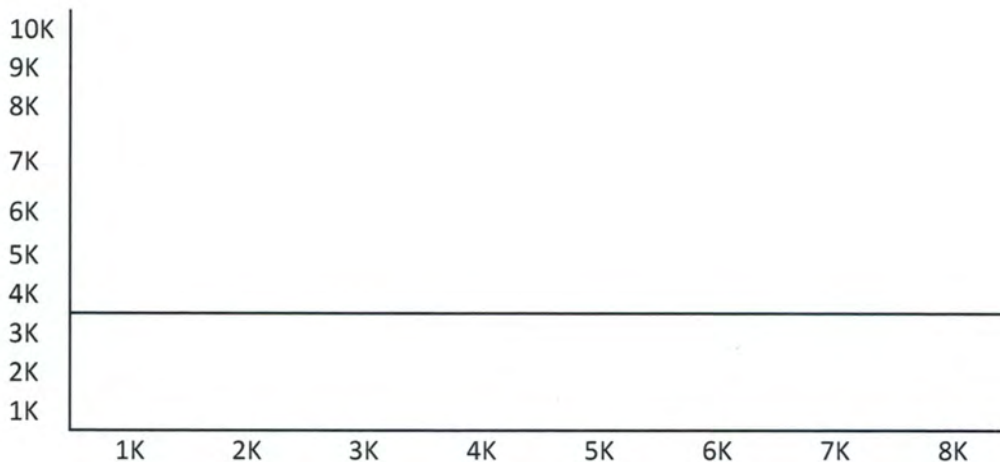


# MONTHLY INCOME

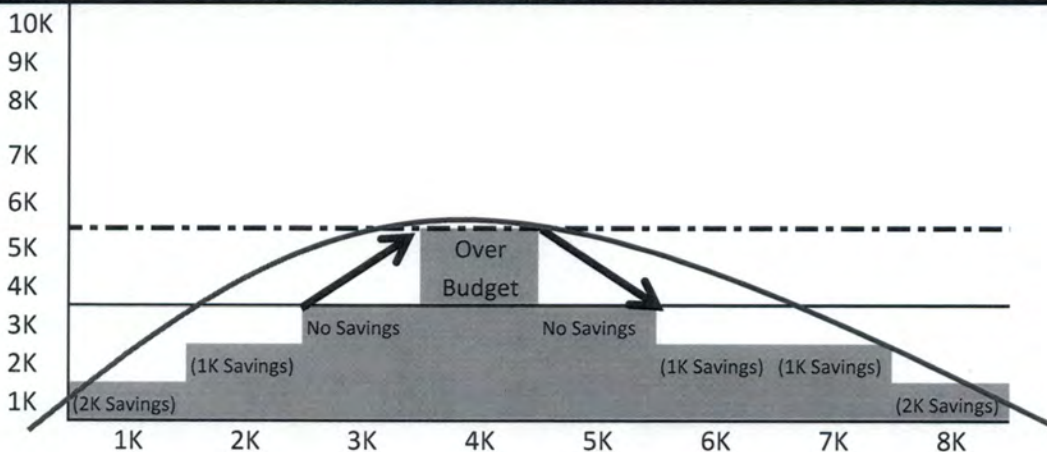
National Average  
\$3,333.00



# MONTHLY EXPENSES

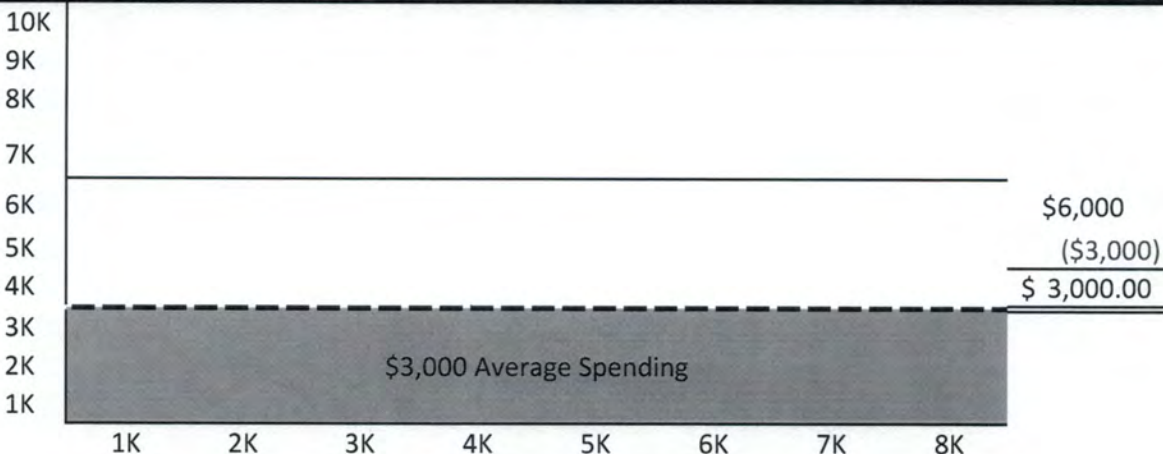
# MONTHLY INCOME

AVERAGE



# MONTHLY EXPENSES

# MONTHLY INCOME



# MONTHLY EXPENSES

\$ 3,000.00  
X 12 months

\$ 36,000.00 >>>>>>>> 20 years == \$ 720,000.00

# NSPH Nasdaq GM + BATS

3-Jul-2012 10:50 am

Health Care / Medical Equipment  
Open: **3.000** ▲ **+28.57%**  
High: **3.450** Chg: **+0.720**  
Low: **3.000** Last: **3.240**  
Prev Close: **2.520** Volume: **3,523,976**

RSI(14) 83.37



52W high	52W low	Stock	Ticker	Div	Yield %	P/E	Vol 00s	High	Low	Close	Net chg
545.39	19.75	ResMed	RMD			52.5	3831	42.00	39.51	41.50	-1.90
11.63	3.55	Revlon A	REV				162	6.09	5.90	6.09	+0.12
77.25	55.13	RioTinto	RTP	2.30	3.2		168	72.75	71.84	72.74	+0.03
31.31	16.63	RitchieBr	RBA			20.9	15	24.49	24.29	24.49	-0.01
8.44	1.75	RiteAid	RAD				31028	4.50	4.20	4.31	+0.21
538.63	18.81	RobtHalf	RHI			26.5	6517	27.15	26.50	26.50	+0.14
51.25	27.69	Rockwell	ROK	1.02	2.1	14.5	6412	47.99	47.00	47.54	+0.24

## Microsoft Corporation (MSFT) - NasdaqGS

**41.38** +0.17 (0.42%) 11:33AM EDT - Nasdaq Real Time Price

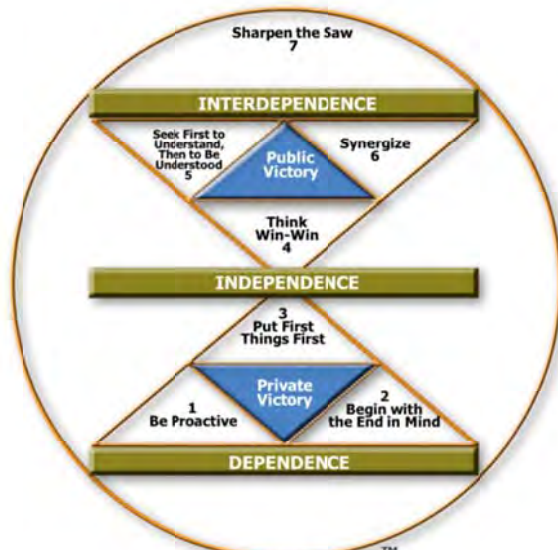
Prev Close:	41.21	Day's Range:	41.24 - 41.66
Open:	41.50	52wk Range:	30.84 - 41.66
Bid:	41.39 x 5200	Volume:	8,718,495
Ask:	41.40 x 10400	Avg Vol (3m):	33,023,300
1y Target Est:	41.87	Market Cap:	341.86B
Beta:	0.68	P/E (tm):	15.51
Next Earnings Date:	22-Jul-14	EPS (ttm):	2.67
		Div & Yield:	1.12 (2.80%)

OVER 15 MILLION SOLD



Powerful Lessons in Personal Change

Stephen R. Covey



	Urgent	Not Urgent
Important	I (MANAGE) • Crisis • Medical emergencies • Pressing problems • Deadline-driven projects • Last-minute preparations for scheduled activities Quadrant of Necessity	II (FOCUS) • Preparation/planning • Prevention • Values clarification • Exercise • Relationship-building • True recreation/relaxation Quadrant of Quality & Personal Leadership
Not Important	III (AVOID) • Interruptions, some calls • Some mail & reports • Some meetings • Many "pressing" matters • Many popular activities Quadrant of Deception	IV (AVOID) • Trivia, busywork • Junk mail • Some phone messages/email • Time wasters • Escape activities • Internet Quadrant of Waste



# Growth Fund

Ticker Symbol:

Fund Status:

Closed to new Retail Investors / Open to subsequent Retail Investments  
Closed to new Retail Investors as of May 28, 2010 at 4pm EST

## Fund Snapshot

### Quick Stats

Current NAV as of 08/15/2014 **\$76.43**  
NAV Change \$0.01  
Daily YTD Return as of 08/15/2014 5.02%  
NAV 12 Month Low-High \$68.09 - \$78.12  
Net Assets as of 06/30/2014 \$24,091.29 Million

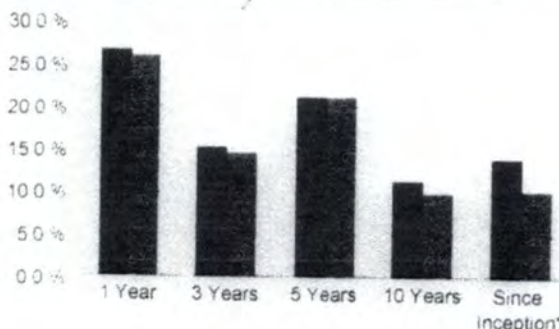
### Morningstar Ratings<sup>1</sup>

as of 06/30/2014

Overall ★★★★★  
3 Year ★★★★★  
5 Year ★★★★★  
10 Year ★★★★★

### Average Annual Total Returns and Benchmarks

as of 06/30/2014



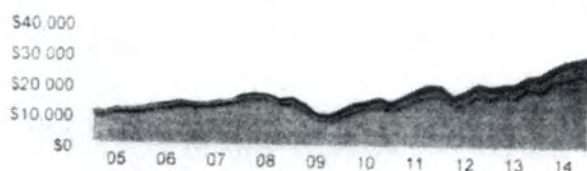
Morningstar rated the [redacted] and among 635, 635, 574 and 417 Mid-Cap Growth funds for the overall rating and the 3-, 5-, and 10-year periods (as applicable) ending 06/30/2014, respectively. Morningstar Ratings™ are based on risk-adjusted returns. The Overall Morningstar Rating™ is derived from a weighted average of the performance figures associated with a fund's 3-, 5-, and 10-year (if applicable) Morningstar Rating™ metrics.

Legend: [redacted] Fund, [redacted] Index

\*Fund Inception Date 06/30/1992

Benchmark Definitions

### Performance Comparison as of 06/30/2014



Legend: [redacted] with [redacted] Funds Average

The investment objective is to provide long-term capital appreciation by investing in mid-cap stocks offering the potential for above-average earnings growth.

### Average Annual Total Returns<sup>2</sup>

	Month End	Quarter End
	07/31/2014	06/30/2014
1 Year	15.40%	26.58%
3 Years	15.48%	15.10%
5 Years	18.70%	21.23%
10 Years	11.64%	11.30%
Since Inception	13.84%	14.05%
Inception Date	June 30, 1992	
Expense Ratio as of 12/31/2013	0.78%	

This chart shows the value of a hypothetical \$10,000 investment in the fund over the past 10 years or since its inception (for funds lacking 10-year records). The result is compared with benchmarks, which may include a broad-based market index and a peer group average or index. Market indexes do not include expenses, which are deducted from fund returns as well as mutual fund averages and indexes.

Benchmark Definition

For funds with at least a 3-year history, a Morningstar Rating™ is based on a risk-adjusted return measure (including the effects of sales charges, loads, and redemption fees) with emphasis on downward variations and consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% 4 stars, the next 35% 3 stars, the next 22.5% 2 stars, and the bottom 10% 1 star. Each share class is counted as a fraction of 1 fund within this scale and rated separately. Morningstar Rating™ is for the retail share class only. Other classes may have different performance characteristics.


**Current performance may be lower or higher than the quoted past performance, which cannot guarantee future results. Share price, principal value, and return will vary and you may have a gain or loss when you sell your shares.**

<sup>1</sup> Average annual total return figures include changes in principal value, reinvested dividends, and capital gain distributions. For funds less than one year old, the Since Inception return figure is not annualized and represents an aggregate total return.

See Glossary for additional details on all data elements.



# Compare then decide.

		Chase Freedom®	BankAmericard Cash Rewards™ Credit Card	Capital One® Quicksilver® Rewards	Citi® Simplicity® Card
No annual fee	✓	✓	✓	✓	✓
<b>NEW!</b> Free FICO® Credit Score on your monthly statements¹	✓	X	X	X	X
100% U.S.-based customer service available any time	✓	X	X	X	X
Paying late won't raise your APR	✓	X	X	X	✓
No late fee for your first late payment	✓	X	X	X	✓
No foreign transaction fee	✓	X	X	✓	X
5% cash back in categories that change each quarter offered to all cardmembers up to the quarterly maximum when you sign up	✓	✓	X	X	X
1% or more cash back on all other purchases	✓	✓	✓	✓	X
Pay your bill up to midnight (ET) the day it's due by phone or online	✓	X	X	X	✓
If you lose your job, get a lower rate, lower payment or other help	✓	X	X	X	X

COMPARISON BASED ON INFORMATION OBTAINED ON ISSUERS' WEBSITES OR FROM CUSTOMER SERVICE REPRESENTATIVES AS OF NOVEMBER 2013.

¹ See letter for details.

providing a true customer oriented card!!!"

-Kdoo



Read more reviews at: [\[redacted\]/Review](#)

## Connected

Manage your account anywhere, any time with mobile apps and online tools. View transactions, make payments, redeem rewards, receive reminders and more. When you're ready, so are we.

0% INTRO APR ON PURCHASES AND BALANCE TRANSFERS FOR 12 MONTHS THAT'S UNTIL 2015!	AFTER THAT, YOUR STANDARD VARIABLE PURCHASE APR APPLIES CURRENTLY 12.99%	\$0 INTRO FEE FOR EACH BALANCE TRANSFERRED BY APRIL 10, 2014, THEN 3% FOR EACH BALANCE TRANSFERRED. FOR COMPLETE DETAILS, SEE REVERSE	NO ANNUAL FEE ... FREE FICO® CREDIT SCORE
--	--	--	--

Apply today • [Discover.com/it](http://Discover.com/it) • 1-800-756-4336

Invitation #: 9812429223-[redacted]

\* See reverse for Important Information which includes rates, fees, free FICO® Credit Score terms, other cost information, card benefits and Rewards. Rewards terms and conditions may change.

¹ According to the 2013 Brand Keys Customer Loyalty Engagement Index report.

LRRV1-DD91A-0210349/JFT801

You can choose to stop receiving "prescreened" offers of credit from this and other companies by calling toll-free (888) 567-8688. See PRE-SCREEN & OPT-OUT NOTICE on the reverse side for more information about prescreened offers.



<b>Annual Percentage Rate (APR) for Purchases</b>	0% intro APR for 12 months from date of account opening. After the intro APR expires, your APR will be <b>12.99%</b> . This APR will vary with the market based on the Prime Rate.
<b>APR for Balance Transfers</b>	0% intro APR for 12 months from date of first transfer, for transfers under this offer that post to your account by April 10, 2014. After the intro APR expires, your APR will be <b>12.99%</b> . This APR will vary with the market based on the Prime Rate.
<b>APR for Cash Advances</b>	<b>24.99%</b> . This APR will vary with the market based on the Prime Rate.
<b>Penalty APR and When It Applies</b>	None
<b>How to Avoid Paying Interest on Purchases</b>	Your due date is at least 25 days after the close of each billing period (at least 23 days for billing periods that begin in February). We will not charge you any interest on purchases if you pay your entire balance by the due date each month.
<b>Minimum Interest Charge</b>	If you are charged interest, the charge will be no less than \$.50.
<b>For Credit Card Tips from the Consumer Financial Protection Bureau</b>	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a> .

<b>Fees</b>	
<b>Set-up and Maintenance Fees</b>	
• Annual Fee	None
<b>Transaction Fees</b>	
• Balance Transfer	Intro fee of \$0 for transfers that post to your account by April 10, 2014 with the 0% intro APR balance transfer offer described above. After that, <b>3%</b> of the amount of each transfer.
• Cash Advance	Either <b>\$10</b> or <b>5%</b> of the amount of each cash advance, whichever is greater.
<b>Penalty Fees</b>	
• Late Payment	None the first time you pay late. After that, up to <b>\$35</b> .
• Returned Payment	Up to <b>\$35</b> .

**HOW WE WILL CALCULATE YOUR BALANCE:** We use a method called "daily balance (including new purchases)."

**HOW WE CALCULATE VARIABLE RATES BASED ON THE PRIME RATE:** We use the highest U.S. Prime Rate listed in *The Wall Street Journal* on the last business day of the month. For the purchase APR, we add 9.74% to the Prime Rate. When we evaluate creditworthiness, we consider your credit report, all the information you provided above and other information. For the cash advance APR, we add 21.74% to the Prime Rate.

**INTRO APR OFFERS:** You must respond and be approved for an account by February 28, 2014 to take advantage of this intro rate offer.

**BALANCE TRANSFERS:** This offer applies to balance transfers that post to your account by April 10, 2014. It takes at least 14 days after your account is opened to process payments to your other accounts. You may cancel a balance transfer at any time prior to that by calling 1-800-347-2683. Continue to make all required payments to your other accounts until you confirm that the balance transfers were made. Balance transfers may not be used to pay any Discover accounts and do not earn rewards. You may transfer any amount, up to your credit available for transfers, which may be less than your total credit line. If your balance transfer request will exceed your available credit, we will process your transfers for less than the amount requested, in the order requested. You may only make balance transfers to accounts that list you as an accountholder. There is no grace period on balance transfers. The minimum payment requirement can cause promotional balances to be paid in full prior to the end of the promotional period. You can avoid paying interest on new purchases if you pay your entire balance by the due date each month. This means that, unless your purchase APR is at a promotional 0% APR, you will pay interest on new purchases if you do not pay the balances you transfer under this offer in full by the first payment due date. See your Cardmember Agreement for details.

**PAYMENT ALLOCATION:** We apply payments and credits at our discretion, including in a manner most favorable or convenient for us. Each billing period, we will generally apply amounts you pay that exceed the minimum payment due to balances with higher APRs before balances with lower APRs as of the date we credit your payment.

**APPLICATION INFORMATION:** Federal law requires that we obtain certain information about you such as your date of birth and street address in order to verify your identity. For us to process your application, you must reply by February 28, 2014. This offer is non-transferable. Changes to any addressee name will void this offer. Offer only available to U.S. residents 18 and older. You authorize us to receive and exchange information about you, including from your employer, your bank, credit bureaus and others for purposes of verifying your identity and the information on this application and determining your eligibility for credit, renewal of credit, and future extensions of credit. By providing your phone numbers, you agree that Discover, its affiliates and agents, may call you at these numbers. If this is a cell phone number you agree that we may contact you using an automatic dialer, including pre-recorded messages and/or text messages, even if your cell phone provider may charge you for calls according to your current plan. Upon your request, we will inform you of the name and address of each consumer reporting agency from which we obtained a consumer report relating to you. Every applicant, regardless of marital status, can apply for a separate account. THIS OFFER SUPERSEDES ALL PRIOR OFFERS. Terms of this offer, including fees and calculations of variable rates, are accurate as of the printing date of December 31, 2013, and may change after that date. To find out what may have changed after that date, write to us at PO Box 15410, Wilmington, DE 19850-5410. Please allow 30 days for us to process your application.

**CREDIT LINE:** Applicants may not request a specific credit line. If you are approved, your credit line will be at least \$500 and along with other terms of the account, will be based on a review of the information you provide in this application and your consumer report; it may also include other information we may have bearing on your creditworthiness. Balance transfers made with an application are not considered to be a request for a particular credit line.

**CARDMEMBER AGREEMENT:** You will receive a Cardmember Agreement with the Card. You agree that the Cardmember Agreement and the account are governed by Delaware and federal law. The terms of your account, including rates and fees, are subject to change, to the extent permitted by law. **ARBITRATION:** The Cardmember Agreement provides that we may choose to resolve a claim relating to your account by binding arbitration, in which case, you will not have the right to have that claim resolved by a judge or jury and you will not have the right to participate in a class action in court or arbitration. You may reject the arbitration provision with respect to your new account within 30 days after receiving your Card. **Ohio Residents:** Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law. **New York Residents:** Call the New York State Banking Department at (877) 226-5897 for a comparative list of credit card rates, fees and grace period. **Wisconsin Residents:** No agreement, court order or individual statement applying to marital property will adversely affect a creditor's interests unless prior to the time credit is granted the creditor is furnished with a copy of the agreement, court order or statement, or has actual knowledge of the adverse provision. Married Wisconsin residents must furnish their spouse's name and address to us at PO Box 15410, Wilmington, DE 19850-5410.

**REWARDS:** We will send full terms and conditions with your card. Each quarterly 5% program has a cap on category purchases and you must sign up for each program. The amount of the cap may change. 5% category purchases over the quarterly cap, and all other purchases, earn 1% cash back. Visit [tpeydiscover.com](http://tpeydiscover.com) or call 1-800-347-3085 for more details.

**FICO® CREDIT SCORE:** Your FICO® Credit Score is based on data from TransUnion and may be different from other credit scores. FICO® Credit Scores are delivered only to Primary cardmembers who get a monthly statement and have an available score. Discover and other lenders may use different inputs like a FICO® Credit Score, other credit scores and more information in credit decisions. This benefit may change or end in the future. FICO is a registered trademark of the Fair Isaac Corporation in the United States and other countries.

**CARD BENEFITS:** For full terms and conditions (including definitions and information on how to file a claim), please go to [Discover.com/cardbenefits](http://Discover.com/cardbenefits) or call 1-800-DISCOVER (1-800-347-2683). Exclusions and limitations apply. Return Guarantee coverage is underwritten and administered by Connadons Loyalty, P.O. Box 6175, Westerville, OH 43086.

©2014 Discover Bank, Member FDIC, the issuer of the i card. LRRV1

LRRV1-0093A-0210349/JPT803

**PRESCREEN & OPT-OUT NOTICE:** This "prescreened" offer of credit is based on information in your credit report indicating that you meet certain criteria. This offer is not guaranteed if you do not meet our criteria. If you do not want to receive prescreened offers of credit from this and other companies, call the consumer reporting agencies toll-free, (888) 567-8688; visit [www.optoutprescreen.com](http://www.optoutprescreen.com); or write: TransUnion Name Removal, PO Box 505, Woodlyn, PA 19094-0505; Equifax Options, PO Box 740123, Atlanta, GA 30374-0123; Experian Opt-Out, P.O. Box 940, Allen, TX 75013.



Rate Schedule  
Truth-In-Savings  
Effective as of: 08/01/2014

This Truth-In-Savings (TIS) Rate and Fee Schedule and Share Certificate Disclosure sets forth certain conditions, rates, fees, and charges applicable to your Primary Share (Savings) Account, your Secondary Savings Accounts including your Individual Retirement Account, your Share Certificate Accounts and your Checking Accounts at [REDACTED] Federal Credit Union as of the date set forth on top of this form. Fees could reduce the earnings on the account. This Rate and Fee Schedule and Share Certificate Disclosures are incorporated as a part of and in addition to your *Membership and Account Agreement* booklet with the Credit Union.

## RATE SCHEDULE

TYPE OF ACCOUNT	PROSPECTIVE DIVIDEND RATE	FOR PERIOD	PROSPECTIVE ANNUAL PERCENTAGE YIELD (APY)*	MINIMUM BALANCE REQUIREMENTS
<b>Primary Savings (Share)</b> (Minimum Opening Requirement \$6.00)	.50%	August 2014	.50%	Minimum Daily Balance - \$5.00
<b>Secondary Savings (Share)</b>	.50%	August 2014	.50%	No Minimum Balance

Dividends on all Savings will be compounded monthly and credited monthly. Dividend period - Calendar month.

<b>Individual Retirement Account IRA Savings (Share)</b> (Minimum Opening Requirement \$250.00)	.50%	August 2014	.50%	No Minimum Balance
--	------	-------------	------	--------------------

Effective 2/1/2013 - IRA balances capped at \$250,000 per member.

Dividends on all IRA Savings will be compounded monthly and credited monthly. Dividend period - Calendar month.

CHECKING ACCOUNTS (Share Drafts)	PROSPECTIVE DIVIDEND RATE	FOR PERIOD	PROSPECTIVE ANNUAL PERCENTAGE YIELD (APY)*	MINIMUM BALANCE REQUIREMENT TO EARN DIVIDENDS
<b>Priority Checking (1)</b>	2.25%	August 2014	2.27%	\$0.01 - \$5,000
<b>Priority Checking (2)</b>	.05 %	August 2014	.05 %	Greater than \$5,000

(1) Surcharge fee refunds up to \$20 and premium dividends paid on average daily balances up to \$5,000 on qualifying accounts.

Qualifications on Priority Checking to receive ATM surcharge fee refunds and premium dividend: Minimum of Fifteen (15) debit card transactions posted per month, election of Online Statements, valid email address on file, Direct Deposit of at least \$250 a month to the Priority Checking.

(2) Base dividends paid on average daily balance above \$5,000 on qualifying accounts, all non-qualifying accounts and at account closing.

<b>Flagship Checking</b>	.25%	August 2014	.25%	\$750
--------------------------	------	-------------	------	-------

Dividends will be paid on the average daily balance to all Flagship checking accounts maintaining a minimum of \$750 during the calendar month.

<b>uChecking (3), Ascend Checking Jet Checking **</b>	N/A	August 2014	N/A	N/A
---	-----	-------------	-----	-----

(3) uChecking surcharge fee refunds up to \$15 on qualifying accounts.

Qualifications on uChecking to receive ATM surcharge fee refunds: Minimum of Fifteen (15) debit card transactions posted per month, election of Online Statements and valid email address on file.

### REGULAR and/or IRA SHARE CERTIFICATE ACCOUNTS

TERMS	DIVIDEND RATE	ANNUAL PERCENTAGE YIELD (APY)	MINIMUM BALANCE REQUIREMENTS
<b>12 - Months</b>	.60%	.60%	\$ 1,000
	.65%	.65%	\$10,000
<b>24 - Months</b>	1.10%	1.10%	\$ 1,000
	1.15%	1.15%	\$10,000
<b>30 - Months</b>	1.20%	1.20%	\$ 1,000
	1.25%	1.26%	\$10,000
<b>36 - Months</b>	1.30%	1.31%	\$ 1,000
	1.35%	1.36%	\$10,000
<b>48 - Months</b>	1.60%	1.61%	\$ 1,000
	1.65%	1.66%	\$10,000
<b>60 - Months</b>	1.90%	1.91%	\$ 1,000
	1.95%	1.96%	\$10,000

\* The dividend rate and APY may change monthly after the account is opened as determined by the Credit Union Board of Directors.

\*\* No longer opening Jet Checking accounts as of 5/1/2011.

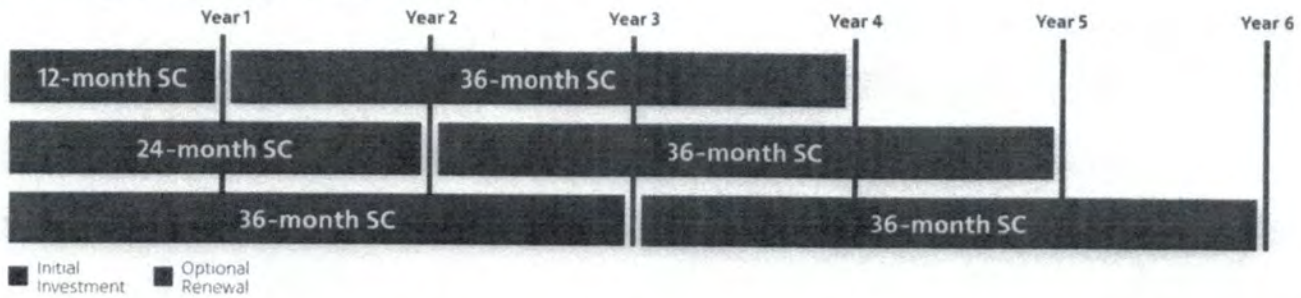
\*\*\* See page 2 for Share Certificate Disclosures.

Annual Percentage Yield is accurate as of the following Declaration Dates. Regular Share Dividends effective 08/01/2014; Share Certificate as of 01/04/2013.



Laddering Share Certificates gives you the flexibility of a shorter certificate and the returns of a longer certificate.

#### ONE EXAMPLE OF A SHARE CERTIFICATE LADDER:



You can redeem or renew your share certificates when they mature. If you renew your initial investments at a longer term, you'll earn the higher interest of a long-term certificate but enjoy flexibility similar to holding short-term certificates due to the staggered renewal dates.

Minimum investment of \$1,000 per term. 30-, 48- and 60-month certificates are also available. Penalties apply for early withdrawal. Your savings are federally insured up to \$250,000. Dividends on savings are paid monthly. Fees may reduce earnings on the account. Applicable rates, terms and conditions on your Share Certificate Ladder will be provided at account opening if in person, or within ten (10) business days after account is opened or the service is provided if received by mail.

Federally insured by NCUA

## Share/IRA Certificate Ladder Rate and Fee Schedule

Truth-In-Savings

Effective as of: 07/01/2014

This Truth-In-Savings (TIS) Rate and Fee Schedule and Share Certificate Disclosure sets forth certain conditions, rates, fees and charges applicable to Share Certificate Ladder Accounts at [redacted] Union as of the date set forth on the top of this form. This Rate and Fee Schedule and Share Certificate Disclosures are incorporated as a part of and in addition to your *Membership and Account Agreement* booklet with the Credit Union.

### SHARE/IRA CERTIFICATE LADDERS

Ladder Options for \$1,000- \$9,999 Minimum Balance Requirement: \$1,000				Ladder Options for \$10,000+ Minimum Balance Requirement: \$10,000			
Option	Term	Dividend Rate	Annual Percentage Yield (APY)	Option	Term	Dividend Rate	Annual Percentage Yield (APY)
1	30 months	1.40%	1.41%	1	30 months	1.45%	1.46%
	60 months	2.40%	2.42%		60 months	2.45%	2.47%
OR				OR			
2	12 months	0.80%	0.80%	2	12 months	0.85%	0.85%
	24 months	1.20%	1.21%		24 months	1.25%	1.26%
	36 months	1.80%	1.81%		36 months	1.85%	1.86%
OR				OR			
3	12 months	0.80%	0.80%	3	12 months	0.85%	0.85%
	24 months	1.20%	1.21%		24 months	1.25%	1.26%
	36 months	1.80%	1.81%		36 months	1.85%	1.86%
	48 months	2.00%	2.02%		48 months	2.05%	2.07%
	60 months	2.40%	2.42%		60 months	2.45%	2.47%





# Annual Report



December 31, 2012

INDEX FUND  
INDEX FUND-Closed to new investors  
INTERNATIONAL EQUITY INDEX FUND

← Types of Funds

(Year to date  
End of year) YTD  
EOY





## Dear Shareholders,

The year just passed was a strong one for the stock market. Even though we saw a good deal of volatility from quarter to quarter, what was ultimately most remarkable was how broad-based the performance was. Nine of the ten industry sectors in the S&P 500 Index gained in value for the year.

Domestically, the S&P 500 Index, consisting of large-cap stocks, gained 16.00% for the year, while the Russell 2000 Index, which consists of small-cap stocks, gained 16.35%. Representing developed international markets, the MSCI EAFE Index returned 17.32%.

██████████ Advisors is proud to offer its shareholders several index funds that can take advantage of such broad-based market gains. For the 12-month period ended December 31, 2012:

- ██████████ S&P 500 Index Fund (Institutional Class) returned 15.87%.
- ██████████ Small Cap Index Fund (Institutional Class) returned 16.36%.
- ██████████ International Equity Index Fund (Institutional Class) returned 18.71%.

Thank you for your continued investment in the ██████████ Funds. For additional information about the Funds or to access your account information, please visit our website at [www.██████████.com](http://www.██████████.com)

Best regards,

*Gene J. Gendler Jr.*

██████████, Jr.  
President  
American Funds

*Positive  
it's good  
but let's  
look at  
prior years*



# Small Cap Index Fund<sup>SM</sup>

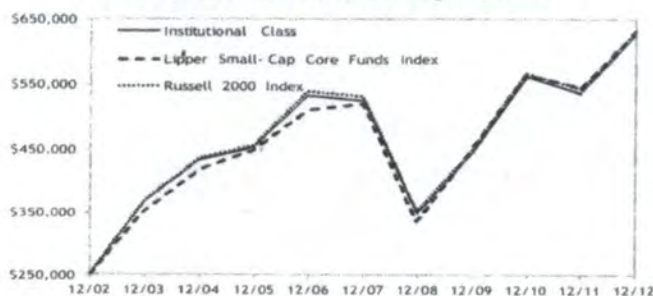
## Performance Overview

December 31, 2012 (unaudited)

2

For the twelve months ended December 31, 2012, the total return of the Institutional Class of the ~~Small Cap Index Fund~~ Small Cap Index Fund (the "Fund") was 16.36%. The Fund's performance was above the Russell 2000<sup>®</sup> Index (the "Index") return of 16.35% and also above the Lipper Small-Cap Core Funds Index return of 15.94% which consists primarily of actively managed funds.

Comparison of Change in Value  
of a \$250,000 Investment  
For the Period from 12/31/02 through 12/31/12



Annualized Total Returns  
Periods Ended 12/31/12

	1 Year	5 Years	10 Years	Value of \$250,000 12/31/02-12/31/12
Institutional Class(1,3) ...	16.36%	3.58%	9.61%	\$625,006
Lipper Small-Cap Core Funds Index(2) .....	15.94%	3.96%	9.70%	631,109
Russell 2000 Index(2) .....	16.35%	3.55%	9.72%	631,851

- Please note that the recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future. Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.fund.com](http://www.fund.com) or call ~~1-800-XXX-XXXX~~. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares.
- The Lipper Small-Cap Core Funds Index tracks the results of the 30 largest mutual funds in the Lipper Small-Cap Core Funds category. Lipper is an independent mutual fund research and ranking service. The Russell 2000 Index is an unmanaged index comprised of approximately 2,000

smaller-capitalization stocks from various industrial sectors. One cannot invest directly in an index.

- The total annual Fund operating expense ratio set forth in the most recent prospectus for the Fund was 0.26%. The expense ratio above may vary from the expense ratio presented in other sections of this report that is based on expenses incurred during the period covered by this report.

Performance Summary provided by Blackrock Investment Management, LLC

Following a tumultuous 2011, equity markets began the new year with a strong rally amid lower volatility. The debt situation in Europe had stabilized and global liquidity conditions improved as the European Central Bank ("ECB") implemented its long-term refinancing operations. Positive economic indicators out of the United States brightened the outlook for the world economy and equities moved boldly higher through the first two months of 2012.

A flare-up in the European debt crisis halted the rally in the spring. Political instability in Greece caused anxiety about whether the country would continue its membership in the eurozone. Spain faced severe deficit and policymaking issues and a liquidity crisis in the nation's banks. Alongside the drama in Europe, investors became discouraged by gloomy economic reports from various parts of the world. A slowdown in China, a key powerhouse for global growth, was of particular concern. Many European countries fell into recession. In the United States, disappointing jobs reports signaled that the recovery was losing steam. U.S. equities gave back half of their year-to-date gains by the end of May.

As the global economic picture dimmed, investors grew increasingly optimistic that the world's central banks would intervene to stimulate growth. Meanwhile, European leaders took meaningful steps toward fiscal integration in the euro currency bloc. These positive themes drove a powerful equity rebound in June. In July, ECB president Mario Draghi boosted investor confidence by stating that the ECB was committed to do "whatever it takes" to hold the eurozone together. This assurance along with growing hopes for additional central bank stimulus overshadowed concerns about the dreary economic landscape and U.S. stocks continued their advance through the



# Small Cap Index Fund<sup>SM</sup>

## Performance Overview

December 31, 2012 (unaudited)

third quarter. In September, the ECB announced its decision to backstop eurozone governments with unlimited purchases of short-term sovereign debt. Days later, the U.S. Federal Reserve announced an aggressive stimulus program involving purchases of agency mortgage-backed securities.

Concerns about the world economy resurfaced in the fall amid political uncertainty in key nations. Global trade slowed as Europe's recession deepened, U.S. growth remained lackluster and growth continued to decelerate in China, where a once-in-a-decade leadership change compounded uncertainty. In the United States, automatic tax increases and spending cuts set to take effect at the beginning of 2013, known as the "fiscal cliff," threatened to push the nation into recession unless politicians could agree upon alternate measures to reduce the deficit before the end of 2012. Worries that political gridlock would preclude a budget deal prior to the deadline drove high levels of volatility in equity markets around the world in the months leading up to the last day of the year. Ultimately, the United States averted the fiscal cliff with a last-minute tax deal, spurring relief rallies in stock markets globally. However, relief from U.S. fiscal worries was only partial as decisions relating to spending cuts and the national debt ceiling remained pending as financial markets closed for the year. Despite a downtrodden economic environment and a suspenseful lead-up to the U.S. fiscal cliff deadline, U.S. stock prices moved higher through the final months of 2012 as investors took on more risk to achieve meaningful returns in the low interest rate environment.

From a sector perspective Materials (+23.99%), Consumer Discretionary (+23.41%) and Financials (+22.12%) drove stocks higher in 2012. Telecommunications Services (+15.38%) performed well and Health Care (+17.26%) stocks rebounded after valuations had been pushed down amid regulatory uncertainty. While most of the Index sectors moved higher for the year, Energy stocks (-3.69%) were hindered by declining oil prices in the latter part of the year and Utilities (+5.08%) became less favorable as investors sought riskier investments.

## Portfolio Strategy

The Fund will continue to strive to meet its objective of closely replicating, before expenses, the return of its benchmark, the Russell 2000 Index.

It does so by investing in a subset of the securities in the Index such that the characteristics of the portfolio closely track the characteristics of the Index.

## Top Ten Holdings

*Companies*

	% of Net Assets*
Ocwen Financial Corp. ....	0.3%
Genesee & Wyoming, Inc. ....	0.3%
Two Harbors Investment Corp. ....	0.3%
COMMVAULT SYSTEMS INC. ....	0.3%
ALASKA AIR GROUP INC. ....	0.3%
Pharmacyclics, Inc. ....	0.3%
STARWOOD PROPERTY TRUST INC. ....	0.3%
Dril-Quip, Inc. ....	0.2%
Warnaco Group, Inc. ....	0.2%
WEX INC. ....	0.2%

\* Percent of net assets of Master Small Cap Index Series

## Sector Allocation

	% of Equities*
Financials ....	22.9%
Information Technology ....	16.6%
Industrials ....	15.5%
Consumer Discretionary ....	14.0%
Health Care ....	12.1%
Energy ....	6.1%
Materials ....	5.3%
Consumer Staples ....	3.5%
Utilities ....	3.4%
Telecommunications ....	0.7%

\* Percent of equity portion of Master Small Cap Index Series



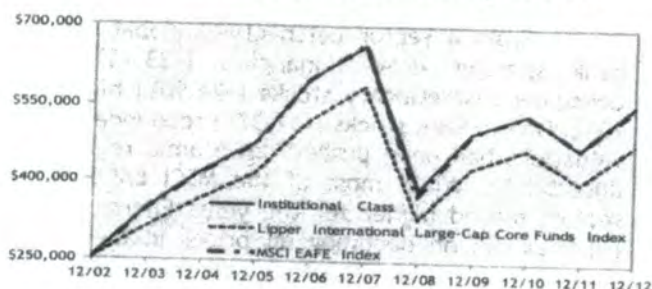
# International Equity Index Fund<sup>SM</sup>

## Performance Overview

December 31, 2012 (Unaudited)

For the twelve months ended December 31, 2012, the Institutional Class of the International Equity Index Fund (the "Fund") posted a total return of 18.71%, outperforming the MSCI EAFE Index (the "Index") return of 17.32% but slightly underperforming the Lipper International Large-Cap Core Funds Index return of 18.75% which consists primarily of actively managed funds. The investment manager's application of its fair valuation policy during the period was a significant driver of the Fund's outperformance.

Comparison of Change in Value  
of a \$250,000 Investment  
For the Period from 12/31/02 through 12/31/12



Annualized Total Returns  
Periods Ended 12/31/12

	1 Year	5 Years	10 Years	Value of \$250,000 12/31/02- 12/31/12
Institutional Class(1,3) .....	18.71%	-3.51%	8.29%	\$554,721
Lipper International Large-Cap Core Funds Index(2) ..	18.75%	-3.93%	6.72%	479,089
MSCI EAFE Index(2) .....	17.32%	-3.69%	8.21%	550,598

1. Please note that the recent growth rate in the stock market has helped to produce short-term returns that are not typical and may not continue in the future. Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.blackrock.com](http://www.blackrock.com) or call 1-800-541-7700. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares.

2. The Lipper International Large-Cap Core Funds Index tracks the results of the 30 largest mutual funds in the Lipper International Large-Cap Core Funds category. Lipper is an independent mutual fund research and ranking service.

The MSCI EAFE Index is a market capitalization weighted index of international stock performance composed of equities from developed markets excluding the U.S. and Canada. One cannot invest directly in an index.

3. The total annual Fund operating expense ratio in the most recent prospectus for the Fund was 0.24%. The expense ratio above may vary from the expense ratio presented in other sections of this report that is based on expenses incurred during the period covered by this report.

Performance Summary provided by Blackrock Investment Management, LLC

Following a tumultuous 2011, equity markets began the new year with a strong rally amid lower volatility. The debt situation in Europe had stabilized and global liquidity conditions improved as the European Central Bank ("ECB") implemented its long-term refinancing operations. Positive economic indicators out of the United States brightened the outlook for the world economy and equities moved boldly higher through the first two months of 2012.

A flare-up in the European debt crisis halted the rally in the spring. Political instability in Greece caused anxiety about whether the country would continue its membership in the eurozone. Spain faced severe deficit and policymaking issues and a liquidity crisis in the nation's banks. Alongside the drama in Europe, investors became discouraged by gloomy economic reports from various parts of the world. A slowdown in China, a key powerhouse for global growth, was of particular concern. Many European countries fell into recession. In the United States, disappointing jobs reports signaled that the recovery was losing steam. International equities gave back all of their year-to-date gains by the end of May.

As the global economic picture dimmed, investors grew increasingly optimistic that the world's central banks would intervene to stimulate growth. Meanwhile, European leaders took meaningful steps toward fiscal integration in the euro currency bloc. These positive themes drove a powerful equity rebound in June. In July, ECB president Mario Draghi boosted investor confidence by stating that the ECB was committed to do "whatever it takes" to hold the eurozone together. This assurance along with growing hopes for additional central bank stimulus overshadowed concerns about the dreary economic landscape and international stock markets continued their advance through the third quarter. In September,



# International Equity Index Fund<sup>SM</sup>

## Performance Overview

December 31, 2012 (Unaudited)

### Sector Allocation

	% of Equities*
Financials . . . . .	20.1%
Industrials . . . . .	14.6%
Consumer Discretionary . . . . .	12.0%
Health Care . . . . .	11.2%
Materials . . . . .	10.9%
Energy . . . . .	10.2%
Consumer Staples . . . . .	7.1%
Information Technology . . . . .	6.1%
Telecommunication Services . . . . .	5.6%
Utilities . . . . .	2.2%

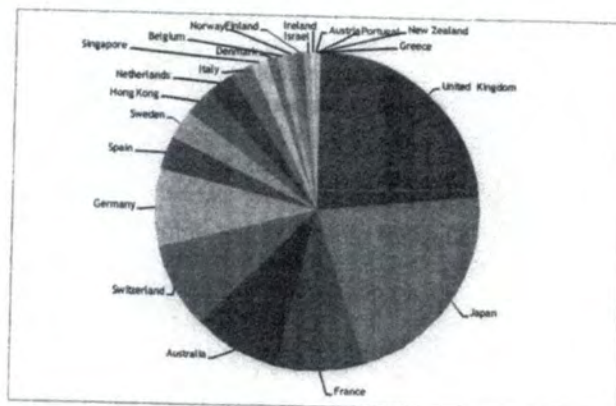
\* Percent of equity portion of Master International Index Series

### Top Ten Holdings

	% of Net Assets*
Nestle S.A. . . . .	1.9%
HSBC Holding plc . . . . .	1.7%
Novartis AG . . . . .	1.3%
Roche Holding AG . . . . .	1.3%
BP plc . . . . .	1.2%
Royal Dutch Shell plc (Class A) . . . . .	1.2%
Toyota Motor Corp. . . . .	1.2%
BHP Billiton Ltd. . . . .	1.1%
Vodafone Group plc . . . . .	1.1%
Sanofi S.A. . . . .	1.0%

\* Percent of net assets of Master International Index Series

### Country Allocation



	% of Equities*
United Kingdom . . . . .	23.4%
Japan . . . . .	19.8%
France . . . . .	9.5%
Australia . . . . .	8.9%
Germany . . . . .	8.7%
Switzerland . . . . .	8.5%
Hong Kong . . . . .	3.1%
Sweden . . . . .	3.1%
Spain . . . . .	3.0%
Netherlands . . . . .	2.5%
Italy . . . . .	2.2%
Singapore . . . . .	1.8%
Belgium . . . . .	1.2%
Denmark . . . . .	1.1%
Norway . . . . .	0.9%
Finland . . . . .	0.8%
Israel . . . . .	0.5%
Austria . . . . .	0.3%
Ireland . . . . .	0.3%
Portugal . . . . .	0.2%
New Zealand . . . . .	0.1%
Greece . . . . .	0.1%

\* Percent of equity portion of Master International Index Series





# Annual Report



October 31, 2012

EMERGING MARKETS FUND

INTERNATIONAL EQUITY FUND

Types of Funds

3rd Quarter





## Dear Shareholders,

Foreign economies have been addressing many of the same issues facing us here in the U.S., primarily determining a balance between using monetary policy to foster growth and fighting off inflation. Japan and the eurozone have embarked on monetary easing moves similar to what our own Federal Reserve has done. The Reserve Bank of India has been raising interest rates to bring down inflation that has been more than 8% a year, while China's central bank is less worried about rising prices than about jump-starting the country's economy. Brazil had gotten out in front of inflation-fighting in recent years,

only to be faced more recently with an economic slowdown.

As a result, the past 12 months have been extraordinarily turbulent for investors in international equities. After falling by more than 12% in 2011, international developed markets, as measured by the MSCI EAFE Index, were up by double digits through the first ten months of this year. The MSCI Emerging Markets Index showed similar volatility, rising by 14.1% in the first quarter of 2012, falling by 8.9% in the second quarter, and then rising another 7.7% in the third quarter. These kinds of movements can be trying for even the most seasoned investors.

It is in times like these that investors most appreciate having a steady hand at the helm. The sub-advisors of our [REDACTED] International Equity Fund and [REDACTED] Emerging Markets Fund bring decades of experience in international and emerging markets to their work with the funds.

For the 12 months ended October 31, 2012:

- The [REDACTED] International Equity Fund (Institutional Class) returned 9.25%.
- The [REDACTED] Emerging Markets Fund (Institutional Class) returned 3.05%.

Thank you for your continued investment in the American Beacon Funds. For additional information about the Funds or to access your account information, please visit our website at [www.\[REDACTED\].com](http://www.[REDACTED].com)

Best Regards,

*Gene J. Fendler Jr.*

[REDACTED] Jr.  
President  
[REDACTED] Funds

*Positive is good but let's look at prior years.*



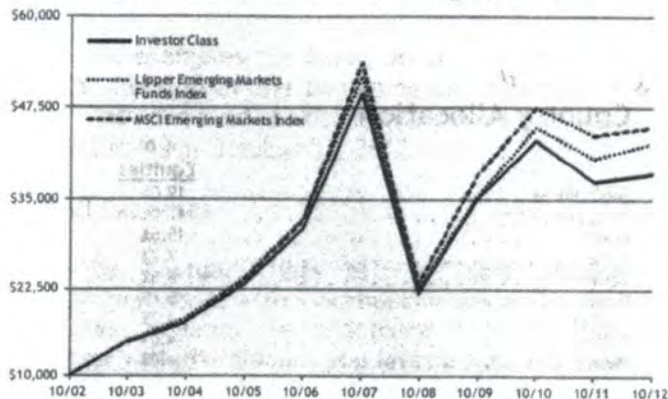
# Emerging Markets Fund<sup>SM</sup>

## Performance Overview

October 31, 2012 (Unaudited)

The Investor Class of the Emerging Markets Fund (the "Fund") returned 2.72% for the twelve months ended October 31, 2012. The Fund outperformed the MSCI Emerging Markets Index (the "Index") return of 2.63%, but underperformed the Lipper Emerging Markets Funds Index return of 5.46% for the period.

Comparison of Change in Value of a \$10,000 Investment For The Period From 10/31/02 Through 10/31/12



Annualized Total Returns Periods Ended 10/31/12

	1 Year	5 Years	10 Years	Value of \$10,000 10/31/02-10/31/12
Institutional Class(1,6) .....	3.05%	-4.46%	14.81%	\$39,798
Y Class (1,2,6) .....	2.91%	-4.53%	14.77%	39,658
Investor Class(1,6) .....	2.72%	-4.81%	14.45%	38,551
A Class with sales charge(1,3,6) .....	-3.26%	-5.96%	13.75%	36,276
A Class without sales charge(1,3,6) .....	2.64%	-4.84%	14.43%	38,496
C Class with sales charge(1,4,6) .....	0.83%	-5.14%	14.25	37,900
C Class without sales charge(1,4,6) .....	1.83%	-5.14%	14.25%	37,900
AMR Class(1,6) .....	3.26%	-4.33%	15.04%	40,585
MSCI Emg Mkts Index (5) .....	2.63%	-3.47%	16.20%	44,874
Lipper Emg Mkts Funds Index(5) .....	5.46%	-3.78%	15.62%	42,698

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of the date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.embfunds.com](http://www.embfunds.com) or call 800-541-5411. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares.
- Fund performance for the five-year and ten-year periods represent the returns achieved by the Institutional Class from 10/31/02 up to 3/1/10, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns shown may be

higher than they would have been had the Y Class been in existence since 10/31/02.

- Fund performance for the five-year and ten-year periods represent the returns achieved by the Investor Class from 10/31/02 up to 5/17/10, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Investor Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 10/31/02. The maximum sales charge for A Class is 5.75%.
- Fund performance for the five-year and ten-year periods represent the returns achieved by the Investor Class from 10/31/02 up to 9/1/10, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Investor Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 10/31/02. The maximum contingent deferred sales charge for C Class is 1.00% for shares redeemed within one year of the date of purchase.
- The MSCI Emerging Markets Index is a market capitalization weighted index composed of companies that are representative of the market structure of developing countries in Latin America, Asia, Eastern Europe, the Middle East and Africa. The Lipper Emerging Markets Funds Index tracks the results of the 30 largest mutual funds in the Lipper Emerging Markets Funds category. Lipper is an independent mutual fund research and ranking service. One cannot directly invest in an index.
- The total annual Fund operating expense ratio set forth in the most recent Fund prospectus for the Institutional, Y, Investor, A, C, and AMR Class shares was 1.56%, 1.69%, 1.85%, 2.98%, 26.97%, and 1.32%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.

The Fund outperformed the Index over the twelve-month period due to country allocation, as stock selection detracted from relative performance for the period.

Stock selections in Brazil and China lagged during the period, offsetting positive selections in Malaysia and Mexico. In Brazil, the Fund lost value through investments in Viver Incorporadora e Construtora S.A. (down 55.2%), Banco Santander Brasil S.A. (down 23.3%), and Centrais Eletricas Brasileiras S.A. (down 39.9%). Detractors in China included Weiqiao Textile Co. (down 27.8%), and Sinotrans Ltd. H (down 25.1%). Positive contributors to relative performance included Proton Holdings Bhd (up 103.2%) and Axiata Group Bhd (up 40.3%) in Malaysia, as well as Cemex SAB de CV (up 115.1%) and Gruma SAB de CV (up 35.7%) in Mexico.



# Emerging Markets Fund<sup>SM</sup>

## Performance Overview

October 31, 2012 (Unaudited)

Relative contribution from country allocation was positive for the twelve-month period, as a result of overweighting Turkey and the Philippines (up 32.3% and 31.3%, respectively) - the two best performing markets in the Index. Underweighting Colombia and China (up 22.6% and 7.9%, respectively) detracted from relative performance for the period.

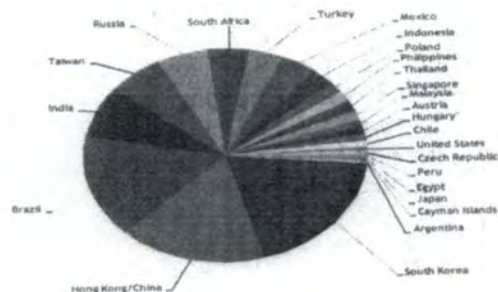
The Fund's basic philosophy remains focused on investing in attractively valued companies with above-average earnings growth expectations.

### Top Ten Holdings — Companies

	% of Net Assets
Petroleo Brasileiro S.A. . . . .	3.5%
Samsung Electronics Co. Ltd. . . . .	3.2%
Lukoil OAO . . . . .	2.2%
China Mobile Ltd. . . . .	2.0%
Gazprom OAO . . . . .	2.0%
Hyundai Motor Co. . . . .	1.8%
KB Financial Group, Inc. . . . .	1.8%
POSCO . . . . .	1.6%
Turkiye Garanti Bankasi A.S. . . . .	1.6%
Banco Santander Brasil S.A. . . . .	1.3%

### Sector Allocation

	% of Equities
Financials . . . . .	23.6%
Information Technology . . . . .	12.2%
Energy . . . . .	11.2%
Telecommunication Services . . . . .	10.2%
Consumer Discretionary . . . . .	10.1%
Materials . . . . .	9.2%
Consumer Staples . . . . .	9.0%
Industrials . . . . .	8.1%
Utilities . . . . .	3.7%
Health Care . . . . .	0.2%



### Country Allocation

	% of Equities
South Korea . . . . .	19.0%
Hong Kong/China . . . . .	17.0%
Brazil . . . . .	15.6%
India . . . . .	7.7%
Taiwan . . . . .	6.5%
Russia . . . . .	5.8%
South Africa . . . . .	4.7%
Turkey . . . . .	4.0%
Mexico . . . . .	4.0%
Indonesia . . . . .	2.6%
Poland . . . . .	1.7%
Philippines . . . . .	1.7%
Thailand . . . . .	1.6%
Singapore . . . . .	1.5%
Malaysia . . . . .	1.1%
Austria . . . . .	1.1%
Hungary . . . . .	1.0%
Chile . . . . .	0.9%
United States . . . . .	0.6%
Czech Republic . . . . .	0.6%
Peru . . . . .	0.6%
Egypt . . . . .	0.3%
Japan . . . . .	0.2%
Cayman Islands . . . . .	0.1%
Argentina . . . . .	0.1%



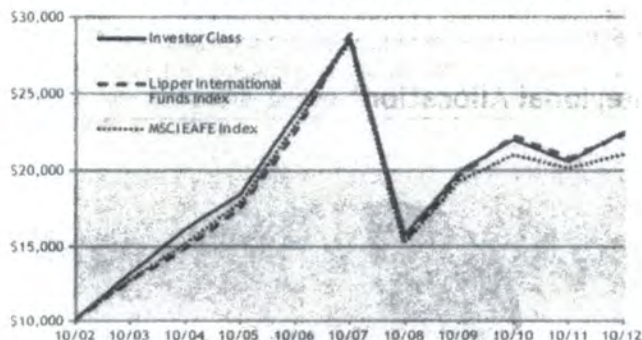
# International Equity Fund<sup>SM</sup>

## Performance Overview

October 31, 2012 (Unaudited)

The Investor Class of the International Equity Fund (the "Fund") returned 8.84% for the twelve months ended October 31, 2012. The Fund outperformed the MSCI EAFE Index (the "Index") return of 4.61% and the Lipper International Funds Index return of 7.02% for the period.

Comparison of Change in Value of a \$10,000 Investment For The Period From 10/31/02 Through 10/31/12



	Annualized Total Returns Periods Ended 10/31/12			Value of \$10,000 10/31/02- 10/31/12
	1 Year	5 Years	10 Years	
Institutional Class(1,8) .....	9.25%	-4.33%	8.70%	\$23,025
Y Class(1,2,8) .....	9.15%	-4.39%	8.66%	22,954
Investor Class(1,8) .....	8.84%	-4.65%	8.41%	22,414
Advisor Class(1,3,8) .....	8.59%	-4.89%	8.13%	21,851
Retirement Class(1,4,8) .....	8.48%	-4.95%	8.10%	21,787
A Class with sales charge(1,5,8) .....	2.35%	-5.85%	7.72%	21,044
A Class without sales charge(1,5,8) .....	8.62%	-4.73%	8.36%	22,329
C Class with sales charge(1,6,8) .....	6.89%	-5.06%	8.18%	21,942
C Class without sales charge(1,6,8) .....	7.89%	-5.06%	8.18%	21,942
AMR Class(1,8) .....	9.47%	-4.10%	8.96%	23,591
Lipper Int'l. Funds Index(7) .....	7.02%	-5.04%	8.34%	22,272
MSCI EAFE Index (7) .....	4.61%	-5.81%	7.73%	21,051

may be higher than they would have been had the Y Class been in existence since 10/31/02.

- Fund performance for the ten-year period represents the total returns achieved by the Investor Class from 10/31/02 up to 5/1/03, the inception date of the Advisor Class, and the returns of the Advisor Class since its inception. Expenses of the Advisor Class are higher than those of the Investor Class. As a result, total returns shown may be higher than they would have been had the Advisor Class been in existence since 10/31/02. A portion of the fees charged to the Advisor Class of the Fund was waived through 2007. Performance prior to waiving fees was lower than the actual returns shown for periods through 2007.
- Fund performance for the five-year and ten-year periods represent the total returns achieved by the Investor Class from 10/31/02 through 4/30/03 and the Advisor Class from 5/1/03 up to 5/1/09, the inception date of the Retirement Class, and the returns of the Retirement Class since its inception. Expenses of the Retirement Class are higher than those of the Advisor and Investor Classes. As a result, total returns shown may be higher than they would have been had the Retirement Class been in existence since 10/31/02.
- Fund performance for the five-year and ten-year periods represents the total returns achieved by the Investor Class from 10/31/02 up to 5/17/10, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Investor Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 10/31/02. The maximum sales charge for A Class is 5.75%.
- Fund performance for the five-year and ten-year periods represent the total returns achieved by the Investor Class from 10/31/02 up to 9/1/10, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Investor Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 10/31/02. The maximum contingent deferred sales charge for C Class is 1.00% for shares redeemed within one year of the date of purchase.
- The Lipper International Funds Index tracks the results of the 30 largest mutual funds in the Lipper International Funds category. Lipper is an independent mutual fund research and ranking service. The MSCI EAFE Index is a market capitalization weighted index of international stock performance composed of equities from developed markets excluding the U.S. and Canada. One cannot directly invest in an index.
- The total annual Fund operating expense ratio set forth in the most recent Fund prospectus for the Institutional, Y, Investor, Advisor, Retirement, A, C, and AMR Class shares was 0.71%, 0.82%, 1.08%, 1.25%, 3.44%, 2.25%, 7.40%, and 0.46%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [www.fidelity.com](http://www.fidelity.com) or call 1-800-541-7500. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares.

- Fund performance for the five-year and ten-year periods represent the total returns achieved by the Institutional Class from 10/31/02 up to 8/3/09, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns shown



# International Equity Fund<sup>SM</sup>

## Performance Overview

October 31, 2012 (Unaudited)

The Fund outperformed the Index over the twelve-month period due to stock selection and country allocation.

Stock selections in France and Japan contributed to the Fund's relative outperformance. Within France, the Fund added value through investments in Sanofi (up 27.0%), Gemalto N.V. (up 92.7%), and BNP Paribas S.A. (up 15.0%). In Japan, JGC Corp. (up 21.4%) and KDDI Corp. (up 7.4%) benefited relative performance for the period. Stock selections in the Netherlands lagged during the period, including SBM Offshore N.V. (down 41.5%) and PostNL N.V. (down 18.8%).

From a country allocation perspective, the Fund added value through underweighting Japan (down 3.3%), and overweighting Germany (up 9.8%). Underweighting Australia and top-performing Denmark (up 7.7% and 26.9%, respectively) detracted from relative performance for the year.

Although economic and market conditions vary from period to period, the Fund's primary strategy of investing in undervalued companies with above-average earnings growth expectations remains consistent.

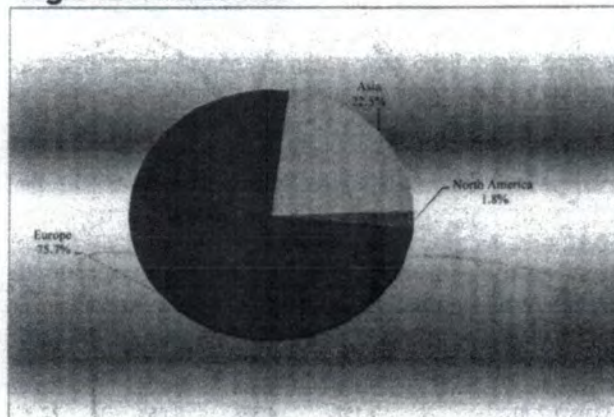
## Top Ten Holdings - Companies

	% of Net Assets
Sanofi . . . . .	2.8%
Novartis AG Reg . . . . .	2.4%
Royal Dutch Shell plc. . . . .	1.9%
Total S.A. . . . .	1.9%
Bayer AG Reg . . . . .	1.9%
SAP AG. . . . .	1.7%
British American Tobacco plc . . . . .	1.6%
Akzo Nobel . . . . .	1.4%
Merck KGaA . . . . .	1.4%
Rexam plc. . . . .	1.3%

## Sector Allocation

	% of Equities
Financials . . . . .	19.5%
Industrials . . . . .	15.0%
Health Care . . . . .	11.6%
Consumer Discretionary . . . . .	11.2%
Materials . . . . .	11.0%
Energy . . . . .	10.4%
Consumer Staples . . . . .	7.4%
Telecommunication Services . . . . .	5.8%
Information Technology . . . . .	5.8%
Utilities . . . . .	2.4%

## Regional Allocation\*



\* shown as a percentage of equities

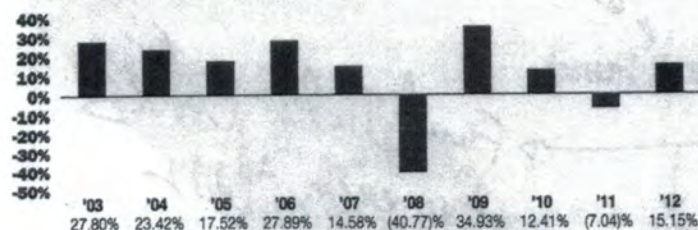
## Region

Europe  
Asia  
North America



## Annual Total Returns

The bar chart does not reflect sales loads. If it did, the annual total returns shown would be lower.



Best Quarter (ended June 30, 2009): 18.44%

Worst Quarter (ended December 31, 2008): -19.65%

## Average Annual Total Returns (for the periods ended December 31, 2012)

	1 Year	5 Years	10 Years
Class A shares: Inception (4/7/1992)			
Return Before Taxes	8.82%	-1.89%	9.46%
Return After Taxes on Distributions	8.82	-1.93	9.31
Return After Taxes on Distributions and Sale of Fund Shares	6.11	-1.48	8.51
Class B shares: Inception (9/15/1994)	9.27	-1.90	9.43
Class C shares: Inception (8/4/1997)	13.25	-1.52	9.27
Class R shares: Inception (6/3/2002)	14.85	-1.02	9.77
Class Y shares <sup>1</sup> : Inception (10/3/2008)	15.40	-0.56	10.20
MSCI EAFE <sup>®</sup> Index	17.32	-3.69	8.21
MSCI EAFE <sup>®</sup> Growth Index	16.86	-3.09	7.77
Lipper International Multi-Cap Growth Funds Index	19.73	-1.95	9.89

<sup>1</sup> Class Y shares performance shown prior to the inception date is that of Class A shares and includes the 12b-1 fees applicable to Class A shares. Class A shares performance reflects any applicable fee waivers or expense reimbursements.

After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown, and after-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A shares only and after-tax returns for other classes will vary.

## Management of the Fund

Investment Adviser: Invesco Advisers, Inc.

Portfolio Managers	Title	Length of Service on the Fund
Claes Olsson	Portfolio Manager (lead)	1997
Brent Bates	Portfolio Manager	2013
Shuxin Cao	Portfolio Manager	2003
Matthew Dennis	Portfolio Manager	2003
Jason Holzer	Portfolio Manager	1999
Mark Jason	Portfolio Manager	2011
Richard Nield	Portfolio Manager	2013

## Purchase and Sale of Fund Shares

You may purchase, redeem or exchange shares of the Fund on any business day through your financial adviser, through our Web site at [www.invesco.com/us](http://www.invesco.com/us), by mail to Invesco Investment Services, Inc., 10000 West 100th Street, Suite 100, Overland Park, MO 66204-3078, or by telephone at 800-838-1247.

There are no minimum investments for Class R shares for fund accounts. New or additional investments in Class B shares are not

permitted. The minimum investments for Class A, C and Y shares for fund accounts are as follows:

Type of Account	Initial Investment Per Fund	Additional Investments Per Fund
Asset or fee-based accounts managed by your financial adviser	None	None
Employer Sponsored Retirement and Benefit Plans and Employer Sponsored IRAs	None	None
IRAs and Coverdell ESAs if the new investor is purchasing shares through a systematic purchase plan	\$25	\$25
All other types of accounts if the investor is purchasing shares through a systematic purchase plan	50	50
IRAs and Coverdell ESAs	250	25
All other accounts	1,000	50

## Tax Information

The Fund's distributions generally are taxable to you as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account.

## Payments to Broker-Dealers and Other Financial Intermediaries

If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and the Fund's distributor or its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson or financial adviser to recommend the Fund over another investment. Ask your salesperson or financial adviser or visit your financial intermediary's Web site for more information.



### Investment Objective

The fund seeks to provide long-term capital appreciation by investing in mid-cap stocks with potential for above-average earnings growth.

### Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the fund.

#### Fees and Expenses of the Fund

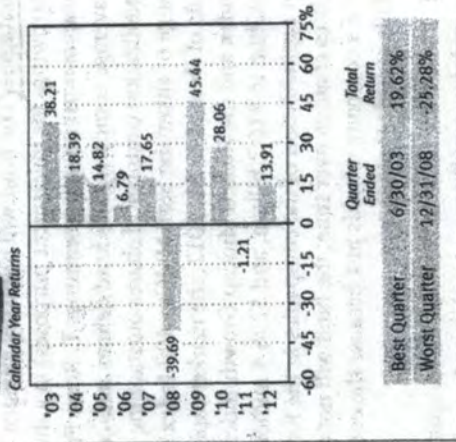
Shareholder fees (fees paid directly from your investment)	
Maximum sales charge (load) imposed on purchases	NONE
Maximum deferred sales charge (load)	NONE
Redemption fee	NONE
Maximum account fee	\$20 <sup>a</sup>
Annual fund operating expenses (expenses that you pay each year as a percentage of the value of your investment)	
Management fees	0.64%
Distribution and service (12b-1) fees	0.00%
Other expenses	0.16%
<b>Total annual fund operating expenses</b>	<b>0.80%</b>

<sup>a</sup> Subject to certain exceptions, accounts with a balance of less than \$10,000 are charged an annual \$20 fee.

**Example** This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

	1 year	3 years	5 years	10 years
	\$82	\$255	\$444	\$990

**Portfolio Turnover** The fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the fund's performance. During the most recent fiscal year, the fund's portfolio turnover rate was 29.6% of the average value of its portfolio.



In addition, the average annual total returns table shows hypothetical after-tax returns to suggest how taxes paid by a shareholder may influence returns. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements, such as a 401(k) account or individual retirement account.

#### Average Annual Total Returns

	Periods ended December 31, 2012			
	1 Year	5 Years	10 Years	
<b>Fund</b>	13.91%	4.80%	11.55%	
Returns before taxes	12.82	3.94	10.69	
Returns after taxes on distributions	10.30	3.91	10.13	
Returns after taxes on distributions and sale of fund shares	17.88	5.15	10.53	
S&P MidCap 400 Index (reflects no deduction for fees, expenses, or taxes)	15.81	3.23	10.32	
Russell Midcap Growth Index (reflects no deduction for fees, expenses, or taxes)	13.36	1.49	9.40	
Upper Mid-Cap Growth Funds Index				

Updated performance information is available through [www.fund.com](#) or may be obtained by calling 1-800-541-5411.



52	Week	Low	Company	PE	Price	Chg.
17.26	13.00	Strattek Inc.	5	15.25	25	
17.48	41.62	St. John's	15	43.82	82	
17.60	17.00	St. Silver	5	17.00	0	
18.00	20.00	St. Gold	5	20.00	0	
18.40	21.00	St. Gold	5	21.00	0	
18.60	21.00	St. Gold	5	21.00	0	
19.00	21.00	St. Gold	5	21.00	0	
19.40	21.00	St. Gold	5	21.00	0	
19.80	21.00	St. Gold	5	21.00	0	
20.20	21.00	St. Gold	5	21.00	0	
20.60	21.00	St. Gold	5	21.00	0	
21.00	21.00	St. Gold	5	21.00	0	
21.40	21.00	St. Gold	5	21.00	0	
21.80	21.00	St. Gold	5	21.00	0	
22.20	21.00	St. Gold	5	21.00	0	
22.60	21.00	St. Gold	5	21.00	0	
23.00	21.00	St. Gold	5	21.00	0	
23.40	21.00	St. Gold	5	21.00	0	
23.80	21.00	St. Gold	5	21.00	0	
24.20	21.00	St. Gold	5	21.00	0	
24.60	21.00	St. Gold	5	21.00	0	
25.00	21.00	St. Gold	5	21.00	0	
25.40	21.00	St. Gold	5	21.00	0	
25.80	21.00	St. Gold	5	21.00	0	
26.20	21.00	St. Gold	5	21.00	0	
26.60	21.00	St. Gold	5	21.00	0	
27.00	21.00	St. Gold	5	21.00	0	
27.40	21.00	St. Gold	5	21.00	0	
27.80	21.00	St. Gold	5	21.00	0	
28.20	21.00	St. Gold	5	21.00	0	
28.60	21.00	St. Gold	5	21.00	0	
29.00	21.00	St. Gold	5	21.00	0	
29.40	21.00	St. Gold	5	21.00	0	
29.80	21.00	St. Gold	5	21.00	0	
30.20	21.00	St. Gold	5	21.00	0	
30.60	21.00	St. Gold	5	21.00	0	
31.00	21.00	St. Gold	5	21.00	0	
31.40	21.00	St. Gold	5	21.00	0	
31.80	21.00	St. Gold	5	21.00	0	
32.20	21.00	St. Gold	5	21.00	0	
32.60	21.00	St. Gold	5	21.00	0	
33.00	21.00	St. Gold	5	21.00	0	
33.40	21.00	St. Gold	5	21.00	0	
33.80	21.00	St. Gold	5	21.00	0	
34.20	21.00	St. Gold	5	21.00	0	
34.60	21.00	St. Gold	5	21.00	0	
35.00	21.00	St. Gold	5	21.00	0	
35.40	21.00	St. Gold	5	21.00	0	
35.80	21.00	St. Gold	5	21.00	0	
36.20	21.00	St. Gold	5	21.00	0	
36.60	21.00	St. Gold	5	21.00	0	
37.00	21.00	St. Gold	5	21.00	0	
37.40	21.00	St. Gold	5	21.00	0	
37.80	21.00	St. Gold	5	21.00	0	
38.20	21.00	St. Gold	5	21.00	0	
38.60	21.00	St. Gold	5	21.00	0	
39.00	21.00	St. Gold	5	21.00	0	
39.40	21.00	St. Gold	5	21.00	0	
39.80	21.00	St. Gold	5	21.00	0	
40.20	21.00	St. Gold	5	21.00	0	
40.60	21.00	St. Gold	5	21.00	0	
41.00	21.00	St. Gold	5	21.00	0	
41.40	21.00	St. Gold	5	21.00	0	
41.80	21.00	St. Gold	5	21.00		

[illegible]

The *Star-Telegram* lists about 1,000 stocks from the Nasdaq and American exchanges that were the most actively traded yesterday.

[illegible]



## MUTUAL FUNDS

[illegible]

### KEY TO TABLES

	1	2	3	4
<b>1 Name:</b> Fund companies are listed alphabetically, followed by specific funds.	AAL Mutual A			
	Bond	19.16		
	Equity	17.38	17	38
	MidCap	14.50	88	49
	MutFund	11.61	61	28
	Small	11.84	84	25
	S&P Invest	2.29	29	62
	Service	42.21	39	12
	Capital	11.16	16	11
<b>2 Last:</b> Most recent closing price per share, also known as net asset value, excluding sales load.				
<b>3 Change:</b> Gain or loss from previous day's closing price.				
<b>4 Five-year return percentage:</b> Percentage gain or loss over the past five years if dividends were reinvested.				

**Mutual fund notes**  
e: ex capital gains distribution; s: stock dividend or split; x: ex cash dividend; f: previous day's quote; n: no front-end load or contingent deferred sales load; p: fund assets used to pay fund expenses.

redemption fee for contingent deferred sales load may apply; **t**: both p and r; **NN**: fund does not wish to be tracked; **NS**: fund did not exist at start date; **NA**: no information available; **NE**: deleted by Lipper editor, data in question.

SOURCE: The Associated Press and U.S. Census Bureau.

[illegible]

# JERRY'S

# Are You in the Market?

**2004 Nissan 350Z  
Roadster 6-Speed**

[illegible]