging Markets IMI	-8.2	24.6	-2.2	13.0	9.9	4.9
Foreign Bond Indices:						
Citigroup World Gov't Bond Index	-1.3%	1.5%	7.7%	5.0%	6.4%	4.8%
Citigroup Hedged World Gov't Bond Index	1.6	4.9	6.0	4.4	5.2	6.7
Cash Equivalents:						
Treasury Bills (30-Day)	0.0%	0.1%	1.0%	2.1%	2.1%	3.0%
EnnisKnupp STIF Index	0.1	0.3	2.0	3.2	3.0	3.8
Inflation Index:						
Consumer Price Index	0.2%	1.1%	1.5%	2.3%	2.4%	2.4%

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 44 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 46 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

Benchmark Descriptions

Vanguard Target Retirement Income Benchmark - A mix of 24% MSCI U.S. Broad Market Index, 5% MSCI EAFE Index, 1% MSCI Emerging Markets Index, 45% Barclays Capital Aggregate Bond Index, 20% Barclays Capital TIPS Index, and 5% Citigroup 3-Month Treasury Index.

Vanguard Target Retirement 2005 Benchmark - A mix of 29% MSCI U.S. Broad Market Index, 6% MSCI EAFE Index, 2% MSCI Emerging Markets Index, 43% Barclays Capital Aggregate Bond Index, 17% Barclays Capital TIPS Index, and 3% Citigroup 3-Month Treasury Index.

Vanguard Target Retirement 2010 Benchmark - A mix of 40% MSCI U.S. Broad Market Index, 8% MSCI EAFE Index, 3% MSCI Emerging Markets Index, 40% Barclays Capital Aggregate Bond Index, and 9% Barclays Capital TIPS Index.

Vanguard Target Retirement 2015 Benchmark - A mix of 48% MSCI U.S. Broad Market Index, 9% MSCI EAFE Index, 3% MSCI Emerging Markets Index, and 40% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2020 Benchmark - A mix of 54% MSCI U.S. Broad Market Index, 10% MSCI EAFE Index, 3% MSCI Emerging Markets Index, and 32% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2025 Benchmark - A mix of 60% MSCI U.S. Broad Market Index, 11% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 25% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2030 Benchmark - A mix of 66% MSCI U.S. Broad Market Index, 13% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 17% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2035 Benchmark - A mix of 72% MSCI U.S. Broad Market Index, 14% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 10% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2040 Benchmark - A mix of 72% MSCI U.S. Broad Market Index, 14% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 10% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2045 Benchmark - A mix of 72% MSCI U.S. Broad Market Index, 14% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 10% Barclays Capital Aggregate Bond Index.

Vanguard Target Retirement 2050 Benchmark - A mix of 72% MSCI U.S. Broad Market Index, 14% MSCI EAFE Index, 4% MSCI Emerging Markets Index, and 10% Barclays Capital Aggregate Bond Index.