

Manager Change

Effective June 15, 2009, manager changes will be implemented for the Russell U.S. Growth Fund, Russell U.S. Small & Mid Cap Fund, and the Russell International Developed Markets Fund

The value of active management

Russell continually researches money managers from around the globe, allowing you to focus on the benefits of long-term diversification, active management and goal-oriented planning.

Manager changes effective June 15, 2009

Russell's research recently led to changes in the following Russell Investment Company (RIC) funds:

- **Russell U.S. Growth Fund**
- **Russell U.S. Small & Mid Cap Fund**
- **Russell International Developed Markets Fund**

Unless otherwise noted, investment objectives, risk parameters and fund portfolio characteristics such as valuation and growth relative to the funds' respective benchmark will not materially change as a result of this change. However, given that the terminated manager in the Russell U.S. Growth Fund was the manager primarily responsible for investing in small and micro cap securities, the prospectus has been updated to remove micro cap from the investment strategies section and move small cap to non-principal investment strategies.

RUSSELL U.S. GROWTH FUND

Terminated Money Manager: Fuller & Thaler Asset Management, Inc. (Fuller & Thaler)

Effective Date¹: June 15, 2009

- Fuller & Thaler was primarily in the Fund to invest in the micro and small cap portion of the market. As this Fund is benchmarked to the Russell 1000® Growth Index, this manager represented investments outside of the benchmark.

Impact on Fund Structure: Fuller & Thaler Asset Management, Inc. is being terminated, with their assets being allocated to the Fund's liquidity reserve account. The liquidity reserve receives market exposure through the cash equitization process.

There will no longer be exposure to micro cap and there will be less exposure to small cap as a result of this change. However, the Fund's risk and return characteristics are unchanged.

Russell U.S. Growth Fund			
	Role	Previous target weight	Current target weight*
Cornerstone Capital Management, Inc.	Growth	25%	25%
Delaware management Company, a Series of Delaware Management Business Trust	Growth	24%	24%
Fuller & Thaler Asset Management, Inc.	Growth	3%	0%
Suffolk Capital Management, LLC	Growth	13%	13%
Sustainable Growth Advisers, LP	Growth	14%	14%
Turner Investment Partners, Inc.	Growth	21%	21%
Liquidity Reserve		0%	3%

*In addition to the managed fund assets, the fund maintains a percentage of its assets in cash. Cash reserves are exposed to the performance of the appropriate markets by purchasing equity securities and/or derivatives.

RUSSELL U.S. SMALL & MID CAP FUND

New Money Manager: Next Century Growth Investors, LLC (Next Century)

Terminated Money Manager: Gould Investment Partners LLC

Effective Date¹: June 15, 2009

Terminated Money Manager: PanAgora Asset Management, Inc.

Effective Date¹: June 15, 2009

- Next Century is a high growth manager, focusing on securities with high earnings growth, high earnings variability and high momentum. It seeks companies that have high revenue and earnings growth while maintaining lower debt levels.
- Next Century will aim to provide the Fund access to strong earnings growth stories in the market, offering exposure to up and coming market leaders.
- Next Century has been broadly used within products Russell manages around the globe. Russell believes strongly in Next Century's process.

Impact on Fund Structure: Gould Investment Partners LLC is being terminated and replaced by Next Century Growth Investors, LLC. PanAgora Asset Management, Inc. is being terminated, with their assets reallocated among remaining existing managers.

Russell U.S. Small & Mid Cap Fund			
	Role	Previous target weight	Current target weight*
Gould Investment Partners LLC	Growth	9%	0%
Next Century Growth Investors, LLC	Growth	0%	10%
Ranger Investment Management, L.P.	Growth	11%	11%
Tygh Capital Management, Inc.	Growth	20%	20%
ClariVest Asset Management LLC	Market Oriented	10%	15%
PanAgora Asset Management, Inc.	Market Oriented	10%	0%
Delphi Management, Inc.	Value	10%	10%
DePrince, Race & Zollo, Inc.	Value	10%	12%
Jacobs Levy Equity Management, Inc.	Value	12%	12%
Signia Capital Management, LLC	Value	8%	10%

*In addition to the managed fund assets, the fund maintains a percentage of its assets in cash. Cash reserves are exposed to the performance of the appropriate markets by purchasing equity securities and/or derivatives.

RUSSELL INTERNATIONAL DEVELOPED MARKETS FUND

New Money Manager: William Blair & Company, LLC (Blair)

Terminated Money Manager: Welling Management Company, LLP

Effective Date¹: June 15, 2009

- Blair employs a bottom-up security selection process, with a top-down thematic element to its approach.
- Given its focus on high growth, Russell anticipates that Blair will have a significant allocation to emerging markets.
- Russell has been following this investment team for at least 20 years. This manager has a seasoned investment team with significant depth and breadth of experience.

Impact on Fund Structure: Wellington Management Company, LLP is being terminated and replaced by William Blair & Company, LLC.

Russell International Developed Markets Fund			
	Role	Previous target weight	Current target weight*
Axiom International Investors LLC	Growth	6%	8%
Marsico Capital Management, LLC	Growth	11%	13%
UBS Global Asset Management (Americas) Inc.	Growth	6%	6%
Wellington Management Company	Growth	10%	0%
William Blair & Company, LLC	Growth	0%	8%
AllianceBernstein L.P.	Value	12.5%	13.5%
Altrinsic Global Advisors, LLC	Value	11%	11%
Mondrian Investment Partners Limited	Value	13.5%	13.5%
AQR Capital Management, LLC	Market Oriented	13%	10%
MFS Institutional Advisors, Inc.	Market Oriented	12%	12%
Russell Investment Management Company	Market Oriented	5%	5%

*In addition to the managed fund assets, the fund maintains a percentage of its assets in cash. Cash reserves are exposed to the performance of the appropriate markets by purchasing equity securities and/or derivatives.

¹ The effective dates refer to when a manager transition began.

Fund objective, risks, charges and expenses should be carefully considered before investing. A prospectus containing this and other important information can be obtained by calling (800) 787-7354 or visiting www.russell.com. Please read the prospectus carefully before investing.

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and to political systems which can be expected to have less stability than those of more developed countries. Securities may be less liquid and more volatile than US and longer-established non-US markets.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

Money managers listed are current as of 6/15/09. Subject to the Funds' Board approval, Russell has the right to engage or terminate a money manager at any time and without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. If applicable, please refer to the most recent prospectus, which will contain the latest information.

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