

Tacoma

August 3, 2009

 **Russell  
Investments**  
**Russell Investment Company**  
**Dividend Announcement**

Dear Shareholder:

On August 3, 2009, the following dividends payable was declared from net investment income. Dividends will be payable on August 5, 2009, to shareholders of record effective with the opening of business on August 4, 2009.

<b>Fund</b>	<b>Identifier</b>	<b>Net Investment Income</b>
<b>Russell Investment Grade Bond Fund - Class I</b>	782493407	0.0845
<b>Russell Investment Grade Bond Fund - Class E</b>	782493183	0.0802
<b>Russell Investment Grade Bond Fund - Class Y</b>	782493175	0.0852
<b>Russell Investment Grade Bond Fund - Class C</b>	782494827	0.0651
<b>Russell Investment Grade Bond Fund - Class S</b>	782494835	0.0822
<b>Russell Short Duration Bond Fund - Class S</b>	782493506	0.0599
<b>Russell Short Duration Bond Fund - Class E</b>	782493332	0.0561
<b>Russell Short Duration Bond Fund - Class C</b>	782493340	0.0457
<b>Russell Short Duration Bond Fund - Class A</b>	782494801	0.0563
<b>Russell Short Duration Bond Fund - Class Y</b>	782494421	0.0613
<b>Russell Strategic Bond Fund - Class I</b>	782493738	0.0445
<b>Russell Strategic Bond Fund - Class E</b>	782493167	0.0425
<b>Russell Strategic Bond Fund - Class Y</b>	782493159	0.0449
<b>Russell Strategic Bond Fund - Class A</b>	782494470	0.0414
<b>Russell Strategic Bond Fund - Class C</b>	782494462	0.0354
<b>Russell Strategic Bond Fund - Class S</b>	782494454	0.0436
<b>Russell Tax Exempt Bond Fund - Class S</b>	782493837	0.0660
<b>Russell Tax Exempt Bond Fund - Class E</b>	782493316	0.0615
<b>Russell Tax Exempt Bond Fund - Class C</b>	782493324	0.0480

**Key Dates**

Ex: 08/04/09  
Record: 08/04/09  
Payable: 08/05/09

With the enactment of The American Jobs Creation Act of 2004, Registered Investment Companies are now able to exempt from withholding the qualified interest income dividends paid to foreign investors. Of the net investment income dividends paid above, 89.54% of the Russell Investment Grade Bond Fund, 85.84% of the Russell Short Duration Bond Fund, and 75.15% of the Russell Strategic Bond Fund are exempt from the U.S. withholding tax.

If you have any questions or need additional information, please feel free to call Russell Investments 1-800-787-7354.

*Fund objectives, 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](http://www.russell.com). Please read the prospectus carefully before investing.*

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