

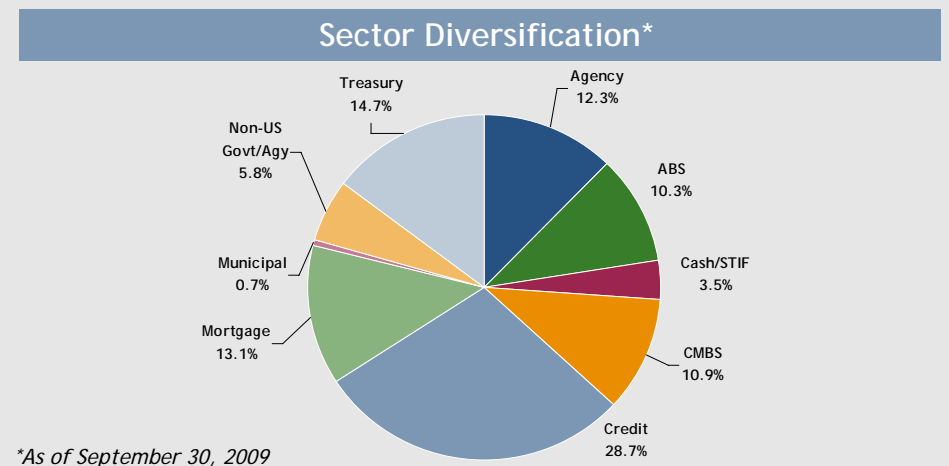
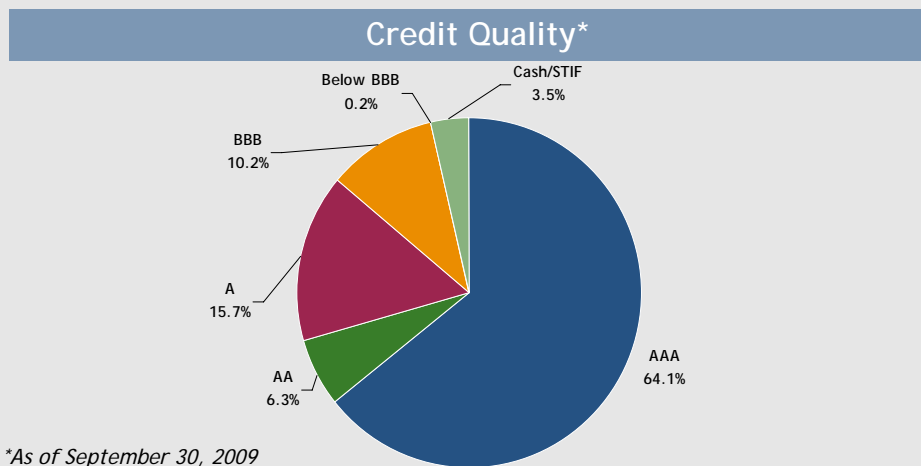
Commonwealth of Massachusetts Stable Value Income Fund

Fixed income spread sectors significantly outperformed duration-adjusted Treasuries as near-zero interest rates on risk-free assets fueled a continued search for yield. Recent data suggest economic activity has stabilized, however, uncertainty remains on whether fundamentals will support an upswing. The economy faces serious challenges as it attempts to generate the growth necessary to materially reduce unemployment. The most significant headwinds are from the ongoing deleveraging of household balance sheets and the rising savings rate, which continue to suppress the critical consumption component of US GDP.

The Income Fund is a conservatively managed, high quality portfolio, and has maintained its investment objective of providing shareholders preservation of principal, liquidity and competitive returns relative to other low risk investment alternatives. As of September 30, 2009, the average credit quality of the portfolio was AA+. The portfolio has significant allocations to Treasuries, agency mortgages, and high-quality credit, commercial mortgage backed securities and asset backed securities.

The underlying securities held in the Income Fund are protected with a book value wrapper. These wrap contracts are provided by insurance companies and are intended to insure no loss of principal for participant-directed withdrawals. As part of BlackRock's ongoing investment process, we monitor the credit fundamentals of all our wrap providers to ensure the portfolio's investment objectives continue to be achieved. Currently, the portfolio has wrappers from four financial institutions, which are ING, MetLife, Monumental and Pacific Life. Importantly, we firmly believe that none of the recent credit and liquidity events have impacted the wrap providers' ability to meet their obligations to the Income Fund.

The portfolio management team responsible for overseeing the Income Fund is supported by the full resources of BlackRock, which manages assets on behalf of institutions and individuals worldwide. BlackRock's extensive experience through multiple interest rate cycles and market events, our rigorous credit analysis and our consistent focus on risk management have enabled us to deliver on our fundamental objectives.



1. Views expressed are as of November 3, 2009 and are subject to change at any time based on market and economic conditions and other factors. Portfolio characteristics are shown above for the Commonwealth of Massachusetts Stable Value Income Fund. These characteristics represent in aggregate the credit quality and sector diversification of the underlying investments, managed by BlackRock, Income Research and Management and Wells Capital Management. BlackRock is responsible for oversight of the Income Fund. Mellon acts as the Plan Trustee of the Income Fund. Information is as of November 3, 2009 and is subject to change. Past performance is no guarantee of future results. Although designed to do so, there is no guarantee that participant-directed withdrawals will not be subject to loss. Investments in The Commonwealth of Massachusetts Stable Value Income Fund are neither insured nor guaranteed by the FDIC or any other government agency.

For Commonwealth of Massachusetts Stable Value Income Fund Investors Only

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