

Substituted portfolios	Replacement portfolios
<p>Investment Policies—The Series invests mainly in stocks of small, growth-oriented or emerging companies that the portfolio's investment adviser believes are responsive to changes in the marketplace and have prospects for continued growth. The portfolio's investment adviser looks for market leaders, strong product cycles, innovative concepts, and industry trends, and also examines price-to-earnings ratios, estimated growth rates, market caps, and cash flow when it selects stocks for investment.</p> <p>MFS Research Series of the MFS Trust</p> <p>Investment Objective—To seek long-term growth of capital and future income.</p> <p>Investment Policies—Normally, the Series invests at least 80% of its net assets in common stocks and related securities (preferred stocks, convertible securities and depository receipts for those securities), and focuses on companies, regardless of size, believed to have favorable prospects for long-term growth, attractive valuations based on current and expected earnings or cash flow, dominant or growing market share, and superior management. The Series may also invest in junk bonds and in foreign securities (including emerging markets securities). The Series' assets are allocated among various industries.</p> <p>MFS Investors Trust Series of the MFS Trust.</p> <p>Investment Objective—To provide long-term growth of capital, with reasonable current income as a secondary objective.</p> <p>Investment Policies—Normally, the Series invests at least 65% of net assets in common stocks and related securities (preferred stocks, convertible securities and depository receipts for those securities). The portfolio's investment adviser generally focuses on companies with larger market caps (although it may invest in companies of any size) believed to have sustainable growth prospects and attractive valuations based on current and expected earnings or cash flow. The portfolio's investment adviser will attempt to generate gross current income equal to about 90% of the dividend yield on the Standard & Poor's 500 Composite Stock Index. The portfolio's investment adviser selects securities by analyzing earnings, cash flows, competitive position and management's abilities. The Series may invest in foreign equity securities.</p>	<p>Roszel/PIMCO CCM Capital Appreciation Portfolio of the MLIG Trust.</p> <p>Investment Objective—To seek long-term capital appreciation.</p> <p>Investment Policies—The portfolio invests at least 65% of total assets in large cap stocks of companies believed to have potential for high earnings growth. These companies are generally well-established issuers with strong business franchises and favorable long-term growth prospects. The portfolio's investment adviser seeks to achieve a consistent, favorable balance of growth and value with stocks of companies in the Russell 1000 and the S&P 500 Indexes. In choosing companies to invest in, the portfolio's investment adviser first looks at dividend growth, earnings growth, relative growth of earnings over time, the company's history of meeting earnings targets, and price-to-earnings ratios and other ratios that reveal value. The most promising companies are then evaluated on the basis of management strength, competitiveness in their industries, business prospects, and profitability. The portfolio sells stocks when their price declines relative to other stocks invested in by the portfolio or to other companies in the same business industry or when the issuer's earnings decline. The portfolio may invest up to 10% of total assets in foreign securities. The portfolio uses the S&P 500 Index as a benchmark index.</p>

16. The following chart describes the reimbursements) for the year ending assets, by each Substituted Portfolio and fees payable for advisory services December 31, 2002, expressed as an each Replacement Portfolio. (before any waivers and annual percentage of average daily net

Substituted portfolios	Percent	Replacement portfolios	Percent
AllianceBernstein Quasar Portfolio, Annual Advisory Fees ...	1.00	Roszel/Delaware Trend Portfolio, Annual Advisory Fees	0.85
Delaware VIP Trend Series, Annual Advisory Fees	0.75		
MFS Research Series, Annual Advisory Fees	0.75	Roszel/PIMCO CCM Capital Appreciation Portfolio, Annual Advisory Fees.	0.80
		
MFS Investors Trust Series, Annual Advisory Fees	0.75		

17. The following charts compare the total operating expenses (before and after any waivers and reimbursements) for the year ended December 31, 2002, expressed as an annual percentage of average daily net assets, of each Substituted Portfolio and each Replacement Portfolio. None of the relevant classes of shares of the Replacement Portfolios have adopted a plan pursuant to Rule 12b-1 under the 1940 Act.