



C FUND

Common Stock Index Investment Fund

Fund Information

As of December 31, 2008

Net Assets
\$50.0 billion

2008 Administrative Expenses
\$0.19 per \$1,000
account balance,
.019% (1.9 basis points)

Benchmark Index
Standard & Poor's 500
Stock Index
www.standardandpoors.com

Asset Manager
BlackRock Institutional Trust
Company, N.A.

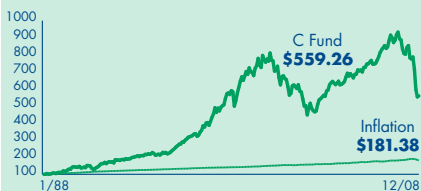
Returns

	C Fund*	S&P 500 Index
1-Year	-36.99%	-37.00%
3-Year	-8.34%	-8.36%
5-Year	-2.18%	-2.19%
10-Year	-1.40%	-1.38%
Since Inception January 29, 1988	8.54%	8.80%

* After expenses

Growth of \$100

Since Inception

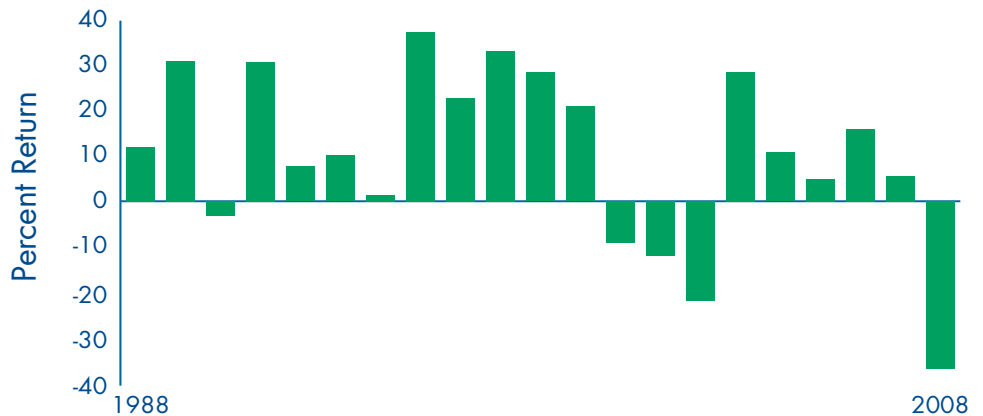


Key Features

- The C Fund offers the opportunity to earn a potentially high investment return over the long term from a broadly diversified portfolio of stocks of large and medium-sized U.S. companies.
- The objective of the C Fund is to match the performance of the Standard and Poor's 500 (S&P 500) Index, a broad market index made up of stocks of 500 large to medium-sized U.S. companies.
- There is a risk of loss if the S&P 500 Index declines in response to changes in overall economic conditions (market risk).
- Earnings consist of gains (or losses) in the prices of stocks, and dividend income.

C Fund Returns*

Inception–2008



* 1988 return shown is a partial year return.

S&P 500 Top Ten Holdings

as of December 31, 2008

Company

Exxon Mobil Corp.
Procter & Gamble
General Electric
AT&T, Inc.
Johnson & Johnson
Chevron Corp.
Microsoft Corp.
Walmart Stores, Inc.
Pfizer, Inc.
JP Morgan Chase & Co.

C FUND FACTS

By law, the C Fund must be invested in a portfolio designed to replicate the performance of an index of stocks representing the U.S. stock market. The Federal Retirement Thrift Investment Board has chosen as its benchmark the Standard and Poor's 500 (S&P 500) Index, which tracks the performance of major U.S. companies and industries.

The **S&P 500 Index** is an index of 500 large to medium-sized U.S. companies that are traded in the U.S. stock markets. The index was designed by Standard & Poor's Corporation (S&P) to provide a representative measure of U.S. stock market performance. The companies in the index represent 134 sub-industries classified into the 10 major industry groups shown in the chart. (As of December 31, 2008, thirteen of the common stocks included in the index were Real Estate Investment Trusts (REITs), accounting for 0.97% of the index's market value.) The stocks in the S&P 500 Index represent 76% of the market value of the U.S. stock markets.

The S&P 500 is considered a "big company" index. As of December 31, 2008, the largest 100 companies in the S&P 500 represented approximately 69% of the index's market value. The S&P 500 Index includes 412 securities traded on the New York Stock Exchange and 88 securities that are traded on NASDAQ. The market value of the largest company in the index is approximately \$406 billion; the market value of the smallest company is approximately \$477 million.

The S&P 500 Index is weighted by float-adjusted market capitalization, in which a company's market value and its weighting in the index are calculated using the number of shares that are freely traded, rather than all outstanding shares. Shares that are not freely traded, such as the holdings of controlling shareholders and their families, company management, and other companies, are excluded from the calculation. A company's weighting in the index is the float-adjusted market value of the company (that is, the share price multiplied by the number of freely traded shares outstanding) as a percentage of the combined float-adjusted market value of all companies in the index.

BlackRock's Equity Index Fund — The C Fund is invested in BlackRock's Equity Index Fund. The C Fund holds all the stocks included in the S&P 500 Index in virtually the same weights that they have in the index. The performance of the Equity Index Fund is evaluated on the basis of how closely its returns match those of the S&P 500 Index. A portion of Equity Index Fund assets is reserved to meet the needs of daily client activity. This liquidity reserve is invested in S&P 500 Index futures contracts.

The C Fund invests in BlackRock's Equity Index Fund by purchasing shares of BlackRock's Equity Index Fund "E," which, in turn, holds shares of BlackRock's Equity Index Master Fund along with a liquidity pool. As of December 31, 2008, C Fund holdings constituted \$48.2 billion of the Equity Index Master Fund, which itself held \$77.3 billion of securities.

Note: Participants' interfund transfer (IFT) requests redistribute their existing account balances among the TSP funds. For each calendar month, the *first two* IFTs can redistribute money among any or all of the TSP funds. After that, for the remainder of the month, IFTs can *only* move money into the G Fund. (For participants with both civilian and uniformed services accounts, this rule applies to each account separately.)

S&P 500 Index
Major Industry Groups
December 31, 2008

