

## Fixed Income SHares - Series C, M, R 2007 Tax Reporting Information

The following information may be of value in reducing your state or local liability for dividend income received from Fixed Income SHares - Series C, M and R. Certain states exempt interest earned on direct obligations of the federal government from state and local taxes. However, the exemption requirements vary from state to state. For example, certain states require that a minimum percentage (typically 50%) of a fund's assets consist of U.S. Government securities at the end of each calendar quarter. Series C did not satisfy this limitation, Series M and Series R did meet this threshold.

The following tables detail the percentage of income dividends paid by each series during calendar year 2007 from investments in U.S. Government obligations and repurchase agreements. 0% of the income dividends paid from Fixed Income SHares - Series C, M or R qualify for the corporate dividends received deduction.

Please direct any questions you may have to your tax advisor.

### **Series C:**

	Year Ended Dec. 31, 2007
Direct U.S. Government Obligations	0.18%
Indirect U.S. Government Obligations	4.77
Repurchase Agreements	2.27
United States Treasury Securities	4.16

### **Series M:**

	Year Ended Dec. 31, 2007
Direct U.S. Government Obligations	0.64%
Indirect U.S. Government Obligations	77.23
Repurchase Agreements	2.24
United States Treasury Securities	0.99

### **Series R:**

	Year Ended Dec. 31, 2007
Direct U.S. Government Obligations	0.05%
Indirect U.S. Government Obligations	27.98
Repurchase Agreements	4.35
United States Treasury Securities	43.04

**Fixed Income Shares - Series H**  
**2007 Tax Reporting Information**

For the year ended December 31, 2007, substantially all income dividends paid by Fixed Income Shares - Series H (the "Fund") were exempt from federal income tax. During 2007 the Fund invested in market discount municipal bonds, whose accretion is taxable. Accordingly, 0.16% of dividends paid were taxable. Shareholders should consult their tax advisor as to the state and local tax status of dividend income received from the Fund. The information below may also be of value in reducing a shareholder's state or local tax liability, if any, in connection with dividend income received from the Fund.

**DIVIDEND INCOME**  
**PERCENTAGE BY STATE**  
**APRIL 2, 2007\* THROUGH DECEMBER 31, 2007**

Alabama.....	3.23%	Nebraska.....	0.07%
Alaska.....	0.03%	Nevada.....	0.14%
Arizona.....	7.70%	New Hampshire.....	0.08%
Arkansas.....	0.02%	New Jersey.....	3.75%
California.....	7.00%	New Mexico.....	3.12%
Colorado.....	4.86%	New York.....	1.09%
Connecticut.....	0.07%	North Carolina.....	0.24%
Delaware.....	0.02%	North Dakota.....	0.01%
District of Columbia.....	0.04%	Ohio.....	0.13%
Florida.....	3.19%	Oklahoma.....	0.07%
Georgia.....	0.25%	Oregon.....	0.04%
Hawaii.....	—	Pennsylvania.....	3.90%
Idaho.....	0.06%	Puerto Rico.....	0.18%
Illinois.....	4.63%	Rhode Island.....	0.11%
Indiana.....	2.42%	South Carolina.....	0.46%
Iowa.....	3.46%	South Dakota.....	0.06%
Kansas.....	2.02%	Tennessee.....	2.75%
Kentucky.....	0.12%	Texas.....	6.33%
Louisiana.....	0.02%	Utah.....	5.77%
Maine.....	0.01%	Vermont.....	0.01%
Maryland.....	3.57%	Virginia.....	1.08%
Massachusetts.....	0.46%	Washington.....	0.16%
Michigan.....	8.46%	West Virginia.....	0.04%
Minnesota.....	8.35%	Wisconsin.....	4.03%
Mississippi.....	—	Wyoming.....	0.04%
Missouri.....	6.34%	<b>Total .....</b>	<b><u>100.00%</u></b>
Montana.....	0.01%		

\* Commencement of Operations