

Russell LifePoints® Portfolios

Russell Investments

At the heart of the Russell LifePoints Portfolios program is Russell's **MULTI-ASSET MULTI-STYLE MULTI-MANAGER®** investment process—the same approach that is used by some of the largest institutional investors in the world.

Multi-asset

Multi-style

Multi-manager

- **Manages C\$171* billion in multi-manager funds**
- **Employs over 2,000[†] associates in more than 20 offices worldwide**

*As of March 31, 2009

[†]Current numbers may differ as workforce resources have been restructured as of April 2009.

An alliance of strengths

Bringing global investment expertise to you

A pioneer of multi-manager investing

Tacoma 1936

New York 1969

London 1979

Toronto 1985

Sydney 1986

Tokyo 1986

Auckland 1991

Paris 1994

Singapore 1999

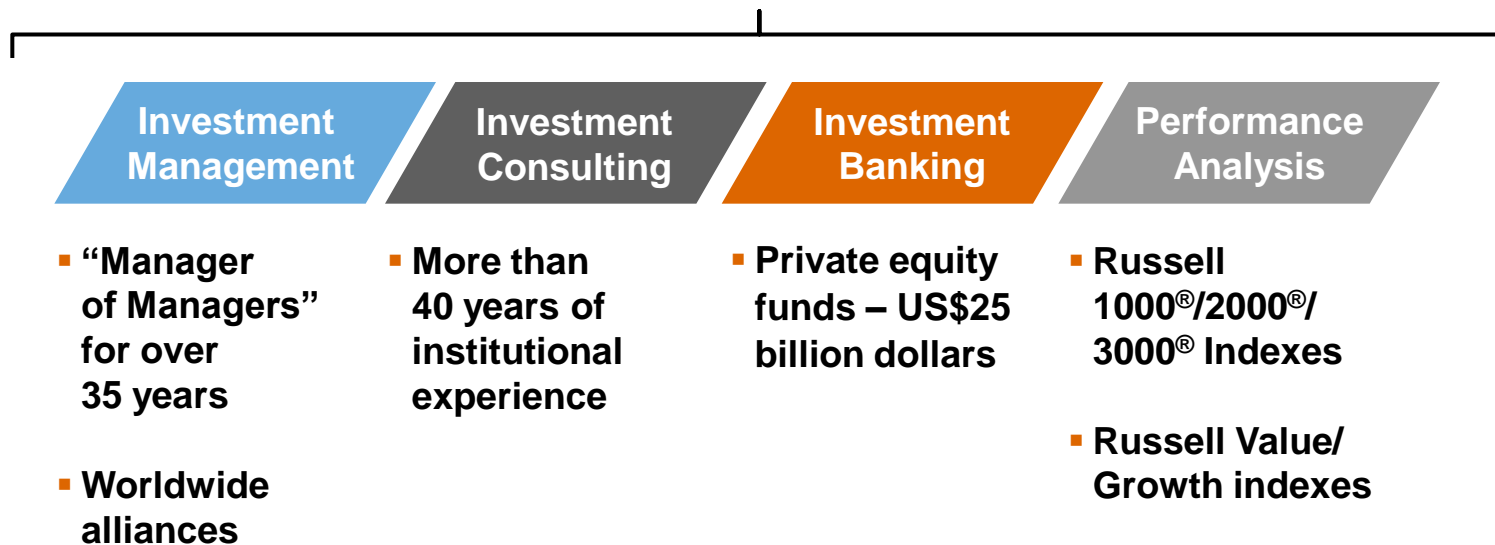


Alcoa, AmerisourceBergen Corp., Barclays Bank, BHP Billiton, Bill & Melinda Gates Foundation Trust, Boeing, Caterpillar, Coca-Cola Bottling Co., General Motors, Public School & Educational Employee Retirement Systems of Missouri, Toyota Motor Pension Fund

Representative client list as of April 2009.

Global services

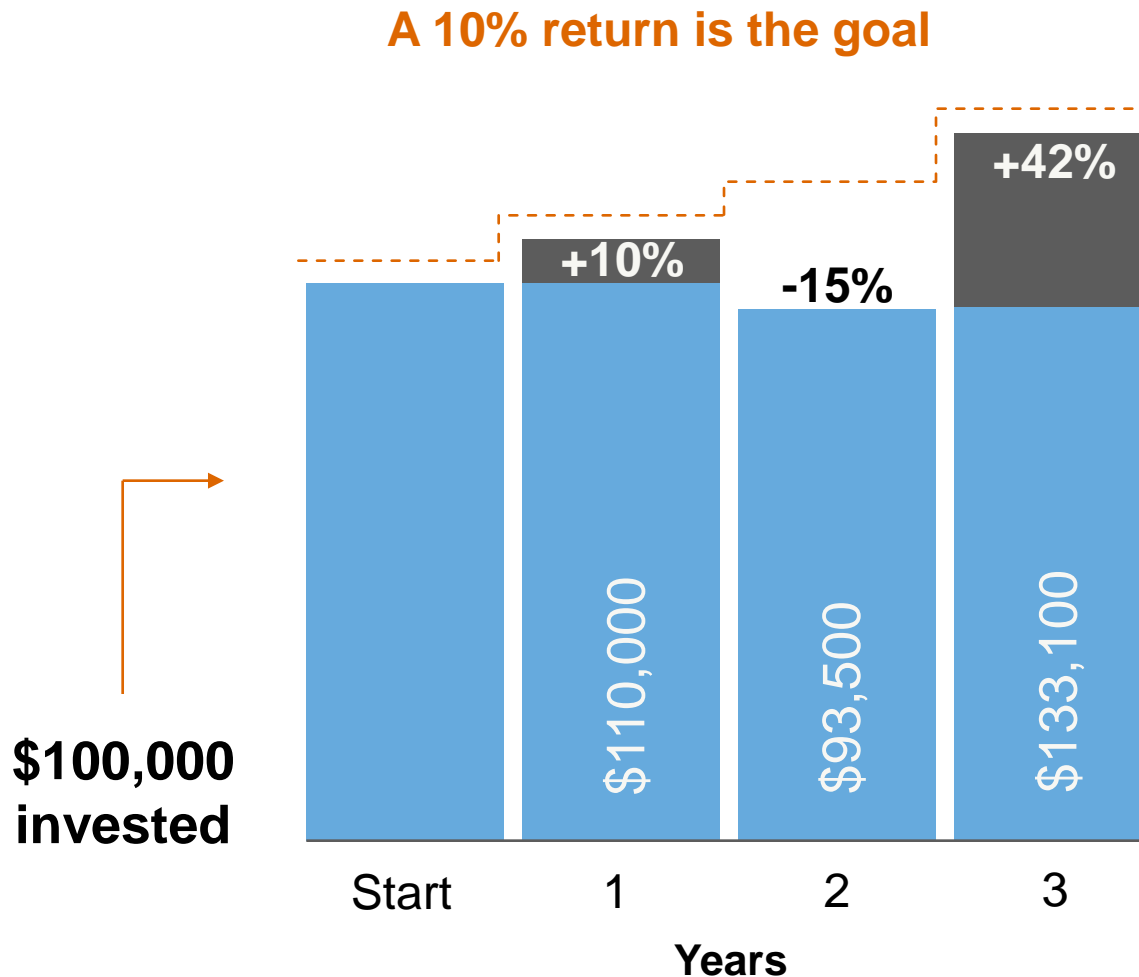
Global manager research, In-depth perspective, innovative solutions



Financial environment

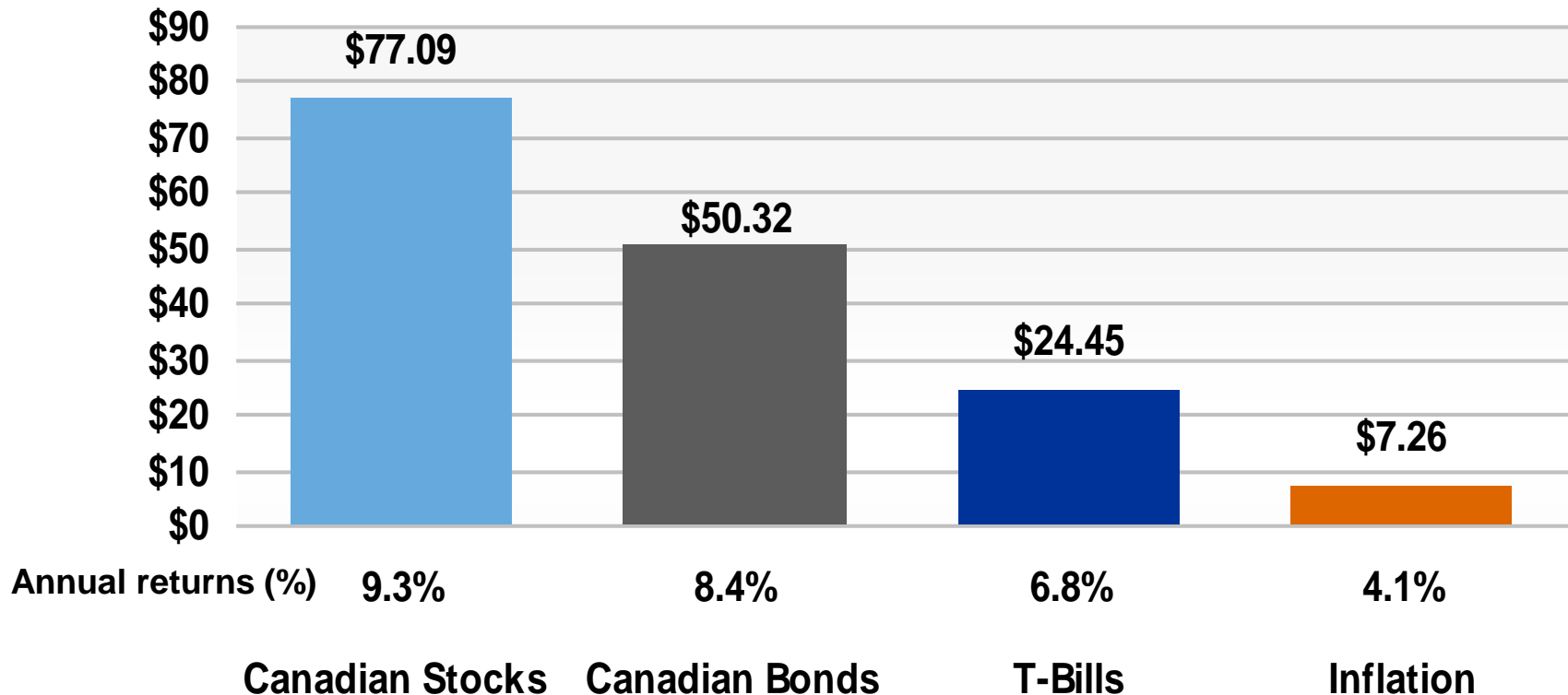
How do you manage your portfolio's risk?

Why do you need to control market risk?



Which assets should you select?

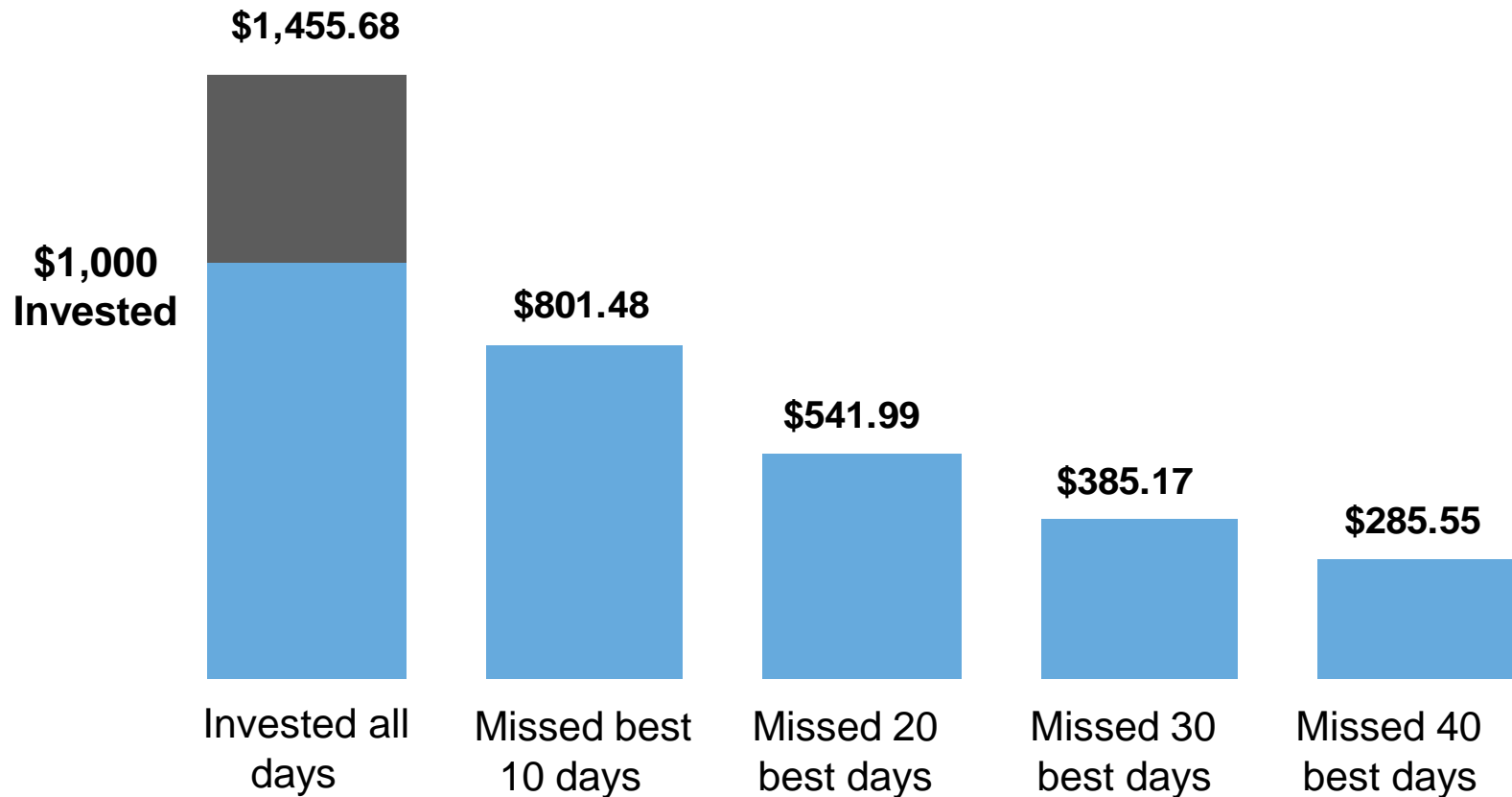
Growth of a dollar invested: 1960 – 2008



Source: Canadian Stocks (S&P/TSX Composite Index), Canadian Bonds (DEX Universe Bond Index), T-Bills (91-day T-Bills), Inflation (Bank of Canada Consumer Price Index). Please refer to the last slide for important information regarding indices.

Why you can't time the market

10-year period ending December 31, 2008

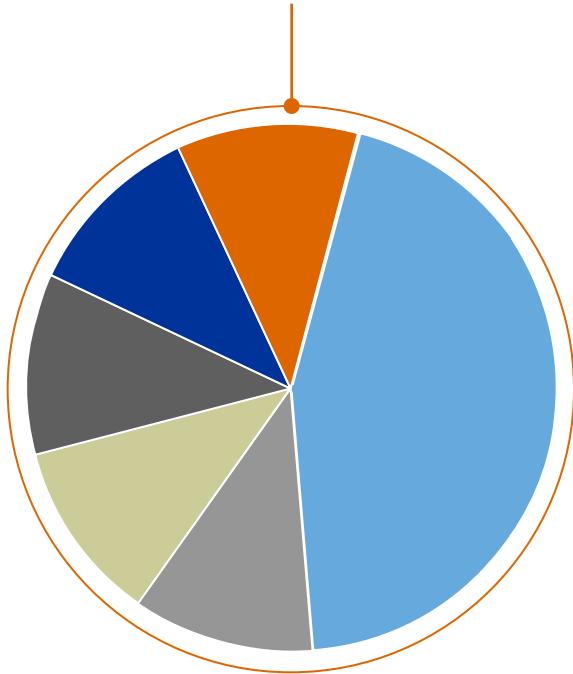


Source: Russell Investments Canada Limited using S&P/TSX Composite Index. Please refer to the last slide for important information regarding this index.

What is the best solution?

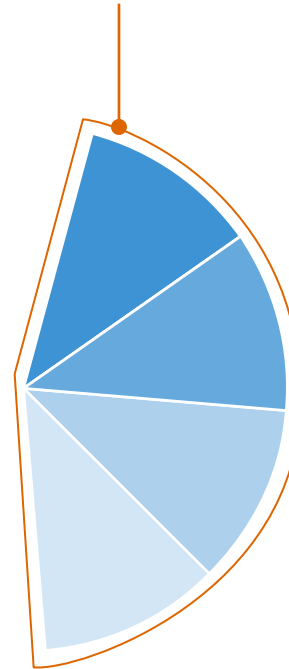
Multi-asset:

- Bonds
- Canadian stocks
- U.S. stocks
- Overseas stocks
- Global stocks



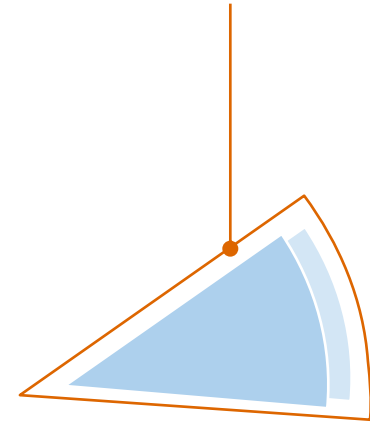
Multi-style:

- Value
- Market-oriented
- Small cap
- Growth



Multi-manager:

- Manager 1
- Manager 2



Multi-asset

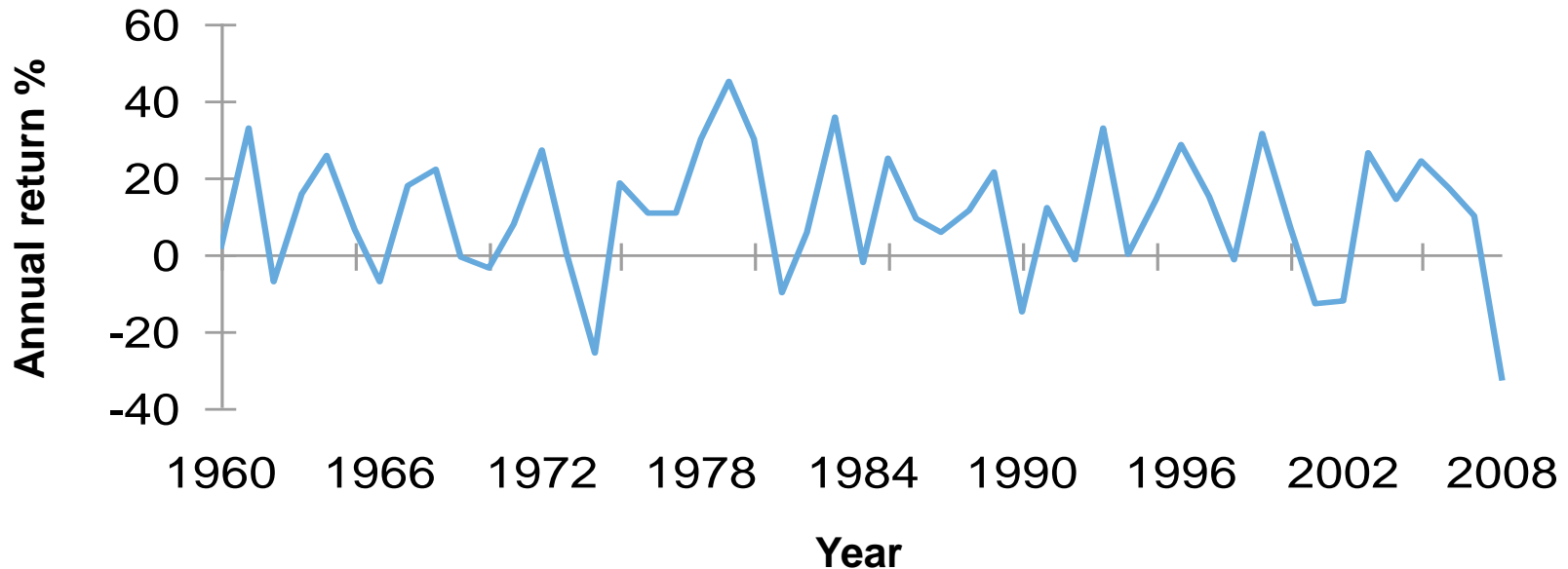
Start with the basic building blocks

Mixing asset classes reduces your risk

Market Risk 1960 – 2008

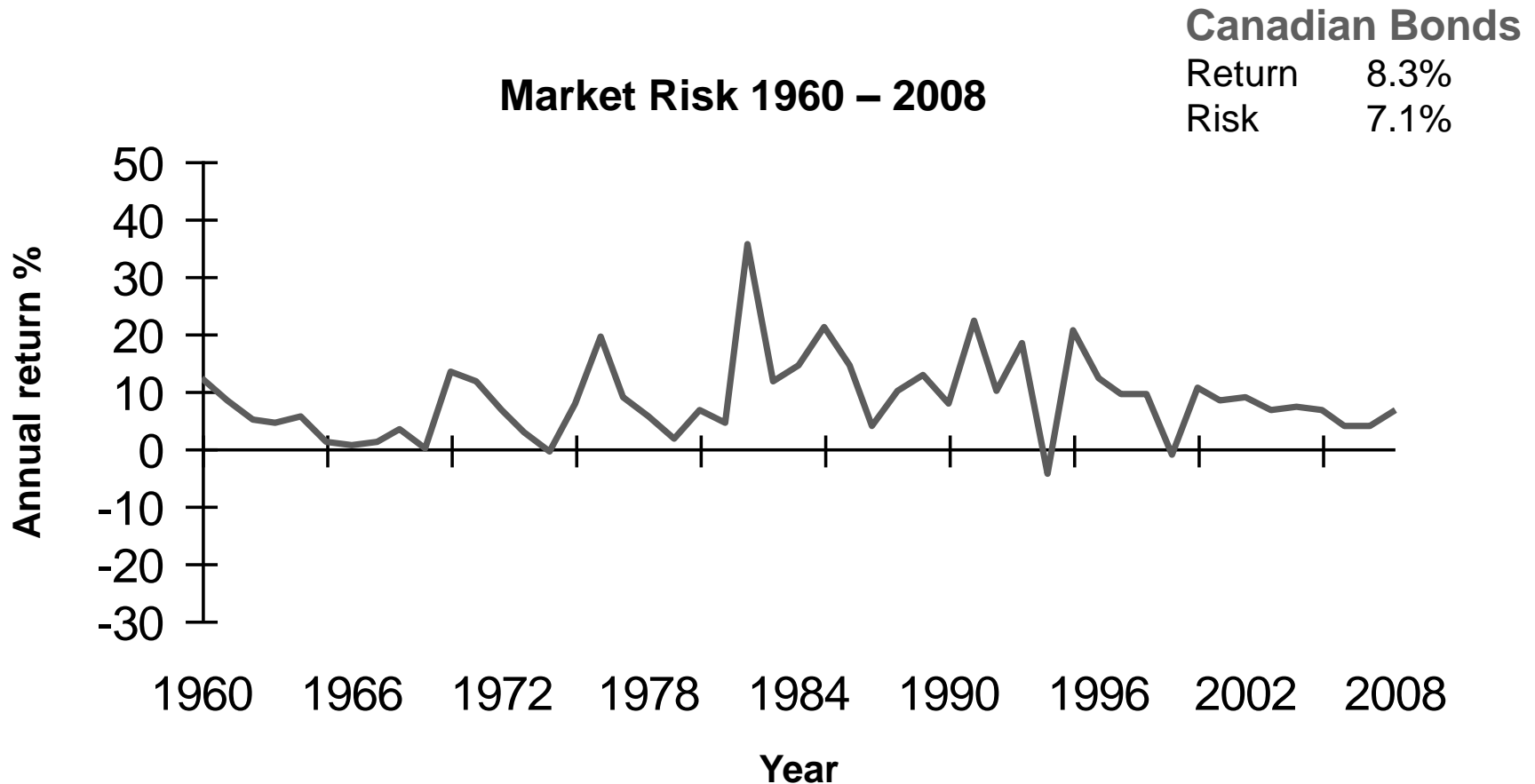
Canadian Stocks

Return 9.3%
Risk 16.4%



Source: S&P/TSX. Please refer to the last slide for important information regarding indices.

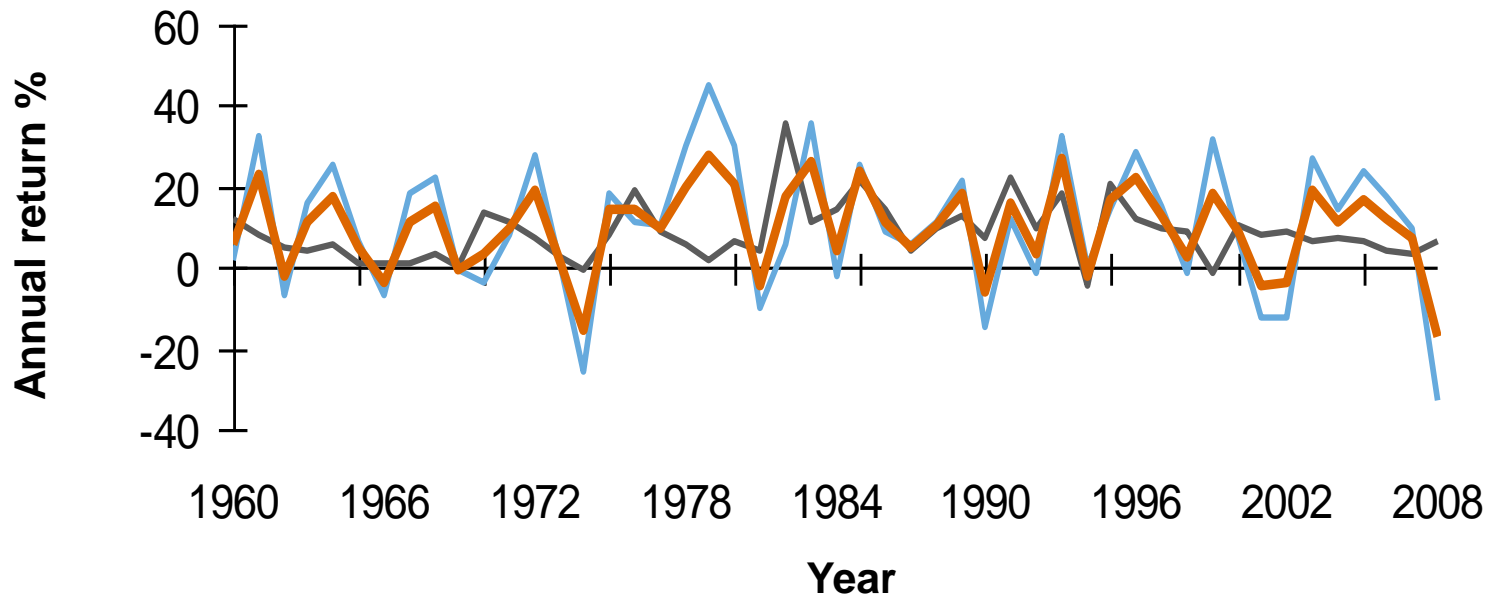
Mixing asset classes reduces your risk



Source: DEX Universe Bond Index. Please refer to the last slide for important information regarding indices.

Mixing asset classes reduces your risk

Market Risk 1960 – 2008



Canadian Stocks

Return 9.3%
Risk 16.4%

Canadian Bonds

Return 8.3%
Risk 7.1%

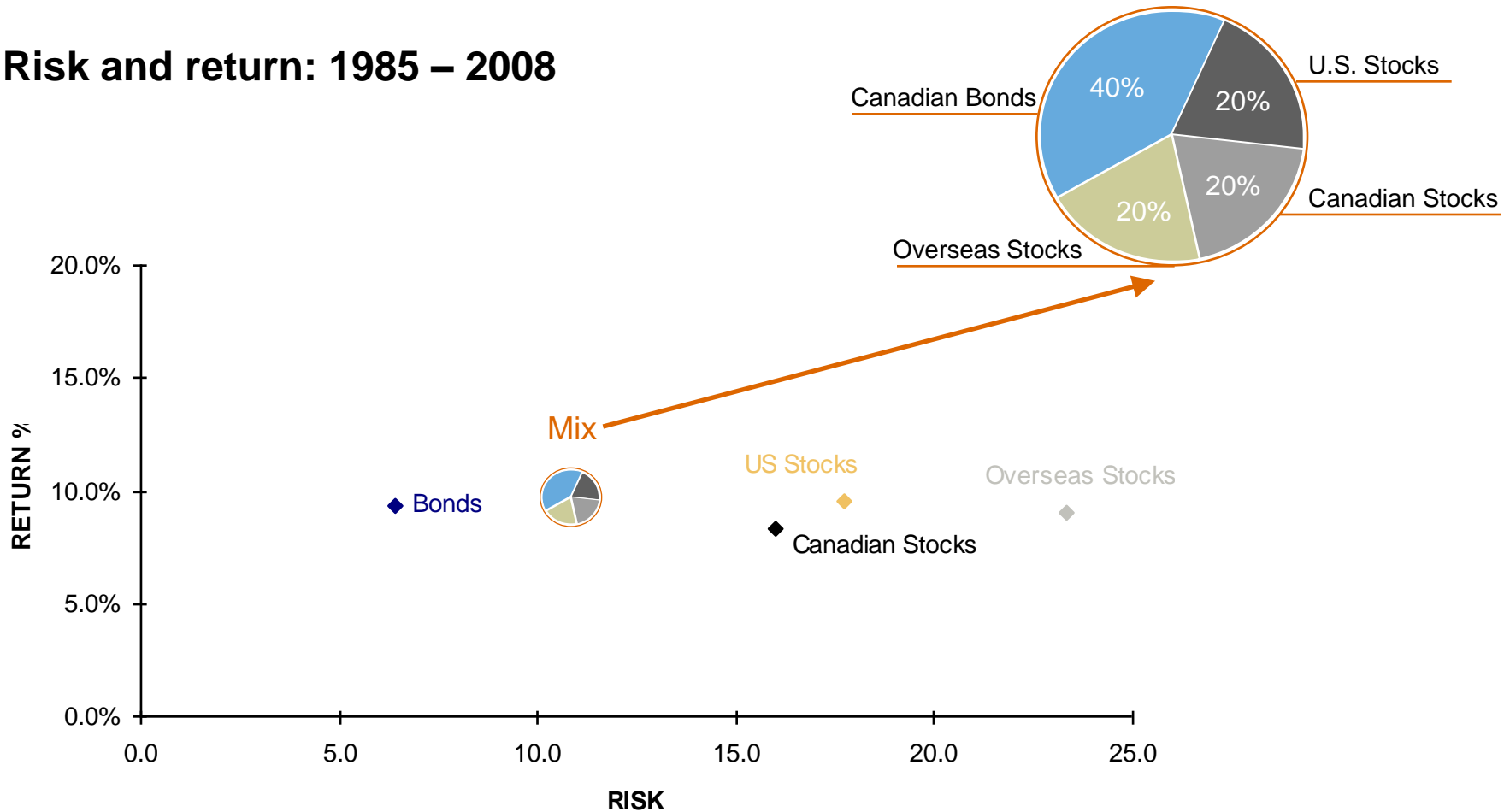
**Mix of
60% Stocks
40% Bonds**

Return 9.2%
Risk 10.5%

Source: Canadian Stocks: S&P/TSX, Canadian Bonds: DEX Universe Bond Index. Please refer to the last slide for important information regarding indices.

Strategic international diversification improves your asset mix!

Risk and return: 1985 – 2008

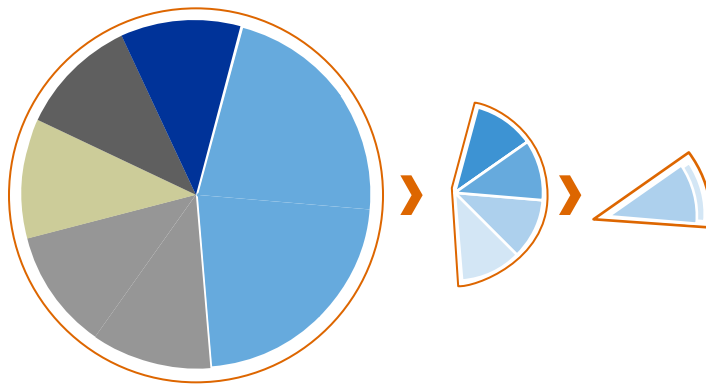


Source: Russell Investments Canada Limited using Canadian Stocks (S&P/TSX Composite Index), Canadian Bonds (DEX Universe Bond Index), U.S. Stocks (S&P 500 Index), Overseas Stocks (MSCI EAFE Index). Please refer to the last slide for important information regarding indices.

Finding the right asset mix is crucial

Multi-asset

Your investment



Russell Canadian Fixed Income Fund

Russell Canadian Equity Fund

Russell US Equity Fund

Russell Overseas Equity Fund

Russell Global Equity Fund

Multi-style

A second level of diversification

Equity investment styles

Growth

- High earnings growth
- Low dividend yield
- Above-average price/earnings

Value

- Low price to book
- High dividend yield
- Often out-of-favour

Market-oriented

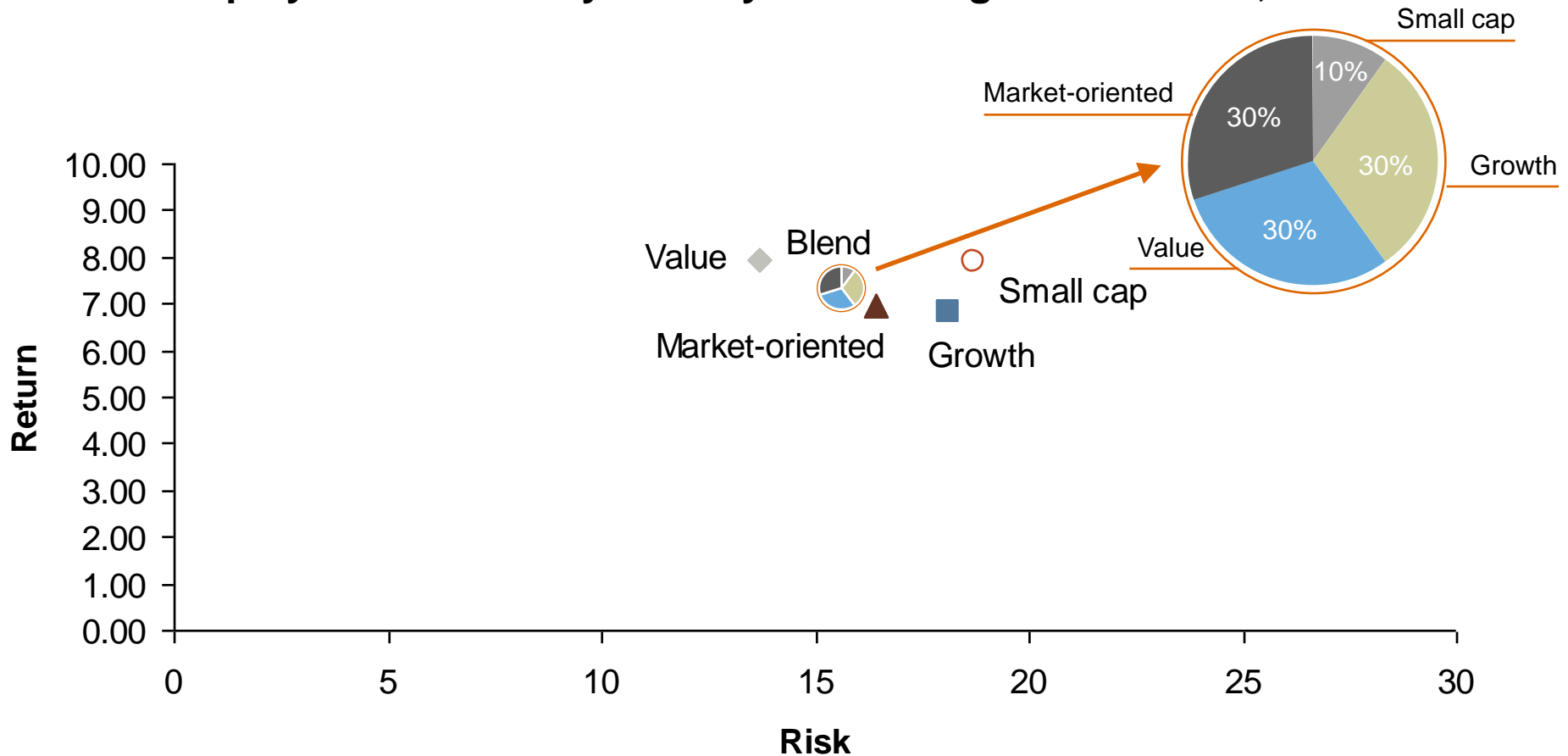
- Broad equity markets
- Possible sector emphasis
- Possible cross sector themes

Small capitalization

- Growing or emerging companies
- Low dividend yield and above-average volatility

Is one style better than the others?

Equity investment styles: 10 years ending December 31, 2008



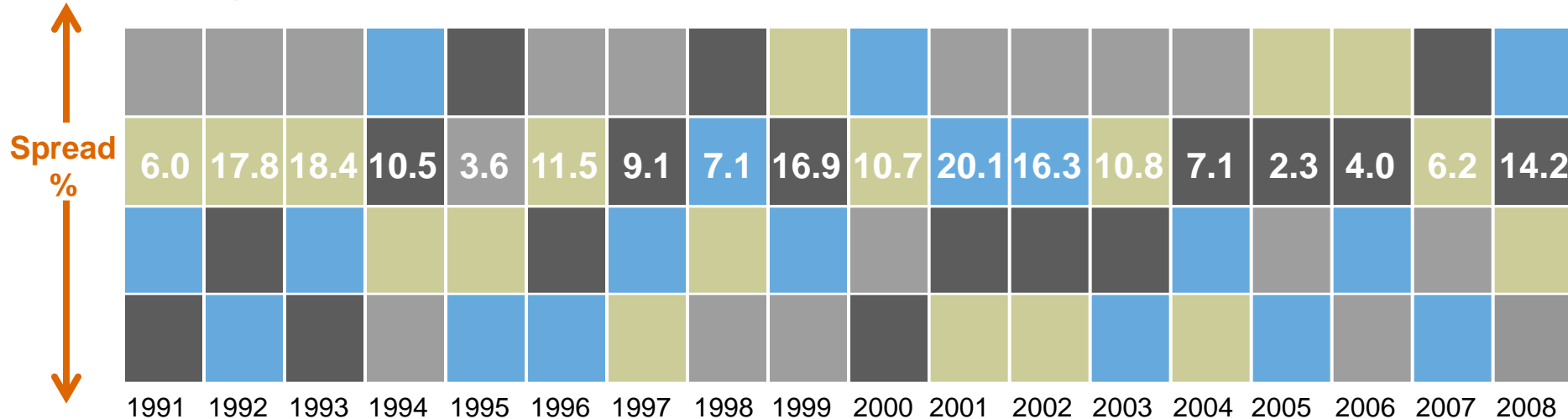
Source: BNY Mellon Asset Servicing. The Blended Universe ("Blend") is constructed by taking the quarterly median manager return for each asset class universe and multiplying it against the percentage weights of a strategic asset mix. Each quarter's result is then geometrically linked to form a continuous stream of returns. It is therefore, an estimate and does not reflect an actual median manager.

Is one style better than others?

Canadian equity managers 1991 - 2008:



Best performing style



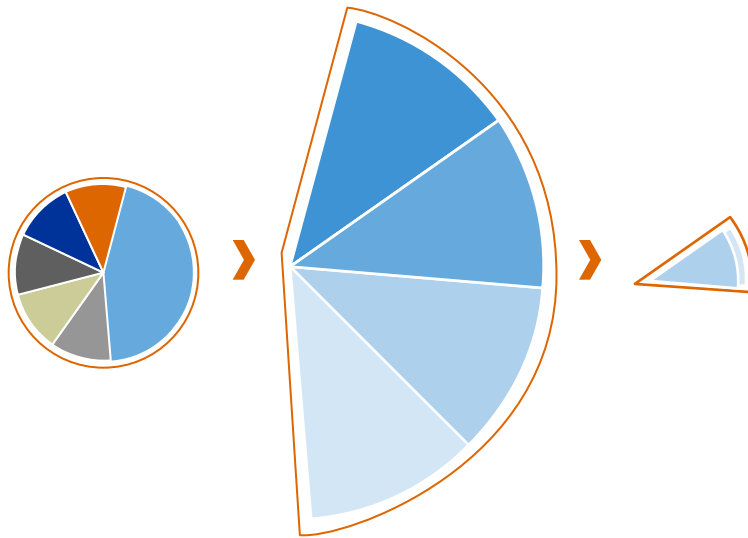
Worst performing style

Source: Russell Investments Canada Limited using BNY Mellon Asset Servicing, Median manager

Bringing you a team of experts

Multi-style

Your investment



Russell Canadian Equity Fund

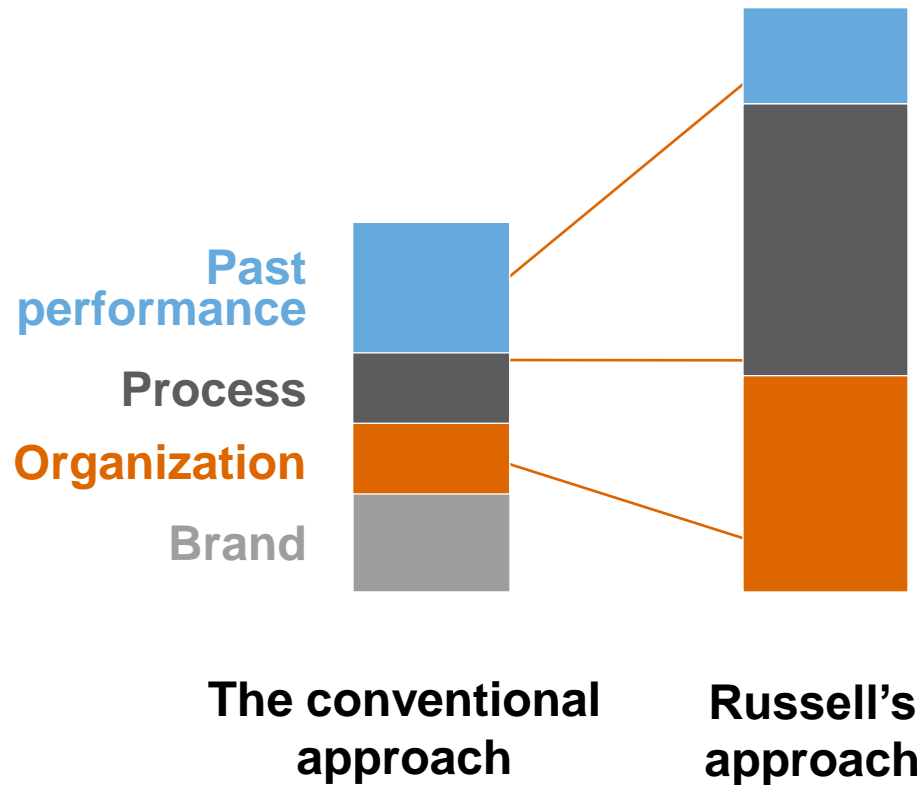


Multi-manager

Focusing on people, process, portfolio and performance

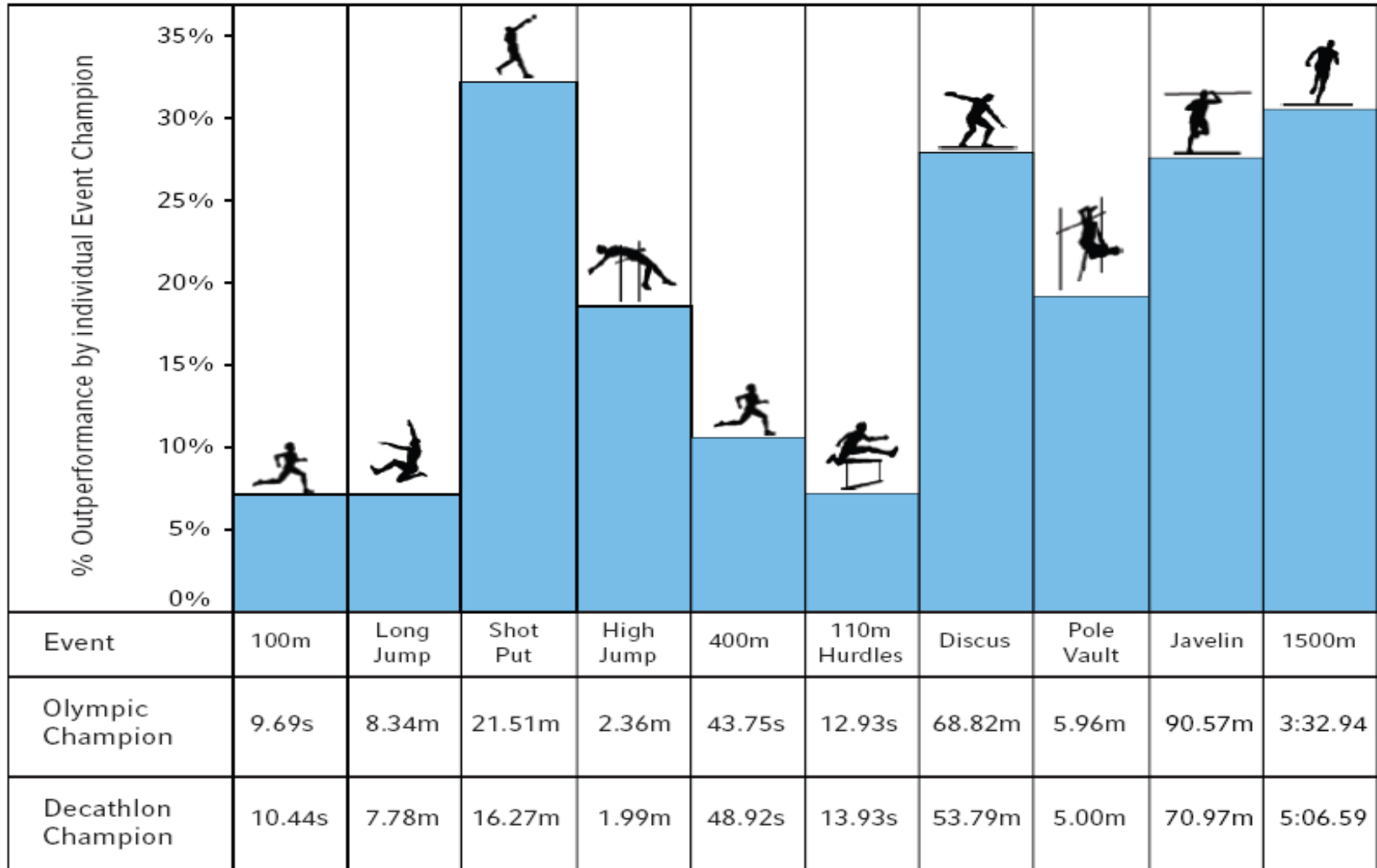
How do we select managers?

We focus on the future, not the past



Note: Russell does not base their manager selection on Brand. Past performance is not an indication of future results, and as such Russell places greater emphasis on evaluating investment processes and organizations.

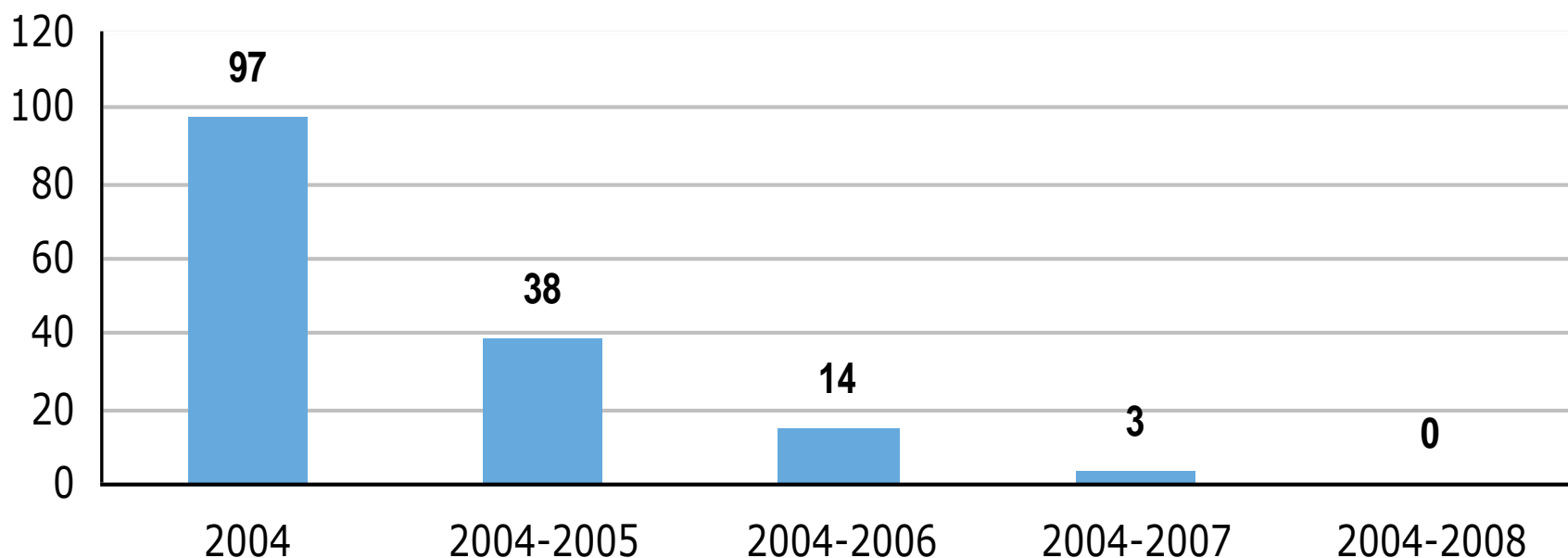
Specialization = excellence



Source: The official website of the Beijing 2008 Olympic Games, August 8-24, 2008

Why picking today's hot manager isn't the solution

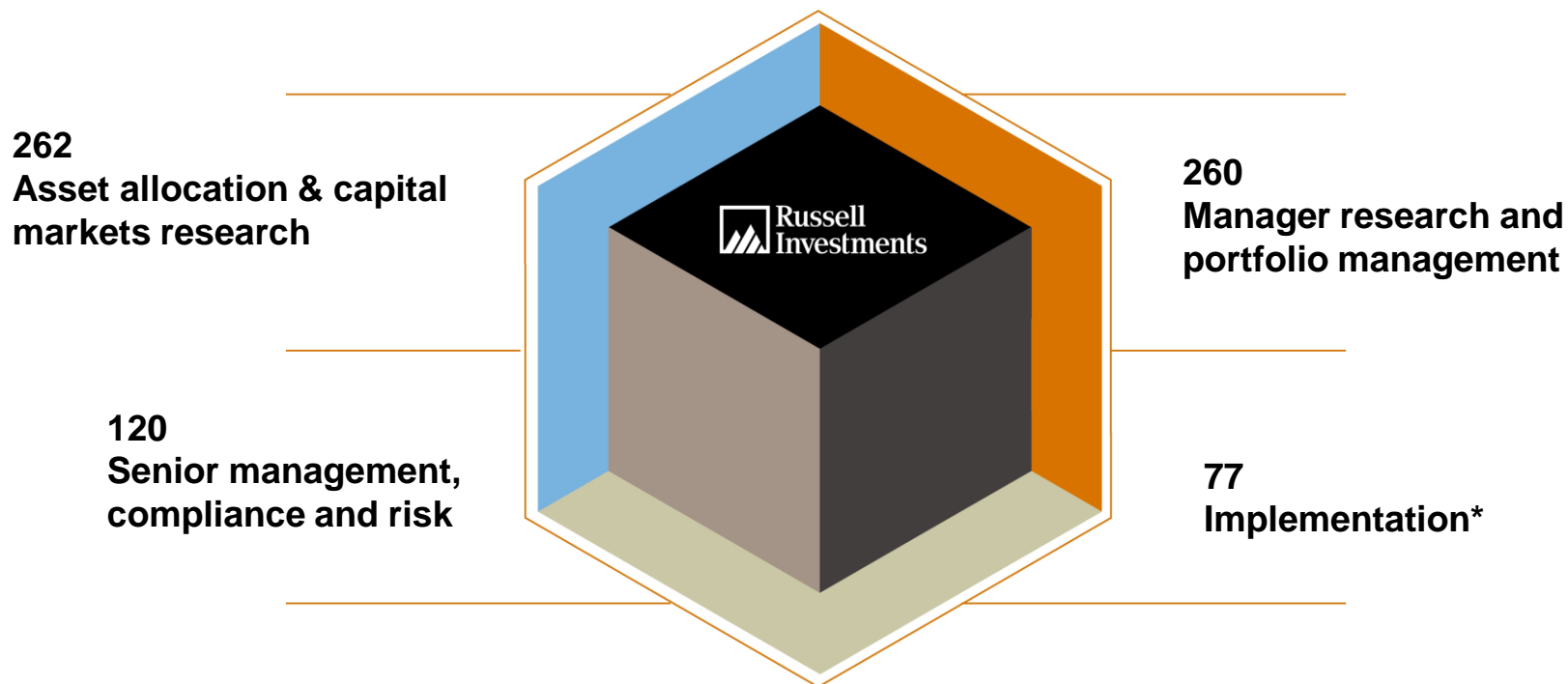
Managers in the top 25% for consecutive years: 2004 - 2008



Source: Morningstar Canada, 2004-2008

In 2008, none of the original 97 managers from 2004 had remained in the top 25% every year since 2004.

Russell professionals directly affecting the investment process

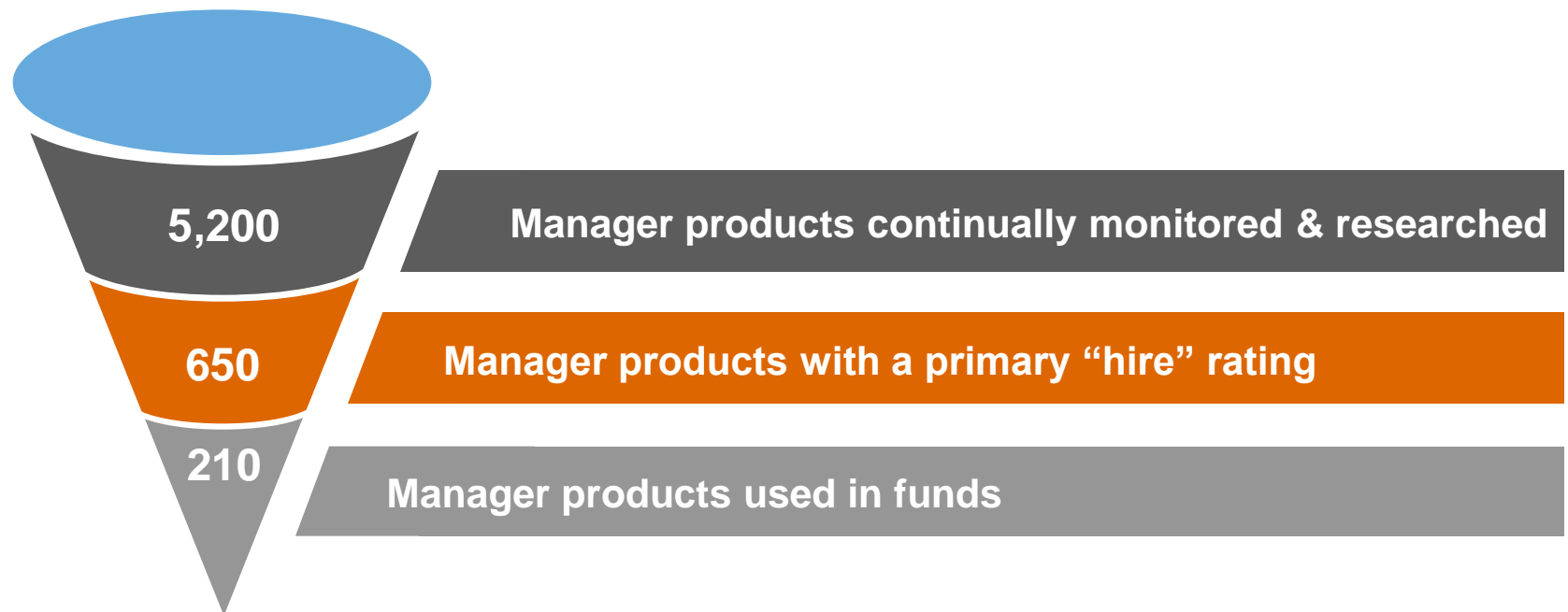


Information as of December 31, 2008. Current numbers may differ as workforce resources have been restructured as of April 2009.

*Includes foreign exchange traders or trading analysts, commission recapture managers and analysts, and operations (clearing) associates.

Russell's manager selection process

Focusing on people, process, portfolio and performance

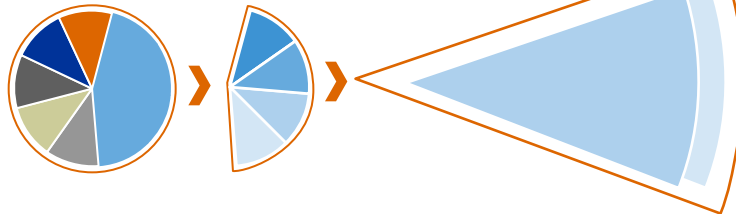


Source: Russell Investments Canada. Numbers are current as of December 31, 2008.

Manager selection and monitoring

Multi-manager

Your investment



Russell Canadian Equity Fund

Value

- **Foyston, Gordon & Payne Inc.**

Market-oriented

- **Aurion Capital Management Inc.**
- **Greystone Managed Investments, Inc.**

Growth

- **Picton Mahoney Asset Management**
- **Goodman & Company Investment Counsel Ltd.**

A custom-tailored solution

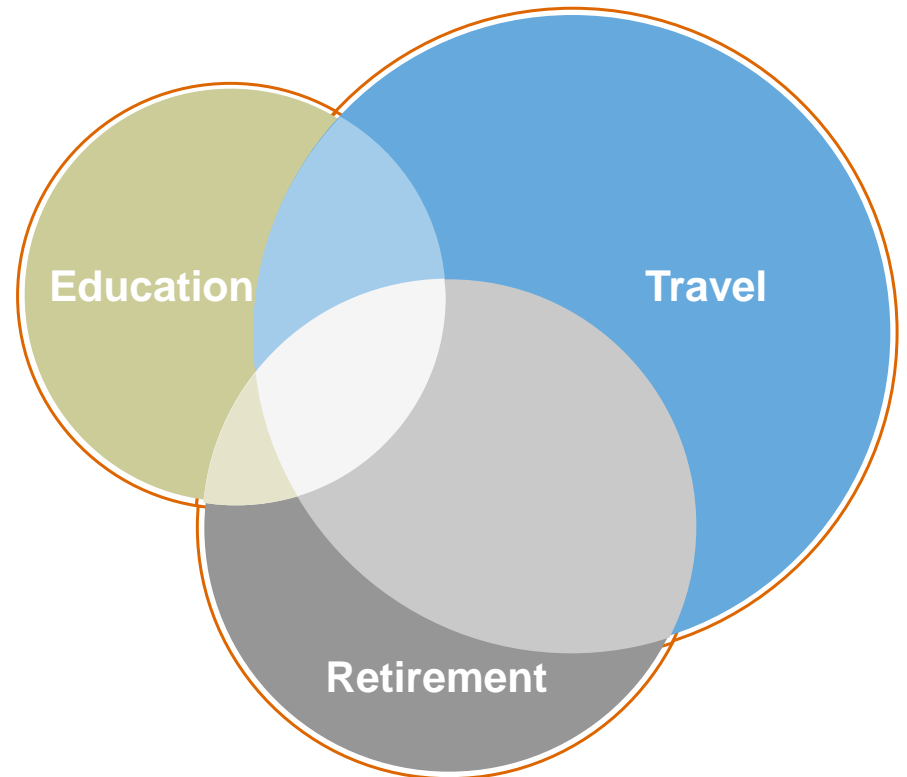
Meeting your investment goals

Understand

It starts by listening

Step 1

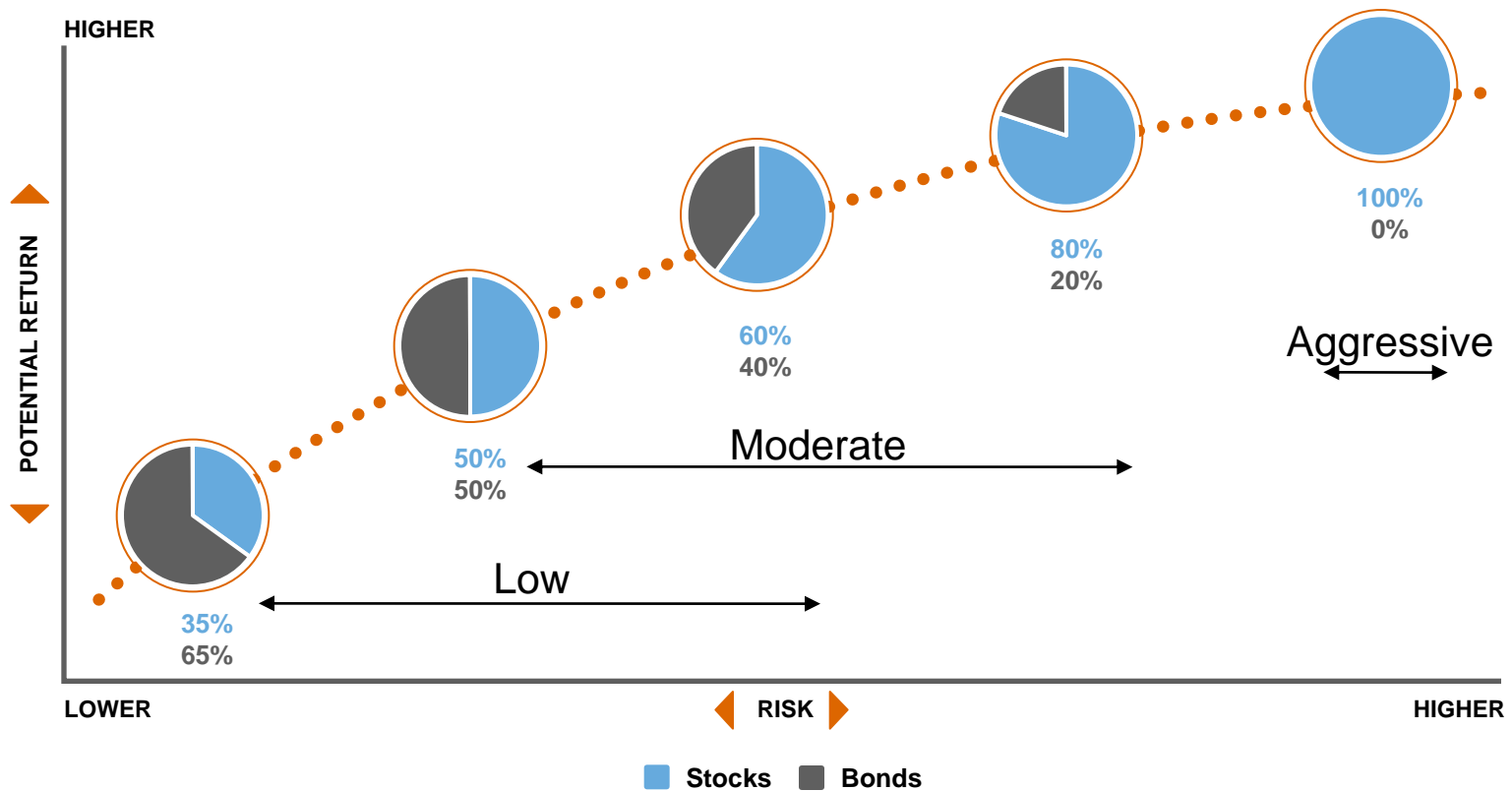
- **Developing your personalized investor profile**
 - **Time horizon**
 - **Assets**
 - **Income**
 - **Tax considerations**
 - **Attitude toward risk**



Plan

Choosing an asset allocation strategy

Step 2



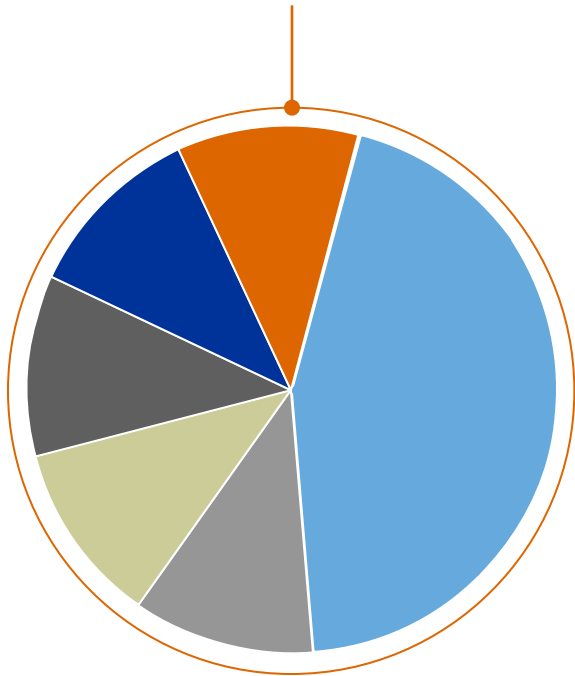
NOTE: As you move from left to right on the graph - increasing risk - there are different portfolios that can offer higher return potential. However, as with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

What is the best solution?

Step 3

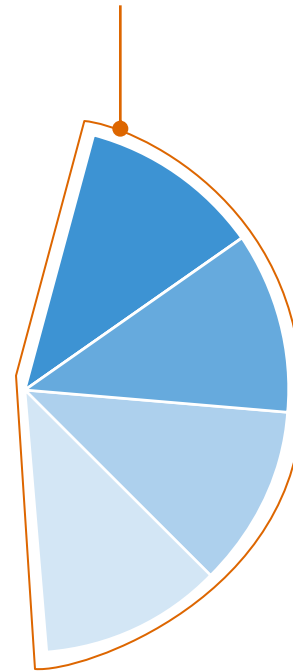
Multi-asset:

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- Canadian stocks
- US stocks
- Overseas stocks
- Global stocks



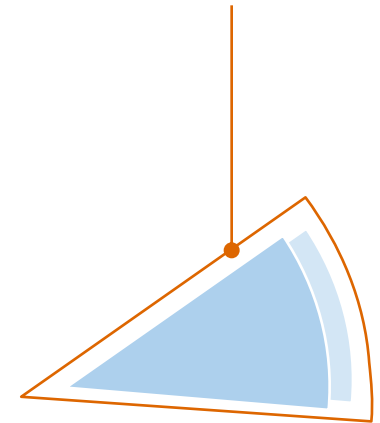
Multi-style:

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- Market-oriented
- Small cap
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Multi-manager:

- Manager 1
- Manager 2

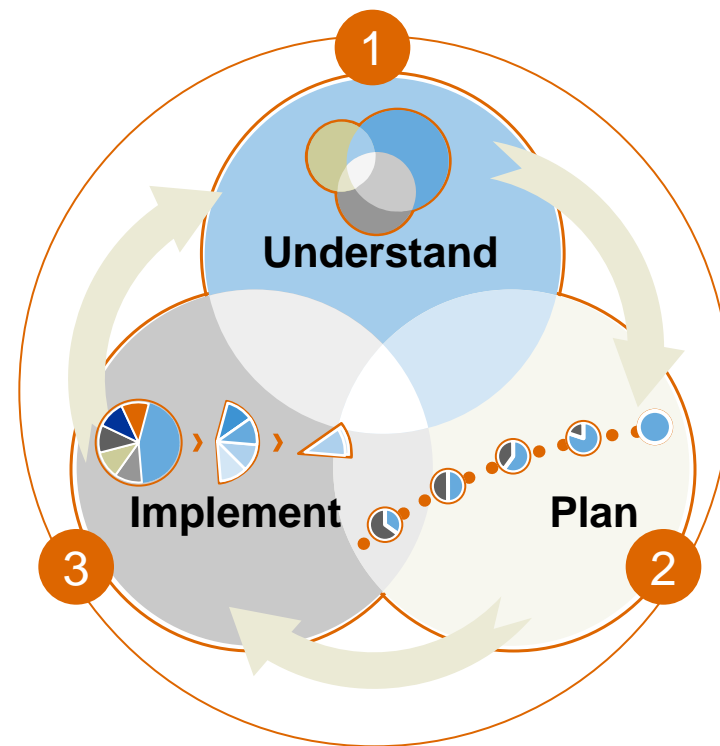


Review

Staying on course

Step 4

- **Work with your advisor**
- **Review your investor profile**
- **Continuous monitoring of portfolio managers by Russell**

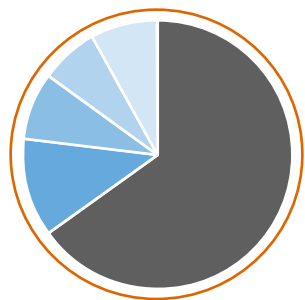


Russell LifePoints[®] Portfolios

A Russell investment program

Russell LifePoints Portfolios

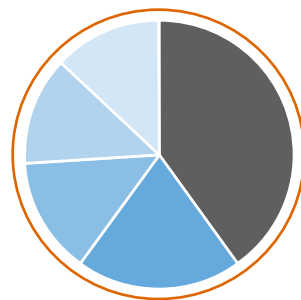
- Russell Canadian Fixed Income Fund
- Russell Canadian Equity Fund
- Russell US Equity Fund
- Russell Overseas Equity Fund
- Russell Global Equity Fund



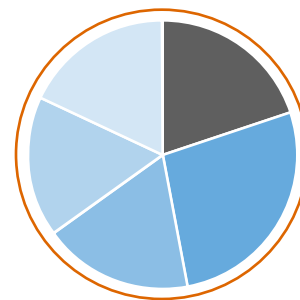
LifePoints
Balanced
Income
Portfolio
(35/65)



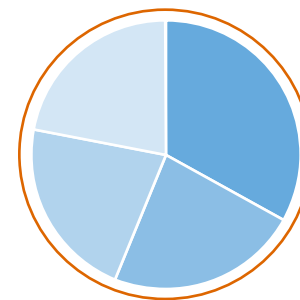
LifePoints
Balanced
Portfolio
(50/50)



LifePoints
Balanced
Growth
Portfolio
(60/40)



LifePoints
Long-Term
Growth
Portfolio
(80/20)



LifePoints
All Equity
Portfolio
(100/0)

Please refer to the last slide for important information.

Russell LifePoints Portfolios offers

- One-stop solution
- Well-diversified investment
- Investment discipline
- Access to investment markets, style and managers
- Manager research, selection and monitoring
- Auto-rebalancing
- DALBAR-rated client quarterly statements*
- Choice

*The Russell LifePoints Portfolio statements were awarded the 2009 DALBAR Communications Seal for displaying excellence in meeting the needs of customers.

26
of the world's leading
investment managers

+ 5
multi-style,
multi-manager funds

+ 5
strategic, multi-asset
LifePoints Portfolios

= 1
DECISION

Important information

- Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.
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- LifePoints® Portfolios invest in the Russell Group of Funds. Russell intends to manage the Portfolios based upon the strategic percentages noted, however, the actual allocations may vary. Russell may also change the targets from time to time. The target weights for the Russell US Equity Fund, the Russell Overseas Equity Fund and the Russell Global Equity Fund are managed according to their regional weights in the foreign equity benchmark.
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