

INTEREST EARNED ON U.S. GOVERNMENT SECURITIES

Mutual fund dividends derived from certain U.S. government obligations may be exempt from state income taxes for the calendar year ending December 31, 2010. Questions concerning your state tax requirements should be directed to your local tax office. For each of the Rydex|SGI funds below, the chart indicates the percentage of interest income is attributable to U.S. government obligations.

Fund	% of Gov't Interest Income ¹	Tennessee: % of Gov't Interest Income ²
High Yield Fund	0.00%	0.03%
U.S. Intermediate Bond Fund	21.20%	21.25%
Mid Cap Value Fund	0.00%	0.09%
Mid Cap Value Fund Institutional	0.00%	0.12%
Large Cap Value Fund	0.00%	0.09%
Large Cap Value Fund Institutional	0.00%	0.07%
All Cap Value Fund	0.00%	0.10%
Large Cap Concentrated Growth Fund	0.00%	0.05%

For assistance on your personal federal tax filings, consult your tax advisor or call the Internal Revenue Service at 800.829.1040.

¹ In computing these percentages, direct U.S. government obligations held by the Rydex|SGI funds included: U.S. Treasury Bonds, Federal Home Loan Bank Discount Notes, Federal Farm Credit Bank Discount Notes, Federal Home Loan Bank Bonds and Federal Farm Credit Bank Bonds. Rydex|SGI funds listed above both 1) paid a net investment income distribution and 2) held direct U.S. government obligations during this period. ² In computing these percentages, direct obligations held by Rydex|SGI funds included all securities listed above as well as repurchase agreements.

Read the funds' prospectus carefully before investing. It contains the funds' investment objectives, risks, charges, expenses and other information. Obtain a prospectus at www.rydex-sgi.com or call 800.820.0888.

Rydex|SGI funds are distributed by Rydex Distributors, LLC (RDL). Security Investors, LLC (SI) is a registered investment advisor, and does business as Security Global InvestorsSM and Rydex Investments. SI and RDL are affiliates and are subsidiaries of Security Benefit Corporation, which is wholly owned by Guggenheim SBC Holdings, LLC, a special purpose entity managed by Guggenheim Partners, LLC, a diversified financial services firm with more than \$100 billion in assets under supervision.