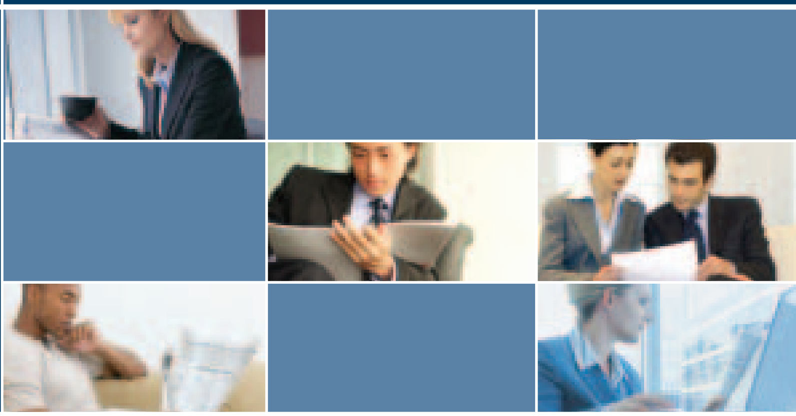
AllianceBernstein®
Investment Research and Management

A Guide to Mutual Fund Investing



- Investment Planning: The Key to Success
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At AllianceBernstein, our most important objective is to seek consistently superior investment returns for our clients, many of whom are individual investors like yourself. Our goal is to help you achieve a secure and comfortable future.

As an investment manager, we also recognize that it is of primary importance that we earn your trust and confidence—which means that at AllianceBernstein, we strive to place our investors' best interests ahead of all other considerations.

The following pages cover a wide range of investment topics, including investment planning, the benefits of mutual funds, information about the fees and expenses associated with AllianceBernstein mutual funds, and ways to get started in formulating your own plan.

Prior to making any investment decisions, it is beneficial to seek the advice of an investment professional, who can help you determine how to achieve your goals.

We hope that you find this brochure useful and informative as you set out on the road to becoming a well-informed investor.

Investment Products Offered

- **Are Not FDIC Insured**
- **May Lose Value**
- **Are Not Bank Guaranteed**

AllianceBernstein®
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The Key to Success: Investment Planning

The first step in any investment process—even before considering which fund to invest in—is to develop a sound investment plan. It can help make all the difference in achieving a secure and comfortable future. Making provisions for your long-term financial well-being is not only practical but—because life is so unpredictable—vital.

Smart Investing Begins with a Plan

Think of investing as a long road trip. You decide where you want to go, map out a route, pack your belongings, and hop in your car. There are many alternative roads you can take to reach your destination. How and when you get there all depends on the route you choose.

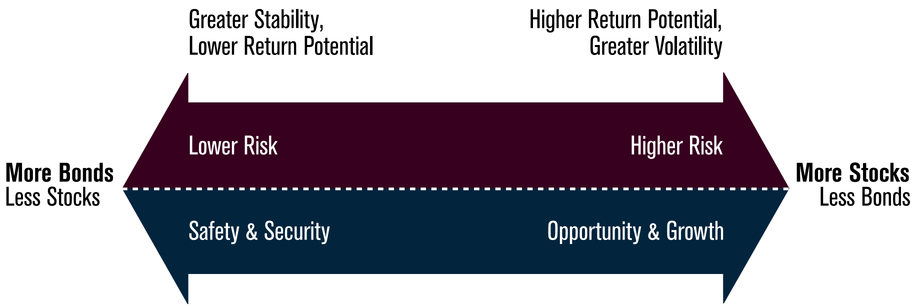
Just like a road trip, the first step in investment planning is to map your route. Once you develop a sound investment plan, you can then work toward the "universal" goal: to ensure you *have* the money you need *when* you need it.

A successful investment plan can be more complicated than you might realize. Not only does it take discipline to save, but it also requires knowledge to devise a plan. There are many factors to consider—such as taxes, inflation, and your own spending needs—all of which will impact the wealth you want to build.

This guide can help you and your financial advisor begin to assess your situation and provide you with an informed approach to investment planning. Our approach takes into account the unpredictability of markets so that your financial well-being does not come to depend on unrealistic expectations.

As you and your financial advisor lay the groundwork for a long-term investment plan, remember to diversify your investment portfolio. For most people, there is no single "right" type of investment. Placing all those proverbial eggs in one basket can be very dangerous. But combining a variety of investments whose risk and return potential balance one another should provide a steadier pattern of returns. That's because different types of investments tend to behave differently under the same market conditions. And allocating your portfolio across these different types of investments, or "asset allocation," is often the most important decision you will make in your investment planning.

Asset Allocation: Finding the Right Balance



Of course, no investment plan can guarantee outcomes. As with any aspect of investing, investment planning deals in probabilities, not certainties. But knowledge and discipline can increase the probability of achieving your goals.

Be Disciplined and Patient

There's more to investment planning than just assembling the right portfolio. A sensible investment strategy also requires discipline and patience.

Discipline All the good planning in the world won't do any good if you don't stick to the plan! Full benefits over time cannot be realized unless you're diligent about keeping to your criteria for selecting investments and for rebalancing those investments as markets fluctuate.

Patience There's a great amount of psychology involved in successful investing. Research has shown that while most investors support buy-and-hold strategies and say they ignore short-term moves in the market, the reality is that investors are trading more often than ever, often making the wrong moves.

Assembling the Right Portfolio

Investing is a very personal pursuit. As you set out to plan your future financial needs, there are many key considerations that you should take into account.

Assess Current and Future Needs

Do you need to fund a child's college education? Would you like to retire early? Once you have figured out what your needs—and wants—are, you can assess your ability to tolerate risk (both financially and emotionally) as you strive for those investment goals.

Save, Save, Save

As your parents probably stressed to you many times, saving money, rather than spending it, is a wise idea. You can substantially increase your future monetary resources by finding ways to save money.

Asset Allocation

One of the most important decisions in building a successful investment portfolio is asset allocation. Combining a variety of investments whose risk and return potential balance one another should provide a steadier pattern of returns. That's because different types of investments tend to behave differently under the same market conditions.

Diversify Globally

By incorporating a global diversification strategy in your portfolio, you can increase opportunity and may decrease the overall risk. Investors who are unwilling to cross geographic boundaries face the prospect of limited investment options. (It is important to note that international investments can be more volatile due to political, regulatory, market, or economic developments, as well as fluctuations in exchange rates.)

Consider Taxes and Inflation

It's not what you earn, it's what you keep after taxes—and inflation—that really matters. Your ultimate goals are to maximize your investment earnings after considering the impact of taxes and to keep ahead of the pace of inflation.

The Benefits of Mutual Funds

What Is a Mutual Fund?

A mutual fund is a pool of assets invested on behalf of investors. The people who buy shares of a mutual fund are its shareholders. Mutual funds typically invest in a pool of securities, such as stocks and bonds. A mutual fund can make money from its securities in two ways: A security can pay dividends or interest to the fund, or a security can rise in value. A fund can also lose money and drop in value.

Four basic types of mutual funds:

1. **Stock Funds** invest primarily in shares of stock issued by U.S. or foreign companies.
2. **Bond Funds** invest primarily in bonds, which can be taxable or tax-exempt.
3. **Balanced Funds** invest in a blend of stocks and bonds.
4. **Money-Market Funds** invest mainly in short-term securities issued by the U.S. government and its agencies, U.S. corporations, or, in the case of tax-exempt money-market funds, state and local governments.

Many Advantages to Using a Mutual Fund in Your Portfolio

Mutual funds have become a popular investment choice for American investors because of their many benefits.

Professional Management
Planning for your future is a necessity and can be complicated at times. One of the primary benefits of investing in mutual funds is having an experienced professional manage a portfolio of securities for you and decide on which securities to buy and sell.

Diversification
One of the keys to a successful investment plan is to diversify your investments so that you can help reduce the potential adverse impact of each investment. Mutual funds can offer greater diversification benefits than an individual might be able to achieve on his or her own.

Variety
With more than 8,200 mutual funds available today, you can choose from a variety of funds, with goals and styles to fit most investment objectives and circumstances.

Dollar-Cost Averaging
Dollar-cost averaging is an investment method designed for the long term. When you dollar-cost average, you invest the same amount of money in the same investment at regular intervals, such as once every month. Essentially, you rely on a regular, fixed investment to buy more shares when prices are lower and fewer shares when the price is higher.*

Liquidity
Mutual funds are liquid investments that can generally be bought or sold on any typical business day. The price per share at which you can redeem shares is known as the mutual fund's net asset value, or NAV.

* Dollar-cost averaging does not ensure a profit nor protect against loss in a declining market. Because this strategy involves periodic investments, investors should consider their financial ability to invest during periods of high and low price levels.

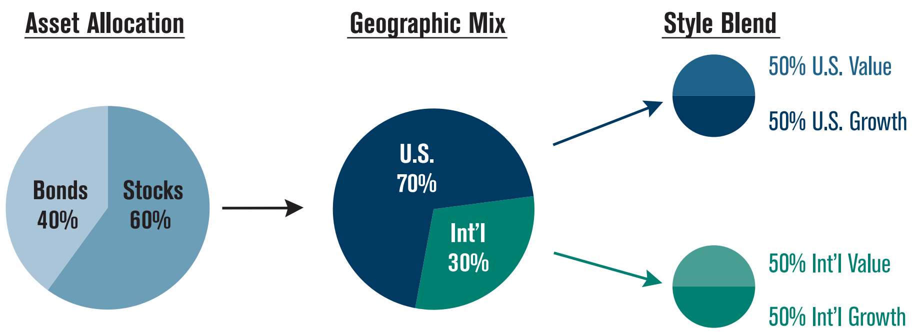
Putting It All Together

The optimal balance between stocks and bonds depends on each investor's specific goals and risk tolerance.

Consider a Well-Diversified Mutual Fund Strategy

A good framework for a personalized investment portfolio typically begins with an asset allocation between stocks and bonds. Based on our firm's lengthy experience in managing wealth, a blend of 60% stocks and 40% bonds is a good starting point for many investors. With the portion allocated to stocks, we've found a good trade-off of return and risk has been achieved by allocating each style (growth and value) 70% to the U.S. market and 30% to international markets. In each case, we divide them equally between growth and value.

A Model Strategy



This is a hypothetical illustration only and is not intended to represent any particular investment, including any AllianceBernstein mutual fund.

The table below shows the historical simulated result of a portfolio structured as shown above. The data show that from 1980 to 2003, a portfolio combining the different asset classes and investment styles described provided returns close to an all-equity portfolio, while reducing overall risk. It also provided significant capital preservation during difficult market periods, as indicated by the worst calendar-year loss experience since 1980. For example, 2002 was the worst calendar year for the stock market; while the market declined (22.1)% that year, the diversified model portfolio declined by only (7.9)%. Remember that past performance is never a guarantee of future results.

Hypothetical Results (1980–2003)

	Compound Return	Risk**	Worst-Loss Calendar Year
Portfolio Model*	**12.5%**	**9.2%**	**(7.9)%**
S&P 500 Stock Index	13.6	15.6	(22.1)
Lehman Aggregate Bond Index	9.8	6.2	(2.9)

* The table to the right provides a hypothetical example of the performance of a portfolio diversified as indicated. The Portfolio Model was rebalanced monthly halfway back to its target weight when the stock/bond mix rose to 65/35 or fell to 55/45, and/or the value/growth and U.S./international weightings deviated from their targets by 20% or more. This example does not include transaction costs associated with rebalancing, which may be significant over time. U.S. growth and international growth stocks are represented by the top 30% of all stocks publicly traded on American or foreign exchanges, respectively, ranked by price-to-book ratios. U.S. value and international value stocks are represented by the bottom 30%. Bonds are represented by five-year Treasuries. Treasury securities provide fixed rates of return as well as principal guarantees if held to maturity. No fees or expenses are reflected in the performance of the indices or Portfolio Model. The unmanaged S&P 500 Stock Index is comprised of 500 U.S. stocks and is a common measure of the performance of the overall U.S. stock market. The unmanaged Lehman Brothers Aggregate Bond Index is a standard measure of the performance of a basket of unmanaged debt securities. It is comprised of the Lehman Brothers Mortgage-Backed Securities Index, the Lehman Brothers Asset-Backed Securities Index, and the Lehman Brothers Government/Credit Bond Index. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including any AllianceBernstein mutual fund. Year of worst loss was 2002 for S&P 500, 2002 for Portfolio Model, and 1994 for the Lehman Brothers Aggregate Bond Index.

** The standard deviation of monthly returns, annualized. Standard deviation is a statistical measure of historical volatility of a portfolio.

Source: Standard & Poor's, Fama/French, and AllianceBernstein

Understanding mutual funds—and choosing one that's right for you—isn't that complicated once you know what to look for.

Choosing the Right Fund

Today, mutual fund investors can choose from literally thousands of different types of funds. When making the final decision on which fund to select, it's important to consider several factors, including:

- the return and risk characteristics of the funds your advisor recommends and how these fit in with your own risk profile
- the experience and consistency of the investment manager in generating strong returns, remembering, as always, that past performance is no guarantee of future results
- the costs associated with mutual funds (including any fees, expenses, or sales charges paid to the fund, a distributor, or a financial advisor)

Choosing the Right Investment Manager

Once you've developed an investment strategy and determined what type of asset allocation best suits your needs, you can begin selecting the right mutual funds in each asset class. For instance, there are hundreds of growth-oriented mutual funds. Which one is right for you?

The answer largely depends on the kind of investment manager you want managing your money. Are you looking for a conservative money manager? Or for a more opportunistic manager who is willing to take on more risk in the pursuit of greater potential return? Do you prefer a money manager with a global presence? Do you want a firm with a large commitment to research?

To evaluate a money manager's past performance, portfolio returns can be considered in three ways: on an absolute basis, relative to the benchmark, and relative to its peers. You should also consider how a mutual fund fared during both up and down market cycles.

Seeking Professional Advice

Don't be afraid to seek advice from a financial advisor you trust prior to making an investment decision. If you are unsure what path to take or what sort of mutual fund to invest in, speak with your financial advisor on a regular basis to make sure that you remain on track to meet your goals.

Financial advisors offer investors valuable insight into the factors that affect the economy and ultimately the stock market. An advisor has the knowledge and experience, in both up and down markets, as well as the time and resources to devote personal attention to you as you develop a specific investment plan to meet your needs. With the insight gained from your relationship with an advisor, you can make more informed investment decisions.

A Closer Look at Mutual Fund Fees and Expenses

The costs associated with an investment in a mutual fund can vary greatly from one fund to another. But with the help of a professional advisor and by reading the prospectus carefully, you can develop a better understanding of what you are paying for and make a well-informed decision.

What Costs Will I Incur When Making a Mutual Fund Investment?

Investors often find that the most confusing aspect of investing in mutual funds is understanding the costs involved. But with the help of a trusted advisor and by doing a little research on your own, you'll have the tools to develop an understanding of fund costs and an appreciation of mutual funds as an easy and attractive investment choice. But it's important to remember that all fees and expenses reduce the investment performance of a fund—which is what's most important to you!

The Prospectus Is a Valuable Resource

The prospectus is the document that contains the facts a mutual fund investor needs in order to make an informed decision. One important area to understand is the cost associated with making an investment in a mutual fund. The prospectus also offers hypothetical "dollars-and-cents" examples of how those costs would affect an investment in the fund—a handy reference guide when comparing funds.

Costs can vary greatly among different fund "families" and even among funds within the same fund family depending on the type of fund management that is required (e.g., equity vs. fixed income). The fees and expenses of our AllianceBernstein Growth & Income Fund are listed below as an example of a table that might appear in a typical prospectus.

Sample Mutual Fund Fees and Expense Table

Assumes a hypothetical investment of $1,000 in Class A shares, with a 5% annualized return, 4.25% sales charge, and 1.06% in total fund operating expenses in the prospectus dated March 1, 2004

AllianceBernstein Growth & Income Fund	
Annual Management Fee:	0.46%
Annual 12b-1 Fee:	0.28%
Annual Other Expenses:	0.32%
Total Fund Annual Operating Expenses:	**1.06%**
Initial Sales Load:	**4.25%**

Translated into Dollars	Operating Expenses		Sales Load		Total Expenses
After 1 Year:	$10	+	$43	=	$53
After 3 Years:	$32	+	$43	=	$75
After 5 Years:	$56	+	$43	=	$99
After 10 Years:	$123	+	$43	=	$166

More information about fund fees—including a table such as the one shown translating these expenses into "dollars-and-cents" terms—can often be found in the first few pages of a fund prospectus.

Understanding Operating Expenses

Operating expenses are the total costs that are paid from the fund's assets before any earnings are distributed to shareholders and are referred to as the *total expense ratio*. They are deducted from the value of the fund's share price (the asset base of the fund) and are not paid directly by the investor. The following types of operating expenses are typically incurred.

- **Management Fees**—A fund's manager is paid a fee for providing investment advisory services and related services such as research, technology, trading, and administration. The manager will often use its own resources to pay for distribution-related activities. Management fees are exactly the same for all share classes of a fund. This fee is calculated as a percentage of the daily net assets in the fund.
- **Distribution Fees (12b-1)**—These fees are deducted from fund assets to pay for sales, marketing, and advertising expenses and to compensate your financial advisor for the ongoing service provided to you. These fees may vary for different share classes of the same fund.
- **Other Expenses**—These expenses may include fees paid for providing:
  - fund shareholder recordkeeping services
  - a toll-free phone line that you can call for answers to questions
  - computerized account services
  - website services
  - printing and mailing
  - audit, legal, custody, and accounting

  There can be differences in the operating expenses of a fund's share classes, which would cause variations in the performance of different share classes of the same fund.
- **Portfolio Transactions**—A fund's performance is affected by the amount of trading activity and trading costs, including commissions the fund pays to brokers for buying and selling securities. These costs—which are not included in the expense ratio—can vary widely depending on the level of trading activity and the type of securities the fund invests in.

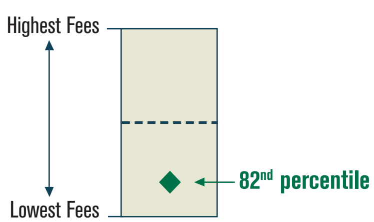
Making "Apples to Apples" Comparisons

It's important for an investor to look closely at the prospectus and make comparisons to similar funds to help determine which fund may be the most appealing choice from a cost perspective. Ask your financial advisor to explain what different funds charge in the way of fees and expenses so that you can make an informed decision. It's very important to know how much you're paying—and what you get in return. Sometimes, it may make sense to pay slightly more in selecting a fund manager if you believe the fund manager is likely to outperform its competitive peer group.

At AllianceBernstein, we can provide you with comparisons of our funds' total expenses to those charged by similar funds that are included in its Lipper peer group.

This chart shows that as of June 30, 2004, Class A shares of the AllianceBernstein Growth & Income Fund had a lower expense ratio than approximately three-quarters of all the load equity funds in its peer group.

Lipper Large-Cap Value Peer Group*
Total Expense Ratio Ranking



Not all of AllianceBernstein's funds rank as well—some funds in other Lipper peer groups will be higher. You should carefully compare total expense ratios when choosing a fund for your portfolio.

* The expense ratios for the funds within the Lipper universe are as of June 30, 2004. The Lipper group rankings include all load funds in this category with 12b-1 fees less than 35 basis points.

Source: Lipper Analytical Services, Inc., and Strategic Insight

Choosing the Right Share Class for You

Mutual funds are typically categorized as “load” and “no-load.”

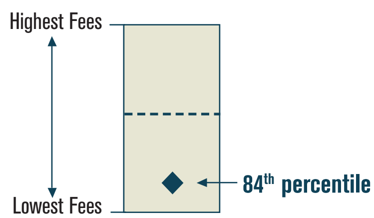
“Load” funds include sales charges that compensate a securities broker or other financial advisor for his or her service, including personal consultations, expertise, advice, and the placement and processing of your purchase or sell orders.

“No-load” mutual funds are sold directly to an investor, meaning that a financial advisor is not involved. A no-load fund has no front-end sales charges and no deferred sales charges, and its annual sales and service-related fees are usually capped at one-quarter of 1 percent of the fund’s total assets.

A Comparison of Equity Mutual Fund Load Sales Charges

AllianceBernstein’s sales loads for Class A shares are ranked well below the mutual fund industry average, as depicted in the table below.

Lipper Equity Funds–Class A Shares



Based on AllianceBernstein Equity Funds Class A Load of 4.25%. AllianceBernstein ranks 195 out of 231 fund families in Lipper Equity Fund sales load rankings as of 6/30/04. Source: Strategic Insight

Earlier, we compared investing to a long road trip. Borrowing from that analogy, if there are many different roads you can take to reach a destination, chances are you could find yourself on a toll road at some point. Sometimes you pay the toll when you first get on the road, sometimes you pay the toll along the way, and sometimes there are tollbooths when you exit.

But don’t let these choices cause any confusion about one thing: *You’ll probably pay a different amount in tolls depending on which road you choose.*

Mutual funds offered by financial advisors offer you a variety of payment choices, giving you the flexibility to pay sales charges at different points in time. That’s why many fund families offer funds with more than one class of shares to investors. Identifying when you want to pay the sales charge—and which share class is right for you—generally depends most upon your investment time horizon.

The ABCs of Share Class Choices

Let’s begin to explain what the most significant differences are among Class A, B, and C shares at AllianceBernstein, and be sure to get a more detailed explanation of the pros and cons of each from your financial advisor to best meet your specific goals.

Class A Shares

- A “front-end” sales charge is paid at the time of purchase, also called a “load” or “up-front” charge. The sales charge can be reduced depending on the amount you plan to invest. To find out how you may qualify for such a “breakpoint” discount, speak to your financial advisor or refer to the fund’s prospectus.
- The starting amount of your investment is reduced because the sales charge is deducted up front, at the time of purchase.
- Distribution fees (12b-1) are generally much lower than other share classes.
- Designed for investors with a long-term investing time frame; can be an especially good choice when investing for retirement or college.
- The maximum investment amount is unlimited.

Class B Shares

- Class B shares are often misunderstood by fund investors and may be less attractive than they initially appear to be. While they seem to be less expensive because there is no initial sales charge, they can be more costly than Class A shares over the long run due to their substantially higher 12b-1 distribution fees.

Investor Checklist

Let's assume you have money to invest in a mutual fund. To determine which mutual fund share class is right for you, ask your financial advisor the following questions.

- How much do I plan to invest now?
- How long will I need to stay invested?
- What if I add to my investment in the future?
- Will my costs go down if I invest more?
- What is the smartest and least expensive way to achieve my goals?

Class B Shares (cont.)

- It's important to understand that although there are no up-front sales charges on Class B shares, these shares are instead structured so that the sales charges are paid over time. This takes the form of higher 12b-1 fees, which are spread out over several years in order to ultimately compensate your financial advisor for advice in making the initial fund investment. These higher 12b-1 fees (typically 0.70% per annum more than what you pay for a AllianceBernstein Class A share) are typically incurred for up to eight years. AllianceBernstein Fund Class B shares convert to Class A after they are owned for eight years (six years on some bond funds).
- It's also important to understand that there are "back-end" loads called contingent deferred sales charges (CDSCs) that are incurred if you redeem Class B shares in the first four years you own the fund (three years for some bond funds). So, if you need to redeem Class B shares in the short term after your initial investment, you could wind up paying a lot more! The benefit of not paying any up-front sales load charge can be more than offset by higher 12b-1 fees and the CDSCs.
- An investment in Class B shares should be considered only for an investment with an intermediate time horizon (four to six years for our equity funds). For long-term investments, a class of shares with a lower 12b-1 fee (such as Class A) should perform better. For short-term investments, a class of shares with a lower CDSC (such as Class C) should perform better.
- Effective September 2004, the maximum investment for Class B shares is $100,000. If you want to invest more than this amount, you should consider Class A shares, which would be less costly due to the breakpoint discount.

Class C Shares

- There is no initial sales charge for Class C shares. A 1% CDSC is charged only if shares are redeemed in the first year.
- However, there are permanently higher 12b-1 fees than those imposed on Class A shares, making Class C shares less attractive over longer time horizons. Thus, Class C shares are designed for investors with a short-term time horizon (generally six years or less). Class C shares do not convert to any other fund share class.
- The maximum investment is $1,000,000.

Other Classes of Shares

For some AllianceBernstein funds, there may be other classes of fund shares available to investors, each with varying fees and expenses. Some share classes are not available to all investors, since there may be minimums or other requirements to meet. Your financial advisor can help you choose the right share class that's best for your portfolio.

Making the Right Decision

Mutual funds offered by financial advisors offer you a variety of payment choices, giving you the flexibility to pay sales charges at different points in time and offering discounts on larger investments.

The Pros and Cons of Different Share Classes

Every investor should give serious thought to which type of share class makes the most economic sense for his or her own situation. There can be significant cost differentials among the share classes depending on the length of time you plan to invest. Your financial advisor can help determine which share class makes the most sense for you given your objectives and circumstances. Keep in mind that you may be able to achieve cost savings by investing more of your assets within the same fund family.

In the previous section, we explained that you can't really escape from paying sales-related expenses when making a mutual fund investment, other than in a no-load mutual fund. We've outlined a more detailed look at how the value of investments can be impacted by sales charges for Class A, B, or C shares. In the tables below and on the next page, the examples assume that for each share class, the initial investment earned the same hypothetical 8% annual return and the assets were redeemed at the end of the period shown.

Keep in mind that these are hypothetical examples intended to offer an illustration of the impact of mutual fund costs on a fund's investment value. Of course, it's important to recognize that *actual* investments in mutual funds will be influenced by withdrawals, additional investments, market fluctuations, investment performance, and other factors.

Even though there is only a nominal difference in account values for $10,000 investments in Class A, B, or C shares over time, Class A shares are almost always the best choice for the long term. The worst choice for any investor who expects to remain invested for more than five years is Class C shares.

Scenario 1: $10,000 Initial Investment

Assuming a hypothetical 8% annual return and that assets were redeemed at the end of the period shown

	Value After 1 Year	Value After 5 Years	Value After 10 Years
Class A	$ 10,341	$ 14,069	$ 20,672
Class B	$ 10,330	$ 14,223	$ 20,495
Class C	$ 10,630	$ 14,223	$ 20,230

These examples are based on pricing for AllianceBernstein mutual funds (as of 3/1/04) and may not be representative of pricing of other mutual funds. The examples shown here are hypothetical and for illustration purposes only.

Is There a Way to Pay Less?

As noted earlier, funds may offer discounts called *breakpoints* that can reduce the front-end sales charge when someone makes a large ($100,000 or more) investment. In addition, if an investor already owns shares in another fund from the same fund family and/or commits to making additional investments in another fund in the family, then the investor may qualify for additional fee discounts through "rights of accumulation." (See the table below for more information.)

If you decided to sell shares in one AllianceBernstein fund and reinvest in another AllianceBernstein fund, you would *not* generally have to pay an additional sales charge for that exchange transaction. Not all fund families offer this feature; check the prospectus to be sure if a specific fund permits the "free" exchange.

The larger your investment, the more pronounced the impact of costs becomes. That's because most mutual fund companies offer discounted sales charges on large investments in Class A shares. At AllianceBernstein, our 4.25% sales charge is reduced to 3.25% for investments of $100,000 or more. If you invest $250,000 or more, you are entitled to a further reduced sales charge of 2.25%. Additional discounts are available as the investment size increases.

Scenario 2:
$100,000 Initial Investment

Assuming a hypothetical 8% annual return and that assets were redeemed at the end of the period shown

	Value After 1 Year	Value After 5 Years	Value After 10 Years
Class A	$ 104,490	$ 142,157	$ 208,876
Class B	$ 103,300	$ 142,232	$ 204,949
Class C	$ 106,300	$ 142,232	$ 202,301

Scenario 3:
$250,000 Initial Investment*

Assuming a hypothetical 8% annual return and that assets were redeemed at the end of the period shown

	Value After 1 Year	Value After 5 Years	Value After 10 Years
Class A	$ 263,925	$ 359,067	$ 527,587
Class C	$ 265,750	$ 355,581	$ 505,752

These examples are based on pricing for AllianceBernstein mutual funds (as of 3/1/04) and may not be representative of pricing of other mutual funds. The examples shown here are hypothetical and for illustration purposes only.

* Because the maximum investment amount for Class B shares is $100,000, Class B shares are not included in the example.

How to Get Started

Next Steps

- Call your financial advisor.
- Evaluate your current investments.
- Set investment goals and objectives, incorporating your time horizon and spending needs.
- Develop a sound financial plan based on asset allocation that reflects your appetite for risk.
- Review your investment portfolio each year with your financial advisor to ensure you're on track and decide if any changes to your allocations are necessary.

Start Investing Now

It may seem obvious that there are good and bad times to invest—better when prices are low and you get a lot more shares for your money, and worse when the market is at a peak and you are buying at high prices. Unfortunately, you can't predict what the market will do or when it will do it. Therefore, you never know when the best and worst times to invest are.

Your most important decision is starting now.

If you invested $5,000 in stocks each year from 1976 to 2003	Value of investment on 12/31/03	Average annual rate of return
When stock prices are lowest (the "best" time)	$ 1,705,069	14.76%
When stock prices are highest (the "worst" time)	$ 1,349,727	13.69%
In a 6-month CD	$ 370,266	6.03%

Past performance is no guarantee of future results. Stocks are represented by the Dow Jones Industrial Average. During the period shown, there have been short-term fluctuations. An investor cannot invest directly in an index, and its results are not indicative of any specific investment, including any AllianceBernstein mutual fund. CDs are insured as to principal and interest and may have fixed rates of return, whereas the prices of stocks will fluctuate over time, so shares, when redeemed, may be worth more or less than their original cost. The above results do not reflect the impact of fees or expenses, which would lower the values and returns shown above.
Source: TowersData

One smart way to invest is to initiate a program in which you invest a set amount of money at regular intervals. This concept, called dollar-cost averaging, allows you to benefit from an average price over time.* No matter how much money you invest or how frequently you opt to purchase shares, you should consider investing today.

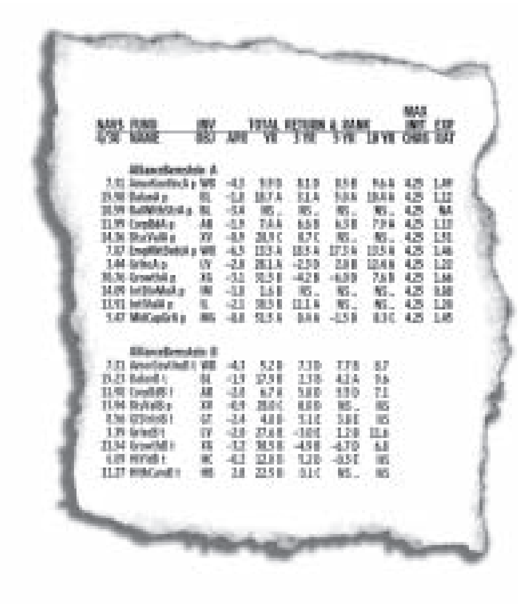
Where to Get Additional Information

- **The prospectus has more detailed information regarding a specific fund's fees, expenses, and sales charges. Always read the prospectus and consider the fund's investment objectives, risks, charges, and expenses carefully before investing.**
- **Shareholder reports list the fund's investments, income, expenses, assets, liabilities, and net assets.**
- **Your financial advisor can answer questions you may have regarding sales charges or a fund's operating expenses.**
- **Contact AllianceBernstein. You can visit our website, *www.alliancebernstein.com*, or speak with a representative by phone at (800) 227-4618.**

* Dollar-cost averaging does not ensure a profit nor protect against loss in a declining market. Because this strategy involves periodic investments, investors should consider their financial ability to invest during periods of high and low price levels.

Cost-Savvy Questions to Ask Your Financial Advisor

Interpreting Newspaper Listings*



You can learn a lot about a mutual fund by checking its listing in a daily newspaper. For instance, typical fund listings may include information on the fund's current NAV and its historical return data, as well as a listing of the sales charges and expense ratios associated with the fund.

* **Past performance is no guarantee of future results.** The fund listings shown above are hypothetical and are for illustrative purposes only.

Q When I look at a mutual fund's performance in a daily newspaper, has the sales charge already been deducted?

A The fund returns published in daily newspapers are generally stated at "net asset value," which means they *do not* include a sales charge. You can learn a lot from the newspaper listings. For example:

- A "p" following the name of the fund indicates that the fund charges a 12b-1 fee.
- If the fund name is followed by an "r," the fund has either a contingent deferred sales charge (CDSC) or a redemption fee.
- A "t" designates that a fund has both a 12b-1 and a CDSC or redemption fee.

Q What if I have a large amount of money to invest all at once? Can I get a discount?

A Yes. Most mutual fund companies offer a volume discount for large investments. At AllianceBernstein, shareholders investing more than $100,000 in one or more mutual funds are entitled to a reduced sales charge.

Q If I am ready to add to my existing mutual fund account, do I qualify for a volume discount?

A Perhaps. Most mutual fund companies offer investors something known as "rights of accumulation" (ROA), which means that if you add to your investment, you may be entitled to a reduced sales charge. This discount may even apply if you have several different mutual fund accounts with the same mutual fund family. Be sure to let your advisor know about all of your existing accounts. With the help of an advisor and by reading the fund's prospectus, you can determine whether or not those accounts are eligible for ROA.

Q I plan to make a number of investments in a mutual fund over the next year. Can I receive a reduced sales charge?

A You may. It depends upon the total amount you plan to invest over a given time frame. If you express your intention to invest a certain amount of money over a 13-month period, you may qualify for a volume discount. To do so, you will need to write a "Letter of Intent" (LOI). You can find all the details you'll need to draft that letter in the prospectus.

A number of important details and requirements apply to each of these scenarios, so be sure to read the prospectus carefully.

Glossary of Investment Terms

Asset Allocation—An investment technique that diversifies a portfolio among different types of asset categories, such as stocks, bonds, and cash. Asset allocation helps to balance risk and return. How assets should be allocated depends largely on an investor's investment goals and ability to tolerate risk while pursuing those goals.

Capital Gain (or Loss)—Increase (or decrease) in the market value of a stock, bond, or other investment asset. A part of total return, along with interest or dividend payments.

Capital Markets—The universe of publicly traded securities markets, including markets for stocks, Treasury and agency bonds, mortgage-related securities, corporate and municipal fixed-income securities, and money-market instruments.

Commission—A fee paid by an investor to a broker or other sales agent for investment advice and assistance.

Compounding—Earnings on an investment's appreciation. Over time, compounding can produce significant growth in the value of an investment.

Contingent Deferred Sales Charge (CDSC)—A type of back-end sales charge, a contingent deferred sales charge is an alternative way to compensate financial professionals for their services. Typically calculated as a percentage of assets and applies only for the first few years that you own your fund. The fee is usually assessed on a sliding scale and decreases over time until it disappears.

Correlation—The degree to which two assets behave alike. The more they behave in similar ways, the greater their positive correlation; the more they behave in opposite ways, the greater their negative correlation. The less positively correlated two assets are, the more one tends to diversify the other and the more the combination should lower an investor's overall risk.

Diversification—Investing in more than one type of asset at the same time for the purpose of lowering risk. A stock portfolio is more diversified the more stocks (or types of stocks) it contains; an investor's overall portfolio is more diversified the greater the number of different asset classes it contains (e.g., domestic and foreign stocks, taxable bonds, municipal bonds, money-market instruments, etc.). The greater the diversification, all else being equal, the lower the investor's risk.

Equities (stocks)—Securities representing shares of ownership in the issuing enterprise, as distinct from fixed-income instruments (e.g., bonds), which represent loans to the issuer.

Expense Ratio—A fund's aggregated expenses expressed as an annualized percentage of its assets. Remember that trading commissions and the fund's cost of buying and selling securities are expenses that are not reflected in the expense ratio but do impact fund performance.

Fixed-Income Securities (bonds, notes, bills, etc.)—Securities representing loans to governments, agencies, corporations, and banks for a stated period at a fixed interest rate—as opposed to equities (stocks), which represent shares of ownership in the issuing company.

"Growth" Stocks—Stocks of companies selected for historically rapid sales and earnings growth; often selling at high prices in relation to current company characteristics (the kind of stocks favored by "growth investors").

Income—Interest payments on bonds, dividends on stocks.

Load Mutual Fund—A fund that imposes a sales charge, which compensates a financial professional for his or her services, including personal consultations, expertise, advice, and placement and processing of purchase or sell orders.

Management Fee—The amount paid by a mutual fund to the investment manager for its services.

Net Asset Value (NAV)—The per-share value of a mutual fund, found by subtracting the fund's liabilities from its assets and dividing by the number of outstanding shares. Mutual funds calculate their NAVs at least once each business day.

No-Load Fund—A mutual fund whose shares are sold without a sales commission and without a 12b-1 fee that exceeds one-fourth of 1 percent (0.25%) of the fund's assets.

Operating Expenses—Business costs paid from a fund's assets before earnings are distributed to shareholders. These include management fees, 12b-1 fees, and other expenses.

Portfolio Turnover—A measure of the trading activity in a fund's investment portfolio; how often securities are bought and sold by a fund.

Redeem—To cash in mutual fund shares by selling them back to the fund. Mutual fund shares may be redeemed on any business day. You will receive the next calculated share price, called net asset value, minus any deferred sales charge or redemption fee.

Risk/Reward Trade-Off—The amount of return (or expected return) for the risk incurred, or the amount of return sacrificed to lower risk.

Sales Charge (or Load)—An amount charged for the sale of some mutual fund shares, usually sold by brokers or other financial sales professionals. By regulation, a mutual fund sales charge may not exceed 8.5% of an investment purchase. The charge may vary depending on the amount invested and the fund chosen. A sales charge or load is reflected in the offering price.

Share Classes (Class A, B, C, etc.)—Represent ownership in the same fund, but with different distribution- or sales-related fees. These enable shareholders to choose the type of fee structure that best suits their particular needs.

Standard Deviation—The range around the mean value of a set of outcomes; the higher the standard deviation, the more uncertain the results and the less likely that any single outcome will fall at or near the mean.

Total Return—A measure of a fund's performance that encompasses all elements of return: dividends, capital gains distributions, and changes in net asset value. The change in the value of an investment over a given investment period, assuming reinvestment of any dividends and capital-gains distributions, expressed as a percentage of the initial investment.

12b-1 Fee—A mutual fund fee, named for the SEC rule that permits it, used to pay for broker-dealer compensation and other distribution costs. If a fund has a 12b-1 fee, it will be disclosed in the fee table of the fund's prospectus.

Volatility—Variability, or the fluctuation in the price of a fund or security. In investing, the range of likely outcomes for a given investment over a period of time. The smaller the estimated range of an investment's future returns, the lower the investment's volatility, and vice versa. One of the most common measures of investment risk.

Yield—One component of investment return. In fixed-income investments, current yield, one type of yield calculation, represents the interest payments of a security expressed as a percentage of its current market price. Yield to maturity, another widely quoted measure, uses a more complex formula that also factors in the difference between a security's current price and its par value at maturity. Yield and total return often differ because of changes in interest rates, changes in credit quality, and other events that cause capital gain or loss in bonds.

In stocks, the current annual dividend expressed as a percentage of the current price of the stock. Here, too, yield and total return differ, since return also includes price appreciation or loss. High yield in a stock means that dividends are high in relation to current price.

AllianceBernstein Investment Solutions

Some investors seek funds to complement their existing portfolios, while others want more comprehensive investment solutions. We've designed an array of investment solutions that can meet almost every investor's needs.

For more than 35 years, AllianceBernstein has provided investment services to a diverse group of clients, including some of the largest institutional investors in the world. Our primary business goal is to design diversified investment solutions that help our clients build and preserve wealth.

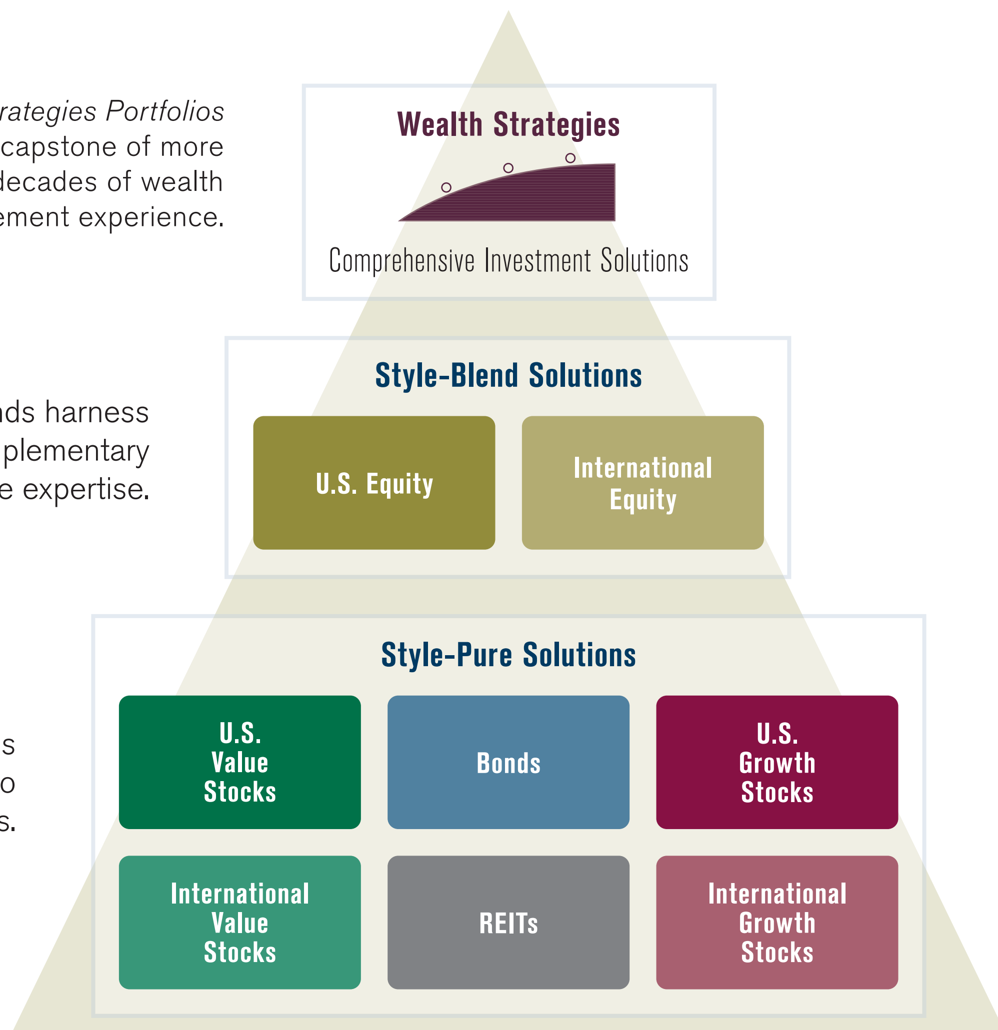
To achieve this goal for mutual fund investors, it's important to design portfolios that are diversified across asset classes, investment styles, and geography. But we recognize that client solutions are not "one size fits all." Some investors seek funds to complement their existing portfolios, while others want more comprehensive investment solutions.

We've designed an array of investment solutions that can meet almost all investors' needs, whether they're starting from scratch or enhancing an existing investment strategy.

The *Wealth Strategies Portfolios* form the capstone of more than three decades of wealth management experience.

Style-Blend funds harness our firm's complementary growth and value expertise.

Style-Pure funds serve as portfolio foundations.



ALLIANCEBERNSTEIN®
Investment Research and Management

Our Firm, Our Mission

Building and preserving investor wealth through:

- A sole focus on asset management
- Global, innovative research
- Disciplined, principled investment processes
- Investment strategies geared to client needs
- Competitive performance at a good value

Delivered by our most important assets...our people

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