



UC ICC (Insurance Company Contract) Fund

Investment Objective: The Fund seeks to maximize interest income, while protecting principal.

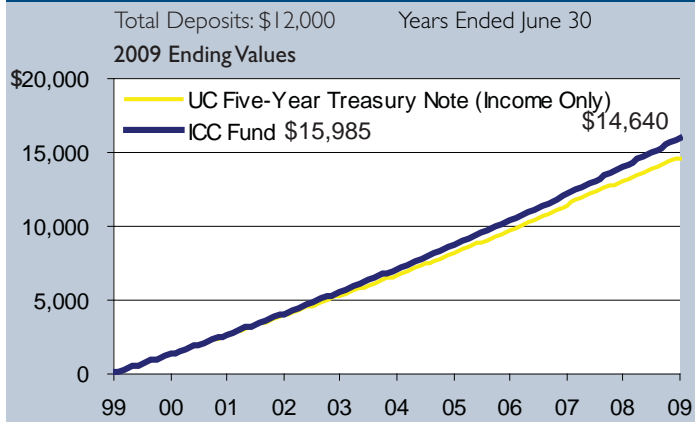
You are not permitted to make a direct exchange from the UC ICC Fund to money-market-type funds (considered “competing” funds) because of industry restrictions. Before exchanging from the UC ICC Fund to a competing fund, you must first exchange to a “noncompeting” fund for 30 days.

Quick Stats

1 Year Return (06/30/2009)	5.08%
NAV (06/30/2009)	\$1.00
Investment Category	Stable Value
Net Assets (\$M)	\$968
Inception	September 1, 1985

The ICC Fund is part of the UC Retirement Savings Program’s Core Funds, which include a full range of asset classes designed to help meet participant needs. Participants in the Program should consider their unique needs and goals, along with any savings held outside of the Program, when building an appropriately diversified asset allocation of funds.

Ten-Year Performance of a \$100 Monthly Investment in the ICC Fund and the Policy Benchmark*



* Policy Benchmark is the Five-Year U.S. Treasury Note Income Return

Risks to You

The ICC Fund is designed to maintain a constant per-unit value of \$1.00, although it is not guaranteed. Risks include credit risk and interest rate risk.

The ICC Fund may be appropriate for investors seeking an interest-income producing investment with greater interest income than normally offered by a standard savings or money market fund. The ICC Fund may be appropriate for investors with shorter-term investment horizons and those near to or in retirement, as well as those highly averse to risk. The ICC Fund may not be appropriate for investors with longer time horizons looking for principal growth to fund retirement.

For more information on risk, see the “Investment Risk Factor Guide,” available online at www.netbenefits.com.

Average Annual Total Returns

as of 6/30/2009

Returns (%)	1 Year	5 Years	10 Years
ICC Fund	5.08	5.17	5.85
Five-Year U.S. Treasury Note Income Return	2.45	3.82	4.16
Inflation (CPI-U)	-1.42	2.60	2.64

The Fund’s returns are based on interest income. The Fund has consistently out-performed its benchmark consisting of five-year U.S. Treasury Notes.

How We Invest

The Treasurer’s Office manages the ICC Fund according to the policies established by The Regents of the University of California.

The Fund invests in insurance company contracts offered by select, highly rated, financially sound insurance companies. The Fund purchases insurance company contracts which guarantee a fixed annual rate of interest for a specified time period and the repayment of principal at the end of that time period. Amounts invested in the ICC Fund earn the blended interest rate of all contracts which comprise the fund. The Fund strives to exceed the returns of five-year U.S. Treasury Notes and to outpace inflation.

The ICC Fund is managed by Associate Chief Investment Officer Mel Stanton, who has more than 33 years of experience in the investment industry. He is assisted by our fixed-income credit analysts in the selection of individual insurance companies.

Fees and Expenses

Investor expenses are limited to 0.15% (or \$1.50 per \$1,000 invested) of the Fund’s average market value per year, assessed on a daily basis (1/365th per day invested). These expenses are not billed to participants, but are netted against the investment experience of the fund. These expenses are comprised of approximately 0.03% for investment management, 0.02% for investor education and 0.10% for administration (including accounting, audit, legal, custodial and recordkeeping services). The total administrative expenses are estimated and could actually be lower in some periods. If actual administrative expenses are less than estimated, any accumulation will be returned to the Fund each quarter, on a prorated basis, thereby lowering the effective expense ratio for participants. There are no front-end or deferred-sales loads or other marketing expenses.

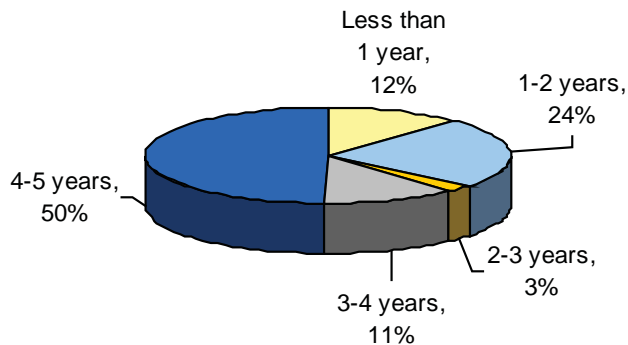


UC ICC Fund *continued*

Maturities

as of 6/30/2009

The Fund's maturity distribution (the range of dates on which individual holdings become due for payment) is well-diversified to help mitigate reinvestment risk in different interest rate environments.



Asset Class Overview

as of 6/30/2009

The ICC (Insurance Company Contract) Fund provides investment returns solely through interest income. The Fund consists of multiple insurance contracts negotiated with financially sound insurance companies. Under these contracts, the insurance companies guarantee fixed annual rates of interest for specified periods of time as stated in each contract, if held to maturity. Insurance contract guarantees are backed by the general account assets of the issuing insurance company and are not insured or guaranteed by any third party.

The contracts are pooled to diversify risk and provide a blended rate of return for participants. In addition, the maturity dates of the contracts are staggered, resulting in some money coming due each year. This allows proceeds to be reinvested during different interest rate cycles which helps to keep the blended rate of the contracts stable over time.

The estimated yield for this Fund (net of all fees and expenses) in calendar year 2009 is 4.75%.

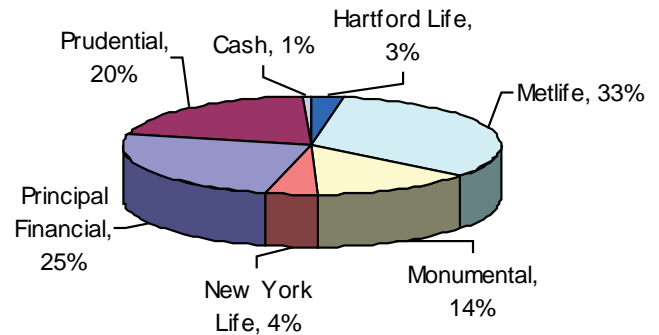
Keep in mind that investing involves risk. The value of your investment may fluctuate over time and you may gain or lose money.

The information contained herein regarding the UC Funds has been provided by the University of California Office of the Treasurer and is solely the responsibility of the University of California Office of the Treasurer.

Company Distribution

as of 6/30/2009

The Fund's insurance company breakout is shown below. Diversification of companies helps reduce concentration risk.



Month-End Interest Factors

most recent 12 months ending 06/30/2009

July 2008	0.0042954
August 2008	0.0042908
September 2008	0.0041612
October 2008	0.0042092
November 2008	0.0040631
December 2008	0.0042643
January 2009	0.0041853
February 2009	0.0037785
March 2009	0.0039594
April 2009	0.0040414
May 2009	0.0043044
June 2009	0.0041419

Year-by-Year Performance by Calendar Year

