

LifePoints® 2017 Retirement Distribution Fund – S Shares

Put Your Retirement Savings to Work

Investment Strategy

- Primarily seeks to provide a stated annual target distribution for 10 years from its inception date (Dec. 31, 2007).
- As a secondary objective, seeks preservation of a portion of the capital initially invested.
- A fund of funds that invests primarily in several other Russell funds, representing various asset classes, employing multiple managers and investment styles.
- Underlying funds invest in U.S. and non-U.S. equities, real estate securities, fixed income securities and/or short-term investments.
- Dynamic investment strategy designed to adjust asset allocation in order to meet annual target distributions. Re-allocations are based on time remaining in term, current net asset value, future distributions and the redemption of shares to pay an assumed 1% external advisory fee.

Fund Highlights

- Seeks to pay an annual per-share target distribution.
- Allows investors to retain liquidity and access to retirement savings when needed, although net asset value is subject to market fluctuations.
- While expected to be steady and predictable, annual distributions are not guaranteed and will be adjusted annually as described in the prospectus.
- This fund expects to make its annual target distribution in December each year.

About the Fund



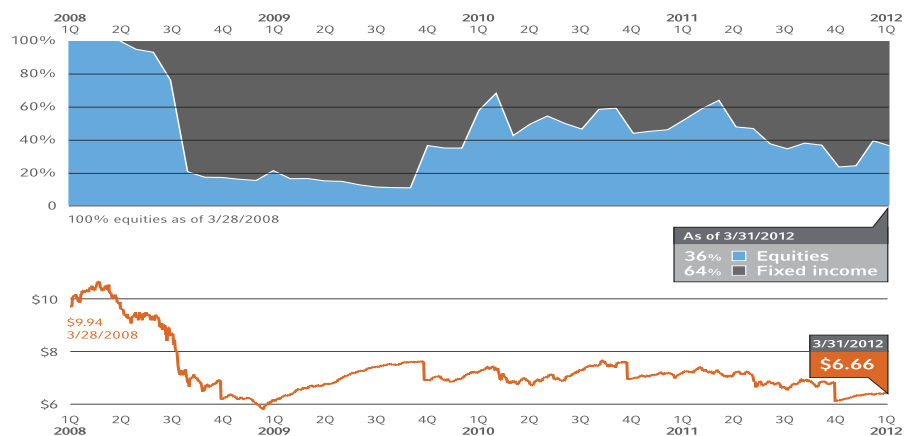
John Greves
Russell Portfolio
Manager

This fund leverages Russell's expertise in asset-liability matching and is designed for those requiring cash flow from their investments. It aims to deliver steady, predictable, but not guaranteed annual distributions over a specific time period while seeking to preserve a portion of capital initially invested.

Generally, the fund may shift to a more aggressive allocation in a favorable market and to a more conservative investment in a less favorable market. In a substantially unfavorable market, where more conservative investments are unlikely to meet the primary objective, it may shift into an allocation with higher potential return and related risk. – *John Greves*

Asset Allocation and Net Asset Value Over Time

The graph below shows how the fund's allocation to major asset classes has changed over time along with the fund's net asset value (NAV) during the same time interval. NAV is a measure of how much each share is worth. It shows how the fund has adjusted to changes in the market in order to best meet its investment objectives.



The fund was opened to shareholders as of 03/28/2008. The current allocation may be different than what is shown above. The asset allocation section reflects month-end data points.

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 by visiting www.russell.com. Please read the prospectus carefully before investing.

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Managing Money Differently

The Russell approach has been trusted for decades by many of the world's largest investors; our mutual funds allow you to employ that same approach. We identify investment managers we believe have exceptional capabilities, blend them to help manage risk through diversification, and constantly monitor them. Regardless of market conditions, Russell's investment approach remains constant.

Who Should Invest?

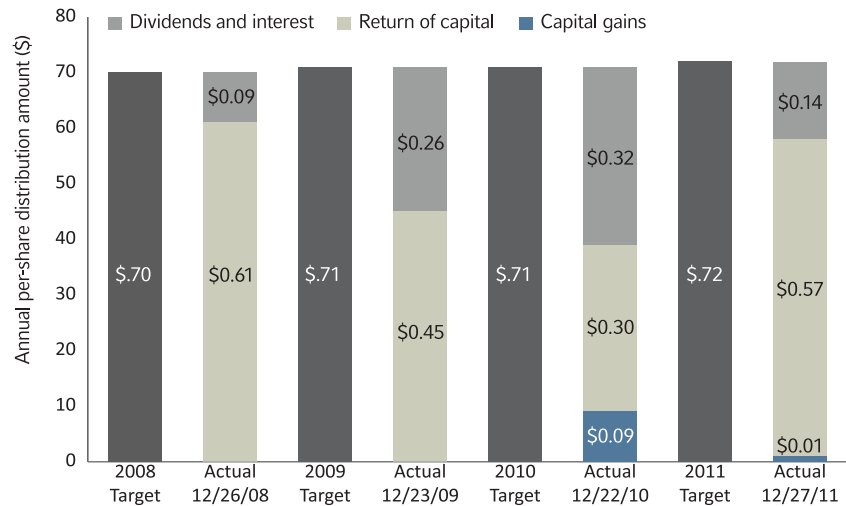
- Investors who wish to receive distributions from their savings during retirement. This fund is not intended for building wealth prior to retirement.
- Investors seeking access and flexibility with respect to their retirement assets.
- The fund can be used together with asset allocated portfolios and variable annuities to create an overall portfolio designed to meet retirees' cash flow needs while investing for future needs.
- When considering this fund, investors should work with a financial professional to decide how much money they will need, how long they will need it and what other income resources they will rely upon.

The fund commenced operations on December 31, 2007. The net asset value of the fund (NAV) changes daily. Therefore the payout ratio (target distribution per share divided by net asset value per share) will change on a daily basis.

If the net asset value (NAV) of a fund decreases from the fund's per share NAV on the initial offering date of December 31, 2007, due to declines in the value of the fund's investments, there is a reduced probability that the fund will make the full amount of each of its target distributions, and the amount of a shareholder's investment remaining at the end of the term will be less than the initial amount and may be zero.

Distributions Over Time

This graph shows how the fund has met its primary investment objective of paying an annual target distribution to shareholders. For each year, it shows both the stated target distribution and the fund's actual distribution, on a per-share basis, broken out by distribution component. These per share amounts are provided for reference only. Please refer to your year end 1099-DIV or 1099-INT statement for the final amounts to be used for tax return preparation.



Annual distributions consist of income from dividends and interest, short-term capital gains and long-term capital gains. These components of the distribution may be subject to taxation.

If the fund doesn't generate sufficient income and capital gains to pay the target distribution amount, the annual distribution will include a return of capital. This means you will receive a portion of your initial investment back as part or all of the annual distribution. A return of capital is not taxed at the time of distribution, but it results in a reduction in the tax basis of shares.

Any distributions exceeding the stated target distribution are called distribution overages. If you do not immediately reinvest all distribution overages by purchasing additional fund shares, you will not receive the same annual distribution total (number of shares times actual per-share distribution) in subsequent years. However, if you do so, you will receive substantially the same annual distribution total in subsequent years.

The fund's investment model assumes the redemption of shares to pay the financial intermediary a 1% external advisory fee per year. As a result, the fund increases its per-share target distribution each year so that you will receive approximately the same distribution amount each year, even though you own fewer shares. If your fee exceeds 1%, your distributions will be lower and the amount of the initial investment that may remain at the end of the period will be lower.

Shareholders who hold a fund within a retirement account (such as an IRA) should consult their tax advisers to discuss tax consequences that could result if they receive distributions prior to age 59½ or plan to use the fund in whole or in part, to meet IRS annual minimum required distributions once reaching age 70½.

Investors who purchase shares in subsequent years after the fund opens may not receive the same results as investors who purchase shares during the initial investment period. This may include a different payout ratio (target distribution per share divided by net asset value per share) and/or a different amount of the investor's initial investment remaining at the end of the period. Consequently, the funds may close

to new investors and to additional investment by existing shareholders (except for re-investment of Distribution Overages) if the funds determine that such further investment will result in the funds being less likely to meet their investment objectives.

Diversification and strategic asset allocation do not assure profit or protect against loss in declining markets.

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

LifePoints® 2017 Retirement Distribution Fund – Allocation of Underlying Fund Assets¹

The list below represents the underlying funds in which the 2017 Retirement Distribution Fund could invest at any time. The fund's allocations change over time, and it may not invest in one or more of these underlying funds at any point in time.

Russell U.S. Core Equity Fund

Growth

BlackRock Capital Management, Inc.
Columbus Circle Investors
Sustainable Growth Advisers, L.P.

Market-Oriented

Lazard Asset Management, LLC
Suffolk Capital Management, LLC

Value

Institutional Capital, LLC
Schneider Capital Management Corporation
Snow Capital Management L.P.

Russell U.S. Quantitative Equity Fund

Market-Oriented

Aronson+Johnson+Ortiz, L.P.
INTECH Investment Management, LLC
Jacobs Levy Equity Management, Inc.
Numeric Investors, LLC
PanAgora Asset Management, Inc.

Russell U.S. Small Cap Equity Fund[#]

Growth

EAM Investors, LLC
Falcon Point Capital, LLC
Next Century Growth Investors, LLC
Ranger Investment Management, L.P.

Market-Oriented

ClariVest Asset Management, LLC
PENN Capital Management Company, Inc.

Value

Chartwell Investment Partners
DePrince, Race & Zollo, Inc.
Huber Capital Management LLC
Jacobs Levy Equity Management, Inc.
Signia Capital Management, LLC

[#]On January 1, 2012, the Russell U.S. Small & Mid Cap Fund was renamed the Russell U.S. Small Cap Equity Fund.

Russell Int'l Developed Markets Fund²

Growth

Axiom International Investors, LLC
Driehaus Capital Management, LLC
Marsico Capital Management, LLC
William Blair & Company, LLC

Market-Oriented

AQR Capital Management, LLC
MFS Institutional Advisors, Inc.

Value

del Rey Global Investors, LLC
Mondrian Investment Partners Limited
Pzena Investment Management, LLC

Russell Global Equity Fund²

Growth

T. Rowe Price Associates, Inc.

Market-Oriented

GLG Inc.
MFS Institutional Advisors, Inc.

Value

Harris Associates, L.P.
Sanders Capital, LLC
Tradewinds Global Investors, LLC

Russell Emerging Markets Fund²

Growth

UBS Global Asset Management (Americas), Inc.

Market-Oriented

Arrowstreet Capital, Limited Partnership
Genesis Asset Managers, LLP
Harding Loevner, LP
Victoria 1522 Investments, LP

Value

AllianceBernstein, L.P.
Delaware Management Company

Russell Commodity Strategies Fund^{*}

Global Market-Oriented

Credit Suisse Asset Management, LLC
Goldman Sachs Asset Management, L.P.
Jefferies Asset Management, LLC

Russell Global Real Estate Securities Fund^{*}

Global Market-Oriented

AEW Capital Management, L.P.
Cohen & Steers Capital Management, Inc.
INVESCO Advisers, Inc.,
through INVESCO Real Estate Division

Russell Global Infrastructure Fund^{*}

Global Market-Oriented

Cohen & Steers Capital Management, Inc.
Macquarie Capital Investment Mgmt LLC
Nuveen Asset Management, LLC

Russell Global Opportunistic Credit Fund

Sector Strategies

DDJ Capital Management, LLC
Oaktree Capital Management, L.P.
Stone Harbor Investment Partners LP

Russell Strategic Bond Fund

Fully Discretionary

Goldman Sachs Asset Management, L.P.
Pacific Investment Management Company, LLC

Sector Strategies

Brookfield Investment Management Inc.
Logan Circle Partners, L.P.
Metropolitan West Asset Management, LLC

Russell Investment Grade Bond Fund

Enhanced Core

Neuberger Berman Fixed Income, LLC

Fully Discretionary

Pacific Investment Management Company, LLC

Sector Strategies

Logan Circle Partners, L.P.
Metropolitan West Asset Management, LLC

Russell Short Duration Bond Fund

Fully Discretionary

Pacific Investment Management Company, LLC

Sector Strategies

Logan Circle Partners, L.P.

Russell Money Market Fund[◇]

Fully Discretionary

Russell Investment Management Company

◇ An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although a money market fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in a money market fund.

Money managers listed are current as of 03/31/12. Subject to the fund's Board approval, Russell has the right to engage or terminate a money manager at any time and without a shareholder vote, based on an exemptive order from the Securities and Exchange Commission. Investments in the Funds are not deposits with or other liabilities of any of the money managers and are subject to investment risk, including loss of income and principal invested and possible delays in payment of redemption proceeds. The money managers do not guarantee the performance of any Fund or any particular rate of return.

^{*}Commodities have greater volatility than traditional securities and may be affected by changes in overall market movements, changes in interest rates or sectors affecting a particular industry or commodity. Real estate can be impacted through economic conditions, property taxes, tax laws and interest rates which all present potential risks. Infrastructure securities have greater exposure to adverse economic, financial, regulatory, and political risks, including governmental regulations.

¹Investments that are allocated across multiple types of securities may be exposed to a variety of risks based on the asset classes, investment styles, market sectors, and size of companies preferred by the investment managers. Investors should consider how the combined risks impact their total investment portfolio and understand that different risks can lead to varying financial consequences, including loss of principal. Please see a prospectus for further details.

²The fund's return and net asset value may be significantly affected by political or economic conditions and regulatory requirements in a particular country. Investments in non-U.S. markets can involve risks of currency fluctuation, political and economic instability, different accounting standards and foreign taxation. Such securities may be less liquid and more volatile. Investments in emerging or developing markets involve exposure to economic structures that are generally less diverse and mature, and political systems with less stability than in more developed countries.

S Shares	
CUSIP	782478192
TICKER	RRDSX

LifePoints® 2017 Retirement Distribution Fund – S Shares

Performance Review

As of March 31, 2012

	Quarterly	Year to Date	Annualized					Since Inception	Inception Date	Annual Fund Operating Expenses	
			1 Year	3 Years	5 Years	10 Years	Total			Net †	
LifePoints® 2017 Retirement Distribution Fund – S Shares † ^{(a)(b),1,2}	4.55%	4.55%	-0.43%	12.00%	--%	--%	-2.76%	12/31/2007	4.26%	0.93%	

Performance information is historical and does not guarantee future results. Investment return and principal value will fluctuate so that redeemed shares may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted. Current to the most recent month-end performance for Russell mutual funds is available by visiting www.russell.com/us/fundperformance.

Russell also offers LifePoints 2017 Retirement Distribution Fund – A Shares. A Shares may charge up to a 5.75% sales charge and a 0.25% distribution fee which will result in higher expense ratios and lower return figures than shown above.

†As of April 30, 2012, the Net Annual Operating Expense Ratio may be less than the Total Operating Expense Ratio and represents the actual expenses expected to be borne by shareholders after application of:

(a) a contractual advisory fee waiver and/or reimbursement through April 29, 2013;

(b) a contractual cap on expenses through April 29, 2013.

These contractual agreements may not be terminated during the relevant periods except at the Board of Trustees' discretion. Details of these agreements are in the current prospectus. Absent these reductions, the fund's return would have been lower.

¹ Investment in LifePoints Funds involves direct expenses of each fund and indirect expenses of the underlying funds, which together can be higher than those incurred when investing directly in an underlying fund.

² This is a new fund without an operating history, which may result in additional risk. There can be no assurance that the fund will grow to an economically viable size, in which case the fund may cease operations. In such an event, investors may be required to liquidate or transfer their investments at an inopportune time.

Important Considerations

- This fund is designed to reach the end of its term in 2017 after making annual distributions for 10 years. Investors who purchase shares later in the fund's 10-year term may not have the same experience as investors who purchase shares earlier in the fund's term.
- Investors assume longevity risk, the risk that they will outlive the term of this fund and will no longer receive annual distributions from it. At the end of the term, the fund will distribute any remaining assets to shareholders.
- Shares can be transferred to an investor's heirs as part of his or her estate.
- In the event the fund does not have sufficient assets to meet its objectives, it will distribute all remaining assets to investors and will close prior to the end of its term.
- The fund's ability to make its target distributions may be impacted by exceptional market returns, both positive and negative. Market conditions may also impact the amount of the initial investment remaining at the end of the fund's term.
- A declining asset base will hinder the fund's ability to generate future earnings and distributions.
- The annual distribution can be incorporated into a systematic withdrawal program offered by your financial professional to provide monthly payments.

Each of the LifePoints® Funds Target Distribution Strategies funds invests its assets in shares of a number of underlying Russell Each fund is managed pursuant to a quantitative model and employs a dynamic asset allocation strategy. The underlying funds to which the funds allocate their assets and the percentage allocations will change over time and a fund may not always invest in all of the underlying funds. The funds may also invest in fixed income securities issued or guaranteed by the U.S. government or by its agencies and instrumentalities and in currency futures and options. It is expected that as a fund draws near the end of its term, it may be more effective for it to invest in index and currency futures and options rather than in shares of the underlying

funds. In addition, the fund's adviser may also manage assets of the underlying funds directly for a variety of purposes.

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Not FDIC Insured
May Lose Value
No Bank Guarantee