

January 10<sup>th</sup>, 2007

**ONE - The Public Sector Group of Funds**  
**PERFORMANCE REPORT – December 31<sup>st</sup>, 2007**

Dear ONE Funds Investor:

The following are the performance statistics for all ONE funds as of December 31<sup>st</sup>, 2007. This report is intended to serve only as information, providing average returns over the periods stated. Individual investor returns may vary according to investment time horizon.

**All returns stated are net of fees.**

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**Money Market Fund:** (Inception - May 1<sup>st</sup>, 1995)

<u>Period Ending December 31<sup>st</sup>, 2007:</u>		<b>Compounded Monthly</b>
Annualized Return - 1 month	4.44%	= (4.70% Income Earned) + (-0.25% Market Impact)
Annualized Return - 3 months	4.60%	= (4.93% Income Earned) + (-0.33% Market Impact)
Annualized Return - 6 months	4.91%	= (5.26% Income Earned) + (-0.34% Market Impact)
Annualized Return - 9 months	4.48%	= (4.80% Income Earned) + (-0.32% Market Impact)
Annualized Return - 1 year	4.39%	= (4.63% Income Earned) + (-0.24% Market Impact)

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**Bond Fund:** (Inception - March 1<sup>st</sup>, 1993)

<u>Period Ending December 31<sup>st</sup>, 2007:</u>		<b>Compounded Monthly</b>
Annualized Return - 1 year	3.84%	= (4.03% Income Earned) + (-0.19% Market Impact)
Annualized Return - 2 years	3.73%	= (3.94% Income Earned) + (-0.21% Market Impact)
Annualized Return - 3 years	3.18%	= (3.92% Income Earned) + (-0.74% Market Impact)
Annualized Return - Inception	5.60%	= (5.87% Income Earned) + (-0.27% Market Impact)
Non-annualized Growth Since Inception	124.43%	= (133.11% Income Earned) + (-8.68% Market Impact)

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**Equity Fund:** (Inception - Jan, 2007)

<u>Period Ending December 31<sup>st</sup>, 2007:</u>		<b>Compounded Monthly</b>
Annualized Return - 1 month	7.32%	= (0.00% Income Earned) + (7.32% Market Impact)
Annualized Return - 3 months	-3.88%	= (0.00% Income Earned) + (-3.88% Market Impact)
Annualized Return - 6 months	1.92%	= (0.00% Income Earned) + (1.92% Market Impact)
Annualized Return - 9 months	8.62%	= (0.00% Income Earned) + (8.62% Market Impact)

**Net Asset Value:** (December 31<sup>st</sup>, 2007)

		<b>Average Term</b>	<b>Average Duration (Option Adjusted)</b>
Money Market Fund	\$ 187,448,969.24	273.750 days	0.651 years
Bond Fund	\$ 122,724,983.79	3.073 years	2.499 years
Equity Fund	\$ <u>31,639,318.51</u>	0.093 years	0.092 years
<b>TOTAL</b>	<b>\$ 341,813,271.54</b>		

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