

Seattle

December 1, 2011



**Russell Investment Company
Dividend Announcement**

Dear Shareholder:

On December 1, 2011, the following dividends payable was declared from net investment income. Dividends will be payable on December 5, 2011, to shareholders of record effective with the opening of business on December 2, 2011.

Fund	Identifier	Net Investment Income
Russell Investment Grade Bond Fund - Class I	782493407	0.0435
Russell Investment Grade Bond Fund - Class E	782493183	0.0389
Russell Investment Grade Bond Fund - Class Y	782493175	0.0452
Russell Investment Grade Bond Fund - Class C	782494827	0.0246
Russell Investment Grade Bond Fund - Class S	782494835	0.0422
Russell Investment Grade Bond Fund - Class A	782494322	0.0382
Russell Short Duration Bond Fund - Class S	782493506	0.0270
Russell Short Duration Bond Fund - Class E	782493332	0.0231
Russell Short Duration Bond Fund - Class C	782493340	0.0119
Russell Short Duration Bond Fund - Class A	782494801	0.0236
Russell Short Duration Bond Fund - Class Y	782494421	0.0285
Russell Strategic Bond Fund - Class I	782493738	0.0278
Russell Strategic Bond Fund - Class E	782493167	0.0256
Russell Strategic Bond Fund - Class Y	782493159	0.0287
Russell Strategic Bond Fund - Class A	782494470	0.0252
Russell Strategic Bond Fund - Class C	782494462	0.0187
Russell Strategic Bond Fund - Class S	782494454	0.0273
Russell Tax Exempt Bond Fund - Class S	782493837	0.0553
Russell Tax Exempt Bond Fund - Class E	782493316	0.0509
Russell Tax Exempt Bond Fund - Class C	782493324	0.0379
Russell Tax Exempt Bond Fund - Class A	782494314	0.0499

Key Dates

Ex: 12/02/11
Record: 12/02/11
Payable: 12/05/11

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, 100.00% of the Russell Investment Grade Bond Fund, 98.21% of the Russell Short Duration Bond Fund, and 90.30% 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. Please read the prospectus carefully before investing.

Securities products and services offered through Russell Financial Services, Inc., member FINRA, part of Russell Investments.

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