ScholarShare® College Savings Plan

Portfolios — College, 2009, 2012, 2015, 2018, 2021, 2024, 2027, Conservative, 70% Equity, 100% Equity, Money Market, Guaranteed Investment Option, Index College, Index 2009, Index 2012, Index 2015, Index 2018, Index 2021, Index 2024, Index 2027, Index Conservative, Index 70% Equity, Index 100% Equity, Intermediate Treasury Index, International Index, Spartan 500® Index, Total Market Index, and Social Choice

Annual Report

June 30, 2008

SCHOLARSHARE

college savings plan

Fidelity INVESTMENTS®

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All other marks appearing herein are registered or unregistered trademarks or service marks of the State of California or of FMR LLC or an affiliated company.

This report and the financial statements contained herein are submitted for the general information of the holders of units of the Portfolios. This report is not authorized for distribution to prospective participants in the Portfolios unless preceded or accompanied by a current Fact Kit.

Portfolio units are not deposits or obligations of, or guaranteed by, any depository institution. Units are not insured by the FDIC, Federal Reserve Board or any other agency, and are subject to investment risks, including possible loss of principal amount invested.

Neither the principal deposited nor the investment return is guaranteed by the State of California, the ScholarShare Investment Board, Fidelity Investments or any affiliate thereof, or the federal government or any agency thereof.

Neither the Portfolios, the mutual funds in which they invest, nor Fidelity Distributors Corporation is a bank. For more information on any Fidelity fund, including charges and expenses, call 1-800-544-6666 for a free prospectus. For more information on the ScholarShare College Savings Plan, call 1-800-544-5248 for a free Fact Kit. Read it carefully before you invest or send money.

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Zeny Marie Agullana

Dear Participant:

On behalf of the State of California and the ScholarShare Investment Board, I am pleased to provide you with the Annual Report for the ScholarShare College Savings Plan (the "ScholarShare Plan"). Your Annual Report reviews the financial highlights of the ScholarShare Plan for the period July 1, 2007 to June 30, 2008 including the performance of the ScholarShare Plan's Investment Portfolios along with expense, holdings, and asset allocation information. Also included is a Managers' Overview, a discussion with the Plan's Portfolio Managers Andrew Dierdorf and Christopher Sharpe, which provides you with specific information on the Portfolios over the last year, the market and investing environment, and an outlook for the months ahead.

Since transitioning the investment management and plan administration to Fidelity in November 2006, the ScholarShare College Savings Plan has seen tremendous growth. As of June 30, 2008 the ScholarShare Plan had more than 227,000 accounts and over $3 billion in assets, up from more than 166,000 accounts and $2.16 billion in assets.

Fidelity research found that parents anticipate student loans to cover 18% of their child's total college expenses, even as loans are projected to become more difficult to secure and may carry higher interest rates and less favorable terms. Fidelity estimates that in order for parents to cover 18% of college costs in loans, today's high school seniors could incur $25,000[1] or more in future debt.

Getting an early start and saving consistently in a tax advantaged 529 account like the ScholarShare College Savings Plan can make a real difference in a family's ability to cover future college costs. College tuition continues to rise so it is more important than ever to save regularly. Financial aid and loans may be a part of the equation but they should not be seen as a substitute for a ScholarShare account. Fidelity's research shows that parents of children ages 15-18, who currently utilize a 529 plan, have significantly more savings and are on track to cover almost half of college expenses.

Families in California and all across America are faced with a myriad of competing investment needs and choices. It is the joint goal of the ScholarShare Investment Board and Fidelity Investments to help parents, grandparents, aunts, uncles, and others throughout California fulfill the dream of a college education for our children.

Thank you for choosing the ScholarShare College Savings Plan. We look forward to serving your needs for years to come.

Sincerely,

Zeny Marie Agullana
Executive Director
ScholarShare Investment Board

[1] *Based on 17% of the $100,000 average college cost, assuming a 10-year repayment period, and an interest rate of 7.5%.*

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare College Portfolio	0.10%	3.80%
ScholarShare College Portfolio Composite	1.77%	5.84%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

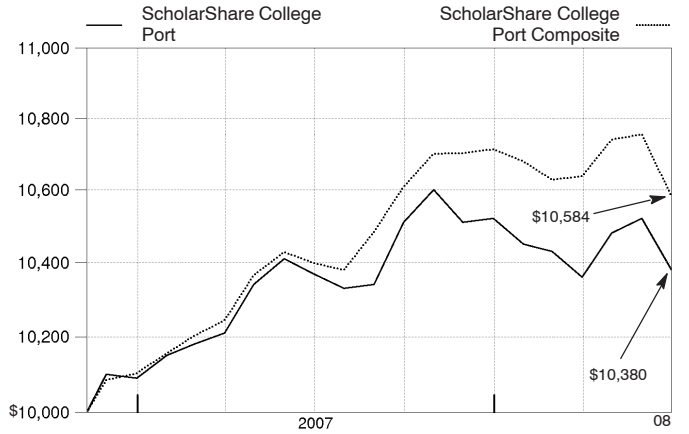
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare College Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Lehman Brothers 3-Month Treasury Bill Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare College Portfolio	0.10%	2.30%
ScholarShare College Portfolio Composite	1.77%	3.52%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare College Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,380 — a 3.80% increase on the initial investment. For comparison, look at how the ScholarShare College Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,584 — a 5.84% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

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Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2009	–0.76%	4.30%
ScholarShare Portfolio 2009 Composite	0.41%	5.38%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

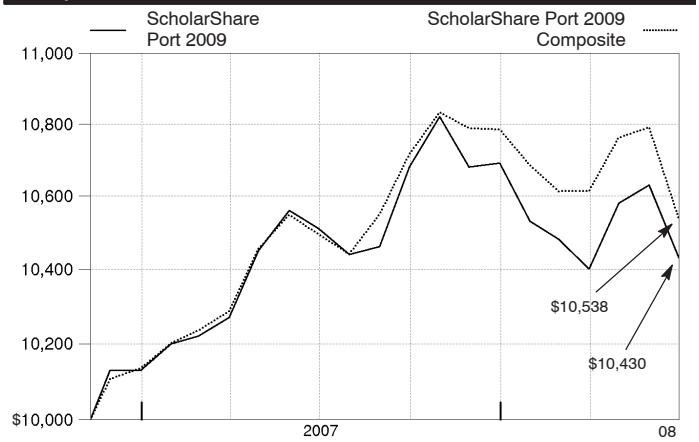
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2009 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Lehman Brothers 3-Month Treasury Bill Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2009	–0.76%	2.60%
ScholarShare Portfolio 2009 Composite	0.41%	3.25%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2009 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,430 — a 4.30% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2009 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,538 — a 5.38% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2012	–2.07%	4.20%
ScholarShare Portfolio 2012 Composite	–1.30%	4.65%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

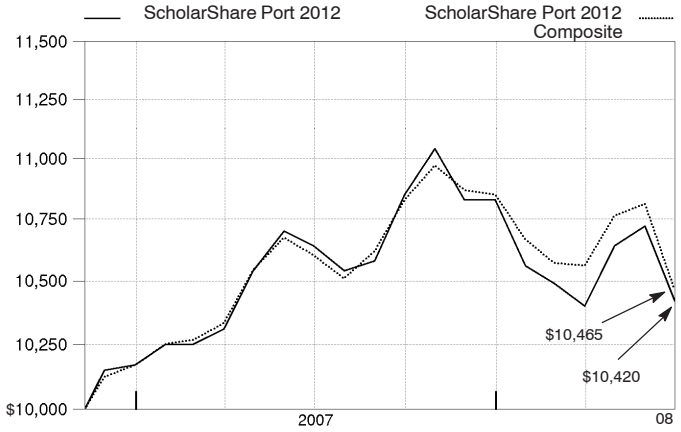
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2012 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Lehman Brothers 3-Month Treasury Bill Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2012	–2.07%	2.54%
ScholarShare Portfolio 2012 Composite	–1.30%	2.82%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2012 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,420 — a 4.20% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2012 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,465 — a 4.65% increase.

Understanding Performance

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Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2015	–3.89%	3.90%
ScholarShare Portfolio 2015 Composite	–3.70%	3.45%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%
ML U.S. High Yield Master II Constrained	–1.64%	3.30%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

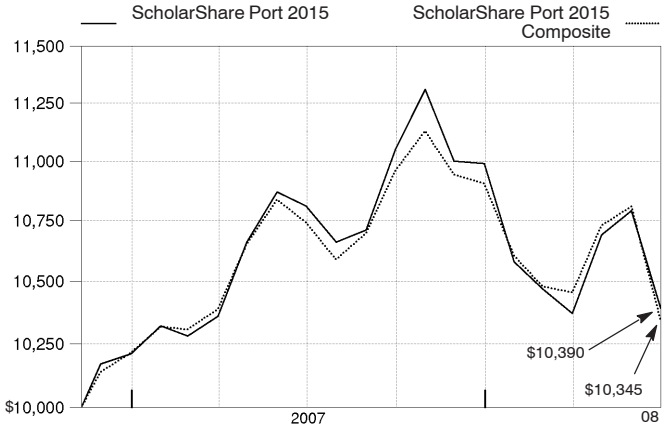
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2015 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Lehman Brothers 3-Month Treasury Bill Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2015	–3.89%	2.36%
ScholarShare Portfolio 2015 Composite	–3.70%	2.09%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%
ML U.S. High Yield Master II Constrained	–1.64%	2.00%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2015 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,390 — a 3.90% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2015 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,345 — a 3.45% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2018	–6.02%	3.00%
ScholarShare Portfolio 2018 Composite	–6.46%	1.80%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%
ML U.S. High Yield Master II Constrained	–1.64%	3.30%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2018 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Lehman Brothers 3-Month Treasury Bill Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2018	–6.02%	1.82%
ScholarShare Portfolio 2018 Composite	–6.46%	1.09%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%
ML U.S. High Yield Master II Constrained	–1.64%	2.00%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

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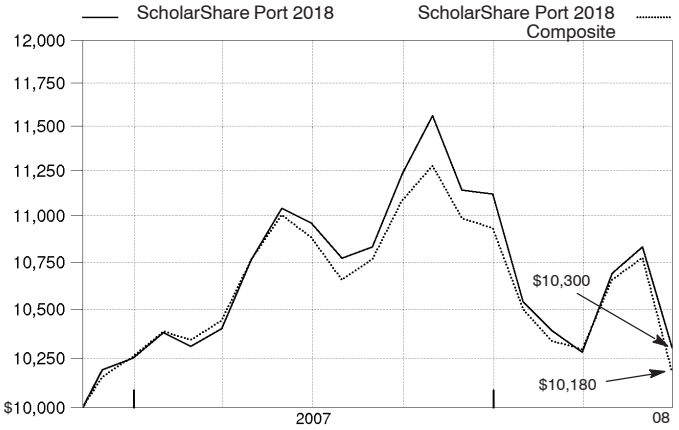
$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2018 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,300 — a 3.00% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2018 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,180 — a 1.80% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2021	–8.02%	2.10%
ScholarShare Portfolio 2021 Composite	–8.87%	0.29%
LB U.S. Aggregate	7.12%	8.51%
ML U.S. High Yield Master II Constrained	–1.64%	3.30%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2021 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2021	–8.02%	1.28%
ScholarShare Portfolio 2021 Composite	–8.87%	0.18%
LB U.S. Aggregate	7.12%	5.11%
ML U.S. High Yield Master II Constrained	–1.64%	2.00%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

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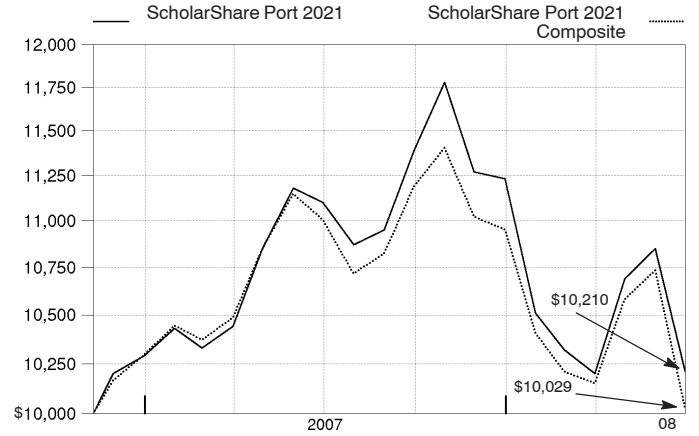
$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2021 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,210 — a 2.10% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2021 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,029 — a 0.29% increase.

Understanding Performance

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Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2024	–9.30%	1.40%
ScholarShare Portfolio 2024 Composite	–10.57%	–0.91%
LB U.S. Aggregate	7.12%	8.51%
ML U.S. High Yield Master II Constrained	–1.64%	3.30%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

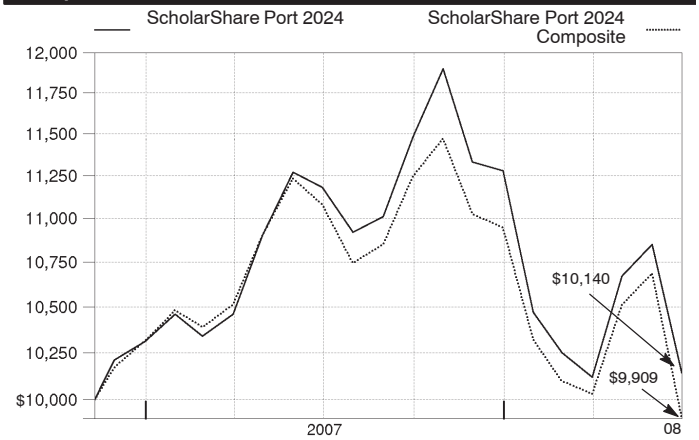
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2024 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Portfolio 2024	–9.30%	0.85%
ScholarShare Portfolio 2024 Composite	–10.57%	–0.56%
LB U.S. Aggregate	7.12%	5.11%
ML U.S. High Yield Master II Constrained	–1.64%	2.00%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Portfolio 2024 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,140 — a 1.40% increase on the initial investment. For comparison, look at how the ScholarShare Portfolio 2024 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,909 — a –0.91% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Period ended June 30, 2008	Life of Portfolio
ScholarShare Portfolio 2027	–9.80%
ScholarShare Portfolio 2027 Composite	–9.49%
LB U.S. Aggregate	2.39%
ML U.S. High Yield Master II Constrained	–0.96%
MSCI EAFE	–10.39%
Dow Jones Wilshire 5000 Composite	–10.70%

Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, since the Portfolio started on December 14, 2007. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Portfolio 2027 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the period from December 14, 2007 to June 30, 2008.

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year. These numbers will be reported once the Portfolio is a year old. In addition, the growth of a hypothetical $10,000 investment in the Portfolio will appear in the Portfolio's next report.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Conservative Portfolio	2.85%	4.80%
ScholarShare Conservative Portfolio Composite	5.30%	7.83%
LB U.S. Aggregate	7.12%	8.51%
LB 3-Month T-Bill	3.81%	7.26%

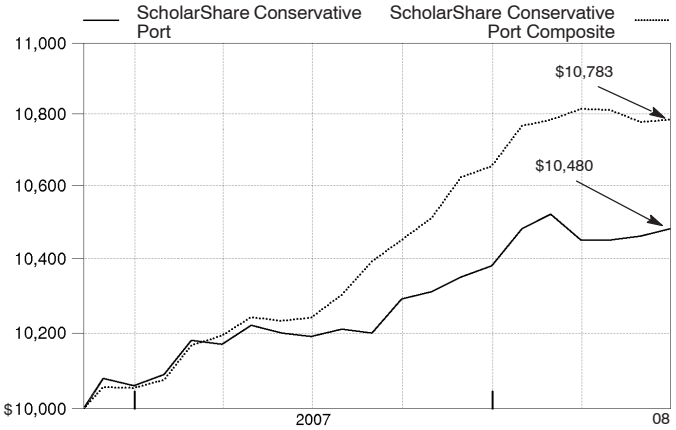
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Conservative Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index and the Lehman Brothers 3-Month Treasury Bill Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Conservative Portfolio	2.85%	2.90%
ScholarShare Conservative Portfolio Composite	5.30%	4.71%
LB U.S. Aggregate	7.12%	5.11%
LB 3-Month T-Bill	3.81%	4.37%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Conservative Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,480 — a 4.80% increase on the initial investment. For comparison, look at how the ScholarShare Conservative Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,783 — a 7.83% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare 70% Equity Portfolio	–6.74%	2.40%
ScholarShare 70% Equity Portfolio Composite	–7.40%	0.80%
LB U.S. Aggregate	7.12%	8.51%
ML U.S. High Yield Master II Constrained	–1.64%	3.30%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

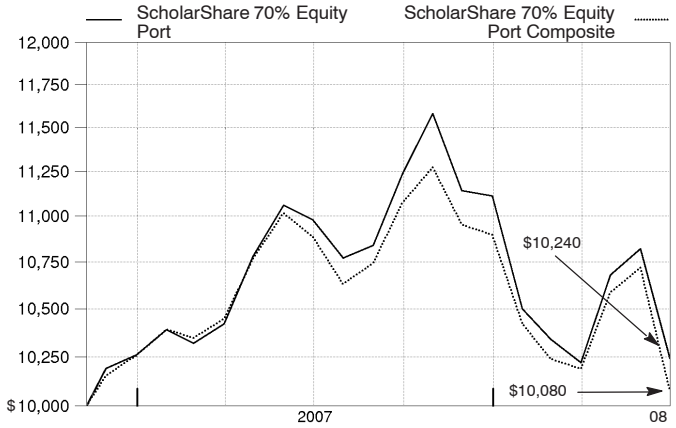
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare 70% Equity Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Aggregate Index, the Merrill Lynch U.S. High Yield Master II Constrained Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare 70% Equity Portfolio	–6.74%	1.46%
ScholarShare 70% Equity Portfolio Composite	–7.40%	0.49%
LB U.S. Aggregate	7.12%	5.11%
ML U.S. High Yield Master II Constrained	–1.64%	2.00%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare 70% Equity Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,240 — a 2.40% increase on the initial investment. For comparison, look at how the ScholarShare 70% Equity Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,080 — a 0.80% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare 100% Equity Portfolio	–10.72%	0.80%
ScholarShare 100% Equity Portfolio Composite	–12.19%	–1.95%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

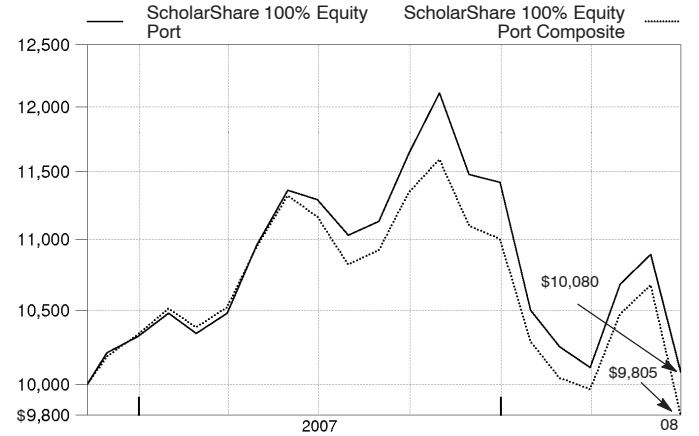
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare 100% Equity Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare 100% Equity Portfolio	–10.72%	0.49%
ScholarShare 100% Equity Portfolio Composite	–12.19%	–1.20%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare 100% Equity Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,080 — a 0.80% increase on the initial investment. For comparison, look at how the ScholarShare 100% Equity Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,805 — a –1.95% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Money Market Portfolio	3.88%	7.00%
LB 3-Month T-Bill	3.81%	7.26%

Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the Lehman Brothers 3-Month Treasury Bill Index. The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Money Market Portfolio	3.88%	4.22%
LB 3-Month T-Bill	3.81%	4.37%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index College Portfolio	3.77%	7.30%
ScholarShare Index College Portfolio Composite	3.92%	7.72%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

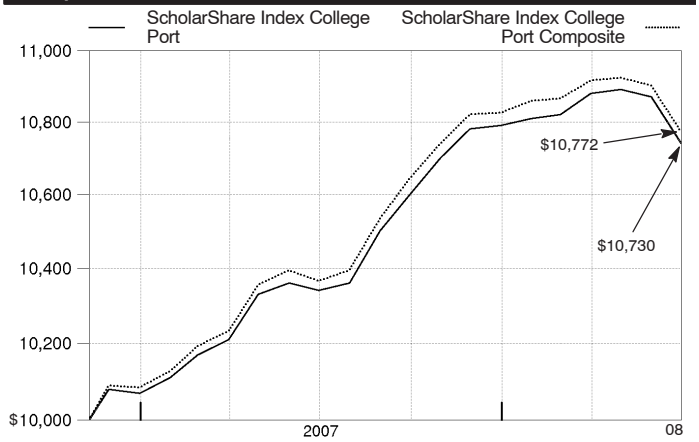
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index College Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index, the Lehman Brothers U.S. Treasury 5–10 Year Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index College Portfolio	3.77%	4.40%
ScholarShare Index College Portfolio Composite	3.92%	4.65%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index College Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,730 — a 7.30% increase on the initial investment. For comparison, look at how the ScholarShare Index College Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,772 — a 7.72% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2009	2.59%	6.90%
ScholarShare Index Portfolio 2009 Composite	2.69%	7.41%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

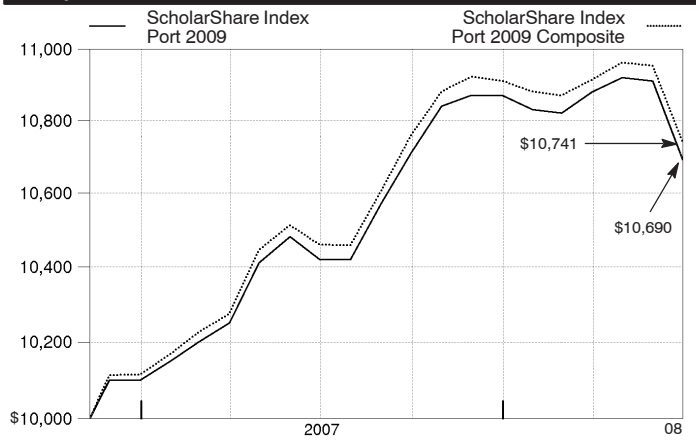
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2009 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index, the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2009	2.59%	4.16%
ScholarShare Index Portfolio 2009 Composite	2.69%	4.46%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2009 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,690 — a 6.90% increase on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2009 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,741 — a 7.41% increase.

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How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2012	0.67%	5.90%
ScholarShare Index Portfolio 2012 Composite	0.88%	6.64%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

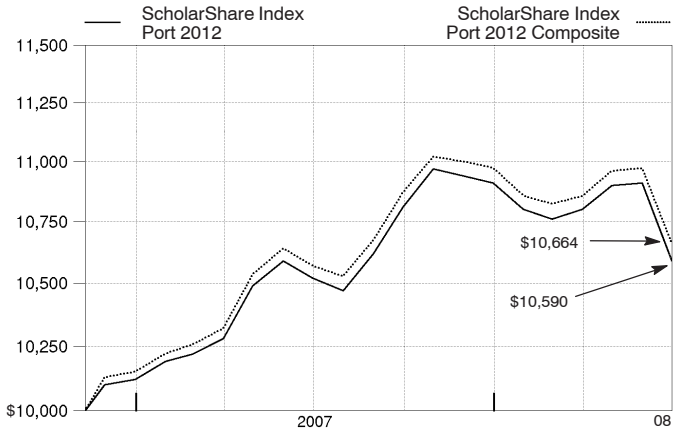
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2012 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index, the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2012	0.67%	3.56%
ScholarShare Index Portfolio 2012 Composite	0.88%	4.00%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2012 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,590 — a 5.90% increase on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2012 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,664 — a 6.64% increase.

Understanding Performance

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Performance: The Bottom Line

Performance

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Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2015	–1.97%	4.50%
ScholarShare Index Portfolio 2015 Composite	–1.70%	5.20%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

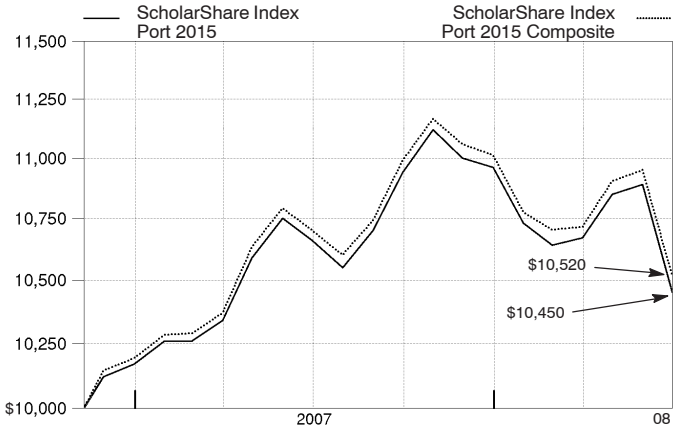
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2015 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index, the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2015	–1.97%	2.72%
ScholarShare Index Portfolio 2015 Composite	–1.70%	3.14%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2015 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,450 — a 4.50% increase on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2015 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,520 — a 5.20% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2018	–4.82%	2.70%
ScholarShare Index Portfolio 2018 Composite	–4.55%	3.45%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

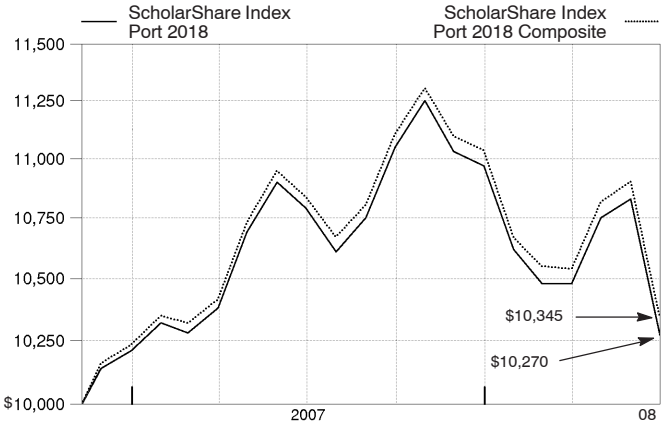
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2018 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index, the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2018	–4.82%	1.64%
ScholarShare Index Portfolio 2018 Composite	–4.55%	2.09%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2018 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,270 — a 2.70% increase on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2018 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,345 — a 3.45% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2021	–7.61%	0.80%
ScholarShare Index Portfolio 2021 Composite	–7.21%	1.68%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

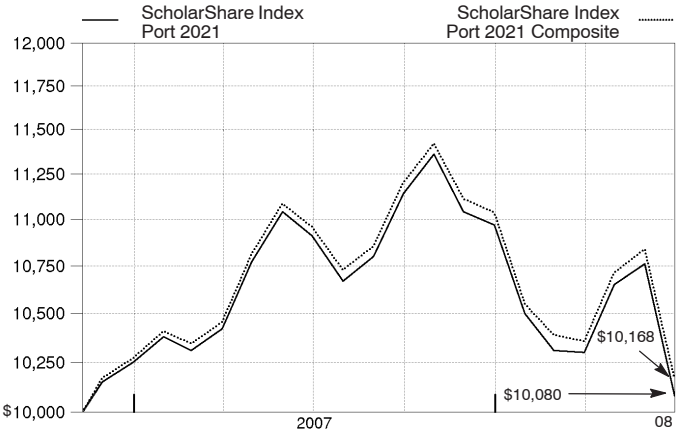
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2021 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2021	–7.61%	0.49%
ScholarShare Index Portfolio 2021 Composite	–7.21%	1.02%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2021 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,080 — a 0.80% increase on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2021 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,168 — a 1.68% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2024	–9.39%	–0.60%
ScholarShare Index Portfolio 2024 Composite	–9.02%	0.32%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

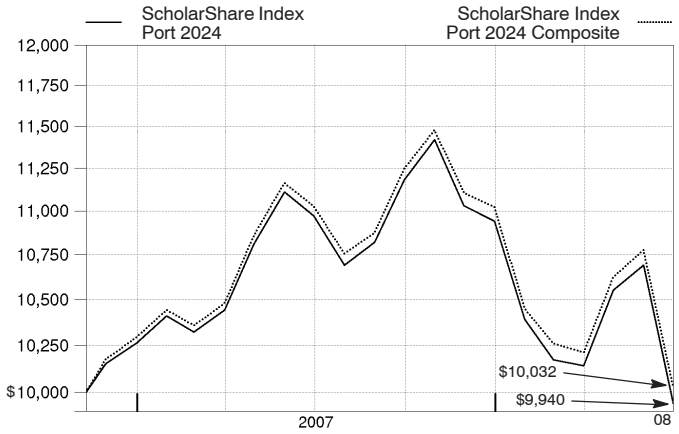
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2024 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Portfolio 2024	–9.39%	–0.37%
ScholarShare Index Portfolio 2024 Composite	–9.02%	0.20%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Portfolio 2024 on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have been $9,940 — a –0.60% decrease on the initial investment. For comparison, look at how the ScholarShare Index Portfolio 2024 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,032 — a 0.32% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Period ended June 30, 2008	Life of Portfolio
ScholarShare Index Portfolio 2027	–9.70%
ScholarShare Index Portfolio 2027 Composite	–8.82%
LB U.S. Treasury 5-10 Yr	4.26%
MSCI EAFE	–10.39%
Dow Jones Wilshire 5000 Composite	–10.70%

Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, since the Portfolio started on December 14, 2007. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Portfolio 2027 Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the period from December 14, 2007 to June 30, 2008.

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year. These numbers will be reported once the Portfolio is a year old. In addition, the growth of a hypothetical $10,000 investment in the Portfolio will appear in the Portfolio's next report.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Conservative Portfolio	7.77%	9.60%
ScholarShare Index Conservative Portfolio Composite	7.75%	9.94%
LB 3-Month T-Bill	3.81%	7.26%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%

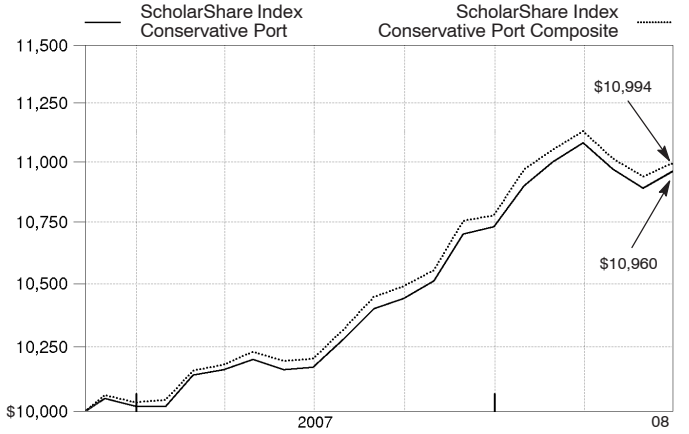
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index Conservative Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers 3-Month Treasury Bill Index and the Lehman Brothers U.S. Treasury 5–10 Year Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index Conservative Portfolio	7.77%	5.76%
ScholarShare Index Conservative Portfolio Composite	7.75%	5.95%
LB 3-Month T-Bill	3.81%	4.37%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index Conservative Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,960 — a 9.60% increase on the initial investment. For comparison, look at how the ScholarShare Index Conservative Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,994 — a 9.94% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index 70% Equity Portfolio	–5.38%	2.00%
ScholarShare Index 70% Equity Portfolio Composite	–5.01%	2.79%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

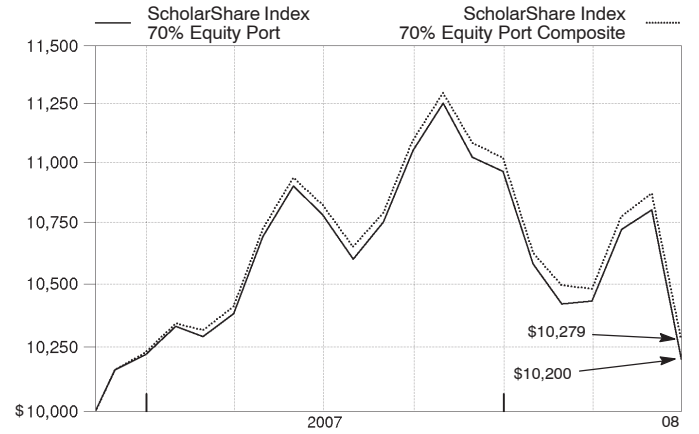
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index 70% Equity Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the Lehman Brothers U.S. Treasury 5–10 Year Index, the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index 70% Equity Portfolio	–5.38%	1.22%
ScholarShare Index 70% Equity Portfolio Composite	–5.01%	1.70%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index 70% Equity Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,200 — a 2.00% increase on the initial investment. For comparison, look at how the ScholarShare Index 70% Equity Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,279 — a 2.79% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index 100% Equity Portfolio	–12.61%	–3.00%
ScholarShare Index 100% Equity Portfolio Composite	–12.19%	–1.95%
MSCI EAFE	–10.47%	4.24%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

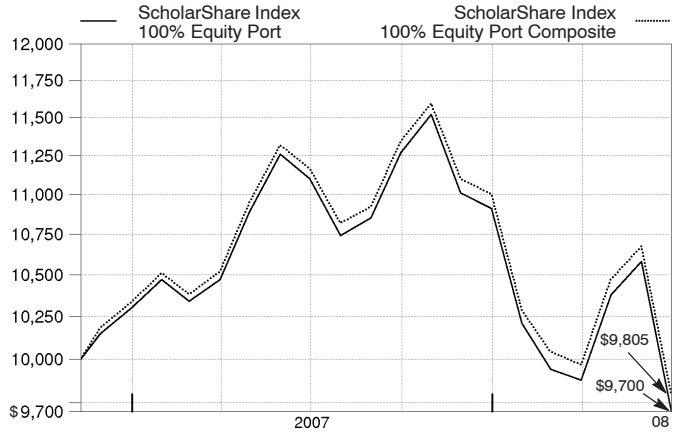
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the ScholarShare Index 100% Equity Portfolio Composite Index, an approximate weighted combination of the following unmanaged indices: the MSCI Europe, Australasia, Far East (MSCI EAFE) Index, and the Dow Jones Wilshire 5000 Composite Index. The index weightings are adjusted periodically to reflect the Portfolio's changing asset allocations. These benchmarks include reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Index 100% Equity Portfolio	–12.61%	–1.84%
ScholarShare Index 100% Equity Portfolio Composite	–12.19%	–1.20%
MSCI EAFE	–10.47%	2.57%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Index 100% Equity Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have been $9,700 — a –3.00% decrease on the initial investment. For comparison, look at how the ScholarShare Index 100% Equity Portfolio Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,805 — a –1.95% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Intermediate Treasury Index Portfolio	12.08%	12.30%
LB U.S. Treasury 5-10 Yr	12.65%	13.17%

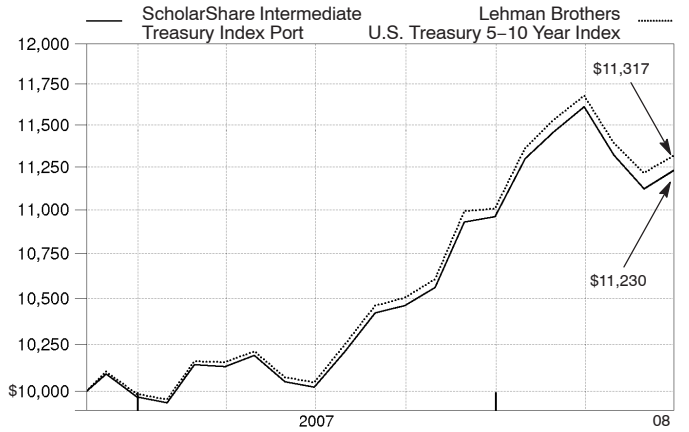
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the Lehman Brothers U.S. Treasury 5–10 Year Index. The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Intermediate Treasury Index Portfolio	12.08%	7.34%
LB U.S. Treasury 5-10 Yr	12.65%	7.84%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Intermediate Treasury Index Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $11,230 — a 12.30% increase on the initial investment. For comparison, look at how the Lehman Brothers U.S. Treasury 5–10 Year Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $11,317 — a 13.17% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare International Index Portfolio	–11.13%	3.00%
MSCI EAFE	–10.47%	4.24%

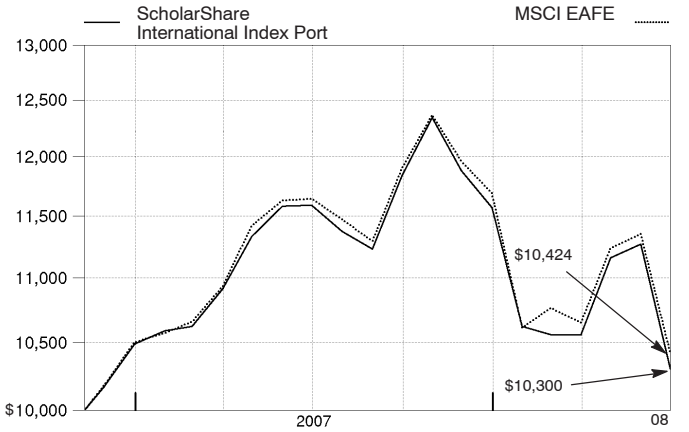
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the MSCI Europe, Australasia, Far East (MSCI EAFE) Index. The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare International Index Portfolio	–11.13%	1.82%
MSCI EAFE	–10.47%	2.57%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare International Index Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have grown to $10,300 — a 3.00% increase on the initial investment. For comparison, look at how the MSCI Europe, Australasia, Far East (MSCI EAFE) Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have grown to $10,424 — a 4.24% increase.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Spartan 500 Index Portfolio	–13.49%	–5.10%
S&P 500	–13.12%	–4.28%

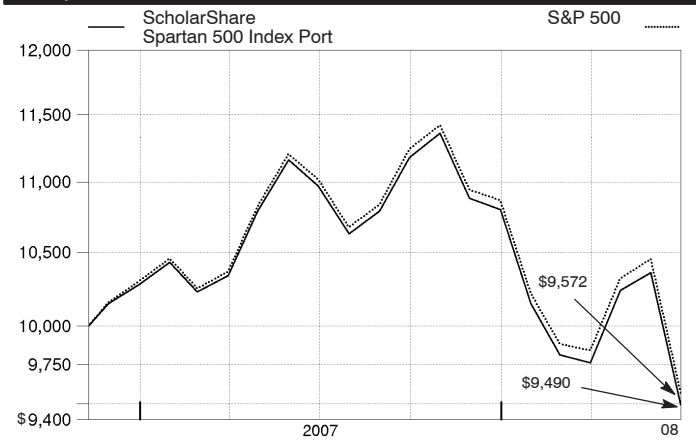
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the Standard & Poor's 500 Index (S&P 500®). The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Spartan 500 Index Portfolio	–13.49%	–3.15%
S&P 500	–13.12%	–2.63%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Spartan 500 Index Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have been $9,490 — a –5.10% decrease on the initial investment. For comparison, look at how the Standard & Poor's 500 Index (S&P 500®) did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,572 — a –4.28% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Total Market Index Portfolio	–12.95%	–3.90%
Dow Jones Wilshire 5000 Composite	–12.53%	–3.06%

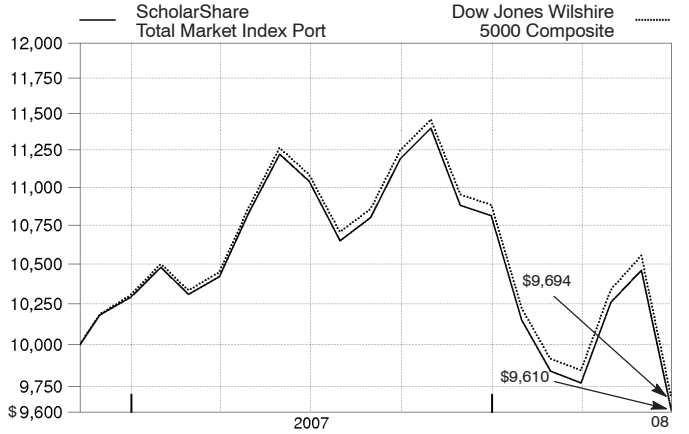
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the Dow Jones Wilshire 5000 Composite Index. The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Total Market Index Portfolio	–12.95%	–2.40%
Dow Jones Wilshire 5000 Composite	–12.53%	–1.88%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Total Market Index Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have been $9,610 — a –3.90% decrease on the initial investment. For comparison, look at how the Dow Jones Wilshire 5000 Composite Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,694 — a –3.06% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Performance: The Bottom Line

Performance

There are several ways to evaluate a portfolio's historical performance. You can look at the total percentage change in value, the average annual percentage change or the growth of a hypothetical $10,000 investment. Total return reflects the change in the value of an investment.

Cumulative Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Social Choice Portfolio	–15.31%	–9.30%
KLD Broad Market Social℠ Index	–13.72%	–6.23%

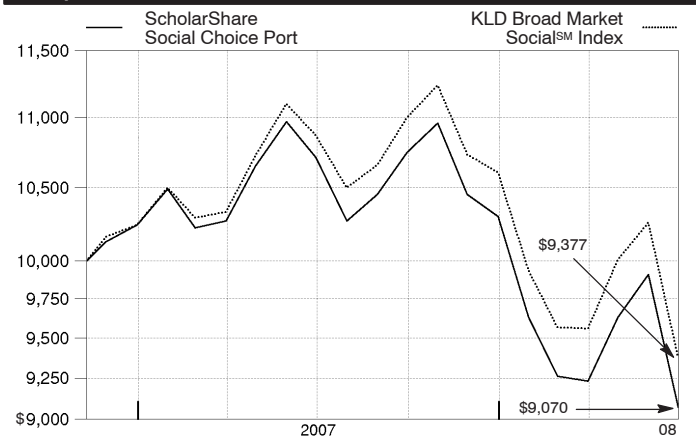
Cumulative total returns show the Portfolio's performance in percentage terms over a set period of time — in this case, one year or since the Portfolio started on November 10, 2006. For example, if you had invested $1,000 in a portfolio that had a 5% return over the past year, the value of your investment would be $1,050. You can compare the Portfolio's returns to the performance of the KLD Broad Market Social℠ Index. The benchmark includes reinvested dividends and capital gains, if any. The index returns are for the one-year period ended June 30, 2008 and for the period from November 10, 2006 to June 30, 2008.

Average Annual Total Returns

Periods ended June 30, 2008	Past 1 year	Life of Portfolio
ScholarShare Social Choice Portfolio	–15.31%	–5.79%
KLD Broad Market Social℠ Index	–13.72%	–3.85%

Average annual total returns take the Portfolio's cumulative return and show you what would have happened if the Portfolio had performed at a constant rate each year.

$10,000 Over Life of Portfolio



$10,000 Over Life of Portfolio: Let's say hypothetically that $10,000 was invested in the ScholarShare Social Choice Portfolio on November 10, 2006. As the chart shows, by June 30, 2008, the value of the investment would have been $9,070 — a –9.30% decrease on the initial investment. For comparison, look at how the KLD Broad Market Social℠ Index did over the same period. With dividends and capital gains, if any, reinvested, the same $10,000 would have been $9,377 — a –6.23% decrease.

Understanding Performance

How a portfolio did yesterday is no guarantee of how it will do tomorrow. The stock market, for example, has a history of long-term growth and short-term volatility. In turn, the unit price and return of a portfolio that invests in stocks will vary. That means if you sell your units during a market downturn, you might lose money. But if you can ride out the market's ups and downs, you may have a gain.

Fund Talk: The Managers' Overview

Note to shareholders: The following is an interview with Christopher Sharpe (left) and Andrew Dierdorf, Co-Portfolio Managers of the ScholarShare® College Savings Plan. Andrew Dierdorf became Co-Portfolio Manager on October 1, 2007.

Q. Chris, how did the Portfolios perform during the 12 months ending June 30, 2008?

C.S. During the 12-month period, investors fled to the perceived safety of higher-quality securities. As a result, the actively managed age-based Portfolios of the ScholarShare College Savings Plan with greater allocations to investment-grade bonds and short-term instruments performed better than those with greater allocations to equity and high-yield investments. On an absolute basis, the shorter-dated Portfolios benefited from their greater allocations to investment-grade debt and short-term investments, whereas the Portfolios with the longest times until maturity — that is, those structured to have the greatest allocations to equities — suffered. However, on a relative basis versus their individual composite indexes, the Portfolios with larger equity and high-yield allocations outperformed their benchmarks, while those Portfolios with greater allocations to fixed-income fell behind. All of the index age-based and index static allocation Portfolios performed roughly in line with their respective benchmarks, but Social Choice Portfolio fell behind its benchmark index. *(For specific portfolio performance results, please refer to the performance section of this report.)*

Q. Andrew, what other factors influenced the performance of the Portfolios over the past year?

A.D. The past year was characterized by volatility in the markets, especially in the last six months of the period as the U.S. housing market continued to slide and the subprime mortgage crisis crept beyond the financials sector. Liquidity concerns stemming from the credit squeeze added to rapidly spreading fears of inflation, resulting in global market fluctuations. However, the Federal Reserve Board stepped in to help reignite the economy by lowering interest rates on several occasions. To get a sense of how the markets performed, for international equities, the MSCI® Europe, Australasia, Far East Index fell 10.47%, compared with the 12.53% decline of the Dow Jones Wilshire 5000 Composite Index℠, a barometer for U.S. equities. Several of the Portfolios' underlying funds in both the international and domestic equities asset classes outperformed their respective indexes, which helped the Portfolios with higher equity exposure beat their composite benchmarks. The best absolute and relative results in the domestic equity asset class came from Fidelity® Growth Company Fund, thanks to strong security selection and favorable sector positioning. In the international arena, Fidelity Diversified International Fund outperformed by a sizable margin, also due to solid stock and market selection.

Q. Chris, how did the fixed-income asset classes perform?

C.S. Investment-grade bonds and short-term/money market securities ended the year performing much better than high-yield debt. Assets that were perceived to be less risky, such as U.S. Treasuries and government-sponsored debt instruments, provided the best performance, as investors moved away from lower-quality securities. In absolute terms, investment-grade bonds did best overall, with the Lehman Brothers® U.S. Aggregate Index rising 7.12%. However, the managers of our underlying investment-grade and short-term bond funds typically try to add "alpha" — excess returns versus their benchmarks — by emphasizing "spread" products, or those exposed to higher-risk instruments. As a result, the year ended on a disappointing note for our underlying fixed-income funds, which underperformed versus the benchmarks. Fidelity Investment Grade Bond Fund fared the worst, with exposure to securities backed by subprime mortgages detracting meaningfully. Looking at the short-term asset class, Fidelity Short-Term Bond Fund — given its exposure to subprimes as well — was the biggest drag on performance relative to its benchmark, the Lehman Brothers 3-Month Treasury Bill Index, which gained 3.81%. Elsewhere, our underlying investments in the high-yield bond asset class turned in negative absolute returns, but outperformed the 1.64% decline of its benchmark, the Merrill Lynch® U.S. High Yield Master II Constrained Index.

Q. In light of the markets' current level of volatility, what should participants bear in mind about the Portfolios' long-term strategy?

C.S. Our job is to remain disciplined with our asset allocation approach and to stay focused on the main goal of the ScholarShare Portfolios: investing for college via a disciplined approach to asset management. We believe our participants should do the same. Andrew and I are focused on making sure that the allocations are appropriate for participants as they move toward the date when their beneficiaries will attend college, whether three years from now, 10 years or even longer. We maintain a disciplined approach to asset allocation — we don't swing the asset allocations wildly up or down. When market volatility emerges, we believe it only heightens the importance of taking a disciplined approach to investing. In a fluctuating market, investors tend to sell when the market is low and buy when the market is riding high, therefore missing market gains. In contrast, we aim to take the emotion out of investing for college. An interesting way of characterizing these Portfolios is that many of the investment decisions were made before the Portfolios were even launched to the public, by establishing the asset allocation roll-down strategy that decreases the level of risk for a participant's investment as a beneficiary approaches college matriculation. Our ongoing job is to stay as close to the target allocations as possible. The best thing that we can tell our shareholders is that we are sticking to our investment course by following the roll-down strategy closely to help participants achieve their goal of saving for college.

Q. Andrew, what is your outlook for the rest of 2008?

A.D. Many of the factors that served to increase volatility in the financial markets during 2007 have continued into the first six months of 2008 and threaten to linger through the end of the calendar year. Certainly, consumer spending will be a critical driver of economic growth. The U.S. consumer is increasingly under pressure from higher food and energy

costs, as well as limits in accessing credit to purchase houses or refinance currently owned homes. With the consumer appearing to be stretched already, the forecast for the rest of 2008 is still a bit foggy. This uncertainty heightens the importance of the disciplined investment approach that we take with the Portfolios. We plan to stay the course and keep on track with our age-appropriate asset allocation models, making the adjustments our models suggest.

Portfolio Facts

Goals: All of the age-based Portfolios seek capital appreciation with reasonable safety of principal, consistent with the ages of the beneficiaries for whom they are designed. The static Portfolios have target allocations that do not change over time, and each has its own investment objective. The investment objectives of Conservative Portfolio and Index Conservative Portfolio are preservation of capital by allocating assets among bond and money market funds. Income is a secondary objective. The investment objectives of 70% Equity Portfolio and Index 70% Equity Portfolio are to maximize total return over the longer term by allocating assets among stock and bond mutual funds. The investment objectives of 100% Equity Portfolio and Index 100% Equity Portfolio are long-term growth of capital. Each of the individual fund Portfolios has the same investment objective as the underlying mutual fund in which it invests. The Social Choice Portfolio invests directly in individual securities.

Start dates: November 10, 2006; except 2027 Portfolio and 2027 Index Portfolio, which were launched on December 14, 2007

Co-Managers: Christopher Sharpe, since 2006; co-manager, college investment plans for Arizona, Delaware, Massachusetts and New Hampshire, since 2005; joined Fidelity in 2002; Andrew Dierdorf, since October 2007; co-manager, college investment plans for Arizona, Delaware, Massachusetts and New Hampshire, since October 2007; joined Fidelity in 2004

Andrew Dierdorf talks about diversification:

"What we saw in the latter half of 2007 and into 2008 was a pickup in market volatility after having a more stable investment environment during the previous four years. We built these Portfolios with the expectation that there would be the type of risk we've seen, especially in the last six months of the period. We have multiple domestic equity, international equity and fixed-income underlying funds to represent the different characteristics and styles of investments within the markets. This diversification helps to stabilize the risk in the Portfolios. We maintain the asset allocation structure of the Portfolios to mitigate risks and take the emotion out of investing during turbulent economic times.

"Each underlying fund is chosen to complement the others within the aged-based and static Portfolios. We don't like to shine a light on any one particular underlying fund because our Portfolios use all of the underlying funds to weather a storm. Because the underlying funds have different investment goals and strategies, we don't expect each of them to outperform all of the time, nor for all to underperform at any point in time. But we do expect that each one will play a role in providing appropriate balance and diversification for investors.

"To enhance the diversification of the age-based and static Portfolios, we recently added four additional underlying funds. The first is Fidelity Large Cap Core Enhanced Index Fund, which uses quantitative analysis to invest in large-capitalization securities, a research style that previously was underrepresented in our Portfolios. As we added this fund, we have transitioned out of Fidelity Growth & Income Portfolio. We've also shifted out of Fidelity Intermediate Bond Fund and Fidelity Investment Grade Bond Fund and instead have begun investing in Fidelity Government Income Fund, alongside existing allocations to Fidelity Total Bond Fund and Fidelity Strategic Real Return Fund. This change will further broaden the Portfolios' exposure to a larger universe of debt securities. In the short-term asset category, we have transitioned out of Fidelity Cash Reserves and into Fidelity Institutional Money Market Portfolio — Institutional Class."

Note to shareholders: By December 18, 2007, Portfolio 2006 and Index Portfolio 2006 ceased to exist, and the assets in the Portfolios were transferred to the College Portfolio and Index College Portfolio, respectively. College Portfolio and Index College Portfolio have been designed for beneficiaries born in 1989 and earlier.

Expected Asset and Benchmark Allocations

During the coming months, we'll gradually reallocate each of the target investment mixes of the ScholarShare Plan's Actively Managed Fund Portfolios. The table below illustrates the target mix we'd like to achieve for each Age-Based and Static Portfolio on December 31, 2008.

Projected Mix Target: Actively Managed Fund Portfolios

	College	2009	2012	2015	2018	2021	2024	2027	Conservative	70% Equity	100% Equity
Domestic Equity Funds	20.0%	24.9%	32.4%	41.3%	52.9%	63.8%	72.0%	74.8%	—	60.0%	85.0%
International Equity Funds	—	1.4%	3.6%	7.3%	9.3%	11.3%	12.7%	13.2%	—	10.0%	15.0%
Investment Grade Fixed-Income Funds	40.0%	41.5%	45.0%	40.0%	28.1%	17.9%	5.3%	—	45.0%	20.0%	—
High Yield Fixed-Income Funds	—	—	—	—	5.0%	7.0%	10.0%	12.0%	—	10.0%	—
Short-Term Bond and Money Market Funds	40.0%	32.2%	19.0%	11.4%	4.7%	—	—	—	55.0%	—	—

Reflecting the changes to the target investment mixes described above, each Portfolio's composite benchmark will change its allocation, as necessary from July 1, 2008 to December 31, 2008. The table below illustrates these changes.

Composite Benchmarks: Actively Managed Fund Portfolios

	College	2009	2012	2015	2018	2021	2024	2027	Conservative	70% Equity	100% Equity
Dow Jones Wilshire 5000 Composite Index	20.0%	25.2%	32.7%	41.8%	53.5%	64.4%	72.3%	74.7%	—	60.0%	85.0%
MSCI EAFE Index	—	1.6%	3.8%	7.4%	9.4%	11.3%	12.7%	13.2%	—	10.0%	15.0%
LB U.S. Aggregate Index	40.0%	42.3%	44.9%	39.5%	27.5%	17.0%	4.7%	—	45.0%	20.0%	—
ML U.S. High Yield Master II Constrained	—	—	—	0.3%	5.2%	7.3%	10.3%	12.1%	—	10.0%	—
LB 3-Month T-Bill	40.0%	30.9%	18.6%	11.0%	4.4%	—	—	—	55.0%	—	—

During the coming months, we'll gradually reallocate each of the target investment mixes of the ScholarShare Plan's Index Fund Portfolios. The table below illustrates the target mix we'd like to achieve for each Age-Based and Static Portfolio on December 31, 2008.

Projected Mix Target: Index Fund Portfolios

	College Index	2009 Index	2012 Index	2015 Index	2018 Index	2021 Index	2024 Index	2027 Index	Conservative Index	70% Equity Index	100% Equity Index
Domestic Equity Funds	20.0%	25.0%	32.4%	41.3%	52.9%	63.8%	72.0%	74.8%	—	60.0%	85.0%
International Equity Funds	—	1.4%	3.6%	7.3%	9.3%	11.3%	12.7%	13.2%	—	10.0%	15.0%
Investment Grade Fixed-Income Funds	40.0%	41.4%	45.0%	40.0%	33.1%	24.9%	15.3%	12.0%	45.0%	30.0%	—
Short-Term Bond and Money Market Funds	40.0%	32.2%	19.0%	11.4%	4.7%	—	—	—	55.0%	—	—

Reflecting the changes to the target investment mixes described above, each Portfolio's composite benchmark will change its allocation, as necessary from July 1, 2008 to December 31, 2008. The table below illustrates these changes.

Composite Benchmarks: Index Fund Portfolios

	College Index	2009 Index	2012 Index	2015 Index	2018 Index	2021 Index	2024 Index	2027 Index	Conservative Index	70% Equity Index	100% Equity Index
Dow Jones Wilshire 5000 Composite Index	20.0%	25.8%	33.4%	42.7%	54.3%	64.9%	72.4%	74.5%	—	60.0%	85.0%
MSCI EAFE Index	—	1.8%	4.2%	7.7%	9.8%	11.7%	13.0%	13.3%	—	10.0%	15.0%
LB U.S. Treasury 5–10 Yr	40.0%	42.7%	44.5%	39.2%	31.9%	23.4%	14.6%	12.2%	45.0%	30.0%	—
LB 3-Month T-Bill	40.0%	29.7%	17.9%	10.4%	4.0%	—	—	—	55.0%	—	—

The views expressed in the Fund Talk section of this report reflect those of the portfolio managers only through the end of the period of the report as stated on the cover and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions, and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for each Portfolio are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Portfolio.

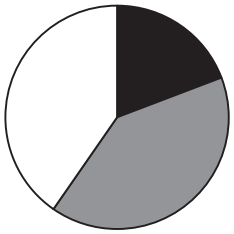
Investment Summary

Portfolio Holdings as of June 30, 2008

	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	0.7
Fidelity Disciplined Equity Fund	3.8
Fidelity Dividend Growth Fund	2.1
Fidelity Equity-Income Fund	3.7
Fidelity Growth Company Fund	3.4
Fidelity Large Cap Core Enhanced Index Fund	3.6
Fidelity OTC Portfolio	0.3
Fidelity Small Cap Independence Fund	1.6
	19.2
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	8.1
Fidelity Strategic Real Return Fund	8.1
Fidelity Total Bond Fund	24.2
	40.4
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	20.2
Fidelity Short-Term Bond Fund	20.2
	40.4
	100.0

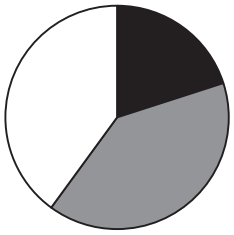
Asset Allocation (% of Portfolio's investments)

Current



- Domestic Equity Funds 19.2%
- Investment Grade Fixed-Income Funds 40.4%
- Short-Term Funds 40.4%

Expected



- Domestic Equity Funds 20.0%
- Investment Grade Fixed-Income Funds 40.0%
- Short-Term Funds 40.0%

The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare College Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 19.2%

	Shares	Value
Domestic Equity Funds – 19.2%		
Fidelity Blue Chip Growth Fund	1,662	$ 65,818
Fidelity Disciplined Equity Fund	14,221	372,027
Fidelity Dividend Growth Fund	8,073	206,900
Fidelity Equity-Income Fund	7,813	360,578
Fidelity Growth Company Fund	4,284	335,967
Fidelity Large Cap Core Enhanced Index Fund	39,490	355,012
Fidelity OTC Portfolio (a)	724	33,015
Fidelity Small Cap Independence Fund	8,796	151,021
TOTAL EQUITY FUNDS (Cost $2,057,462)		**1,880,338**

Fixed-Income Funds — 40.4%

Investment Grade Fixed-Income Funds – 40.4%		
Fidelity Government Income Fund	76,505	794,125
Fidelity Strategic Real Return Fund	75,298	795,900
Fidelity Total Bond Fund	233,921	2,369,623
TOTAL FIXED-INCOME FUNDS (Cost $3,969,480)		**3,959,648**

Short-Term Funds — 40.4%

Fidelity Institutional Money Market Portfolio Institutional Class	1,979,381	1,979,381
Fidelity Short-Term Bond Fund	237,431	1,980,175
TOTAL SHORT-TERM FUNDS (Cost $4,018,731)		**3,959,556**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $10,045,673)		**$ 9,799,542**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $10,045,673)		$ 9,799,542
Receivable for units sold		6,755
Dividends receivable		22,385
Total assets		9,828,682
Liabilities		
Accrued management and administration fees	$ 2,417	
Payable for units redeemed	3,027	
Total liabilities		5,444
Net Assets		$ 9,823,238
Net Asset Value, offering price and redemption price per unit ($9,823,238 / 945,965 units)		$ 10.38

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 205,201
Expenses		
Management and administration fees	$ 17,327	
Total expenses		17,327
Net investment income (loss)		187,874
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(37,052)	
Capital gain distributions from underlying funds	40,765	3,713
Change in net unrealized appreciation (depreciation) on underlying fund shares		(247,280)
Net gain (loss)		(243,567)
Net increase (decrease) in net assets resulting from operations		$ (55,693)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 187,874	$ 24,130
Net realized gain (loss)	3,713	9,673
Change in net unrealized appreciation (depreciation)	(247,280)	1,149
Net increase (decrease) in net assets resulting from operations	(55,693)	34,952
Unit transactions		
Proceeds from sales of units	11,071,153	2,521,924
Cost of units redeemed	(2,939,735)	(809,363)
Net increase (decrease) in net assets resulting from unit transactions	8,131,418	1,712,561
Total increase (decrease) in net assets	8,075,725	1,747,513
Net Assets		
Beginning of period	1,747,513	—
End of period	$ 9,823,238	$ 1,747,513
Other Information		
Unit transactions		
Sold	1,059,161	246,899
Redeemed	(281,689)	(78,406)
Net increase (decrease)	777,472	168,493

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.37	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.34	.22
Net realized and unrealized gain (loss)	(.33)	.15
Total increase (decrease) from investment operations	.01	.37
Net asset value, end of period	$ 10.38	$ 10.37
Total Return[C]	.10%	3.70%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 9,823	$ 1,748
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	3.24%	3.43%[A]
Portfolio Turnover Rate	82%	114%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

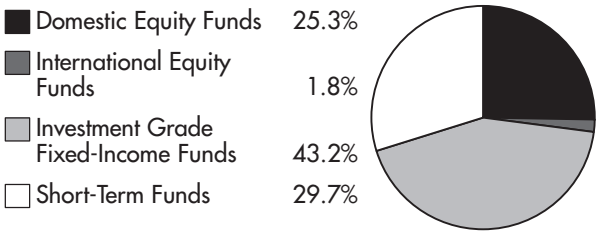
Investment Summary

Portfolio Holdings as of June 30, 2008

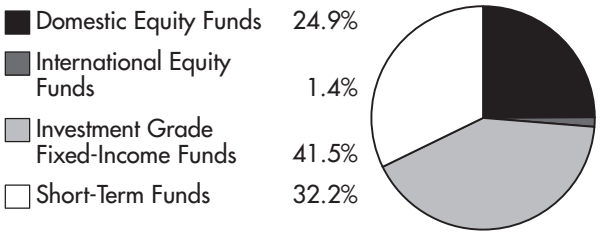
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	0.9
Fidelity Disciplined Equity Fund	5.0
Fidelity Dividend Growth Fund	2.8
Fidelity Equity-Income Fund	4.9
Fidelity Growth Company Fund	4.5
Fidelity Large Cap Core Enhanced Index Fund	4.8
Fidelity OTC Portfolio	0.4
Fidelity Small Cap Independence Fund	2.0
	25.3
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	0.4
Fidelity International Discovery Fund	0.5
Fidelity Overseas Fund	0.9
	1.8
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	8.7
Fidelity Strategic Real Return Fund	8.7
Fidelity Total Bond Fund	25.8
	43.2
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	14.8
Fidelity Short-Term Bond Fund	14.9
	29.7
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2009

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 27.1%

	Shares	Value
Domestic Equity Funds – 25.3%		
Fidelity Blue Chip Growth Fund	5,709	$ 226,094
Fidelity Disciplined Equity Fund	48,512	1,269,076
Fidelity Dividend Growth Fund	27,709	710,177
Fidelity Equity-Income Fund	26,848	1,239,035
Fidelity Growth Company Fund	14,697	1,152,686
Fidelity Large Cap Core Enhanced Index Fund	135,788	1,220,733
Fidelity OTC Portfolio (a)	2,527	115,221
Fidelity Small Cap Independence Fund	30,256	519,496
TOTAL DOMESTIC EQUITY FUNDS		**6,452,518**
International Equity Funds – 1.8%		
Fidelity Europe Capital Appreciation Fund	3,792	88,994
Fidelity International Discovery Fund	3,609	137,257
Fidelity Overseas Fund	5,354	221,969
TOTAL INTERNATIONAL EQUITY FUNDS		**448,220**
TOTAL EQUITY FUNDS (Cost $7,693,931)		**6,900,738**

Fixed-Income Funds — 43.2%

Investment Grade Fixed-Income Funds – 43.2%		
Fidelity Government Income Fund	212,602	2,206,813
Fidelity Strategic Real Return Fund	209,099	2,210,181
Fidelity Total Bond Fund	650,057	6,585,076
TOTAL FIXED-INCOME FUNDS (Cost $11,059,460)		**11,002,070**

Short-Term Funds — 29.7%

Fidelity Institutional Money Market Portfolio Institutional Class	3,779,572	3,779,572
Fidelity Short-Term Bond Fund	453,357	3,781,000
TOTAL SHORT-TERM FUNDS (Cost $7,704,085)		**7,560,572**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $26,457,476)		**$ 25,463,380**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $26,457,476)		$ 25,463,380
Receivable for units sold		74,465
Dividends receivable		52,500
Total assets		25,590,345
Liabilities		
Accrued management and administration fees	$ 6,221	
Payable for units redeemed	2,656	
Total liabilities		8,877
Net Assets		$ 25,581,468
Net Asset Value, offering price and redemption price per unit ($25,581,468 / 2,453,262 units)		$ 10.43

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 659,296
Expenses		
Management and administration fees	$ 57,737	
Total expenses		57,737
Net investment income (loss)		601,559
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(115,204)	
Capital gain distributions from underlying funds	356,971	241,767
Change in net unrealized appreciation (depreciation) on underlying fund shares		(1,112,000)
Net gain (loss)		(870,233)
Net increase (decrease) in net assets resulting from operations		$ (268,674)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 601,559	$ 118,329
Net realized gain (loss)	241,767	39,992
Change in net unrealized appreciation (depreciation)	(1,112,000)	117,904
Net increase (decrease) in net assets resulting from operations	(268,674)	276,225
Unit transactions		
Proceeds from sales of units	15,400,469	12,518,671
Cost of units redeemed	(1,698,630)	(646,593)
Net increase (decrease) in net assets resulting from unit transactions	13,701,839	11,872,078
Total increase (decrease) in net assets	13,433,165	12,148,303
Net Assets		
Beginning of period	12,148,303	—
End of period	$ 25,581,468	$ 12,148,303
Other Information		
Unit transactions		
Sold	1,458,184	1,219,093
Redeemed	(161,041)	(62,974)
Net increase (decrease)	1,297,143	1,156,119

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.51	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.33	.19
Net realized and unrealized gain (loss)	(.41)	.32
Total increase (decrease) from investment operations	(.08)	.51
Net asset value, end of period	$ 10.43	$ 10.51
Total Return[C]	(.76)%	5.10%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 25,581	$ 12,148
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	3.12%	2.82%[A]
Portfolio Turnover Rate	59%	10%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

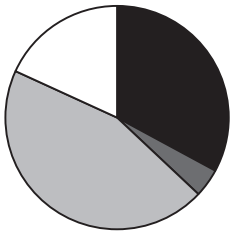
Investment Summary

Portfolio Holdings as of June 30, 2008

	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	1.2
Fidelity Disciplined Equity Fund	6.5
Fidelity Dividend Growth Fund	3.6
Fidelity Equity-Income Fund	6.3
Fidelity Growth Company Fund	5.9
Fidelity Large Cap Core Enhanced Index Fund	6.2
Fidelity OTC Portfolio	0.6
Fidelity Small Cap Independence Fund	2.6
	32.9
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	0.8
Fidelity International Discovery Fund	1.3
Fidelity Overseas Fund	2.0
	4.1
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	9.0
Fidelity Strategic Real Return Fund	9.0
Fidelity Total Bond Fund	26.8
	44.8
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	9.1
Fidelity Short-Term Bond Fund	9.1
	18.2
	100.0

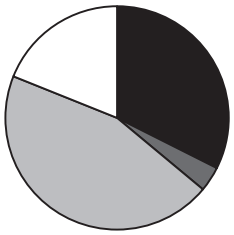
Asset Allocation (% of Portfolio's investments)

Current



Domestic Equity Funds	32.9%
International Equity Funds	4.1%
Investment Grade Fixed-Income Funds	44.8%
Short-Term Funds	18.2%

Expected



Domestic Equity Funds	32.4%
International Equity Funds	3.6%
Investment Grade Fixed-Income Funds	45.0%
Short-Term Funds	19.0%

The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2012

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 37.0%

	Shares	Value
Domestic Equity Funds – 32.9%		
Fidelity Blue Chip Growth Fund	11,587	$ 458,829
Fidelity Disciplined Equity Fund	98,933	2,588,089
Fidelity Dividend Growth Fund	56,301	1,442,985
Fidelity Equity-Income Fund	54,430	2,511,946
Fidelity Growth Company Fund	29,803	2,337,436
Fidelity Large Cap Core Enhanced Index Fund	275,650	2,478,092
Fidelity OTC Portfolio (a)	4,966	226,422
Fidelity Small Cap Independence Fund	61,333	1,053,094
TOTAL DOMESTIC EQUITY FUNDS		**13,096,893**
International Equity Funds – 4.1%		
Fidelity Europe Capital Appreciation Fund	13,898	326,196
Fidelity International Discovery Fund	12,865	489,264
Fidelity Overseas Fund	19,325	801,231
TOTAL INTERNATIONAL EQUITY FUNDS		**1,616,691**
TOTAL EQUITY FUNDS (Cost $16,435,866)		**14,713,584**

Fixed-Income Funds — 44.8%

Investment Grade Fixed-Income Funds – 44.8%		
Fidelity Government Income Fund	344,768	3,578,692
Fidelity Strategic Real Return Fund	338,605	3,579,052
Fidelity Total Bond Fund	1,052,969	10,666,576
TOTAL FIXED-INCOME FUNDS (Cost $17,916,104)		**17,824,320**

Short-Term Funds — 18.2%

Fidelity Institutional Money Market Portfolio Institutional Class	3,606,984	3,606,984
Fidelity Short-Term Bond Fund	432,571	3,607,639
TOTAL SHORT-TERM FUNDS (Cost $7,354,320)		**7,214,623**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $41,706,290)		**$ 39,752,527**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $41,706,290)		$ 39,752,527
Receivable for units sold		55,111
Dividends receivable		72,192
Total assets		39,879,830
Liabilities		
Accrued management and administration fees	$ 9,783	
Payable for units redeemed	3,199	
Total liabilities		12,982
Net Assets		$ 39,866,848
Net Asset Value, offering price and redemption price per unit ($39,866,848 / 3,824,599 units)		$ 10.42

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 938,702
Expenses		
Management and administration fees	$ 91,600	
Total expenses		91,600
Net investment income (loss)		847,102
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(197,504)	
Capital gain distributions from underlying funds	778,906	581,402
Change in net unrealized appreciation (depreciation) on underlying fund shares		(2,310,650)
Net gain (loss)		(1,729,248)
Net increase (decrease) in net assets resulting from operations		$ (882,146)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 847,102	$ 166,966
Net realized gain (loss)	581,402	103,974
Change in net unrealized appreciation (depreciation)	(2,310,650)	356,887
Net increase (decrease) in net assets resulting from operations	(882,146)	627,827
Unit transactions		
Proceeds from sales of units	24,053,656	19,527,917
Cost of units redeemed	(2,740,407)	(719,999)
Net increase (decrease) in net assets resulting from unit transactions	21,313,249	18,807,918
Total increase (decrease) in net assets	20,431,103	19,435,745
Net Assets		
Beginning of period	19,435,745	—
End of period	$ 39,866,848	$ 19,435,745
Other Information		
Unit transactions		
Sold	2,254,655	1,896,012
Redeemed	(256,656)	(69,412)
Net increase (decrease)	1,997,999	1,826,600

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.64	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.29	.15
Net realized and unrealized gain (loss)	(.51)	.49
Total increase (decrease) from investment operations	(.22)	.64
Net asset value, end of period	$ 10.42	$ 10.64
Total Return[C]	(2.07)%	6.40%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 39,867	$ 19,436
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	2.77%	2.32%[A]
Portfolio Turnover Rate	51%	10%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

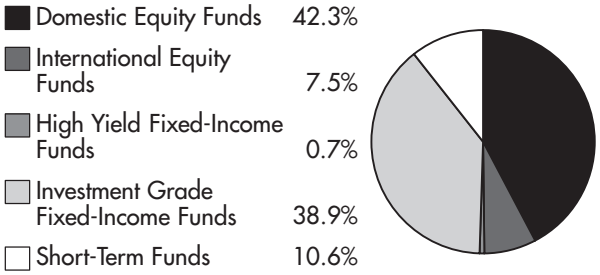
Investment Summary

Portfolio Holdings as of June 30, 2008

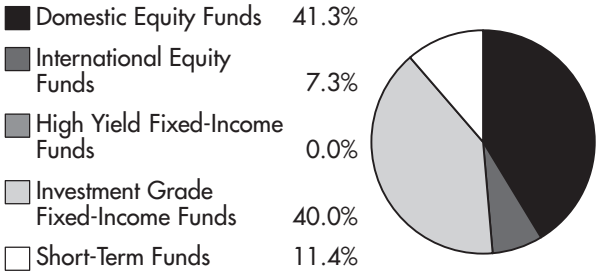
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	1.5
Fidelity Disciplined Equity Fund	8.4
Fidelity Dividend Growth Fund	4.7
Fidelity Equity-Income Fund	8.1
Fidelity Growth Company Fund	7.5
Fidelity Large Cap Core Enhanced Index Fund	8.0
Fidelity OTC Portfolio	0.7
Fidelity Small Cap Independence Fund	3.4
	42.3
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	1.5
Fidelity International Discovery Fund	2.3
Fidelity Overseas Fund	3.7
	7.5
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	0.4
Fidelity High Income Fund	0.3
	0.7
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	7.8
Fidelity Strategic Real Return Fund	7.8
Fidelity Total Bond Fund	23.3
	38.9
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	5.3
Fidelity Short-Term Bond Fund	5.3
	10.6
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2015

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 49.8%

	Shares	Value
Domestic Equity Funds – 42.3%		
Fidelity Blue Chip Growth Fund	13,411	$ 531,066
Fidelity Disciplined Equity Fund	115,519	3,021,967
Fidelity Dividend Growth Fund	65,540	1,679,784
Fidelity Equity-Income Fund	63,450	2,928,223
Fidelity Growth Company Fund	34,741	2,724,721
Fidelity Large Cap Core Enhanced Index Fund	321,121	2,886,875
Fidelity OTC Portfolio (a)	5,902	269,083
Fidelity Small Cap Independence Fund	71,242	1,223,221
TOTAL DOMESTIC EQUITY FUNDS		**15,264,940**
International Equity Funds – 7.5%		
Fidelity Europe Capital Appreciation Fund	22,991	539,595
Fidelity International Discovery Fund	21,328	811,122
Fidelity Overseas Fund	32,065	1,329,414
TOTAL INTERNATIONAL EQUITY FUNDS		**2,680,131**
TOTAL EQUITY FUNDS (Cost $20,020,047)		**17,945,071**

Fixed-Income Funds — 39.6%

High Yield Fixed-Income Funds – 0.7%		
Fidelity Capital & Income Fund	15,097	125,906
Fidelity High Income Fund	15,043	125,758
TOTAL HIGH YIELD FIXED-INCOME FUNDS		**251,664**
Investment Grade Fixed-Income Funds – 38.9%		
Fidelity Government Income Fund	271,413	2,817,267
Fidelity Strategic Real Return Fund	266,887	2,820,999
Fidelity Total Bond Fund	829,910	8,406,985
TOTAL INVESTMENT GRADE FIXED-INCOME FUNDS		**14,045,251**
TOTAL FIXED-INCOME FUNDS (Cost $14,386,930)		**14,296,915**

Short-Term Funds — 10.6%

Fidelity Institutional Money Market Portfolio Institutional Class	1,915,908	1,915,908
Fidelity Short-Term Bond Fund	229,840	1,916,867
TOTAL SHORT-TERM FUNDS (Cost $3,905,469)		**3,832,775**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $38,312,446)		**$ 36,074,761**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $38,312,446)		$ 36,074,761
Receivable for units sold		76,533
Dividends receivable		53,596
Total assets		36,204,890
Liabilities		
Accrued management and administration fees	$ 8,943	
Total liabilities		8,943
Net Assets		$ 36,195,947
Net Asset Value, offering price and redemption price per unit ($36,195,947 / 3,484,449 units)		$ 10.39

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 732,167
Expenses		
Management and administration fees	$ 83,277	
Total expenses		83,277
Net investment income (loss)		648,890
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(205,876)	
Capital gain distributions from underlying funds	919,378	713,502
Change in net unrealized appreciation (depreciation) on underlying fund shares		(2,733,682)
Net gain (loss)		(2,020,180)
Net increase (decrease) in net assets resulting from operations		$ (1,371,290)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 648,890	$ 116,219
Net realized gain (loss)	713,502	105,699
Change in net unrealized appreciation (depreciation)	(2,733,682)	495,997
Net increase (decrease) in net assets resulting from operations	(1,371,290)	717,915
Unit transactions		
Proceeds from sales of units	21,044,056	17,629,650
Cost of units redeemed	(1,428,956)	(395,428)
Net increase (decrease) in net assets resulting from unit transactions	19,615,100	17,234,222
Total increase (decrease) in net assets	18,243,810	17,952,137
Net Assets		
Beginning of period	17,952,137	—
End of period	$ 36,195,947	$ 17,952,137
Other Information		
Unit transactions		
Sold	1,956,517	1,698,849
Redeemed	(133,214)	(37,703)
Net increase (decrease)	1,823,303	1,661,146

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.81	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.25	.12
Net realized and unrealized gain (loss)	(.67)	.69
Total increase (decrease) from investment operations	(.42)	.81
Net asset value, end of period	$ 10.39	$ 10.81
Total Return[C]	(3.89)%	8.10%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 36,196	$ 17,952
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	2.34%	1.83%[A]
Portfolio Turnover Rate	42%	13%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

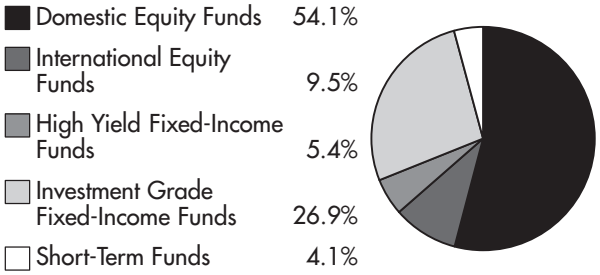
Investment Summary

Portfolio Holdings as of June 30, 2008

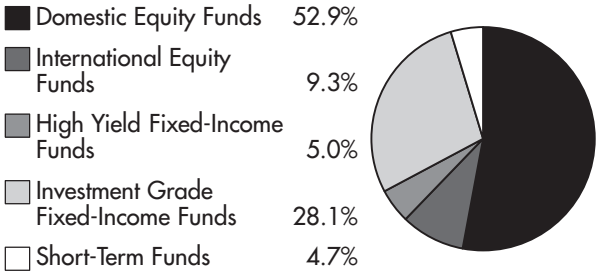
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	1.9
Fidelity Disciplined Equity Fund	10.7
Fidelity Dividend Growth Fund	6.0
Fidelity Equity-Income Fund	10.4
Fidelity Growth Company Fund	9.7
Fidelity Large Cap Core Enhanced Index Fund	10.2
Fidelity OTC Portfolio	0.9
Fidelity Small Cap Independence Fund	4.3
	54.1
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	1.9
Fidelity International Discovery Fund	2.9
Fidelity Overseas Fund	4.7
	9.5
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	2.7
Fidelity High Income Fund	2.7
	5.4
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	5.4
Fidelity Strategic Real Return Fund	5.4
Fidelity Total Bond Fund	16.1
	26.9
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	2.0
Fidelity Short-Term Bond Fund	2.1
	4.1
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2018

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 63.6%

	Shares	Value
Domestic Equity Funds – 54.1%		
Fidelity Blue Chip Growth Fund	15,469	$ 612,575
Fidelity Disciplined Equity Fund	132,755	3,472,862
Fidelity Dividend Growth Fund	75,539	1,936,054
Fidelity Equity-Income Fund	73,187	3,377,588
Fidelity Growth Company Fund	40,043	3,140,586
Fidelity Large Cap Core Enhanced Index Fund	370,335	3,329,310
Fidelity OTC Portfolio (a)	6,732	306,899
Fidelity Small Cap Independence Fund	82,386	1,414,566
TOTAL DOMESTIC EQUITY FUNDS		**17,590,440**
International Equity Funds – 9.5%		
Fidelity Europe Capital Appreciation Fund	26,420	620,066
Fidelity International Discovery Fund	24,583	934,903
Fidelity Overseas Fund	36,978	1,533,099
TOTAL INTERNATIONAL EQUITY FUNDS		**3,088,068**
TOTAL EQUITY FUNDS (Cost $23,140,355)		**20,678,508**

Fixed-Income Funds — 32.3%

High Yield Fixed-Income Funds – 5.4%		
Fidelity Capital & Income Fund	104,225	869,237
Fidelity High Income Fund	104,242	871,467
TOTAL HIGH YIELD FIXED-INCOME FUNDS		**1,740,704**
Investment Grade Fixed-Income Funds – 26.9%		
Fidelity Government Income Fund	169,435	1,758,738
Fidelity Strategic Real Return Fund	166,660	1,761,601
Fidelity Total Bond Fund	518,194	5,249,305
TOTAL INVESTMENT GRADE FIXED-INCOME FUNDS		**8,769,644**
TOTAL FIXED-INCOME FUNDS (Cost $10,646,263)		**10,510,348**

Short-Term Funds — 4.1%

Fidelity Institutional Money Market Portfolio Institutional Class	667,516	667,516
Fidelity Short-Term Bond Fund	80,230	669,121
TOTAL SHORT-TERM FUNDS (Cost $1,359,082)		**1,336,637**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $35,145,700)		**$ 32,525,493**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $35,145,700)		$ 32,525,493
Receivable for units sold		55,675
Dividends receivable		39,226
Total assets		32,620,394
Liabilities		
Accrued management and administration fees	$ 8,067	
Payable for units redeemed	56,761	
Total liabilities		64,828
Net Assets		$ 32,555,566
Net Asset Value, offering price and redemption price per unit ($32,555,566 / 3,160,350 units)		$ 10.30

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 458,060
Expenses		
Management and administration fees	$ 74,406	
Total expenses		74,406
Net investment income (loss)		383,654
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(220,722)	
Capital gain distributions from underlying funds	1,113,489	892,767
Change in net unrealized appreciation (depreciation) on underlying fund shares		(3,150,547)
Net gain (loss)		(2,257,780)
Net increase (decrease) in net assets resulting from operations		$ (1,874,126)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 383,654	$ 64,027
Net realized gain (loss)	892,767	81,076
Change in net unrealized appreciation (depreciation)	(3,150,547)	530,340
Net increase (decrease) in net assets resulting from operations	(1,874,126)	675,443
Unit transactions		
Proceeds from sales of units	22,048,063	14,196,025
Cost of units redeemed	(2,066,305)	(423,534)
Net increase (decrease) in net assets resulting from unit transactions	19,981,758	13,772,491
Total increase (decrease) in net assets	18,107,632	14,447,934
Net Assets		
Beginning of period	14,447,934	—
End of period	$ 32,555,566	$ 14,447,934
Other Information		
Unit transactions		
Sold	2,033,393	1,358,180
Redeemed	(190,954)	(40,269)
Net increase (decrease)	1,842,439	1,317,911

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.96	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.17	.09
Net realized and unrealized gain (loss)	(.83)	.87
Total increase (decrease) from investment operations	(.66)	.96
Net asset value, end of period	$ 10.30	$ 10.96
Total Return[C]	(6.02)%	9.60%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 32,556	$ 14,448
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	1.55%	1.29%[A]
Portfolio Turnover Rate	34%	11%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

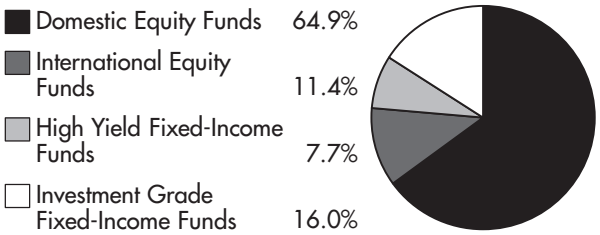
Investment Summary

Portfolio Holdings as of June 30, 2008

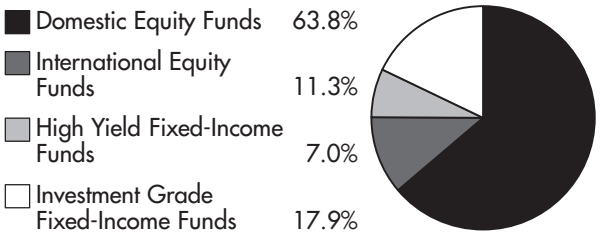
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	2.3
Fidelity Disciplined Equity Fund	12.8
Fidelity Dividend Growth Fund	7.1
Fidelity Equity-Income Fund	12.5
Fidelity Growth Company Fund	11.6
Fidelity Large Cap Core Enhanced Index Fund	12.3
Fidelity OTC Portfolio	1.1
Fidelity Small Cap Independence Fund	5.2
	64.9
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	2.3
Fidelity International Discovery Fund	3.4
Fidelity Overseas Fund	5.7
	11.4
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	3.8
Fidelity High Income Fund	3.9
	7.7
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	3.2
Fidelity Strategic Real Return Fund	3.2
Fidelity Total Bond Fund	9.6
	16.0
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2021

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 76.3%

	Shares	Value
Domestic Equity Funds – 64.9%		
Fidelity Blue Chip Growth Fund	19,701	$ 780,156
Fidelity Disciplined Equity Fund	169,377	4,430,906
Fidelity Dividend Growth Fund	96,388	2,470,420
Fidelity Equity-Income Fund	93,355	4,308,347
Fidelity Growth Company Fund	51,126	4,009,778
Fidelity Large Cap Core Enhanced Index Fund	472,117	4,244,329
Fidelity OTC Portfolio (a)	8,663	394,945
Fidelity Small Cap Independence Fund	105,161	1,805,609
TOTAL DOMESTIC EQUITY FUNDS		**22,444,490**
International Equity Funds – 11.4%		
Fidelity Europe Capital Appreciation Fund	33,704	791,041
Fidelity International Discovery Fund	31,380	1,193,386
Fidelity Overseas Fund	47,240	1,958,550
TOTAL INTERNATIONAL EQUITY FUNDS		**3,942,977**
TOTAL EQUITY FUNDS (Cost $29,507,254)		**26,387,467**

Fixed-Income Funds — 23.7%

High Yield Fixed-Income Funds – 7.7%		
Fidelity Capital & Income Fund	158,267	1,319,944
Fidelity High Income Fund	158,118	1,321,869
TOTAL HIGH YIELD FIXED-INCOME FUNDS		**2,641,813**
Investment Grade Fixed-Income Funds – 16.0%		
Fidelity Government Income Fund	106,807	1,108,653
Fidelity Strategic Real Return Fund	105,406	1,114,138
Fidelity Total Bond Fund	327,143	3,313,961
TOTAL INVESTMENT GRADE FIXED-INCOME FUNDS		**5,536,752**
TOTAL FIXED-INCOME FUNDS (Cost $8,344,214)		**8,178,565**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $37,851,468)		**$ 34,566,032**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $37,851,468)		$ 34,566,032
Receivable for units sold		63,452
Dividends receivable		31,059
Total assets		34,660,543
Liabilities		
Accrued management and administration fees	$ 8,622	
Total liabilities		8,622
Net Assets		$ 34,651,921
Net Asset Value, offering price and redemption price per unit ($34,651,921 / 3,392,759 units)		$ 10.21

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 480,461
Expenses		
Management and administration fees	$ 78,712	
Total expenses		78,712
Net investment income (loss)		401,749
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(239,317)	
Capital gain distributions from underlying funds	1,236,832	997,515
Change in net unrealized appreciation (depreciation) on underlying fund shares		(3,943,670)
Net gain (loss)		(2,946,155)
Net increase (decrease) in net assets resulting from operations		$ (2,544,406)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 401,749	$ 47,316
Net realized gain (loss)	997,515	99,342
Change in net unrealized appreciation (depreciation)	(3,943,670)	658,234
Net increase (decrease) in net assets resulting from operations	(2,544,406)	804,892
Unit transactions		
Proceeds from sales of units	23,328,240	15,054,043
Cost of units redeemed	(1,607,608)	(383,240)
Net increase (decrease) in net assets resulting from unit transactions	21,720,632	14,670,803
Total increase (decrease) in net assets	19,176,226	15,475,695
Net Assets		
Beginning of period	15,475,695	—
End of period	$ 34,651,921	$ 15,475,695
Other Information		
Unit transactions		
Sold	2,148,353	1,430,478
Redeemed	(149,478)	(36,594)
Net increase (decrease)	1,998,875	1,393,884

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.10	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.16	.06
Net realized and unrealized gain (loss)	(1.05)	1.04
Total increase (decrease) from investment operations	(.89)	1.10
Net asset value, end of period	$ 10.21	$ 11.10
Total Return[C]	(8.02)%	11.00%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 34,652	$ 15,476
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	1.53%	.91%[A]
Portfolio Turnover Rate	25%	13%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

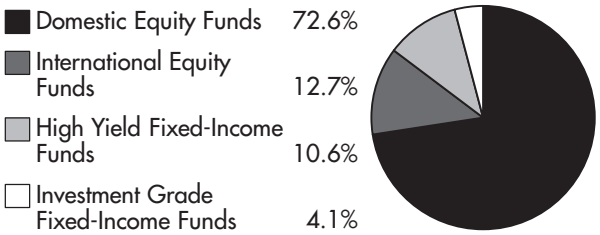
Investment Summary

Portfolio Holdings as of June 30, 2008

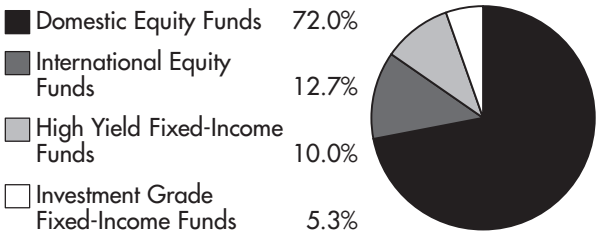
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	2.5
Fidelity Disciplined Equity Fund	14.3
Fidelity Dividend Growth Fund	8.0
Fidelity Equity-Income Fund	14.0
Fidelity Growth Company Fund	13.0
Fidelity Large Cap Core Enhanced Index Fund	13.7
Fidelity OTC Portfolio	1.3
Fidelity Small Cap Independence Fund	5.8
	72.6
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	2.6
Fidelity International Discovery Fund	3.8
Fidelity Overseas Fund	6.3
	12.7
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	5.3
Fidelity High Income Fund	5.3
	10.6
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	0.8
Fidelity Strategic Real Return Fund	0.8
Fidelity Total Bond Fund	2.5
	4.1
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2024

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 85.3%

	Shares	Value
Domestic Equity Funds – 72.6%		
Fidelity Blue Chip Growth Fund	29,307	$ 1,160,563
Fidelity Disciplined Equity Fund	252,340	6,601,218
Fidelity Dividend Growth Fund	143,175	3,669,580
Fidelity Equity-Income Fund	139,052	6,417,272
Fidelity Growth Company Fund	76,020	5,962,258
Fidelity Large Cap Core Enhanced Index Fund	702,629	6,316,634
Fidelity OTC Portfolio (a)	12,851	585,881
Fidelity Small Cap Independence Fund	156,315	2,683,930
TOTAL DOMESTIC EQUITY FUNDS		**33,397,336**
International Equity Funds – 12.7%		
Fidelity Europe Capital Appreciation Fund	50,381	1,182,443
Fidelity International Discovery Fund	46,695	1,775,826
Fidelity Overseas Fund	70,240	2,912,167
TOTAL INTERNATIONAL EQUITY FUNDS		**5,870,436**
TOTAL EQUITY FUNDS (Cost $43,728,834)		**39,267,772**

Fixed-Income Funds — 14.7%

High Yield Fixed-Income Funds – 10.6%		
Fidelity Capital & Income Fund	290,840	2,425,610
Fidelity High Income Fund	290,361	2,427,418
TOTAL HIGH YIELD FIXED-INCOME FUNDS		**4,853,028**
Investment Grade Fixed-Income Funds – 4.1%		
Fidelity Government Income Fund	36,556	379,452
Fidelity Strategic Real Return Fund	36,066	381,213
Fidelity Total Bond Fund	112,195	1,136,531
TOTAL INVESTMENT GRADE FIXED-INCOME FUNDS		**1,897,196**
TOTAL FIXED-INCOME FUNDS (Cost $6,985,247)		**6,750,224**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $50,714,081)		**$ 46,017,996**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $50,714,081)		$ 46,017,996
Receivable for units sold		144,610
Dividends receivable		32,314
Total assets		46,194,920
Liabilities		
Accrued management and administration fees	$ 11,493	
Payable for units redeemed	9,221	
Total liabilities		20,714
Net Assets		$ 46,174,206
Net Asset Value, offering price and redemption price per unit ($46,174,206 / 4,553,752 units)		$ 10.14

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 504,860
Expenses		
Management and administration fees	$ 96,807	
Total expenses		96,807
Net investment income (loss)		408,053
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(262,654)	
Capital gain distributions from underlying funds	1,566,541	1,303,887
Change in net unrealized appreciation (depreciation) on underlying fund shares		(5,476,866)
Net gain (loss)		(4,172,979)
Net increase (decrease) in net assets resulting from operations		$ (3,764,926)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 408,053	$ 36,496
Net realized gain (loss)	1,303,887	85,376
Change in net unrealized appreciation (depreciation)	(5,476,866)	780,781
Net increase (decrease) in net assets resulting from operations	(3,764,926)	902,653
Unit transactions		
Proceeds from sales of units	34,495,048	16,373,069
Cost of units redeemed	(1,430,788)	(400,850)
Net increase (decrease) in net assets resulting from unit transactions	33,064,260	15,972,219
Total increase (decrease) in net assets	29,299,334	16,874,872
Net Assets		
Beginning of period	16,874,872	—
End of period	$ 46,174,206	$ 16,874,872
Other Information		
Unit transactions		
Sold	3,176,785	1,546,320
Redeemed	(132,115)	(37,238)
Net increase (decrease)	3,044,670	1,509,082

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.18	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.14	.05
Net realized and unrealized gain (loss)	(1.18)	1.13
Total increase (decrease) from investment operations	(1.04)	1.18
Net asset value, end of period	$ 10.14	$ 11.18
Total Return[C]	(9.30)%	11.80%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 46,174	$ 16,875
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	1.26%	.67%[A]
Portfolio Turnover Rate	20%	13%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

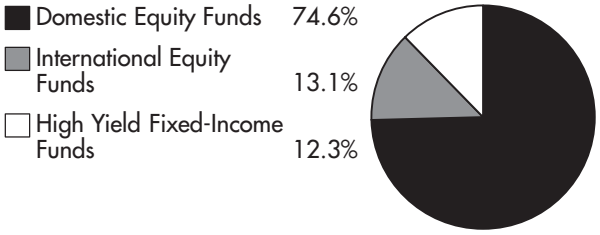
Investment Summary

Portfolio Holdings as of June 30, 2008

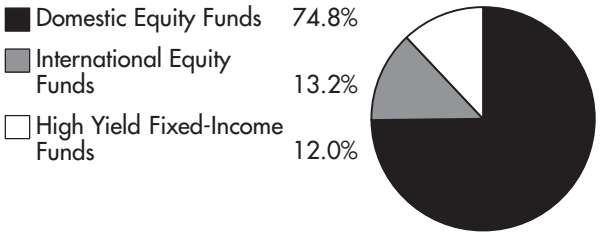
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	2.6
Fidelity Disciplined Equity Fund	14.8
Fidelity Dividend Growth Fund	8.0
Fidelity Equity-Income Fund	14.4
Fidelity Growth Company Fund	13.2
Fidelity Large Cap Core Enhanced Index Fund	14.3
Fidelity OTC Portfolio	1.3
Fidelity Small Cap Independence Fund	6.0
	74.6
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	2.6
Fidelity International Discovery Fund	4.0
Fidelity Overseas Fund	6.5
	13.1
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	6.1
Fidelity High Income Fund	6.2
	12.3
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Portfolio 2027

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 87.7%

	Shares	Value
Domestic Equity Funds – 74.6%		
Fidelity Blue Chip Growth Fund	1,100	$ 43,546
Fidelity Disciplined Equity Fund	9,449	247,184
Fidelity Dividend Growth Fund	5,243	134,372
Fidelity Equity-Income Fund	5,218	240,834
Fidelity Growth Company Fund	2,819	221,118
Fidelity Large Cap Core Enhanced Index Fund	26,562	238,796
Fidelity OTC Portfolio (a)	467	21,275
Fidelity Small Cap Independence Fund	5,830	100,100
TOTAL DOMESTIC EQUITY FUNDS		**1,247,225**
International Equity Funds – 13.1%		
Fidelity Europe Capital Appreciation Fund	1,884	44,208
Fidelity International Discovery Fund	1,748	66,471
Fidelity Overseas Fund	2,629	109,000
TOTAL INTERNATIONAL EQUITY FUNDS		**219,679**
TOTAL EQUITY FUNDS (Cost $1,537,585)		**1,466,904**

Fixed-Income Funds — 12.3%

High Yield Fixed-Income Funds – 12.3%		
Fidelity Capital & Income Fund	12,315	102,710
Fidelity High Income Fund	12,291	102,756
TOTAL FIXED-INCOME FUNDS (Cost $208,144)		**205,466**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $1,745,729)		**$ 1,672,370**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $1,745,729)		$ 1,672,370
Receivable for units sold		5,800
Dividends receivable		1,017
Total assets		1,679,187
Liabilities		
Accrued management and administration fees	$ 372	
Total liabilities		372
Net Assets		$ 1,678,815
Net Asset Value, offering price and redemption price per unit ($1,678,815 / 186,170 units)		$ 9.02

Statement of Operations

		For the period December 14, 2007 (commencement of operations) to June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 3,218
Expenses		
Management and administration fees	$ 983	
Total expenses		983
Net investment income (loss)		2,235
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(148)	
Capital gain distributions from underlying funds	632	484
Change in net unrealized appreciation (depreciation) on underlying fund shares		(73,359)
Net gain (loss)		(72,875)
Net increase (decrease) in net assets resulting from operations		$ (70,640)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	For the period December 14, 2007 (commencement of operations) to June 30, 2008
Increase (Decrease) in Net Assets:	
Operations	
Net investment income (loss)	$ 2,235
Net realized gain (loss)	484
Change in net unrealized appreciation (depreciation)	(73,359)
Net increase (decrease) in net assets resulting from operations	(70,640)
Unit transactions	
Proceeds from sales of units	1,762,520
Cost of units redeemed	(13,065)
Net increase (decrease) in net assets resulting from unit transactions	1,749,455
Total increase (decrease) in net assets	1,678,815
Net Assets	
Beginning of period	—
End of period	$ 1,678,815
Other Information	
Unit transactions	
Sold	187,561
Redeemed	(1,391)
Net increase (decrease)	186,170

Financial Highlights

Period ended June 30,	**2008** [B]
Selected Per-Unit Data	
Net asset value, beginning of period	$ 10.00
Income from Investment Operations	
Net investment income (loss) [D]	.03
Net realized and unrealized gain (loss)	(1.01)
Total increase (decrease) from investment operations	(.98)
Net asset value, end of period	$ 9.02
Total Return [C]	(9.80)%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)	
Net assets, end of period (in $ thousands)	$ 1,679
Ratio of expenses to average net assets	.30% [A]
Ratio of net investment income (loss) to average net assets	.67% [A]
Portfolio Turnover Rate	5% [A]

[A] *Annualized*
[B] *For the period December 14, 2007 (commencement of operations) to June 30, 2008.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

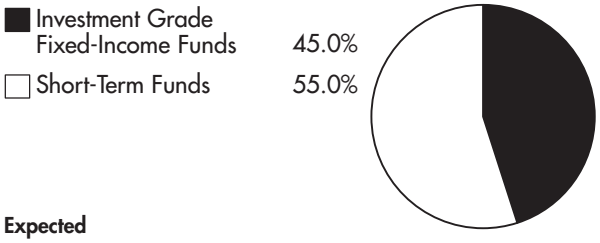
Investment Summary

Portfolio Holdings as of June 30, 2008

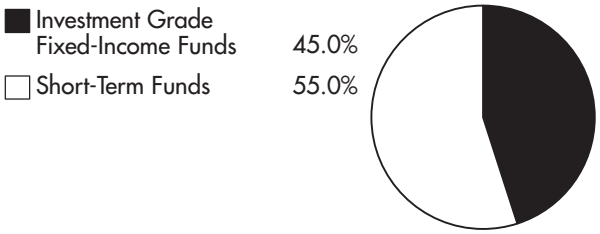
	% of Portfolio's investments
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	9.0
Fidelity Strategic Real Return Fund	9.1
Fidelity Total Bond Fund	26.9
	45.0
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	27.5
Fidelity Short-Term Bond Fund	27.5
	55.0
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Conservative Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Fixed-Income Funds — 45.0%

	Shares	Value
Investment Grade Fixed-Income Funds – 45.0%		
Fidelity Government Income Fund	57,202	$ 593,752
Fidelity Strategic Real Return Fund	56,293	595,016
Fidelity Total Bond Fund	174,964	1,772,382
TOTAL FIXED-INCOME FUNDS (Cost $2,979,393)		**2,961,150**

Short-Term Funds — 55.0%

Fidelity Institutional Money Market Portfolio Institutional Class	1,809,431	1,809,431
Fidelity Short-Term Bond Fund	217,015	1,809,903
TOTAL SHORT-TERM FUNDS (Cost $3,681,644)		**3,619,334**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $6,661,037)		**$ 6,580,484**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $6,661,037)		$ 6,580,484
Receivable for units sold		2,108
Dividends receivable		18,093
Total assets		6,600,685
Liabilities		
Accrued management and administration fees	$ 1,578	
Payable for units redeemed	2,780	
Total liabilities		4,358
Net Assets		$ 6,596,327
Net Asset Value, offering price and redemption price per unit ($6,596,327 / 629,482 units)		$ 10.48

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 178,618
Expenses		
Management and administration fees	$ 12,296	
Total expenses		12,296
Net investment income (loss)		166,322
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(13,914)	
Capital gain distributions from underlying funds	4,523	(9,391)
Change in net unrealized appreciation (depreciation) on underlying fund shares		(62,775)
Net gain (loss)		(72,166)
Net increase (decrease) in net assets resulting from operations		$ 94,156

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 166,322	$ 34,715
Net realized gain (loss)	(9,391)	(2,598)
Change in net unrealized appreciation (depreciation)	(62,775)	(17,778)
Net increase (decrease) in net assets resulting from operations	94,156	14,339
Unit transactions		
Proceeds from sales of units	5,263,782	2,410,144
Cost of units redeemed	(916,341)	(269,753)
Net increase (decrease) in net assets resulting from unit transactions	4,347,441	2,140,391
Total increase (decrease) in net assets	4,441,597	2,154,730
Net Assets		
Beginning of period	2,154,730	—
End of period	$ 6,596,327	$ 2,154,730
Other Information		
Unit transactions		
Sold	506,458	237,902
Redeemed	(88,353)	(26,525)
Net increase (decrease)	418,105	211,377

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.19	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.42	.28
Net realized and unrealized gain (loss)	(.13)	(.09)
Total increase (decrease) from investment operations	.29	.19
Net asset value, end of period	$ 10.48	$ 10.19
Total Return[C]	2.85%	1.90%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 6,596	$ 2,155
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	4.05%	4.30%[A]
Portfolio Turnover Rate	72%	37%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

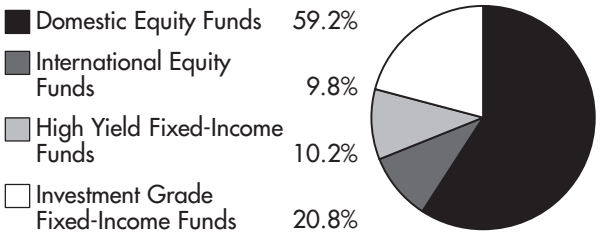
Investment Summary

Portfolio Holdings as of June 30, 2008

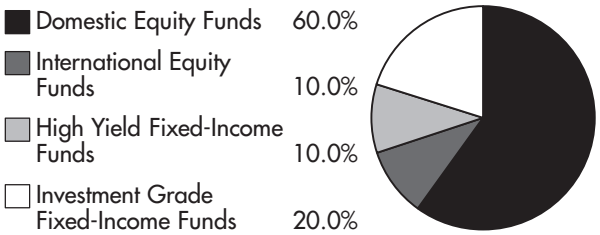
	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	2.1
Fidelity Disciplined Equity Fund	11.7
Fidelity Dividend Growth Fund	6.5
Fidelity Equity-Income Fund	11.4
Fidelity Growth Company Fund	10.6
Fidelity Large Cap Core Enhanced Index Fund	11.2
Fidelity OTC Portfolio	1.0
Fidelity Small Cap Independence Fund	4.7
	59.2
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	1.9
Fidelity International Discovery Fund	3.0
Fidelity Overseas Fund	4.9
	9.8
High Yield Fixed-Income Funds	
Fidelity Capital & Income Fund	5.1
Fidelity High Income Fund	5.1
	10.2
Investment Grade Fixed-Income Funds	
Fidelity Government Income Fund	4.2
Fidelity Strategic Real Return Fund	4.2
Fidelity Total Bond Fund	12.4
	20.8
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare 70% Equity Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 69.0%

	Shares	Value
Domestic Equity Funds – 59.2%		
Fidelity Blue Chip Growth Fund	10,180	$ 403,128
Fidelity Disciplined Equity Fund	87,606	2,291,767
Fidelity Dividend Growth Fund	49,989	1,281,213
Fidelity Equity-Income Fund	48,299	2,229,011
Fidelity Growth Company Fund	26,424	2,072,458
Fidelity Large Cap Core Enhanced Index Fund	243,918	2,192,827
Fidelity OTC Portfolio (a)	4,479	204,183
Fidelity Small Cap Independence Fund	54,270	931,817
TOTAL DOMESTIC EQUITY FUNDS		**11,606,404**
International Equity Funds – 9.8%		
Fidelity Europe Capital Appreciation Fund	16,474	386,651
Fidelity International Discovery Fund	15,377	584,776
Fidelity Overseas Fund	23,063	956,189
TOTAL INTERNATIONAL EQUITY FUNDS		**1,927,616**
TOTAL EQUITY FUNDS (Cost $15,200,725)		**13,534,020**

Fixed-Income Funds — 31.0%

High Yield Fixed-Income Funds – 10.2%		
Fidelity Capital & Income Fund	119,558	997,110
Fidelity High Income Fund	119,366	997,903
TOTAL HIGH YIELD FIXED-INCOME FUNDS		**1,995,013**
Investment Grade Fixed-Income Funds – 20.8%		
Fidelity Government Income Fund	78,911	819,094
Fidelity Strategic Real Return Fund	77,454	818,689
Fidelity Total Bond Fund	240,801	2,439,319
TOTAL INVESTMENT GRADE FIXED-INCOME FUNDS		**4,077,102**
TOTAL FIXED-INCOME FUNDS (Cost $6,207,532)		**6,072,115**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $21,408,257)		**$ 19,606,135**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $21,408,257)		$ 19,606,135
Receivable for units sold		102,592
Dividends receivable		23,226
Total assets		19,731,953
Liabilities		
Accrued management and administration fees	$ 4,893	
Payable for units redeemed	100,312	
Total liabilities		105,205
Net Assets		$ 19,626,748
Net Asset Value, offering price and redemption price per unit ($19,626,748 / 1,915,773 units)		$ 10.24

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 363,255
Expenses		
Management and administration fees	$ 48,542	
Total expenses		48,542
Net investment income (loss)		314,713
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(140,750)	
Capital gain distributions from underlying funds	701,779	561,029
Change in net unrealized appreciation (depreciation) on underlying fund shares		(2,223,595)
Net gain (loss)		(1,662,566)
Net increase (decrease) in net assets resulting from operations		$ (1,347,853)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 314,713	$ 60,771
Net realized gain (loss)	561,029	83,786
Change in net unrealized appreciation (depreciation)	(2,223,595)	421,473
Net increase (decrease) in net assets resulting from operations	(1,347,853)	566,030
Unit transactions		
Proceeds from sales of units	12,185,664	10,869,566
Cost of units redeemed	(2,161,209)	(485,450)
Net increase (decrease) in net assets resulting from unit transactions	10,024,455	10,384,116
Total increase (decrease) in net assets	8,676,602	10,950,146
Net Assets		
Beginning of period	10,950,146	—
End of period	$ 19,626,748	$ 10,950,146
Other Information		
Unit transactions		
Sold	1,120,336	1,043,149
Redeemed	(201,824)	(45,888)
Net increase (decrease)	918,512	997,261

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.98	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.21	.10
Net realized and unrealized gain (loss)	(.95)	.88
Total increase (decrease) from investment operations	(.74)	.98
Net asset value, end of period	$ 10.24	$ 10.98
Total Return[C]	(6.74)%	9.80%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 19,627	$ 10,950
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	1.94%	1.44%[A]
Portfolio Turnover Rate	32%	11%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

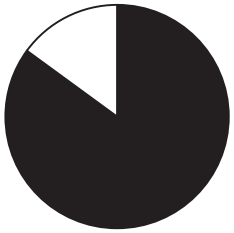
Investment Summary

Portfolio Holdings as of June 30, 2008

	% of Portfolio's investments
Domestic Equity Funds	
Fidelity Blue Chip Growth Fund	3.0
Fidelity Disciplined Equity Fund	16.8
Fidelity Dividend Growth Fund	9.4
Fidelity Equity-Income Fund	16.3
Fidelity Growth Company Fund	15.2
Fidelity Large Cap Core Enhanced Index Fund	16.1
Fidelity OTC Portfolio	1.5
Fidelity Small Cap Independence Fund	6.8
	85.1
International Equity Funds	
Fidelity Europe Capital Appreciation Fund	3.0
Fidelity International Discovery Fund	4.5
Fidelity Overseas Fund	7.4
	14.9
	100.0

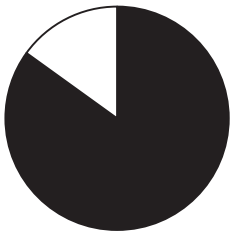
Asset Allocation (% of Portfolio's investments)

Current



Domestic Equity Funds	85.1%
International Equity Funds	14.9%

Expected



Domestic Equity Funds	85.0%
International Equity Funds	15.0%

The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare 100% Equity Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 100.0%

	Shares	Value
Domestic Equity Funds – 85.1%		
Fidelity Blue Chip Growth Fund	35,765	$ 1,416,309
Fidelity Disciplined Equity Fund	306,686	8,022,897
Fidelity Dividend Growth Fund	174,601	4,475,034
Fidelity Equity-Income Fund	169,035	7,800,967
Fidelity Growth Company Fund	92,523	7,256,596
Fidelity Large Cap Core Enhanced Index Fund	853,802	7,675,676
Fidelity OTC Portfolio (a)	15,735	717,339
Fidelity Small Cap Independence Fund	190,154	3,264,947
TOTAL DOMESTIC EQUITY FUNDS		**40,629,765**
International Equity Funds – 14.9%		
Fidelity Europe Capital Appreciation Fund	61,107	1,434,171
Fidelity International Discovery Fund	56,880	2,163,140
Fidelity Overseas Fund	85,395	3,540,460
TOTAL INTERNATIONAL EQUITY FUNDS		**7,137,771**
TOTAL EQUITY FUNDS (Cost $53,622,697)		**47,767,536**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $53,622,697)		**$ 47,767,536**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $53,622,697)		$ 47,767,536
Receivable for units sold		62,810
Total assets		47,830,346
Liabilities		
Accrued management and administration fees	$ 12,044	
Payable for units redeemed	101,520	
Total liabilities		113,564
Net Assets		$ 47,716,782
Net Asset Value, offering price and redemption price per unit ($47,716,782 / 4,732,208 units)		$ 10.08

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 312,967
Expenses		
Management and administration fees	$ 112,156	
Total expenses		112,156
Net investment income (loss)		200,811
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(404,183)	
Capital gain distributions from underlying funds	2,229,245	1,825,062
Change in net unrealized appreciation (depreciation) on underlying fund shares		(7,144,047)
Net gain (loss)		(5,318,985)
Net increase (decrease) in net assets resulting from operations		$ (5,118,174)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 200,811	$ 4,268
Net realized gain (loss)	1,825,062	224,839
Change in net unrealized appreciation (depreciation)	(7,144,047)	1,288,886
Net increase (decrease) in net assets resulting from operations	(5,118,174)	1,517,993
Unit transactions		
Proceeds from sales of units	35,770,571	21,641,977
Cost of units redeemed	(4,864,704)	(1,230,881)
Net increase (decrease) in net assets resulting from unit transactions	30,905,867	20,411,096
Total increase (decrease) in net assets	25,787,693	21,929,089
Net Assets		
Beginning of period	21,929,089	—
End of period	$ 47,716,782	$ 21,929,089
Other Information		
Unit transactions		
Sold	3,236,635	2,056,494
Redeemed	(446,753)	(114,168)
Net increase (decrease)	2,789,882	1,942,326

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.29	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.06	.00[E]
Net realized and unrealized gain (loss)	(1.27)	1.29
Total increase (decrease) from investment operations	(1.21)	1.29
Net asset value, end of period	$ 10.08	$ 11.29
Total Return[C]	(10.72)%	12.90%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 47,717	$ 21,929
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	.54%	.05%[A]
Portfolio Turnover Rate	22%	21%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*
[E] *Amount represents less than $.01 per unit.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (75,215,112 shares of Fidelity Cash Reserves Fund; cost $75,215,112)		$ 75,215,112
Receivable for units sold		166,106
Dividends receivable		148,947
Total assets		75,530,165
Liabilities		
Accrued management and administration fees	$ 18,320	
Payable for units redeemed	122,965	
Total liabilities		141,285
Net Assets		$ 75,388,880
Net Asset Value, offering price and redemption price per unit ($75,388,880 / 7,048,900 units)		$ 10.70

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying fund		$ 2,349,862
Expenses		
Management and administration fees	$ 179,001	
Total expenses		179,001
Net investment income (loss)		2,170,861
Realized and Unrealized Gain (Loss) on Investments		—
Net increase (decrease) in net assets resulting from operations		$ 2,170,861

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 2,170,861	$ 794,664
Net increase (decrease) in net assets resulting from operations	2,170,861	794,664
Unit transactions		
Proceeds from sales of units	48,765,167	48,106,706
Cost of units redeemed	(18,895,973)	(5,552,545)
Net increase (decrease) in net assets resulting from unit transactions	29,869,194	42,554,161
Total increase (decrease) in net assets	32,040,055	43,348,825
Net Assets		
Beginning of period	43,348,825	—
End of period	$ 75,388,880	$ 43,348,825
Other Information		
Unit transactions		
Sold	4,635,479	4,755,489
Redeemed	(1,796,222)	(545,846)
Net increase (decrease)	2,839,257	4,209,643

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.30	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.40	.30
Net realized and unrealized gain (loss)	—	—
Total increase (decrease) from investment operations	.40	.30
Net asset value, end of period	$ 10.70	$ 10.30
Total Return[C]	3.88%	3.00%
Ratios and Supplemental Data (amounts do not include the activity of the underlying fund)		
Net assets, end of period (in $ thousands)	$ 75,389	$ 43,349
Ratio of expenses to average net assets	.30%	.30%[A]
Ratio of net investment income (loss) to average net assets	3.64%	4.42%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

	June 30, 2008
Assets	
Investments in securities at value (TIAA-CREF Funding Agreement; cost $172,765,202)	$ 172,765,202
Net Assets	$ 172,765,202
Net Asset Value, offering price and redemption price per unit ($172,765,202 / 12,644,465 units)	$ 13.66

Statement of Operations

	Year ended June 30, 2008
Investment Income	
Interest	$ 6,371,196
Expenses	—
Net investment income (loss)	6,371,196
Realized and Unrealized Gain (Loss) on Investments	—
Net increase (decrease) in net assets resulting from operations	$ 6,371,196

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	Year ended June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 6,371,196	$ 7,418,273
Net increase (decrease) in net assets resulting from operations	6,371,196	7,418,273
Unit transactions		
Proceeds from sales of units	—	11,423,029
Cost of units redeemed	(33,416,001)	(63,863,560)
Net increase (decrease) in net assets resulting from unit transactions	(33,416,001)	(52,440,531)
Total increase (decrease) in net assets	(27,044,805)	(45,022,258)
Net Assets		
Beginning of period	199,810,007	244,832,265
End of period	$ 172,765,202	$ 199,810,007
Other Information		
Unit transactions		
Sold	—	890,135
Redeemed	(2,497,267)	(4,920,859)
Net increase (decrease)	(2,497,267)	(4,030,724)

Financial Highlights

Periods ended June 30,	**2008**	**2007**[A]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 13.20	$ 12.77
Income from Investment Operations		
Net investment income (loss)[C]	.46	.43
Net realized and unrealized gain (loss)	—	—
Total increase (decrease) from investment operations	.46	.43
Net asset value, end of period	$ 13.66	$ 13.20
Total Return[B]	3.48%	3.37%
Ratios and Supplemental Data		
Net assets, end of period (in $ thousands)	$ 172,765	$ 199,810
Ratio of expenses to average net assets	—%	—%
Ratio of net investment income (loss) to average net assets	3.48%	3.31%

[A] *For the period July 1, 2006 to June 30, 2007.*
[B] *Total returns for periods of less than one year are not annualized.*
[C] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Investment Summary

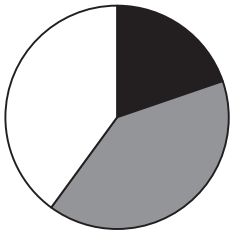
Portfolio Holdings as of June 30, 2008

	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	19.7
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	40.3
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	40.0
	100.0

Asset Allocation (% of Portfolio's investments)

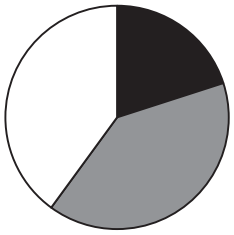
Current

Domestic Equity Funds	19.7%
Investment Grade Fixed-Income Funds	40.3%
Short-Term Funds	40.0%



Expected

Domestic Equity Funds	20.0%
Investment Grade Fixed-Income Funds	40.0%
Short-Term Funds	40.0%



The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index College Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 19.7%

	Shares	Value
Domestic Equity Funds – 19.7%		
Spartan Total Market Index Fund Investor Class (Cost $63,174,668)	1,585,871	**$57,598,846**

Fixed-Income Funds — 40.3%

Investment Grade Fixed-Income Funds – 40.3%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $115,704,871)	11,331,158	**117,730,737**

Short-Term Funds — 40.0%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $116,868,000)	116,868,000	**116,868,000**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $295,747,539)		**$ 292,197,583**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $295,747,539)		$ 292,197,583
Receivable for units sold		123,313
Dividends receivable		612,762
Total assets		292,933,658
Liabilities		
Accrued management and administration fees	$ 240,541	
Payable for units redeemed	408,307	
Total liabilities		648,848
Net Assets		$ 292,284,810
Net Asset Value, offering price and redemption price per unit ($292,284,810 / 27,239,979 units)		$ 10.73

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 8,335,611
Expenses		
Management and administration fees	$ 740,122	
Total expenses		740,122
Net investment income (loss)		7,595,489
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	1,044,860	
Capital gain distributions from underlying funds	1,690,336	2,735,196
Change in net unrealized appreciation (depreciation) on underlying fund shares		(4,298,999)
Net gain (loss)		(1,563,803)
Net increase (decrease) in net assets resulting from operations		$ 6,031,686

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 7,595,489	$ 4,039,453
Net realized gain (loss)	2,735,196	753,876
Change in net unrealized appreciation (depreciation)	(4,298,999)	749,043
Net increase (decrease) in net assets resulting from operations	6,031,686	5,542,372
Unit transactions		
Proceeds from sales of units	177,198,357	188,136,714
Cost of units redeemed	(55,847,562)	(28,776,757)
Net increase (decrease) in net assets resulting from unit transactions	121,350,795	159,359,957
Total increase (decrease) in net assets	127,382,481	164,902,329
Net Assets		
Beginning of period	164,902,329	—
End of period	$ 292,284,810	$ 164,902,329
Other Information		
Unit transactions		
Sold	16,513,544	18,787,741
Redeemed	(5,228,782)	(2,832,524)
Net increase (decrease)	11,284,762	15,955,217

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.34	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.35	.25
Net realized and unrealized gain (loss)	.04[E]	.09
Total increase (decrease) from investment operations	.39	.34
Net asset value, end of period	$ 10.73	$ 10.34
Total Return[C]	3.77%	3.40%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 292,285	$ 164,902
Ratio of expenses to average net assets	.32%	.23%[A]
Ratio of net investment income (loss) to average net assets	3.25%	3.48%[A]
Portfolio Turnover Rate	109%	22%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*
[E] *The amount shown for a unit outstanding does not correspond with the aggregate net gain (loss) on investments for the period due to timing of sales and repurchases of portfolio units.*

See accompanying notes which are an integral part of the financial statements.

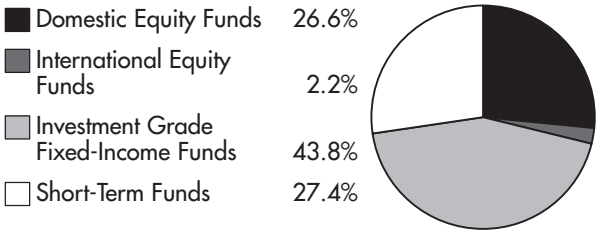
Investment Summary

Portfolio Holdings as of June 30, 2008

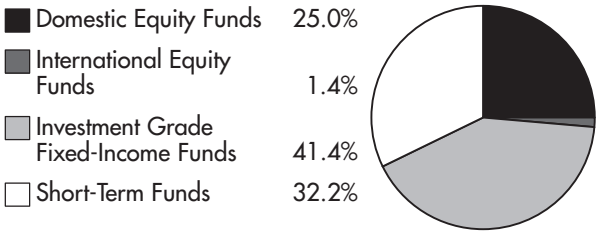
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	26.6
International Equity Funds	
Spartan International Index Fund Investor Class	2.2
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	43.8
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	27.4
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2009

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 28.8%

	Shares	Value
Domestic Equity Funds – 26.6%		
Spartan Total Market Index Fund Investor Class	2,633,342	$ 95,642,988
International Equity Funds – 2.2%		
Spartan International Index Fund Investor Class	186,523	7,867,530
TOTAL EQUITY FUNDS (Cost $111,776,025)		**103,510,518**

Fixed-Income Funds — 43.8%

Investment Grade Fixed-Income Funds – 43.8%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $152,450,832)	15,159,940	**157,511,773**

Short-Term Funds — 27.4%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $98,541,493)	98,541,493	**98,541,493**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $362,768,350)		**$ 359,563,784**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $362,768,350)		$ 359,563,784
Receivable for units sold		222,261
Dividends receivable		693,295
Total assets		360,479,340
Liabilities		
Accrued management and administration fees	$ 83,159	
Payable for units redeemed	11,888	
Total liabilities		95,047
Net Assets		$ 360,384,293
Net Asset Value, offering price and redemption price per unit ($360,384,293 / 33,700,224 units)		$ 10.69

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 11,707,527
Expenses		
Management and administration fees	$ 982,980	
Total expenses		982,980
Net investment income (loss)		10,724,547
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	2,883,853	
Capital gain distributions from underlying funds	2,405,055	5,288,908
Change in net unrealized appreciation (depreciation) on underlying fund shares		(7,629,076)
Net gain (loss)		(2,340,168)
Net increase (decrease) in net assets resulting from operations		$ 8,384,379

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 10,724,547	$ 6,882,088
Net realized gain (loss)	5,288,908	2,102,560
Change in net unrealized appreciation (depreciation)	(7,629,076)	4,424,510
Net increase (decrease) in net assets resulting from operations	8,384,379	13,409,158
Unit transactions		
Proceeds from sales of units	49,172,090	367,487,697
Cost of units redeemed	(27,430,322)	(50,638,709)
Net increase (decrease) in net assets resulting from unit transactions	21,741,768	316,848,988
Total increase (decrease) in net assets	30,126,147	330,258,146
Net Assets		
Beginning of period	330,258,146	—
End of period	$ 360,384,293	$ 330,258,146
Other Information		
Unit transactions		
Sold	4,572,541	36,658,002
Redeemed	(2,554,884)	(4,975,435)
Net increase (decrease)	2,017,657	31,682,567

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.42	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.33	.22
Net realized and unrealized gain (loss)	(.06)	.20
Total increase (decrease) from investment operations	.27	.42
Net asset value, end of period	$ 10.69	$ 10.42
Total Return[C]	2.59%	4.20%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 360,384	$ 330,258
Ratio of expenses to average net assets	.28%	.28%[A]
Ratio of net investment income (loss) to average net assets	3.05%	2.98%[A]
Portfolio Turnover Rate	76%	42%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

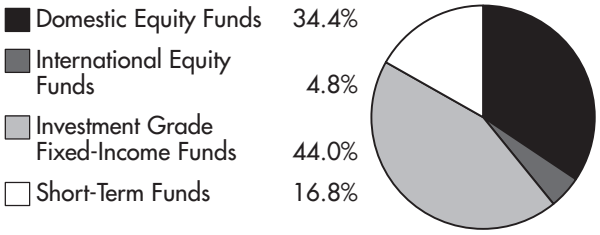
Investment Summary

Portfolio Holdings as of June 30, 2008

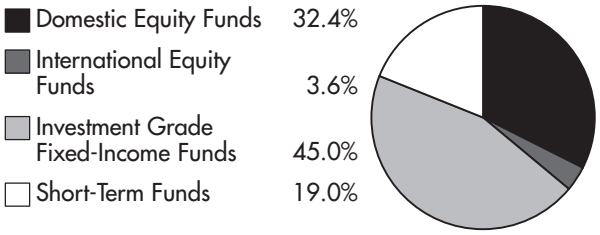
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	34.4
International Equity Funds	
Spartan International Index Fund Investor Class	4.8
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	44.0
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	16.8
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2012

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 39.2%

	Shares	Value
Domestic Equity Funds – 34.4%		
Spartan Total Market Index Fund Investor Class	2,164,190	$ 78,603,370
International Equity Funds – 4.8%		
Spartan International Index Fund Investor Class	259,823	10,959,333
TOTAL EQUITY FUNDS (Cost $96,691,682)		**89,562,703**

Fixed-Income Funds — 44.0%

Investment Grade Fixed-Income Funds – 44.0%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $97,443,248)	9,655,630	**100,321,993**

Short-Term Funds — 16.8%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $38,307,318)	38,307,318	**38,307,318**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $232,442,248)		**$ 228,192,014**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $232,442,248)		$ 228,192,014
Receivable for units sold		141,980
Dividends receivable		389,551
Total assets		228,723,545
Liabilities		
Accrued management and administration fees	$ 57,642	
Payable for units redeemed	2,487	
Total liabilities		60,129
Net Assets		$ 228,663,416
Net Asset Value, offering price and redemption price per unit ($228,663,416 / 21,584,840 units)		$ 10.59

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 6,670,522
Expenses		
Management and administration fees	$ 663,416	
Total expenses		663,416
Net investment income (loss)		6,007,106
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	1,976,486	
Capital gain distributions from underlying funds	1,658,466	3,634,952
Change in net unrealized appreciation (depreciation) on underlying fund shares		(8,783,917)
Net gain (loss)		(5,148,965)
Net increase (decrease) in net assets resulting from operations		$ 858,141

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 6,007,106	$ 3,514,016
Net realized gain (loss)	3,634,952	1,180,905
Change in net unrealized appreciation (depreciation)	(8,783,917)	4,533,683
Net increase (decrease) in net assets resulting from operations	858,141	9,228,604
Unit transactions		
Proceeds from sales of units	45,707,653	212,786,024
Cost of units redeemed	(14,367,185)	(25,549,821)
Net increase (decrease) in net assets resulting from unit transactions	31,340,468	187,236,203
Total increase (decrease) in net assets	32,198,609	196,464,807
Net Assets		
Beginning of period	196,464,807	—
End of period	$ 228,663,416	$ 196,464,807
Other Information		
Unit transactions		
Sold	4,244,036	21,175,567
Redeemed	(1,336,041)	(2,498,722)
Net increase (decrease)	2,907,995	18,676,845

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.52	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.30	.20
Net realized and unrealized gain (loss)	(.23)	.32
Total increase (decrease) from investment operations	.07	.52
Net asset value, end of period	$ 10.59	$ 10.52
Total Return[C]	.67%	5.20%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 228,663	$ 196,465
Ratio of expenses to average net assets	.31%	.31%[A]
Ratio of net investment income (loss) to average net assets	2.77%	2.57%[A]
Portfolio Turnover Rate	58%	51%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

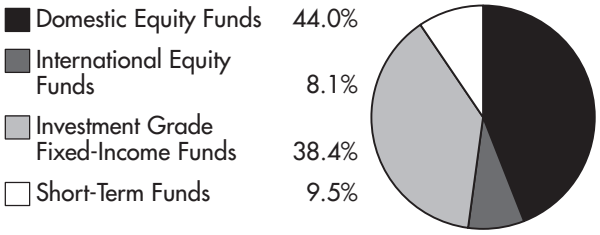
Investment Summary

Portfolio Holdings as of June 30, 2008

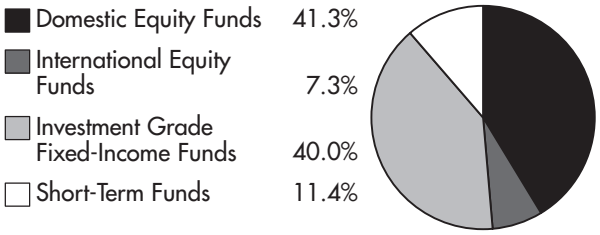
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	44.0
International Equity Funds	
Spartan International Index Fund Investor Class	8.1
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	38.4
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	9.5
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2015

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 52.1%

	Shares	Value
Domestic Equity Funds – 44.0%		
Spartan Total Market Index Fund Investor Class	2,990,077	**$ 108,599,610**
International Equity Funds – 8.1%		
Spartan International Index Fund Investor Class	472,296	**19,921,432**
TOTAL EQUITY FUNDS (Cost $138,684,196)		**128,521,042**

Fixed-Income Funds — 38.4%

Investment Grade Fixed-Income Funds – 38.4%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $92,028,096)	9,105,459	**94,605,718**

Short-Term Funds — 9.5%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $23,372,278)	23,372,278	**23,372,278**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $254,084,570)		**$ 246,499,038**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $254,084,570)		$ 246,499,038
Receivable for units sold		173,684
Dividends receivable		341,724
Total assets		247,014,446
Liabilities		
Accrued management and administration fees	$ 68,976	
Payable for units redeemed	16,309	
Total liabilities		85,285
Net Assets		$ 246,929,161
Net Asset Value, offering price and redemption price per unit ($246,929,161 / 23,625,727 units)		$ 10.45

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 6,625,895
Expenses		
Management and administration fees	$ 802,508	
Total expenses		802,508
Net investment income (loss)		5,823,387
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	2,388,494	
Capital gain distributions from underlying funds	1,851,431	4,239,925
Change in net unrealized appreciation (depreciation) on underlying fund shares		(15,286,067)
Net gain (loss)		(11,046,142)
Net increase (decrease) in net assets resulting from operations		$ (5,222,755)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 5,823,387	$ 3,489,991
Net realized gain (loss)	4,239,925	1,745,680
Change in net unrealized appreciation (depreciation)	(15,286,067)	7,700,535
Net increase (decrease) in net assets resulting from operations	(5,222,755)	12,936,206
Unit transactions		
Proceeds from sales of units	43,398,601	227,986,503
Cost of units redeemed	(13,208,994)	(18,960,400)
Net increase (decrease) in net assets resulting from unit transactions	30,189,607	209,026,103
Total increase (decrease) in net assets	24,966,852	221,962,309
Net Assets		
Beginning of period	221,962,309	—
End of period	$ 246,929,161	$ 221,962,309
Other Information		
Unit transactions		
Sold	4,022,655	22,670,703
Redeemed	(1,225,158)	(1,842,473)
Net increase (decrease)	2,797,497	20,828,230

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.66	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.26	.18
Net realized and unrealized gain (loss)	(.47)	.48
Total increase (decrease) from investment operations	(.21)	.66
Net asset value, end of period	$ 10.45	$ 10.66
Total Return[C]	(1.97)%	6.60%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 246,929	$ 221,962
Ratio of expenses to average net assets	.34%	.34%[A]
Ratio of net investment income (loss) to average net assets	2.44%	2.15%[A]
Portfolio Turnover Rate	46%	19%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

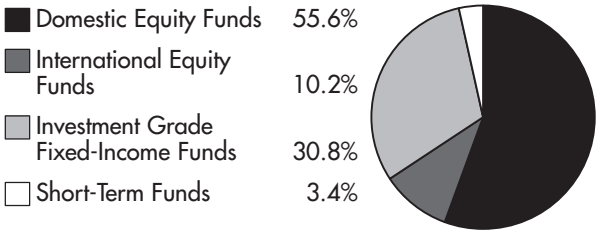
Investment Summary

Portfolio Holdings as of June 30, 2008

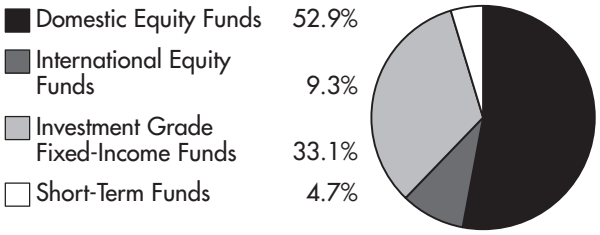
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	55.6
International Equity Funds	
Spartan International Index Fund Investor Class	10.2
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	30.8
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	3.4
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2018

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 65.8%

	Shares	Value
Domestic Equity Funds – 55.6%		
Spartan Total Market Index Fund Investor Class	6,962,782	**$ 252,888,261**
International Equity Funds – 10.2%		
Spartan International Index Fund Investor Class	1,102,192	**46,490,457**
TOTAL EQUITY FUNDS (Cost $323,023,485)		**299,378,718**

Fixed-Income Funds — 30.8%

Investment Grade Fixed-Income Funds – 30.8%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $136,727,182)	13,508,809	**140,356,528**

Short-Term Funds — 3.4%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $15,281,891)	15,281,891	**15,281,891**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $475,032,558)		**$ 455,017,137**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $475,032,558)		$ 455,017,137
Receivable for units sold		291,206
Dividends receivable		467,404
Total assets		455,775,747
Liabilities		
Accrued management and administration fees	$ 141,356	
Payable for units redeemed	51,065	
Total liabilities		192,421
Net Assets		$ 455,583,326
Net Asset Value, offering price and redemption price per unit ($455,583,326 / 44,381,669 units)		$ 10.27

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 11,168,907
Expenses		
Management and administration fees	$ 1,678,050	
Total expenses		1,678,050
Net investment income (loss)		9,490,857
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	4,544,647	
Capital gain distributions from underlying funds	3,489,792	8,034,439
Change in net unrealized appreciation (depreciation) on underlying fund shares		(40,531,254)
Net gain (loss)		(32,496,815)
Net increase (decrease) in net assets resulting from operations		$ (23,005,958)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 9,490,857	$ 6,063,465
Net realized gain (loss)	8,034,439	3,971,567
Change in net unrealized appreciation (depreciation)	(40,531,254)	20,515,833
Net increase (decrease) in net assets resulting from operations	(23,005,958)	30,550,865
Unit transactions		
Proceeds from sales of units	69,093,696	437,648,086
Cost of units redeemed	(23,920,495)	(34,782,868)
Net increase (decrease) in net assets resulting from unit transactions	45,173,201	402,865,218
Total increase (decrease) in net assets	22,167,243	433,416,083
Net Assets		
Beginning of period	433,416,083	—
End of period	$ 455,583,326	$ 433,416,083
Other Information		
Unit transactions		
Sold	6,421,758	43,551,340
Redeemed	(2,221,859)	(3,369,570)
Net increase (decrease)	4,199,899	40,181,770

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.79	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.22	.16
Net realized and unrealized gain (loss)	(.74)	.63
Total increase (decrease) from investment operations	(.52)	.79
Net asset value, end of period	$ 10.27	$ 10.79
Total Return[C]	(4.82)%	7.90%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 455,583	$ 433,416
Ratio of expenses to average net assets	.37%	.37%[A]
Ratio of net investment income (loss) to average net assets	2.09%	1.75%[A]
Portfolio Turnover Rate	32%	13%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

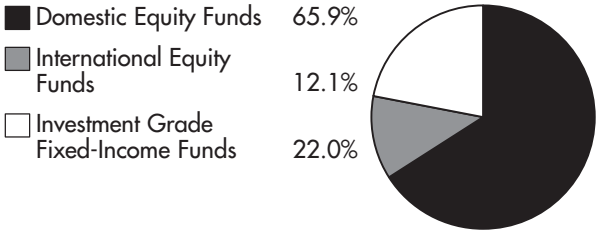
Investment Summary

Portfolio Holdings as of June 30, 2008

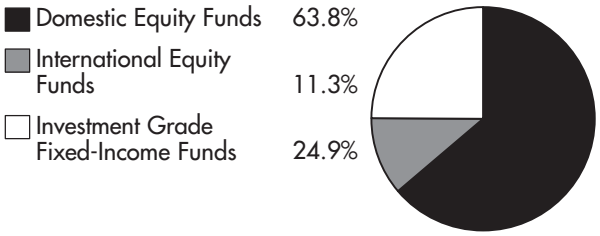
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	65.9
International Equity Funds	
Spartan International Index Fund Investor Class	12.1
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	22.0
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2021

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 78.0%

	Shares	Value
Domestic Equity Funds – 65.9%		
Spartan Total Market Index Fund Investor Class	2,512,681	$ 91,260,588
International Equity Funds – 12.1%		
Spartan International Index Fund Investor Class	396,746	16,734,736
TOTAL EQUITY FUNDS (Cost $117,329,577)		**107,995,324**

Fixed-Income Funds — 22.0%

Investment Grade Fixed-Income Funds – 22.0%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $29,801,998)	2,929,760	**30,440,206**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $147,131,575)		**$ 138,435,530**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $147,131,575)		$ 138,435,530
Receivable for units sold		208,096
Dividends receivable		93,962
Total assets		138,737,588
Liabilities		
Accrued management and administration fees	$ 45,772	
Payable for units redeemed	5,717	
Total liabilities		51,489
Net Assets		$ 138,686,099
Net Asset Value, offering price and redemption price per unit ($138,686,099 / 13,753,814 units)		$ 10.08

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 2,860,217
Expenses		
Management and administration fees	$ 514,736	
Total expenses		514,736
Net investment income (loss)		2,345,481
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	904,142	
Capital gain distributions from underlying funds	979,506	1,883,648
Change in net unrealized appreciation (depreciation) on underlying fund shares		(14,986,412)
Net gain (loss)		(13,102,764)
Net increase (decrease) in net assets resulting from operations		$ (10,757,283)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 2,345,481	$ 1,257,806
Net realized gain (loss)	1,883,648	886,364
Change in net unrealized appreciation (depreciation)	(14,986,412)	6,290,367
Net increase (decrease) in net assets resulting from operations	(10,757,283)	8,434,537
Unit transactions		
Proceeds from sales of units	38,755,725	115,268,098
Cost of units redeemed	(6,221,521)	(6,793,457)
Net increase (decrease) in net assets resulting from unit transactions	32,534,204	108,474,641
Total increase (decrease) in net assets	21,776,921	116,909,178
Net Assets		
Beginning of period	116,909,178	—
End of period	$ 138,686,099	$ 116,909,178
Other Information		
Unit transactions		
Sold	3,615,578	11,373,634
Redeemed	(580,653)	(654,745)
Net increase (decrease)	3,034,925	10,718,889

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.91	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.19	.13
Net realized and unrealized gain (loss)	(1.02)	.78
Total increase (decrease) from investment operations	(.83)	.91
Net asset value, end of period	$ 10.08	$ 10.91
Total Return[C]	(7.61)%	9.10%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 138,686	$ 116,909
Ratio of expenses to average net assets	.39%	.38%[A]
Ratio of net investment income (loss) to average net assets	1.79%	1.37%[A]
Portfolio Turnover Rate	20%	6%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

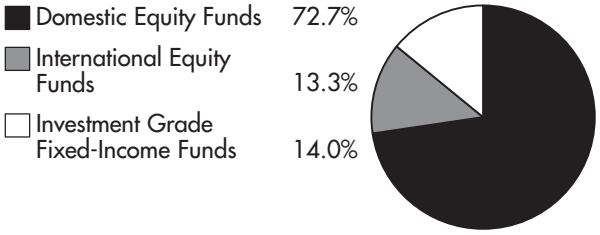
Investment Summary

Portfolio Holdings as of June 30, 2008

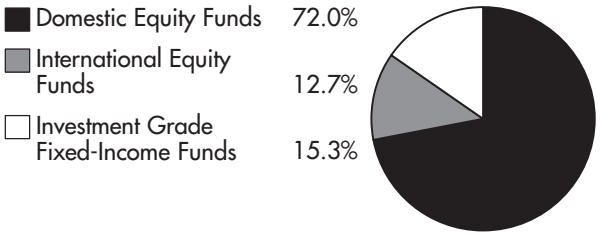
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	72.7
International Equity Funds	
Spartan International Index Fund Investor Class	13.3
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	14.0
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2024

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 86.0%

	Shares	Value
Domestic Equity Funds – 72.7%		
Spartan Total Market Index Fund Investor Class	1,127,762	$ 40,960,309
International Equity Funds – 13.3%		
Spartan International Index Fund Investor Class	177,764	7,498,069
TOTAL EQUITY FUNDS (Cost $53,294,513)		**48,458,378**

Fixed-Income Funds — 14.0%

Investment Grade Fixed-Income Funds – 14.0%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $7,783,428)	757,336	**7,868,719**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $61,077,941)		**$ 56,327,097**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $61,077,941)		$ 56,327,097
Receivable for units sold		159,930
Dividends receivable		24,038
Total assets		56,511,065
Liabilities		
Accrued management and administration fees	$ 18,785	
Payable for units redeemed	10,664	
Total liabilities		29,449
Net Assets		$ 56,481,616
Net Asset Value, offering price and redemption price per unit ($56,481,616 / 5,680,850 units)		$ 9.94

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 857,889
Expenses		
Management and administration fees	$ 171,299	
Total expenses		171,299
Net investment income (loss)		686,590
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	121,892	
Capital gain distributions from underlying funds	304,443	426,335
Change in net unrealized appreciation (depreciation) on underlying fund shares		(6,012,883)
Net gain (loss)		(5,586,548)
Net increase (decrease) in net assets resulting from operations		$ (4,899,958)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 686,590	$ 160,632
Net realized gain (loss)	426,335	75,479
Change in net unrealized appreciation (depreciation)	(6,012,883)	1,262,039
Net increase (decrease) in net assets resulting from operations	(4,899,958)	1,498,150
Unit transactions		
Proceeds from sales of units	36,072,932	25,964,700
Cost of units redeemed	(1,605,471)	(548,737)
Net increase (decrease) in net assets resulting from unit transactions	34,467,461	25,415,963
Total increase (decrease) in net assets	29,567,503	26,914,113
Net Assets		
Beginning of period	26,914,113	—
End of period	$ 56,481,616	$ 26,914,113
Other Information		
Unit transactions		
Sold	3,380,321	2,503,932
Redeemed	(151,903)	(51,500)
Net increase (decrease)	3,228,418	2,452,432

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.97	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.17	.10
Net realized and unrealized gain (loss)	(1.20)	.87
Total increase (decrease) from investment operations	(1.03)	.97
Net asset value, end of period	$ 9.94	$ 10.97
Total Return[C]	(9.39)%	9.70%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 56,482	$ 26,914
Ratio of expenses to average net assets	.40%	.39%[A]
Ratio of net investment income (loss) to average net assets	1.60%	.95%[A]
Portfolio Turnover Rate	10%	4%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

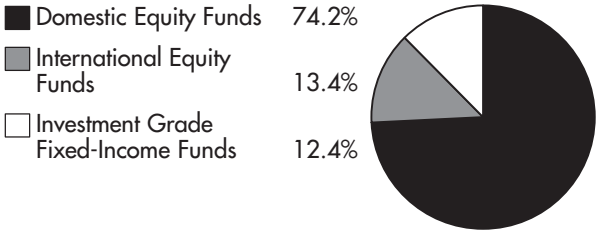
Investment Summary

Portfolio Holdings as of June 30, 2008

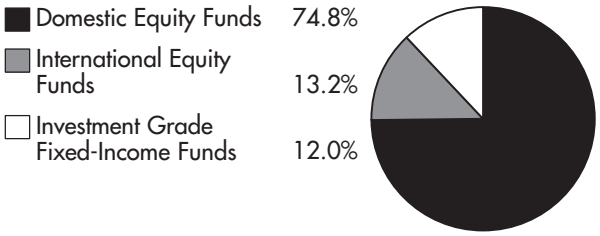
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	74.2
International Equity Funds	
Spartan International Index Fund Investor Class	13.4
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	12.4
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The Portfolio invests according to an asset allocation strategy that becomes increasingly conservative over time. The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Portfolio 2027

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 87.6%

	Shares	Value
Domestic Equity Funds – 74.2%		
Spartan Total Market Index Fund Investor Class	41,249	$ 1,498,172
International Equity Funds – 13.4%		
Spartan International Index Fund Investor Class	6,448	271,985
TOTAL EQUITY FUNDS (Cost $1,872,973)		**1,770,157**

Fixed-Income Funds — 12.4%

Investment Grade Fixed-Income Funds – 12.4%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $252,088)	24,047	**249,848**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $2,125,061)		**$ 2,020,005**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $2,125,061)		$ 2,020,005
Receivable for units sold		2,421
Dividends receivable		644
Total assets		2,023,070
Liabilities		
Accrued management and administration fees	$ 578	
Payable for units redeemed	2,845	
Total liabilities		3,423
Net Assets		$ 2,019,647
Net Asset Value, offering price and redemption price per unit ($2,019,647 / 223,710 units)		$ 9.03

Statement of Operations

		For the period December 14, 2007 (commencement of operations) to June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 1,942
Expenses		
Management and administration fees	$ 1,186	
Total expenses		1,186
Net investment income (loss)		756
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(71)	
Capital gain distributions from underlying funds	423	352
Change in net unrealized appreciation (depreciation) on underlying fund shares		(105,056)
Net gain (loss)		(104,704)
Net increase (decrease) in net assets resulting from operations		$ (103,948)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	For the period December 14, 2007 (commencement of operations) to June 30, 2008
Increase (Decrease) in Net Assets:	
Operations	
Net investment income (loss)	$ 756
Net realized gain (loss)	352
Change in net unrealized appreciation (depreciation)	(105,056)
Net increase (decrease) in net assets resulting from operations	(103,948)
Unit transactions	
Proceeds from sales of units	2,127,075
Cost of units redeemed	(3,480)
Net increase (decrease) in net assets resulting from unit transactions	2,123,595
Total increase (decrease) in net assets	2,019,647
Net Assets	
Beginning of period	—
End of period	$ 2,019,647
Other Information	
Unit transactions	
Sold	224,090
Redeemed	(380)
Net increase (decrease)	223,710

Financial Highlights

Period ended June 30,	**2008**[B]
Selected Per-Unit Data	
Net asset value, beginning of period	$ 10.00
Income from Investment Operations	
Net investment income (loss)[D]	.01
Net realized and unrealized gain (loss)	(.98)
Total increase (decrease) from investment operations	(.97)
Net asset value, end of period	$ 9.03
Total Return[C]	(9.70)%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)	
Net assets, end of period (in $ thousands)	$ 2,020
Ratio of expenses to average net assets	.40%[A]
Ratio of net investment income (loss) to average net assets	.25%[A]
Portfolio Turnover Rate	2%[A]

[A] *Annualized*
[B] *For the period December 14, 2007 (commencement of operations) to June 30, 2008.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

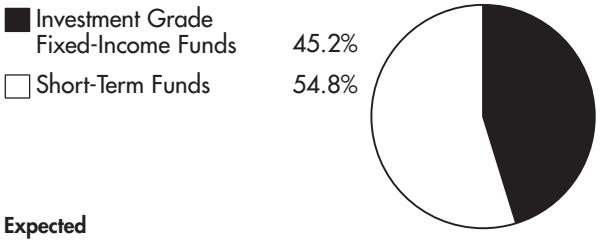
Investment Summary

Portfolio Holdings as of June 30, 2008

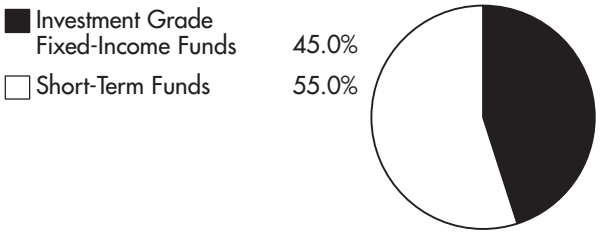
	% of Portfolio's investments
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	45.2
Short-Term Funds	
Fidelity Institutional Money Market Portfolio Institutional Class	54.8
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index Conservative Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Fixed-Income Funds — 45.2%

	Shares	Value
Investment Grade Fixed-Income Funds – 45.2%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $4,382,844)	427,438	**$ 4,441,085**

Short-Term Funds — 54.8%

Fidelity Institutional Money Market Portfolio Institutional Class (Cost $5,388,455)	5,388,456	**5,388,456**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $9,771,299)		**$ 9,829,541**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $9,771,299)		$ 9,829,541
Receivable for units sold		149,476
Dividends receivable		25,232
Total assets		10,004,249
Liabilities		
Accrued management and administration fees	$ 1,738	
Payable for units redeemed	67,833	
Total liabilities		69,571
Net Assets		$ 9,934,678
Net Asset Value, offering price and redemption price per unit ($9,934,678 / 906,779 units)		$ 10.96

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 277,799
Expenses		
Management and administration fees	$ 15,123	
Total expenses		15,123
Net investment income (loss)		262,676
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	16,775	
Capital gain distributions from underlying funds	47,349	64,124
Change in net unrealized appreciation (depreciation) on underlying fund shares		94,610
Net gain (loss)		158,734
Net increase (decrease) in net assets resulting from operations		$ 421,410

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 262,676	$ 67,816
Net realized gain (loss)	64,124	741
Change in net unrealized appreciation (depreciation)	94,610	(36,368)
Net increase (decrease) in net assets resulting from operations	421,410	32,189
Unit transactions		
Proceeds from sales of units	7,989,887	4,441,292
Cost of units redeemed	(2,348,053)	(602,047)
Net increase (decrease) in net assets resulting from unit transactions	5,641,834	3,839,245
Total increase (decrease) in net assets	6,063,244	3,871,434
Net Assets		
Beginning of period	3,871,434	—
End of period	$ 9,934,678	$ 3,871,434
Other Information		
Unit transactions		
Sold	743,419	439,962
Redeemed	(217,300)	(59,302)
Net increase (decrease)	526,119	380,660

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.17	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.40	.29
Net realized and unrealized gain (loss)	.39	(.12)
Total increase (decrease) from investment operations	.79	.17
Net asset value, end of period	$ 10.96	$ 10.17
Total Return[C]	7.77%	1.70%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 9,935	$ 3,871
Ratio of expenses to average net assets	.21%	.17%[A]
Ratio of net investment income (loss) to average net assets	3.71%	4.25%[A]
Portfolio Turnover Rate	122%	32%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

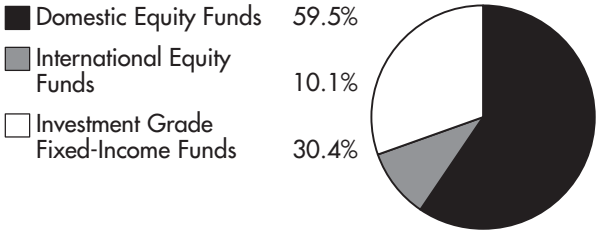
Investment Summary

Portfolio Holdings as of June 30, 2008

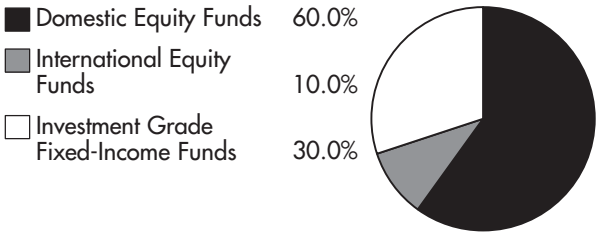
	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	59.5
International Equity Funds	
Spartan International Index Fund Investor Class	10.1
Investment Grade Fixed-Income Funds	
Spartan Intermediate Treasury Bond Index Fund Investor Class	30.4
	100.0

Asset Allocation (% of Portfolio's investments)

Current



Expected



The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index 70% Equity Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 69.6%

	Shares	Value
Domestic Equity Funds – 59.5%		
Spartan Total Market Index Fund Investor Class	315,067	$ 11,443,229
International Equity Funds – 10.1%		
Spartan International Index Fund Investor Class	46,015	1,940,925
TOTAL EQUITY FUNDS (Cost $14,730,174)		**13,384,154**

Fixed-Income Funds — 30.4%

Investment Grade Fixed-Income Funds – 30.4%		
Spartan Intermediate Treasury Bond Index Fund Investor Class (Cost $5,725,951)	562,844	**5,847,945**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $20,456,125)		**$ 19,232,099**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $20,456,125)		$ 19,232,099
Receivable for units sold		119,248
Dividends receivable		17,870
Total assets		19,369,217
Liabilities		
Accrued management and administration fees	$ 6,134	
Payable for units redeemed	10,939	
Total liabilities		17,073
Net Assets		$ 19,352,144
Net Asset Value, offering price and redemption price per unit ($19,352,144 / 1,896,658 units)		$ 10.20

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 392,364
Expenses		
Management and administration fees	$ 62,802	
Total expenses		62,802
Net investment income (loss)		329,562
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	74,293	
Capital gain distributions from underlying funds	132,541	206,834
Change in net unrealized appreciation (depreciation) on underlying fund shares		(1,583,248)
Net gain (loss)		(1,376,414)
Net increase (decrease) in net assets resulting from operations		$ (1,046,852)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 329,562	$ 80,055
Net realized gain (loss)	206,834	20,073
Change in net unrealized appreciation (depreciation)	(1,583,248)	359,222
Net increase (decrease) in net assets resulting from operations	(1,046,852)	459,350
Unit transactions		
Proceeds from sales of units	9,953,351	11,984,873
Cost of units redeemed	(1,472,706)	(525,872)
Net increase (decrease) in net assets resulting from unit transactions	8,480,645	11,459,001
Total increase (decrease) in net assets	7,433,793	11,918,351
Net Assets		
Beginning of period	11,918,351	—
End of period	$ 19,352,144	$ 11,918,351
Other Information		
Unit transactions		
Sold	927,205	1,154,913
Redeemed	(136,155)	(49,305)
Net increase (decrease)	791,050	1,105,608

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.78	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.22	.13
Net realized and unrealized gain (loss)	(.80)	.65
Total increase (decrease) from investment operations	(.58)	.78
Net asset value, end of period	$ 10.20	$ 10.78
Total Return[C]	(5.38)%	7.80%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 19,352	$ 11,918
Ratio of expenses to average net assets	.38%	.37%[A]
Ratio of net investment income (loss) to average net assets	2.01%	1.45%[A]
Portfolio Turnover Rate	23%	11%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

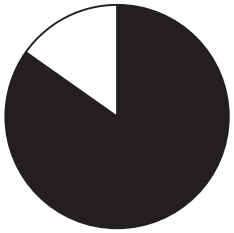
Investment Summary

Portfolio Holdings as of June 30, 2008

	% of Portfolio's investments
Domestic Equity Funds	
Spartan Total Market Index Fund Investor Class	84.8
International Equity Funds	
Spartan International Index Fund Investor Class	15.2
	100.0

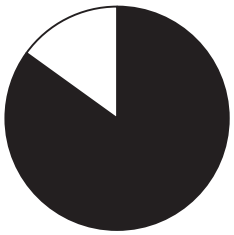
Asset Allocation (% of Portfolio's investments)

Current



Domestic Equity Funds	84.8%
International Equity Funds	15.2%

Expected



Domestic Equity Funds	85.0%
International Equity Funds	15.0%

The current allocation is based on the Portfolio's holdings as of June 30, 2008. The expected allocation represents the Portfolio's anticipated target asset allocation at December 31, 2008.

ScholarShare Index 100% Equity Portfolio

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Equity Funds — 100.0%

	Shares	Value
Domestic Equity Funds – 84.8%		
Spartan Total Market Index Fund Investor Class	8,708,774	**$ 316,302,680**
International Equity Funds – 15.2%		
Spartan International Index Fund Investor Class	1,346,882	**56,811,481**
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $403,355,213)		**$ 373,114,161**

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $403,355,213)		$ 373,114,161
Receivable for units sold		317,102
Total assets		373,431,263
Liabilities		
Accrued management and administration fees	$ 132,111	
Payable for units redeemed	268,947	
Total liabilities		401,058
Net Assets		$ 373,030,205
Net Asset Value, offering price and redemption price per unit ($373,030,205 / 38,437,012 units)		$ 9.70

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying funds		$ 6,803,044
Expenses		
Management and administration fees	$ 1,651,569	
Total expenses		1,651,569
Net investment income (loss)		5,151,475
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	1,481,246	
Capital gain distributions from underlying funds	2,506,412	3,987,658
Change in net unrealized appreciation (depreciation) on underlying fund shares		(61,940,309)
Net gain (loss)		(57,952,651)
Net increase (decrease) in net assets resulting from operations		$ (52,801,176)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 5,151,475	$ 4,235,497
Net realized gain (loss)	3,987,658	4,608,254
Change in net unrealized appreciation (depreciation)	(61,940,309)	31,699,257
Net increase (decrease) in net assets resulting from operations	(52,801,176)	40,543,008
Unit transactions		
Proceeds from sales of units	58,804,154	419,780,538
Cost of units redeemed	(46,089,928)	(47,206,391)
Net increase (decrease) in net assets resulting from unit transactions	12,714,226	372,574,147
Total increase (decrease) in net assets	(40,086,950)	413,117,155
Net Assets		
Beginning of period	413,117,155	—
End of period	$ 373,030,205	$ 413,117,155
Other Information		
Unit transactions		
Sold	5,543,598	41,718,400
Redeemed	(4,311,903)	(4,513,083)
Net increase (decrease)	1,231,695	37,205,317

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.10	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.14	.12
Net realized and unrealized gain (loss)	(1.54)	.98
Total increase (decrease) from investment operations	(1.40)	1.10
Net asset value, end of period	$ 9.70	$ 11.10
Total Return[C]	(12.61)%	11.00%
Ratios and Supplemental Data (amounts do not include the activity of the underlying funds)		
Net assets, end of period (in $ thousands)	$ 373,030	$ 413,117
Ratio of expenses to average net assets	.41%	.40%[A]
Ratio of net investment income (loss) to average net assets	1.29%	.95%[A]
Portfolio Turnover Rate	9%	9%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (1,355,877 shares of Spartan Intermediate Treasury Bond Index Fund Investor Class; cost $13,943,010)		$ 14,087,560
Receivable for units sold		41,014
Dividends receivable		42,506
Total assets		14,171,080
Liabilities		
Accrued management and administration fees	$ 3,615	
Payable for units redeemed	15,334	
Total liabilities		18,949
Net Assets		$ 14,152,131
Net Asset Value, offering price and redemption price per unit ($14,152,131 / 1,260,455 units)		$ 11.23

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying fund		$ 360,824
Expenses		
Management and administration fees	$ 29,151	
Total expenses		29,151
Net investment income (loss)		331,673
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	708	
Capital gain distributions from underlying fund	147,526	148,234
Change in net unrealized appreciation (depreciation) on underlying fund shares		232,158
Net gain (loss)		380,392
Net increase (decrease) in net assets resulting from operations		$ 712,065

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 331,673	$ 69,988
Net realized gain (loss)	148,234	3,463
Change in net unrealized appreciation (depreciation)	232,158	(87,608)
Net increase (decrease) in net assets resulting from operations	712,065	(14,157)
Unit transactions		
Proceeds from sales of units	10,888,572	5,002,353
Cost of units redeemed	(2,046,639)	(390,063)
Net increase (decrease) in net assets resulting from unit transactions	8,841,933	4,612,290
Total increase (decrease) in net assets	9,553,998	4,598,133
Net Assets		
Beginning of period	4,598,133	—
End of period	$ 14,152,131	$ 4,598,133
Other Information		
Unit transactions		
Sold	987,497	497,727
Redeemed	(186,055)	(38,714)
Net increase (decrease)	801,442	459,013

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.02	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.39	.25
Net realized and unrealized gain (loss)	.82	(.23)
Total increase (decrease) from investment operations	1.21	.02
Net asset value, end of period	$ 11.23	$ 10.02
Total Return[C]	12.08%	.20%
Ratios and Supplemental Data (amounts do not include the activity of the underlying fund)		
Net assets, end of period (in $ thousands)	$ 14,152	$ 4,598
Ratio of expenses to average net assets	.31%	.30%[A]
Ratio of net investment income (loss) to average net assets	3.57%	3.75%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (1,294,054 shares of Spartan International Index Fund Investor Class; cost $59,970,660)		$ 54,583,219
Receivable for units sold		115,443
Total assets		54,698,662
Liabilities		
Accrued management and administration fees	$ 18,868	
Payable for units redeemed	85,220	
Total liabilities		104,088
Net Assets		$ 54,594,574
Net Asset Value, offering price and redemption price per unit ($54,594,574 / 5,299,749 units)		$ 10.30

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying fund		$ 1,054,414
Expenses		
Management and administration fees	$ 182,188	
Total expenses		182,188
Net investment income (loss)		872,226
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(2,145)	
Capital gain distributions from underlying fund	334,444	332,299
Change in net unrealized appreciation (depreciation) on underlying fund shares		(7,239,260)
Net gain (loss)		(6,906,961)
Net increase (decrease) in net assets resulting from operations		$ (6,034,735)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 872,226	$ 91,570
Net realized gain (loss)	332,299	10,272
Change in net unrealized appreciation (depreciation)	(7,239,260)	1,851,819
Net increase (decrease) in net assets resulting from operations	(6,034,735)	1,953,661
Unit transactions		
Proceeds from sales of units	38,240,480	26,508,193
Cost of units redeemed	(5,297,215)	(775,810)
Net increase (decrease) in net assets resulting from unit transactions	32,943,265	25,732,383
Total increase (decrease) in net assets	26,908,530	27,686,044
Net Assets		
Beginning of period	27,686,044	—
End of period	$ 54,594,574	$ 27,686,044
Other Information		
Unit transactions		
Sold	3,388,313	2,459,695
Redeemed	(477,581)	(70,678)
Net increase (decrease)	2,910,732	2,389,017

Financial Highlights

Periods ended June 30,	**2008**	**2007** [B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.59	$ 10.00
Income from Investment Operations		
Net investment income (loss) [D]	.22	.07
Net realized and unrealized gain (loss)	(1.51)	1.52
Total increase (decrease) from investment operations	(1.29)	1.59
Net asset value, end of period	$ 10.30	$ 11.59
Total Return [C]	(11.13)%	15.90%
Ratios and Supplemental Data (amounts do not include the activity of the underlying fund)		
Net assets, end of period (in $ thousands)	$ 54,595	$ 27,686
Ratio of expenses to average net assets	.41%	.40% [A]
Ratio of net investment income (loss) to average net assets	1.97%	.48% [A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (263,506 shares of Spartan 500 Index Fund Investor Class; cost $26,121,496)		$ 23,373,016
Receivable for units sold		76,015
Total assets		23,449,031
Liabilities		
Accrued management and administration fees	$ 8,171	
Total liabilities		8,171
Net Assets		$ 23,440,860
Net Asset Value, offering price and redemption price per unit ($23,440,860 / 2,471,354 units)		$ 9.49

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying fund		$ 372,974
Expenses		
Management and administration fees	$ 77,113	
Total expenses		77,113
Net investment income (loss)		295,861
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	128	
Capital gain distributions from underlying fund	23,222	23,350
Change in net unrealized appreciation (depreciation) on underlying fund shares		(3,267,106)
Net gain (loss)		(3,243,756)
Net increase (decrease) in net assets resulting from operations		$ (2,947,895)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 295,861	$ 71,751
Net realized gain (loss)	23,350	1,249
Change in net unrealized appreciation (depreciation)	(3,267,106)	518,626
Net increase (decrease) in net assets resulting from operations	(2,947,895)	591,626
Unit transactions		
Proceeds from sales of units	16,309,188	12,505,515
Cost of units redeemed	(2,598,801)	(418,773)
Net increase (decrease) in net assets resulting from unit transactions	13,710,387	12,086,742
Total increase (decrease) in net assets	10,762,492	12,678,368
Net Assets		
Beginning of period	12,678,368	—
End of period	$ 23,440,860	$ 12,678,368
Other Information		
Unit transactions		
Sold	1,565,573	1,195,287
Redeemed	(249,694)	(39,812)
Net increase (decrease)	1,315,879	1,155,475

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.97	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.17	.11
Net realized and unrealized gain (loss)	(1.65)	.86
Total increase (decrease) from investment operations	(1.48)	.97
Net asset value, end of period	$ 9.49	$ 10.97
Total Return[C]	(13.49)%	9.70%
Ratios and Supplemental Data (amounts do not include the activity of the underlying fund)		
Net assets, end of period (in $ thousands)	$ 23,441	$ 12,678
Ratio of expenses to average net assets	.42%	.40%[A]
Ratio of net investment income (loss) to average net assets	1.60%	.84%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (781,012 shares of Spartan Total Market Index Fund Investor Class; cost $31,460,067)		$ 28,366,351
Receivable for units sold		30,348
Total assets		28,396,699
Liabilities		
Accrued management and administration fees	$ 9,891	
Payable for units redeemed	13,741	
Total liabilities		23,632
Net Assets		$ 28,373,067
Net Asset Value, offering price and redemption price per unit ($28,373,067 / 2,953,461 units)		$ 9.61

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Income distributions from underlying fund		$ 377,174
Expenses		
Management and administration fees	$ 97,153	
Total expenses		97,153
Net investment income (loss)		280,021
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on sale of underlying fund shares	(424)	
Capital gain distributions from underlying fund	139,894	139,470
Change in net unrealized appreciation (depreciation) on underlying fund shares		(3,914,437)
Net gain (loss)		(3,774,967)
Net increase (decrease) in net assets resulting from operations		$ (3,494,946)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 280,021	$ 51,964
Net realized gain (loss)	139,470	2,866
Change in net unrealized appreciation (depreciation)	(3,914,437)	820,721
Net increase (decrease) in net assets resulting from operations	(3,494,946)	875,551
Unit transactions		
Proceeds from sales of units	17,041,860	17,112,725
Cost of units redeemed	(2,663,102)	(499,021)
Net increase (decrease) in net assets resulting from unit transactions	14,378,758	16,613,704
Total increase (decrease) in net assets	10,883,812	17,489,255
Net Assets		
Beginning of period	17,489,255	—
End of period	$ 28,373,067	$ 17,489,255
Other Information		
Unit transactions		
Sold	1,621,580	1,631,886
Redeemed	(252,842)	(47,163)
Net increase (decrease)	1,368,738	1,584,723

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 11.04	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.12	.06
Net realized and unrealized gain (loss)	(1.55)	.98
Total increase (decrease) from investment operations	(1.43)	1.04
Net asset value, end of period	$ 9.61	$ 11.04
Total Return[C]	(12.95)%	10.40%
Ratios and Supplemental Data (amounts do not include the activity of the underlying fund)		
Net assets, end of period (in $ thousands)	$ 28,373	$ 17,489
Ratio of expenses to average net assets	.41%	.40%[A]
Ratio of net investment income (loss) to average net assets	1.19%	.38%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

ScholarShare Social Choice Portfolio
Investment Summary

Top Ten Stocks as of June 30, 2008

	% of portfolio's investments
Microsoft Corp.	3.1
Procter & Gamble Co.	2.4
International Business Machines Corp.	2.3
Johnson & Johnson	2.2
Cisco Systems, Inc.	1.8
Hewlett-Packard Co.	1.6
Intel Corp.	1.6
Google, Inc. Class A (sub. vtg.)	1.4
Verizon Communications, Inc.	1.4
Bank of America Corp.	1.3
	19.1

Top Five Market Sectors as of June 30, 2008

	% of portfolio's investments
Information Technology	21.2
Financials	15.1
Health Care	13.7
Consumer Discretionary	12.1
Energy	9.6

Investments June 30, 2008

Showing Percentage of Total Value of Investment in Securities

Common Stocks — 100.0%

	Shares	Value
CONSUMER DISCRETIONARY – 12.1%		
Auto Components – 0.7%		
ATC Technology Corp. (a)	1,300	$ 30,264
BorgWarner, Inc.	500	22,190
Drew Industries, Inc. (a)	500	7,975
Fuel Systems Solutions, Inc. (a)	5,295	203,858
Johnson Controls, Inc.	3,597	103,162
WABCO Holdings, Inc.	1,135	52,732
		420,181
Automobiles – 0.1%		
Harley-Davidson, Inc.	880	31,909
Distributors – 0.1%		
Genuine Parts Co.	1,985	78,765
Diversified Consumer Services – 0.8%		
DeVry, Inc.	1,545	82,843
ITT Educational Services, Inc. (a)	1,853	153,113
Sotheby's Class A (ltd. vtg.)	2,813	74,179
Strayer Education, Inc.	391	81,746
thinkorswim Group, Inc. (a)	7,763	54,729
Weight Watchers International, Inc.	1,500	53,415
		500,025
Hotels, Restaurants & Leisure – 1.3%		
Bob Evans Farms, Inc.	2,222	63,549
Choice Hotels International, Inc.	1,500	39,750
McDonald's Corp.	11,346	637,872
		741,171
Household Durables – 0.5%		
American Greetings Corp. Class A	1,700	20,978
Leggett & Platt, Inc.	1,863	31,243
Mohawk Industries, Inc. (a)	1,500	96,150
The Stanley Works	1,227	55,006
Tupperware Brands Corp.	1,500	51,330
		254,707
Internet & Catalog Retail – 0.8%		
Amazon.com, Inc. (a)	2,000	146,660
Expedia, Inc. (a)	2,340	43,009
FTD Group, Inc.	2,155	28,726
Liberty Media Corp. – Interactive Series A (a)	528	7,793
NutriSystem, Inc.	1,643	23,232
Priceline.com, Inc. (a)	800	92,368
Stamps.com, Inc. (a)	3,500	43,680
		385,468
Media – 3.2%		
Interactive Data Corp.	1,610	40,459
John Wiley & Sons, Inc. Class A	2,700	121,581
Liberty Media Corp. – Entertainment Class A (a)	4,640	112,427
Meredith Corp.	1,900	53,751
Omnicom Group, Inc.	5,770	258,958
Scholastic Corp. (a)	1,315	37,688
The DIRECTV Group, Inc. (a)	6,000	$ 155,460
The Walt Disney Co.	17,650	550,680
Time Warner, Inc.	25,250	373,700
Viacom, Inc. Class B (non-vtg.) (a)	6,508	198,754
		1,903,458
Multiline Retail – 0.5%		
Dollar Tree, Inc. (a)	3,500	114,415
Kohl's Corp. (a)	410	16,416
Target Corp.	4,319	200,790
		331,621
Specialty Retail – 3.5%		
American Eagle Outfitters, Inc.	4,000	54,520
AnnTaylor Stores Corp. (a)	5,368	128,617
AutoZone, Inc. (a)	1,338	161,911
Barnes & Noble, Inc.	2,148	53,356
Best Buy Co., Inc.	7,294	288,842
Charming Shoppes, Inc. (a)	5,331	24,469
Gamestop Corp. Class A (a)	3,820	154,328
Gap, Inc.	7,500	125,025
Home Depot, Inc.	10,940	256,215
Jo-Ann Stores, Inc. (a)	2,750	63,333
Lowe's Companies, Inc.	7,388	153,301
RadioShack Corp.	2,250	27,608
Ross Stores, Inc.	4,325	153,624
Talbots, Inc.	10,472	121,370
The Buckle, Inc.	1,000	45,730
TJX Companies, Inc.	7,040	221,549
		2,033,798
Textiles, Apparel & Luxury Goods – 0.6%		
NIKE, Inc. Class B	4,018	239,513
Perry Ellis International, Inc. (a)	1,900	40,318
Unifirst Corp.	850	37,961
		317,792
TOTAL CONSUMER DISCRETIONARY		6,998,895
CONSUMER STAPLES – 8.8%		
Beverages – 1.3%		
PepsiCo, Inc.	12,213	776,625
Food & Staples Retailing – 2.3%		
Casey's General Stores, Inc.	1,510	34,987
Costco Wholesale Corp.	3,000	210,420
CVS Caremark Corp.	10,218	404,326
Longs Drug Stores Corp.	1,550	65,271
Nash-Finch Co.	1,523	52,193
Safeway, Inc.	5,917	168,930
Spartan Stores, Inc.	1,180	27,140
Sysco Corp.	6,240	171,662
Walgreen Co.	6,070	197,336
		1,332,265
Food Products – 1.8%		
Flowers Foods, Inc.	3,250	92,105

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
CONSUMER STAPLES – continued		
Food Products – continued		
General Mills, Inc.	5,329	$ 323,843
H.J. Heinz Co.	3,671	175,657
Kellogg Co.	2,000	96,040
Kraft Foods, Inc. Class A	8,800	250,360
Wm. Wrigley Jr. Co.	417	32,434
		970,439
Household Products – 3.2%		
Church & Dwight Co., Inc.	2,000	112,700
Colgate-Palmolive Co.	4,600	317,860
Kimberly-Clark Corp.	1,400	83,692
Procter & Gamble Co.	22,940	1,394,981
		1,909,233
Personal Products – 0.2%		
Herbalife Ltd.	3,773	146,204
TOTAL CONSUMER STAPLES		5,134,766
ENERGY – 9.6%		
Energy Equipment & Services – 3.3%		
Cameron International Corp. (a)	820	45,387
Dresser-Rand Group, Inc. (a)	2,420	94,622
ENSCO International, Inc.	2,544	205,403
FMC Technologies, Inc. (a)	2,488	191,402
Grey Wolf, Inc. (a)	7,921	71,527
Hornbeck Offshore Services, Inc. (a)	1,100	62,161
National Oilwell Varco, Inc. (a)	4,449	394,715
Noble Corp.	1,000	64,960
Smith International, Inc.	1,500	124,710
Transocean, Inc. (a)	3,504	533,975
Weatherford International Ltd. (a)	2,233	110,734
		1,899,596
Oil, Gas & Consumable Fuels – 6.3%		
Apache Corp.	3,728	518,192
Chesapeake Energy Corp.	2,975	196,231
Continental Resources, Inc.	1,974	136,838
Devon Energy Corp.	3,200	384,512
El Paso Corp.	1,366	29,697
EOG Resources, Inc.	1,000	131,200
Gasco Energy, Inc. (a)	35,356	146,727
Hess Corp.	3,281	414,029
McMoRan Exploration Co. (a)	2,395	65,910
Murphy Oil Corp.	2,000	196,100
Noble Energy, Inc.	2,456	246,975
Overseas Shipholding Group, Inc.	550	43,736
Spectra Energy Corp.	3,385	97,285
Stone Energy Corp. (a)	1,076	70,919
Sunoco, Inc.	1,900	77,311
Valero Energy Corp.	4,800	197,664
W&T Offshore, Inc.	2,600	152,126
Whiting Petroleum Corp. (a)	800	84,864
Williams Companies, Inc.	4,000	$ 161,240
XTO Energy, Inc.	5,237	358,787
		3,710,343
TOTAL ENERGY		5,609,939
FINANCIALS – 15.1%		
Capital Markets – 3.2%		
Bank of New York Mellon Corp.	7,002	264,886
BlackRock, Inc. Class A	505	89,385
Charles Schwab Corp.	5,719	117,468
Federated Investors, Inc. Class B (non-vtg.)	2,450	84,329
Franklin Resources, Inc.	1,421	130,235
Goldman Sachs Group, Inc.	3,853	673,890
Investment Technology Group, Inc. (a)	2,250	75,285
Northern Trust Corp.	3,310	226,967
State Street Corp.	3,970	254,040
		1,916,485
Commercial Banks – 2.7%		
BB&T Corp.	4,535	103,262
City Holding Co.	870	35,470
Colonial Bancgroup, Inc.	2,450	10,829
Comerica, Inc.	3,821	97,932
Fifth Third Bancorp	3,500	35,630
First Merchants Corp.	1,250	22,688
M&T Bank Corp.	890	62,781
Pacific Capital Bancorp	1,600	22,048
PNC Financial Services Group, Inc.	2,500	142,750
Regions Financial Corp.	3,300	36,003
SunTrust Banks, Inc.	1,288	46,651
U.S. Bancorp, Delaware	10,396	289,944
Wells Fargo & Co.	26,950	640,063
		1,546,051
Consumer Finance – 0.6%		
American Express Co.	6,445	242,783
Capital One Financial Corp.	2,157	81,988
World Acceptance Corp. (a)	1,600	53,872
		378,643
Diversified Financial Services – 1.5%		
Bank of America Corp.	32,704	780,644
CME Group, Inc.	345	132,201
		912,845
Insurance – 3.1%		
AFLAC, Inc.	3,876	243,413
Amtrust Financial Services, Inc.	4,708	59,321
Arch Capital Group Ltd. (a)	2,252	149,353
Darwin Professional Underwriters, Inc. (a)	2,413	74,320
Endurance Specialty Holdings Ltd.	2,000	61,580
Hartford Financial Services Group, Inc.	1,410	91,044
Philadelphia Consolidated Holdings Corp. (a)	4,061	137,952

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
FINANCIALS – continued		
Insurance – continued		
Platinum Underwriters Holdings Ltd.	2,500	$ 81,525
Progressive Corp.	13,960	261,331
The Chubb Corp.	5,818	285,140
The Travelers Companies, Inc.	4,600	199,640
Unum Group	7,785	159,203
W.R. Berkley Corp.	3,240	78,278
		1,882,100
Real Estate Investment Trusts – 3.6%		
Annaly Capital Management, Inc.	1,300	20,163
Boston Properties, Inc.	2,142	193,251
Capital Trust, Inc. Class A	3,200	61,472
CBL & Associates Properties, Inc.	3,556	81,219
Digital Realty Trust, Inc.	1,943	79,488
Extra Space Storage, Inc.	4,785	73,498
First Industrial Realty Trust, Inc.	2,500	68,675
Glimcher Realty Trust	5,248	58,673
HCP, Inc.	2,500	79,525
Health Care REIT, Inc.	3,328	148,096
Home Properties, Inc.	750	36,045
Hospitality Properties Trust (SBI)	5,247	128,342
Host Hotels & Resorts, Inc.	8,000	109,200
HRPT Properties Trust (SBI)	18,448	124,893
iStar Financial, Inc.	3,250	42,933
Lexington Corporate Properties Trust	3,880	52,884
Mid-America Apartment Communities, Inc.	1,319	67,322
Mission West Properties, Inc.	5,764	63,173
ProLogis Trust	4,302	233,814
PS Business Parks, Inc.	600	30,960
Simon Property Group, Inc.	509	45,754
SL Green Realty Corp.	700	57,904
Sunstone Hotel Investors, Inc.	3,926	65,172
Vornado Realty Trust	2,442	214,896
		2,137,352
Thrifts & Mortgage Finance – 0.4%		
Capitol Federal Financial	1,000	37,610
Dime Community Bancshares, Inc.	2,000	33,020
Freddie Mac	3,701	60,696
Washington Federal, Inc.	3,000	54,300
		185,626
TOTAL FINANCIALS		8,959,102
HEALTH CARE – 13.7%		
Biotechnology – 2.9%		
Alnylam Pharmaceuticals, Inc. (a)	3,850	102,911
Amgen, Inc. (a)	8,190	386,240
Biogen Idec, Inc. (a)	5,000	279,450
Celgene Corp. (a)	1,360	86,863
Cubist Pharmaceuticals, Inc. (a)	3,700	66,082
Genentech, Inc. (a)	2,037	$ 154,608
Gilead Sciences, Inc. (a)	10,026	530,877
OSI Pharmaceuticals, Inc. (a)	1,942	80,243
Regeneron Pharmaceuticals, Inc. (a)	1,500	21,660
		1,708,934
Health Care Equipment & Supplies – 2.6%		
Baxter International, Inc.	6,950	444,383
Becton, Dickinson & Co.	2,360	191,868
CONMED Corp. (a)	1,375	36,506
Datascope Corp.	985	46,295
DENTSPLY International, Inc.	2,984	109,811
Kinetic Concepts, Inc. (a)	3,422	136,572
Medtronic, Inc.	6,895	356,816
St. Jude Medical, Inc. (a)	860	35,157
Stryker Corp.	183	11,507
Zimmer Holdings, Inc. (a)	2,109	143,517
		1,512,432
Health Care Providers & Services – 1.5%		
Aetna, Inc.	6,200	251,286
AMN Healthcare Services, Inc. (a)	3,736	63,213
Chemed Corp.	700	25,627
Laboratory Corp. of America Holdings (a)	2,549	177,487
Owens & Minor, Inc.	1,575	71,962
Quest Diagnostics, Inc.	1,755	85,065
WellPoint, Inc. (a)	5,571	265,514
		940,154
Life Sciences Tools & Services – 1.6%		
Applera Corp. – Applied Biosystems Group	2,150	71,982
Dionex Corp. (a)	1,001	66,436
eResearchTechnology, Inc. (a)	4,079	71,138
Invitrogen Corp. (a)	3,440	135,054
Techne Corp. (a)	1,837	142,165
Thermo Fisher Scientific, Inc. (a)	6,256	348,647
Varian, Inc. (a)	1,300	66,378
Waters Corp. (a)	1,650	106,425
		1,008,225
Pharmaceuticals – 5.1%		
Barr Pharmaceuticals, Inc. (a)	1,500	67,620
Bristol-Myers Squibb Co.	9,000	184,770
Eli Lilly & Co.	9,459	436,627
Johnson & Johnson	20,567	1,323,281
Medicines Co. (a)	3,754	74,404
Perrigo Co.	2,578	81,903
Schering-Plough Corp.	18,268	359,697
Sciele Pharma, Inc.	4,625	89,494
Wyeth	9,545	457,778
		3,075,574
TOTAL HEALTH CARE		8,245,319

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INDUSTRIALS – 9.1%		
Air Freight & Logistics – 0.9%		
Atlas Air Worldwide Holdings, Inc. (a)	1,322	$ 65,386
FedEx Corp.	1,035	81,548
Hub Group, Inc. Class A (a)	2,150	73,380
Pacer International, Inc.	3,079	66,229
United Parcel Service, Inc. Class B	3,614	222,153
UTI Worldwide, Inc.	2,000	39,900
		548,596
Airlines – 0.0%		
Republic Airways Holdings, Inc. (a)	2,500	21,650
SkyWest, Inc.	2,000	25,300
		46,950
Building Products – 0.3%		
Apogee Enterprises, Inc.	1,575	25,452
Gibraltar Industries, Inc.	4,088	65,285
NCI Building Systems, Inc. (a)	3,323	122,054
		212,791
Commercial Services & Supplies – 0.8%		
Comfort Systems USA, Inc.	4,951	66,541
Deluxe Corp.	1,170	20,849
Equifax, Inc.	2,700	90,774
Herman Miller, Inc.	2,435	60,607
Manpower, Inc.	1,290	75,130
Pitney Bowes, Inc.	3,000	102,300
R.R. Donnelley & Sons Co.	2,350	69,772
		485,973
Construction & Engineering – 0.5%		
EMCOR Group, Inc. (a)	2,675	76,318
Foster Wheeler Ltd. (a)	2,699	197,432
Perini Corp. (a)	1,836	60,680
		334,430
Electrical Equipment – 1.2%		
Brady Corp. Class A	2,021	69,785
Cooper Industries Ltd. Class A	2,200	86,900
Emerson Electric Co.	9,046	447,325
Encore Wire Corp.	2,613	55,369
GrafTech International Ltd. (a)	3,000	80,490
		739,869
Industrial Conglomerates – 0.8%		
3M Co.	5,476	381,075
Tyco International Ltd.	3,410	136,536
		517,611
Machinery – 3.2%		
Actuant Corp. Class A	2,300	72,105
AGCO Corp. (a)	2,250	117,923
Barnes Group, Inc.	1,450	33,481
Caterpillar, Inc.	5,367	396,192
Chart Industries, Inc. (a)	1,546	75,197
Columbus McKinnon Corp. (NY Shares) (a)	1,250	30,100
Danaher Corp.	2,300	$ 177,790
Deere & Co.	3,000	216,390
Dover Corp.	3,759	181,823
Gardner Denver, Inc. (a)	2,800	159,040
IDEX Corp.	1,620	59,681
Illinois Tool Works, Inc.	1,390	66,039
Manitowoc Co., Inc.	3,000	97,590
PACCAR, Inc.	400	16,732
Robbins & Myers, Inc.	2,260	112,706
		1,812,789
Marine – 0.0%		
Horizon Lines, Inc. Class A	1,400	13,930
Road & Rail – 1.1%		
Burlington Northern Santa Fe Corp.	1,894	189,192
CSX Corp.	4,150	260,662
Norfolk Southern Corp.	4,175	261,647
		711,501
Trading Companies & Distributors – 0.3%		
Applied Industrial Technologies, Inc.	1,400	33,838
W.W. Grainger, Inc.	1,255	102,659
		136,497
TOTAL INDUSTRIALS		5,560,937
INFORMATION TECHNOLOGY – 21.2%		
Communications Equipment – 3.4%		
ADC Telecommunications, Inc. (a)	4,500	66,465
Cisco Systems, Inc. (a)	45,180	1,050,887
Corning, Inc.	9,603	221,349
Emulex Corp. (a)	2,000	23,300
InterDigital, Inc. (a)	2,803	68,169
Motorola, Inc.	2,000	14,680
Powerwave Technologies, Inc. (a)	15,188	64,549
QUALCOMM, Inc.	11,510	510,699
		2,020,098
Computers & Peripherals – 5.0%		
Dell, Inc. (a)	22,305	488,033
Hewlett-Packard Co.	21,390	945,652
International Business Machines Corp.	11,559	1,370,088
Rackable Systems, Inc. (a)	4,527	60,662
Seagate Technology	7,500	143,475
Sun Microsystems, Inc. (a)	1,814	19,736
		3,027,646
Electronic Equipment & Instruments – 0.5%		
Agilent Technologies, Inc. (a)	5,250	186,585
Dolby Laboratories, Inc. Class A (a)	2,580	103,974
		290,559
Internet Software & Services – 1.7%		
eBay, Inc. (a)	5,680	155,234
Google, Inc. Class A (sub. vtg.) (a)	1,580	831,744
		986,978

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
INFORMATION TECHNOLOGY – continued		
IT Services – 1.6%		
Automatic Data Processing, Inc.	4,496	$ 188,382
Broadridge Financial Solutions, Inc.	6,530	137,457
Hewitt Associates, Inc. Class A (a)	3,000	114,990
Paychex, Inc.	2,500	78,200
Total System Services, Inc.	4,400	97,768
Visa, Inc.	4,416	359,065
		975,862
Office Electronics – 0.3%		
Xerox Corp.	12,974	175,927
Semiconductors & Semiconductor Equipment – 3.1%		
Applied Materials, Inc.	9,541	182,138
Intel Corp.	42,776	918,828
Lattice Semiconductor Corp. (a)	17,091	53,495
LSI Corp. (a)	18,191	111,693
National Semiconductor Corp.	5,895	121,083
Texas Instruments, Inc.	7,383	207,905
TriQuint Semiconductor, Inc. (a)	7,000	42,420
Xilinx, Inc.	5,200	131,300
		1,768,862
Software – 5.6%		
Adobe Systems, Inc. (a)	8,349	328,867
Ansys, Inc. (a)	1,250	58,900
Autodesk, Inc. (a)	4,500	152,145
BMC Software, Inc. (a)	4,594	165,384
Cadence Design Systems, Inc. (a)	13,249	133,815
Compuware Corp. (a)	8,500	81,090
Informatica Corp. (a)	2,500	37,600
Intuit, Inc. (a)	3,500	96,495
Jack Henry & Associates, Inc.	670	14,499
Microsoft Corp.	67,350	1,852,796
Progress Software Corp. (a)	1,200	30,684
Salesforce.com, Inc. (a)	875	59,701
Sybase, Inc. (a)	2,447	71,991
Symantec Corp. (a)	9,250	178,988
		3,262,955
TOTAL INFORMATION TECHNOLOGY		12,508,887
MATERIALS – 3.9%		
Chemicals – 1.4%		
Air Products & Chemicals, Inc.	160	15,818
Airgas, Inc.	2,574	150,296
H.B. Fuller Co.	1,640	36,802
Lubrizol Corp.	2,760	127,871
PPG Industries, Inc.	1,710	98,103
Praxair, Inc.	1,150	108,376
RPM International, Inc.	4,500	92,700
Sigma Aldrich Corp.	2,000	107,720
		737,686
Containers & Packaging – 0.4%		
Owens-Illinois, Inc. (a)	3,430	$ 142,997
Rock-Tenn Co. Class A	2,475	74,225
Sonoco Products Co.	2,500	77,375
		294,597
Metals & Mining – 1.9%		
Alcoa, Inc.	3,000	106,860
Nucor Corp.	4,679	349,381
Reliance Steel & Aluminum Co.	2,211	170,446
Schnitzer Steel Industries, Inc. Class A	426	48,820
Steel Dynamics, Inc.	3,008	117,523
United States Steel Corp.	1,270	234,671
Worthington Industries, Inc.	3,341	68,491
		1,096,192
Paper & Forest Products – 0.2%		
Buckeye Technologies, Inc. (a)	5,000	42,300
Domtar Corp. (a)	9,950	54,228
		96,528
TOTAL MATERIALS		2,225,003
TELECOMMUNICATION SERVICES – 3.3%		
Diversified Telecommunication Services – 2.3%		
CenturyTel, Inc.	2,200	78,298
Cincinnati Bell, Inc. (a)	17,052	67,867
Citizens Communications Co.	9,000	102,060
Embarq Corp.	1,550	73,269
Iowa Telecommunication Services, Inc.	3,443	60,631
Verizon Communications, Inc.	23,320	825,528
Windstream Corp.	12,892	159,087
		1,366,740
Wireless Telecommunication Services – 1.0%		
American Tower Corp. Class A (a)	6,075	256,669
Sprint Nextel Corp.	24,281	230,670
Syniverse Holdings, Inc. (a)	3,630	58,806
U.S. Cellular Corp. (a)	980	55,419
		601,564
TOTAL TELECOMMUNICATION SERVICES		1,968,304
UTILITIES – 3.2%		
Electric Utilities – 0.9%		
Edison International	4,738	243,438
FPL Group, Inc.	2,000	131,160
Pepco Holdings, Inc.	4,144	106,294
PPL Corp.	1,500	78,405
		559,297
Gas Utilities – 1.2%		
AGL Resources, Inc.	3,000	103,740
Energen Corp.	2,115	165,033
ONEOK, Inc.	3,200	156,256

See accompanying notes which are an integral part of the financial statements.

Common Stocks – continued

	Shares	Value
UTILITIES – continued		
Gas Utilities – continued		
Piedmont Natural Gas Co., Inc.	1,700	$ 44,472
UGI Corp.	5,189	148,976
		618,477
Multi-Utilities – 1.1%		
Alliant Energy Corp.	4,000	137,040
CenterPoint Energy, Inc.	6,750	108,338
Consolidated Edison, Inc.	4,000	156,360
PG&E Corp.	2,600	103,194
Public Service Enterprise Group, Inc.	2,200	101,046
		605,978
TOTAL UTILITIES		1,783,752
TOTAL INVESTMENT IN SECURITIES – 100% (Cost $63,188,032)		**$ 58,994,904**

Legend

(a) Non-income producing

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		June 30, 2008
Assets		
Investments in securities at value (cost $63,188,032)		$ 58,994,904
Cash		99,946
Receivable for units sold		29,057
Dividends receivable		72,252
Total assets		59,196,159
Liabilities		
Accrued management and administration fees	$ 40,643	
Payable for units redeemed	72,712	
Total liabilities		113,355
Net Assets		$ 59,082,804
Net Asset Value, offering price and redemption price per unit ($59,082,804 / 6,510,693 units)		$ 9.07

Statement of Operations

		Year ended June 30, 2008
Investment Income		
Interest		$ 6,557
Dividends		1,259,962
		1,266,519
Expenses		
Management and administration fees	$ 529,420	
Total expenses		529,420
Net investment income (loss)		737,099
Realized and Unrealized Gain (Loss) on Investments		
Net realized gain (loss) on investments		(3,364,267)
Change in net unrealized appreciation (depreciation) on investments		(8,196,233)
Net gain (loss)		(11,560,500)
Net increase (decrease) in net assets resulting from operations		$ (10,823,401)

See accompanying notes which are an integral part of the financial statements.

Statement of Changes in Net Assets

	Year ended June 30, 2008	For the period November 10, 2006 (commencement of operations) to June 30, 2007
Increase (Decrease) in Net Assets:		
Operations		
Net investment income (loss)	$ 737,099	$ 427,422
Net realized gain (loss)	(3,364,267)	142,553
Change in net unrealized appreciation (depreciation)	(8,196,233)	4,003,105
Net increase (decrease) in net assets resulting from operations	(10,823,401)	4,573,080
Unit transactions		
Proceeds from sales of units	10,144,647	75,515,862
Cost of units redeemed	(11,654,976)	(8,672,408)
Net increase (decrease) in net assets resulting from unit transactions	(1,510,329)	66,843,454
Total increase (decrease) in net assets	(12,333,730)	71,416,534
Net Assets		
Beginning of period	71,416,534	—
End of period	$ 59,082,804	$ 71,416,534
Other Information		
Unit transactions		
Sold	1,006,252	7,506,762
Redeemed	(1,165,802)	(836,519)
Net increase (decrease)	(159,550)	6,670,243

Financial Highlights

Periods ended June 30,	**2008**	**2007**[B]
Selected Per-Unit Data		
Net asset value, beginning of period	$ 10.71	$ 10.00
Income from Investment Operations		
Net investment income (loss)[D]	.11	.07
Net realized and unrealized gain (loss)	(1.75)	.64
Total increase (decrease) from investment operations	(1.64)	.71
Net asset value, end of period	$ 9.07	$ 10.71
Total Return[C]	(15.31)%	7.10%
Ratios and Supplemental Data		
Net assets, end of period (in $ thousands)	$ 59,083	$ 71,417
Ratio of expenses to average net assets	.80%	.80%[A]
Ratio of net investment income (loss) to average net assets	1.12%	.99%[A]
Portfolio Turnover Rate	54%	105%[A]

[A] *Annualized*
[B] *For the period November 10, 2006 (commencement of operations) to June 30, 2007.*
[C] *Total returns for periods of less than one year are not annualized.*
[D] *Calculated based on average units outstanding during the period.*

See accompanying notes which are an integral part of the financial statements.

1. Organization:

The Golden State ScholarShare College Savings Trust (the "Trust") was formed to establish and maintain a qualified tuition program — The ScholarShare College Savings Plan (the "Plan") — under section 529 of the Internal Revenue Code of 1986, as amended. The ScholarShare Investment Board is the Trustee of the Trust. These financials report on: ScholarShare College Portfolio, ScholarShare Portfolio 2009, ScholarShare Portfolio 2012, ScholarShare Portfolio 2015, ScholarShare Portfolio 2018, ScholarShare Portfolio 2021, ScholarShare Portfolio 2024, ScholarShare Portfolio 2027, ScholarShare Conservative Portfolio, ScholarShare 70% Equity Portfolio, ScholarShare 100% Equity Portfolio, ScholarShare Money Market Portfolio, ScholarShare Guaranteed Investment Option, ScholarShare Index College Portfolio, ScholarShare Index Portfolio 2009, ScholarShare Index Portfolio 2012, ScholarShare Index Portfolio 2015, ScholarShare Index Portfolio 2018, ScholarShare Index Portfolio 2021, ScholarShare Index Portfolio 2024, ScholarShare Index Portfolio 2027, ScholarShare Index Conservative Portfolio, ScholarShare Index 70% Equity Portfolio, ScholarShare Index 100% Equity Portfolio, ScholarShare Intermediate Treasury Index Portfolio, ScholarShare International Index Portfolio, ScholarShare Spartan 500 Index Portfolio, ScholarShare Total Market Index Portfolio and ScholarShare Social Choice Portfolio (collectively the "Portfolios"). The Portfolios, except for ScholarShare Guaranteed Investment Option and ScholarShare Social Choice Portfolio, invest primarily in a combination of other Fidelity equity, fixed-income, and money market funds, collectively referred to as the Underlying Funds, managed by Fidelity Management & Research Company (FMR) and its affiliates. ScholarShare Social Choice Portfolio invests primarily in stocks contained in the KLD Broad Market Social^{SM} Index. The Guaranteed Investment Option invests in a separate Funding Agreement issued by TIAA-CREF Life Insurance Company ("TIAA-CREF Life"), a subsidiary of TIAA-CREF, which provides the Portfolio with a guarantee of principal and a minimum annual rate of return of 3% with the possibility of additional returns which would be declared by TIAA-CREF Life. All assets of the Portfolio are expected to be redeemed or transferred by October 21, 2010. The Portfolio can no longer accept contributions, but existing assets may be transferred to other Portfolio options.

ScholarShare Portfolio 2027 and ScholarShare Index Portfolio 2027 commenced operations on December 14, 2007. In December, 2007, the ScholarShare Portfolio 2006 and ScholarShare Index Portfolio 2006 were liquidated and the assets were transferred into ScholarShare College Portfolio and ScholarShare Index College Portfolio, respectively.

2. Significant Accounting Policies:

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require management to make certain estimates and assumptions at the date of the financial statements. The following summarizes the significant accounting policies of the Portfolios:

Security Valuation. Net asset value (NAV) per unit is calculated as of the close of business of the New York Stock Exchange (the "NYSE"), normally 4:00 p.m. Eastern time. Investments in the Underlying Funds are valued at their closing NAV each business day. Equity securities, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded. In the event there were no sales during the day or closing prices are not available, securities are valued at the last quoted bid price. The value of the TIAA-CREF Life Funding Agreement is stated at the principal contributed and earnings credited less any redemptions, which approximates fair value.

When current market prices or quotations are not readily available or reliable, valuations may be determined in good faith in accordance with procedures adopted by the Plan. Factors used in determining value may include significant market or security specific events, changes in interest rates and credit quality, and developments in foreign markets which are monitored by evaluating the performance of ADRs, futures contracts and exchange-traded funds. The frequency with which these procedures are used cannot be predicted and may be utilized to a significant extent. The value of securities used for NAV calculation under these procedures may differ from published prices for the same securities.

Investment Transaction and Income. For financial reporting purposes, the Portfolios' investment holdings and NAV include trades executed through the end of the last business day of the period. The NAV for processing participant transactions includes trades executed through the end of the prior business day. Security transactions, normally shares of the Underlying Funds, are accounted for as of trade date. Gains and losses on securities sold are determined on the basis of average cost. Income and capital gain distributions from the Underlying Funds, if any, are recorded on the ex-dividend date. Dividend income is recorded on the ex-dividend date, except for certain dividends from foreign securities where the ex-dividend date may have passed, are recorded as soon as the Portfolios are informed of the ex-dividend date. Interest income is accrued as earned. Investment income is recorded net of foreign taxes withheld where recovery of such taxes is uncertain.

Expenses. Expenses are recorded on the accrual basis. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known. Expenses included in the accompanying financial statements reflect the expenses of each Portfolio and do not include any expenses associated with the Underlying Funds.

Units. The beneficial interest of each participant in the net assets of the Portfolios are represented by units. Contributions to and redemptions from the Portfolios are subject to terms and limitations defined in the Participation Agreement between the participant and the Plan. Contributions and redemptions are recorded upon receipt of participant's instructions in good order, based on the next determined net asset value per unit (unit value).

2. Significant Accounting Policies: – continued

Units – continued

Unit values for each Portfolio are determined daily. There are no distributions of net investment gains or net investment income to the Portfolios' participants or beneficiaries.

3. Fees:

The Trustee has entered into a Management and Administrative Services agreement with FMR LLC (the parent company of the group of companies commonly known as Fidelity Investments), Strategic Advisers, Inc. (Strategic) and Fidelity Brokerage Services, LLC (together Fidelity) to provide administrative, record keeping, distribution, marketing, and investment management services to the Plan. According to this agreement and a related investment advisory agreement with Strategic, an investment adviser registered under the Investment Advisers Act of 1940, Fidelity receives a Program Management fee computed daily at an annual rate based on the net assets of each Portfolio. For Portfolios that invest in underlying actively managed funds, this fee currently is charged at an annual rate of .20%. For Portfolios that invest in underlying index funds, this fee will be up to .40% and will vary based on the dollar-weighted blended expense ratio of the Portfolio's allocation of investments. The dollar-weighted blended expense ratio is a pro-rata allocation of expenses calculated for each Portfolio based on the current expense ratio of all the Underlying Funds, multiplied by the percentages held of each Underlying Fund in relation to the total investments of each Portfolio. Underlying Fund expenses are not paid out of the assets of each Portfolio and are not included in management and administration fees on the Statement of Operations, but rather are included in the daily NAV of each Underlying Fund. A Portfolio's allocation of expenses from Underlying Funds may be higher or lower depending on the actual expense ratios of the Underlying Funds, and the Portfolio's changes in investment allocation. FMR is voluntarily reducing expenses of certain Underlying Funds, and those reductions may be eliminated at any time. Please see the most recent prospectus or shareholder report of any Underlying Fund for more information about its current expenses. Although the allocated expenses from Underlying Funds may change, the Program Management Fee and the dollar-weighted blended expense ratio of Underlying Funds combined will not exceed .40%. For the Social Choice Portfolio, the Program Management Fee will be based on an annualized rate of .70%. The Trustee receives a fee for its administrative services to the Plan. That fee is charged at an annual rate of .10% of the net assets of each Portfolio.

For the Guaranteed Investment Option there are no fees charged to the Portfolio.

4. Other Information:

In the normal course of business, the Portfolios may enter into contracts that provide general indemnifications. The Portfolios' maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Portfolios. The risk of material loss from such claims is considered remote.

The Portfolios do not invest in the Underlying Funds for the purpose of exercising management or control; however, investments by the Portfolios within their principal investment strategies may represent a significant portion of the Underlying Fund's net assets. At the end of the period, no Portfolio held a significant portion of the outstanding shares of any Underlying Fund.

At the end of the period, each of the following Portfolios held more than 10% of the outstanding units of Spartan Intermediate Treasury Bond Index Fund Investor Class:

	% of units held
ScholarShare Index College Portfolio	12%
ScholarShare Index Portfolio 2009	16%
ScholarShare Index Portfolio 2012	10%
ScholarShare Index Portfolio 2018	15%

The Portfolios, in aggregate, were the owners of record of 68% of the total outstanding shares of Spartan Intermediate Treasury Bond Index Fund Investor Class.

In July 2006, the Financial Accounting Standards Board Interpretation No. 48, Accounting for Uncertainties in Income Taxes-an interpretation of FASB Statement 109 (FIN 48), was issued. In February 2008, the Financial Accounting Standards Board issued Staff Position No. 48-2, Effective Date of FIN 48 for Certain Nonpublic Enterprises. This Staff Position allows the Portfolios to delay the implementation until the fiscal year ending in June, 2009. The Portfolios have deferred the implementation of FIN 48 and are currently evaluating the impact, if any, to the financial statements.

In September 2006, Statement of Financial Accounting Standards No. 157, Fair Value Measurements (SFAS 157), was issued and is effective for fiscal years beginning after November 15, 2007. SFAS 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Management is currently evaluating the impact the adoption of SFAS 157 will have on the Portfolios' financial statement disclosures for the June 30, 2009 annual report.

Report of Independent Auditors

In our opinion, the accompanying statements of assets and liabilities, including the schedules of portfolio investments as of June 30, 2008, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of the: ScholarShare College Portfolio, ScholarShare Portfolio 2009, ScholarShare Portfolio 2012, ScholarShare Portfolio 2015, ScholarShare Portfolio 2018, ScholarShare Portfolio 2021, ScholarShare Portfolio 2024, ScholarShare Portfolio 2027, ScholarShare Conservative Portfolio, ScholarShare 70% Equity Portfolio, ScholarShare 100% Equity Portfolio, ScholarShare Money Market Portfolio, ScholarShare Guaranteed Investment Option, ScholarShare Index College Portfolio, ScholarShare Index Portfolio 2009, ScholarShare Index Portfolio 2012, ScholarShare Index Portfolio 2015, ScholarShare Index Portfolio 2018, ScholarShare Index Portfolio 2021, ScholarShare Index Portfolio 2024, ScholarShare Index Portfolio 2027, ScholarShare Index Conservative Portfolio, ScholarShare Index 70% Equity Portfolio, ScholarShare Index 100% Equity Portfolio, ScholarShare Intermediate Treasury Index Portfolio, ScholarShare International Index Portfolio, ScholarShare Spartan 500 Index Portfolio, ScholarShare Total Market Index Portfolio and ScholarShare Social Choice Portfolio (collectively the "Portfolios") at June 30, 2008, and the results of each of their operations, the changes in each of their net assets and each of their financial highlights for the periods indicated, in conformity with accounting principles generally accepted in the United States of America. The financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the Portfolios' management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with auditing standards generally accepted in the United States of America which require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which include confirmation of securities at June 30, 2008 by correspondence with the transfer agent, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
October 17, 2008

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