



PUBLIC EMPLOYEES' INDIVIDUAL RETIREMENT ACCOUNT FUND

RSA-1 / DEFERRED COMPENSATION PLAN

Established in 1986 to allow members of the RSA and certain other eligible public employees to defer receipt of a percentage of their salary, thereby deferring payment of taxes on that income.

RSA-1 HIGHLIGHTS

12-MONTH PERIOD ENDING	INCOME YIELD* (IN %)	MARKET VALUE CHANGE* (IN %)	TOTAL RETURN* (IN %)	TOTAL ASSETS* (IN \$)	PARTICIPATING MEMBERS
SEPTEMBER 30, 1999	8.84	1.55	10.39	536,609,859	23,490
SEPTEMBER 30, 2000	8.43	-3.24	5.19	586,876,397	24,336
SEPTEMBER 30, 2001 (FIXED INVESTMENT OPTION)	8.34	3.41	11.75	614,039,965	24,938
SEPTEMBER 30, 2001 (STOCK INVESTMENT OPTION)	1.10	-21.09	-19.99	51,080,583	5,291
SEPTEMBER 30, 2002 (FIXED INVESTMENT OPTION)	7.39	-5.71	1.68	625,407,137	25,571
SEPTEMBER 30, 2002 (STOCK INVESTMENT OPTION)	1.42	-18.69	-17.27	47,197,854	5,599
SEPTEMBER 30, 2003 (FIXED INVESTMENT OPTION)	6.18	-1.36	4.82	676,945,292	25,793
SEPTEMBER 30, 2003 (STOCK INVESTMENT OPTION)	1.87	20.01	21.88	62,452,172	5,767
SEPTEMBER 30, 2004 (FIXED INVESTMENT OPTION)	5.63	0.36	5.99	709,604,675	26,057
SEPTEMBER 30, 2004 (STOCK INVESTMENT OPTION)	1.75	11.30	13.05	98,038,346	8,568
SEPTEMBER 30, 2005 (FIXED INVESTMENT OPTION)	6.92	-2.40	4.52	758,012,066	28,379
SEPTEMBER 30, 2005 (STOCK INVESTMENT OPTION)	2.57	9.84	12.41	122,690,568	10,201
SEPTEMBER 30, 2006 (FIXED INVESTMENT OPTION)	6.16	-1.66	4.50	777,937,103	29,520
SEPTEMBER 30, 2006 (STOCK INVESTMENT OPTION)	2.02	8.57	10.59	161,389,754	12,350
SEPTEMBER 30, 2007 (FIXED INVESTMENT OPTION)	6.07	1.89	7.96	866,437,600	31,476
SEPTEMBER 30, 2007 (STOCK INVESTMENT OPTION)	2.05	13.98	16.03	214,910,858	14,884

*ASSETS ARE VALUED AT COST THROUGH SEPTEMBER 30, 1998, AND AT MARKET THEREAFTER.

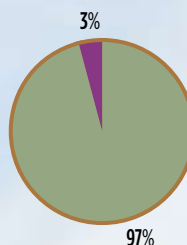
PEIRAF / DEDUCTIBLE EMPLOYEE CONTRIBUTION PLAN

The Public Employees' Individual Retirement Account Fund (PEIRAF) was established to allow public employees to conveniently and economically receive the fullest benefits offered by the Economic Recovery Tax Act (ERTA) of 1981 as it relates to individual retirement accounts. PEIRAF has operated as a fixed income portfolio since its creation in 1982. Funds are invested in fixed income investments such as corporate bonds, U.S. agency obligations, government national mortgage association securities, and commercial paper.

The Tax Reform Act of 1986 prohibited contributions to deductible voluntary employee contribution plans, such as PEIRAF, for years after 1986. Accordingly, the PEIRAF Board of Control discontinued receiving contributions to this plan after December 31, 1986. However, the PEIRAF continues to reinvest the interest earnings of existing PEIRAF member accounts. ■

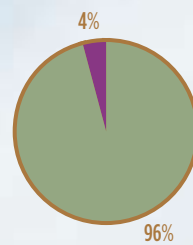
RSA-1 / INVESTMENT ALLOCATION STOCK FUND

(AS OF SEPTEMBER 30, 2007)



■ MONEY MARKET

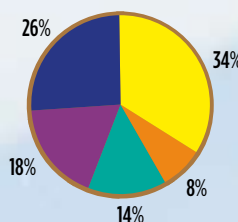
(AS OF SEPTEMBER 30, 2006)



■ DOMESTIC COMMON STOCK

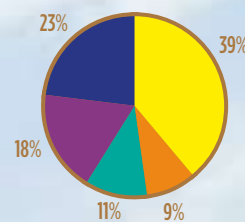
RSA-1 / INVESTMENT ALLOCATION FIXED FUND

(AS OF SEPTEMBER 30, 2007)



■ MONEY MARKET
■ PRIVATE PLACEMENTS
■ US AGENCY SECURITIES

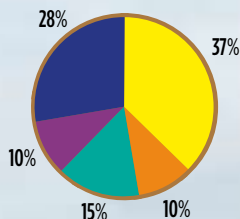
(AS OF SEPTEMBER 30, 2006)



■ US GOVERNMENT GUARANTEED
■ CORPORATE BONDS

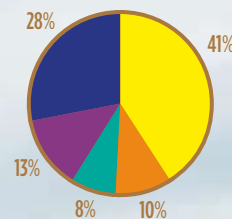
PEIRAF / INVESTMENT ALLOCATION

(AS OF SEPTEMBER 30, 2007)



■ MONEY MARKET
■ PRIVATE PLACEMENTS
■ US AGENCY SECURITIES

(AS OF SEPTEMBER 30, 2006)



■ US GOVERNMENT GUARANTEED
■ CORPORATE BONDS