

Annual Report of the Independent Review Committee of

The LifePoints Portfolios and the Russell Group of Funds (the "Funds")

March 23, 2009

IRC Annual Report to: Securityholders in the Funds as listed on Page 4 of this report.

Dear Investor,

In accordance with **National Instrument 81-107 Independent Review Committee for Investment Funds** ("NI 81-107" or the "Instrument"), the Manager established on May 1, 2007, an independent review committee (the "IRC" or the "Committee") for the Funds. The IRC is composed of four individuals, each of whom is independent of the Funds, the Manager and each entity related to the Manager and its affiliates.

The IRC was effective as of November 1, 2007 and, after that date, has functioned in accordance with the applicable securities laws, including the Instrument.

In accordance with the Instrument, the mandate of the IRC is to consider and provide recommendations to the Manager on conflicts of interest to which the Manager may be subject when managing the Funds. The Manager is required under the Instrument to identify potential conflicts of interest inherent in its management of the Funds, develop written policies and procedures guiding its management of those conflicts and request input from the IRC on those written policies and procedures.

When a conflict matter arises, the Manager must refer its proposed course of action in respect of any such conflict to the IRC for its review. While certain matters require the IRC's prior approval, in most cases the IRC will provide a recommendation to the Manager as to whether or not, in the opinion of the IRC, the Manager's proposed action provides a fair and reasonable result for the Funds. For recurring conflict of interest matters, the IRC can provide the Manager with Standing Instructions ("SIs") that enable the Manager to proceed with certain matters without having to refer them to the IRC each time for approval, providing the Manager deals with the conflicts in accordance with the SIs.

The IRC is empowered to represent the best interest of the Funds in any matter where the Manager has referred a conflict of interest matter to the IRC. In those cases, it has sought to ensure that the Manager's proposed course of action represents a fair and reasonable result for the Funds.

The IRC is pleased to publish its annual report to the Securityholders, to describe the IRC and its activities during the year ended December 31, 2008 ("the Reporting Period") and on behalf of the Funds looks forward to assisting the Manager in dealing with any conflict matters that it faces in these unprecedented times.

Composition of the IRC

The current members of the IRC, and their principal occupations, are as follows:

<i>Name and municipality of residence</i>	<i>Principal Occupation</i>	<i>Term of Office</i>
Stanley M. Beck, QC, Toronto, Ontario - Chair	President, Granville Arbitrations Ltd., Independent Director, former Chair of the Ontario Securities Commission	Three years from May 1, 2007
Eamonn B.P. McConnell, Toronto, Ontario	Consultant, former Managing Director of Deutsche Bank, Europe and Asia	Three years from May 1, 2008
Lawrence A. Ward, Toronto, Ontario	Consultant, retired partner PricewaterhouseCoopers, LLP	Two years from May 1, 2007
W. William Woods, Toronto, Ontario	Consultant, Lawyer, Independent Director, former CEO of the Bermuda Stock Exchange	Two years from May 1, 2007

Eamonn McConnell's initial term was for one year from May 1, 2007. His term was renewed on April 8, 2008 for a period of three years with effect from April 18, 2008.

Compensation and Indemnification

Members' Fees

In aggregate the IRC members were paid \$78,000, plus applicable taxes, in 2008. The IRC reviewed comparable benchmarks and has determined not to make any changes in the member's compensation at this time. The IRC has engaged Independent Review Inc. to assist it in its duties in accordance with the provisions of the Instrument and the IRC's Written Charter, to provide certain administrative and record keeping functions and to act as the IRC's independent secretariat.

Indemnities Granted

The Funds and the Manager have provided each IRC Member with a contractual indemnity to the fullest extent permitted by NI 81-107. No indemnities were paid to the IRC Members by the Funds or the Manager during the Reporting Period.

Disclosure of IRC Members' Holdings

As at December 31, 2008, the IRC Members did not beneficially own, directly or indirectly:

- any units in any of the Funds;
- any interests in the Manager ; or
- any interests in a company or person that provides services to the Manager or any Fund.

Recommendations and Approvals

On June 17, 2008, the Manager requested a positive recommendation from the IRC for the Manager's course of action to change sub-advisors. The proposed sub-advisor changes involved removing one sub-advisor from the Russell Canadian Equity Fund, adding two new sub-advisors to that Fund, one of which was also added to the Russell Canadian Equity Pool. With these changes there was a reduction in the fees paid to the sub-advisors. The IRC concluded the change in sub-advisors would be in the best interest of the Funds and a positive recommendation was given on June 23, 2008.

The Committee made no further recommendations or approvals during the Reporting Period.

The IRC is not aware of any instance in which the Manager acted in a Conflict of Interest Matter but did not meet a condition imposed by the IRC in its recommendation or approval during the Reporting Period.

Standing instructions Approved

The IRC has approved and grouped Standing Instructions into SI No. 1 and SI No. 2, which constitutes a written approval or recommendation from the IRC that permit the Manager to proceed with the specific actions set out in the SI on an ongoing basis, without having to refer the conflict of interest matter or its proposed action to the IRC, provided that the Manager complies with the terms and conditions of the SI. The Manager relied on SI No. 1 during the Reporting Period. In each case, the SIs required the Manager to comply with its related policy and procedures and to report periodically to the IRC.

Standing Instruction No. 1: Omnibus deals with a number of conflict of interest matters including:

1. Expenses charged to the Funds
2. Expense allocations
3. Trade allocations
4. Employee Personal Trading and Accepting Gifts
5. Soft Dollar Arrangements
6. Portfolio Pricing Issues
7. Net Asset Value Error Correction
8. Capacity Issues
9. Short-term trading and Market Timing
10. Appointment and changes in Sub-advisors
11. Monitoring Sub-advisors
12. Changes in benchmark indices
13. Inter-Fund Trades
14. Principal Trading and Cross Trading with an Affiliate
15. Affiliated Underwriting
16. Related Party Transactions

The Manager relied on SI No. 2 during the Reporting Period.

Standing Instruction No. 2: Portfolio Pricing Issues: Fair Valuing Securities

Funds covered by this report

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
LifePoints Balanced Growth Portfolio
LifePoints Balanced Portfolio
LifePoints Long-Term Growth Portfolio
LifePoints All Equity Portfolio
LifePoints 2010 Portfolio
LifePoints 2020 Portfolio
LifePoints 2030 Portfolio

This report is available on the Manager's website at <http://www.russell.com/ca> or you may request a copy, at no cost to you, by contacting the Manager at (416)-362-8411 or 1-888-509-1792 or email the Manager at canada@russell.com. This document and other information about the Funds are available on www.sedar.com.

Yours truly,

A handwritten signature in blue ink that reads "Stanley M Beck". The signature is fluid and cursive, with the first name "Stanley" being particularly prominent.

Stanley M Beck, QC, Chair

Schedule of IRC Members who sit on IRCs for other Fund Families

Eamonn McConnell serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Integra Capital Limited;
Investment funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;
The Goodwood Capital Fund;
Investment funds that are reporting issuers managed by Gencap Funds LP;
Investment funds that are reporting issuers managed by Sprott Asset Management Inc.; and
Investment funds that are reporting issuers managed by Webb Asset Management Canada Inc.

Lawrence A. Ward serves as a member of the Independent Review Committees for the following funds:

The Acker Finley Canada Focus Fund;
The Northwest Funds that are reporting issuers managed by Northwest & Ethical Investments L.P.;
The Goodwood Capital Fund; and
Investment funds that are reporting issuers managed by Sprott Asset Management Inc.

W. William Woods serves as a member of the Independent Review Committees for the following funds:

Investment funds that are reporting issuers managed by Integra Capital Limited;
The Acker Finley Canada Focus Fund;
The Goodwood Capital Fund;
Investment funds that are reporting issuers managed by Gencap Funds LP;
Investment funds that are reporting issuers managed by Sprott Asset Management Inc.;
Investment funds that are reporting issuers managed by The International Scholarship Foundation;
The Bayshore Floating Rate Senior Loan Fund; and
Investment funds that are reporting issuers managed by Webb Asset Management Canada Inc.