

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 NET ASSETS* (\$ IN MILLIONS)	PARTICIPATING MEMBERS
SEPTEMBER 30, 2002 (FIXED INVESTMENT OPTION)	7.39	-5.71	1.68	625.4	25,571
SEPTEMBER 30, 2002 (STOCK INVESTMENT OPTION)	1.42	-18.69	-17.27	47.2	5,599
SEPTEMBER 30, 2003 (FIXED INVESTMENT OPTION)	6.18	-1.36	4.82	676.9	25,793
SEPTEMBER 30, 2003 (STOCK INVESTMENT OPTION)	1.87	20.01	21.88	62.5	5,767
SEPTEMBER 30, 2004 (FIXED INVESTMENT OPTION)	5.63	0.36	5.99	709.6	26,057
SEPTEMBER 30, 2004 (STOCK INVESTMENT OPTION)	1.75	11.30	13.05	98.0	8,568
SEPTEMBER 30, 2005 (FIXED INVESTMENT OPTION)	6.92	-2.40	4.52	758.0	28,379
SEPTEMBER 30, 2005 (STOCK INVESTMENT OPTION)	2.57	9.84	12.41	122.7	10,201
SEPTEMBER 30, 2006 (FIXED INVESTMENT OPTION)	6.16	-1.66	4.50	777.9	29,520
SEPTEMBER 30, 2006 (STOCK INVESTMENT OPTION)	2.02	8.57	10.59	161.4	12,350
SEPTEMBER 30, 2007 (FIXED INVESTMENT OPTION)	6.07	1.89	7.96	866.4	31,476
SEPTEMBER 30, 2007 (STOCK INVESTMENT OPTION)	2.05	13.98	16.03	214.9	14,884
SEPTEMBER 30, 2008 (FIXED INVESTMENT OPTION)	5.65	-5.71	-0.06	896.2	32,738
SEPTEMBER 30, 2008 (STOCK INVESTMENT OPTION)	2.21	-23.64	-21.43	183.7	13,623

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

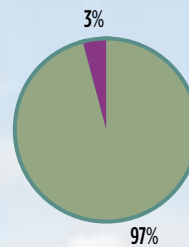
PEIRAF DEDUCTIBLE EMPLOYEE CONTRIBUTION PLAN

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. ■

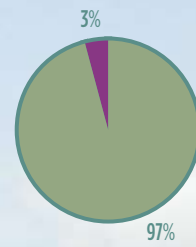
RSA-1 / INVESTMENT ALLOCATION STOCK FUND

(AS OF SEPTEMBER 30, 2008)



■ MONEY MARKET

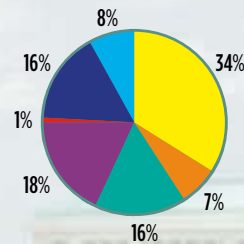
(AS OF SEPTEMBER 30, 2007)



■ DOMESTIC COMMON STOCK

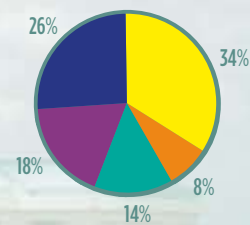
RSA-1 / INVESTMENT ALLOCATION FIXED FUND

(AS OF SEPTEMBER 30, 2008)



■ MONEY MARKET
 ■ PRIVATE PLACEMENTS
 ■ US AGENCY SECURITIES
 ■ COLLATERALIZED MORTGAGE OBLIGATIONS

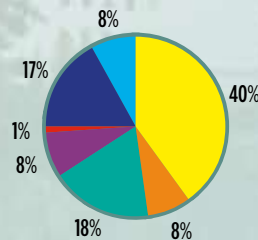
(AS OF SEPTEMBER 30, 2007)



■ US GOVERNMENT GUARANTEED
 ■ CORPORATE BONDS
 ■ GNMA

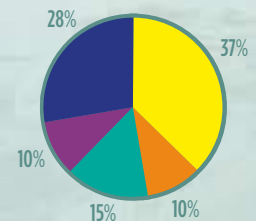
PEIRAF / INVESTMENT ALLOCATION

(AS OF SEPTEMBER 30, 2008)



■ MONEY MARKET
 ■ PRIVATE PLACEMENTS
 ■ US AGENCY SECURITIES
 ■ COLLATERALIZED MORTGAGE OBLIGATIONS

(AS OF SEPTEMBER 30, 2007)



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