

# ***PROSPECTUS***

*February 28, 2011*

*Please carefully read the important information it contains before investing.*

## **DFA INVESTMENT DIMENSIONS GROUP INC.**

---

### **PORTFOLIOS FOR LONG-TERM INVESTORS SEEKING TO INVEST IN:**

#### **DOMESTIC EQUITY SECURITIES**

##### **TAX-MANAGED U.S. MARKETWIDE VALUE PORTFOLIO**

Ticker: DTMMX

##### **TAX-MANAGED U.S. TARGETED VALUE PORTFOLIO**

Ticker: DTMVX

##### **TAX-MANAGED U.S. EQUITY PORTFOLIO**

Ticker: DTMEX

##### **TAX-MANAGED U.S. SMALL CAP PORTFOLIO**

Ticker: DFTSX

##### **T.A. U.S. CORE EQUITY 2 PORTFOLIO**

Ticker: DFTCX

#### **INTERNATIONAL EQUITY SECURITIES**

##### **TAX-MANAGED DFA INTERNATIONAL VALUE PORTFOLIO**

Ticker: DTMIX

##### **T.A. WORLD EX U.S. CORE EQUITY PORTFOLIO**

Ticker: DFTWX

This Prospectus describes the shares of each Portfolio which:

Are generally available only to institutional investors and clients of registered investment advisors.

Do not charge sales commissions or loads.

*The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this Prospectus. Any representation to the contrary is a criminal offense.*

## TABLE OF CONTENTS

TAX-MANAGED U.S. MARKETWIDE VALUE PORTFOLIO .....	1
Investment Objective .....	1
Fees and Expenses of the Portfolio .....	1
Principal Investment Strategies .....	2
Principal Risks .....	2
Performance .....	3
Investment Advisor/Portfolio Management .....	4
Purchase and Redemption of Fund Shares .....	4
Tax Information .....	4
TAX-MANAGED U.S. TARGETED VALUE PORTFOLIO .....	5
Investment Objective .....	5
Fees and Expenses of the Portfolio .....	5
Principal Investment Strategies .....	5
Principal Risks .....	6
Performance .....	7
Investment Advisor/Portfolio Management .....	8
Purchase and Redemption of Fund Shares .....	8
Tax Information .....	8
TAX-MANAGED U.S. EQUITY PORTFOLIO .....	9
Investment Objective .....	9
Fees and Expenses of the Portfolio .....	9
Principal Investment Strategies .....	10
Principal Risks .....	10
Performance .....	11
Investment Advisor/Portfolio Management .....	12
Purchase and Redemption of Fund Shares .....	12
Tax Information .....	12
TAX-MANAGED U.S. SMALL CAP PORTFOLIO .....	13
Investment Objective .....	13
Fees and Expenses of the Portfolio .....	13
Principal Investment Strategies .....	13
Principal Risks .....	14
Performance .....	15

Investment Advisor/Portfolio Management .....	16
Purchase and Redemption of Fund Shares .....	16
Tax Information .....	16
T.A. U.S. CORE EQUITY 2 PORTFOLIO .....	17
Investment Objective .....	17
Fees and Expenses of the Portfolio .....	17
Principal Investment Strategies .....	17
Principal Risks .....	18
Performance .....	19
Investment Advisor/Portfolio Management .....	20
Purchase and Redemption of Fund Shares .....	20
Tax Information .....	20
TAX-MANAGED DFA INTERNATIONAL VALUE PORTFOLIO .....	21
Investment Objective .....	21
Fees and Expenses of the Portfolio .....	21
Principal Investment Strategies .....	21
Principal Risks .....	22
Performance .....	23
Investment Advisor/Portfolio Management .....	24
Purchase and Redemption of Fund Shares .....	24
Tax Information .....	24
T.A. WORLD EX U.S. CORE EQUITY PORTFOLIO .....	25
Investment Objective .....	25
Fees and Expenses of the Portfolio .....	25
Principal Investment Strategies .....	25
Principal Risks .....	26
Performance .....	27
Investment Advisor/Portfolio Management .....	28
Purchase and Redemption of Fund Shares .....	29
Tax Information .....	29
ADDITIONAL INFORMATION ON INVESTMENT OBJECTIVES AND POLICIES .....	30
Tax-Managed U.S. Marketwide Value Portfolio and Tax-Managed U.S. Targeted Value Portfolio .....	30
Tax-Managed U.S. Equity Portfolio .....	31
Tax-Managed U.S. Small Cap Portfolio .....	31
T.A. U.S. Core Equity 2 Portfolio .....	32

Tax-Managed DFA International Value Portfolio .....	32
T.A. World ex U.S. Core Equity Portfolio .....	33
Approved Markets .....	35
Market Capitalization Weighted Approach .....	35
Portfolio Transactions .....	36
Tax Management Strategies—Tax-Managed U.S. Marketwide Value Portfolio, Tax-Managed U.S. Targeted Value Portfolio, Tax-Managed U.S. Equity Portfolio, Tax-Managed U.S. Small Cap Portfolio and Tax-Managed DFA International Value Portfolio .....	37
Consideration of Tax Implications—T.A. U.S. Core Equity 2 Portfolio and T.A. World ex U.S. Core Equity Portfolio .....	37
Other Information .....	38
SECURITIES LOANS .....	38
SECURITIES LENDING REVENUE .....	39
MANAGEMENT OF THE FUND .....	39
Management Fees .....	41
Fee Waiver and Expense Assumption Agreements .....	41
DIVIDENDS, CAPITAL GAINS DISTRIBUTIONS AND TAXES .....	42
PURCHASE OF SHARES .....	44
Cash Purchases .....	44
In-Kind Purchases .....	45
POLICY REGARDING EXCESSIVE OR SHORT-TERM TRADING .....	46
VALUATION OF SHARES .....	48
Net Asset Value .....	48
Public Offering Price .....	50
EXCHANGE OF SHARES .....	50
REDEMPTION OF SHARES .....	51
Redemption Procedure .....	51
Redemption of Small Accounts .....	51
In-Kind Redemptions .....	52
THE FEEDER PORTFOLIO .....	52
DISCLOSURE OF PORTFOLIO HOLDINGS .....	53
DELIVERY OF SHAREHOLDER DOCUMENTS .....	53
FINANCIAL HIGHLIGHTS .....	53
SERVICE PROVIDERS .....	61

# Tax-Managed U.S. Marketwide Value Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the Tax-Managed U.S. Marketwide Value Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns. The Tax-Managed U.S. Marketwide Value Portfolio is a Feeder Portfolio and pursues its objective by investing substantially all of its assets in its corresponding Master Fund, The Tax-Managed U.S. Marketwide Value Series (the “Tax-Managed U.S. Marketwide Value Series”) of The DFA Investment Trust Company (the “Trust”), which has the same investment objective and policies as the Portfolio.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the Tax-Managed U.S. Marketwide Value Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses\* (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.35%
Other Expenses .....	0.03%
Total Annual Fund Operating Expenses .....	0.38%

\* The “Management Fee” includes an investment management fee payable by the Tax-Managed U.S. Marketwide Value Series and an administration fee payable by the Tax-Managed U.S. Marketwide Value Portfolio. The amounts set forth under “Other Expenses” and “Total Annual Fund Operating Expenses” reflect the direct expenses of the Tax-Managed U.S. Marketwide Value Portfolio and the indirect expenses of the Portfolio’s portion of the expenses of the Tax-Managed U.S. Marketwide Value Series.

### Example

This Example is meant to help you compare the cost of investing in the Tax-Managed U.S. Marketwide Value Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio’s operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$39	\$122	\$213	\$480

The Example reflects the aggregate estimated annual operating expenses of the Tax-Managed U.S. Marketwide Value Portfolio and the Portfolio’s portion of the expenses of the Tax-Managed U.S. Marketwide Value Series.

### Portfolio Turnover

The Tax-Managed U.S. Marketwide Value Series pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are

not reflected in Annual Fund Operating Expenses or in the Example, affect the Tax-Managed U.S. Marketwide Value Portfolio's performance. During the most recent fiscal year, the Tax-Managed U.S. Marketwide Value Series' portfolio turnover rate was 25% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The Advisor's tax management strategies for the Tax-Managed U.S. Marketwide Value Series are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Tax-Managed U.S. Marketwide Value Series with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Tax-Managed U.S. Marketwide Value Portfolio pursues its investment objective by investing substantially all of its assets in the Tax-Managed U.S. Marketwide Value Series. The Tax-Managed U.S. Marketwide Value Series, using a market capitalization weighted approach, generally purchases a broad and diverse group of common stocks of U.S. companies that the Advisor determines to be value stocks. A company's market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the U.S. company, the greater its representation in the Tax-Managed U.S. Marketwide Value Series. The Advisor may modify market capitalization weights after considering such factors as free float, momentum, trading strategies, liquidity management and other factors that the Advisor determines appropriate, given market conditions. Securities are considered value stocks primarily because a company's shares have a high book value in relation to their market value.

As a non-fundamental policy, under normal circumstances, the Tax-Managed U.S. Marketwide Value Series will invest at least 80% of its net assets in securities of U.S. companies. As of the date of this Prospectus, the Advisor considers for purchase by Tax-Managed U.S. Marketwide Value Series common stocks of companies whose market capitalizations generally fall within the range of total market capitalization. Total market capitalization is based on the market capitalization of U.S. operating companies listed on the New York Stock Exchange ("NYSE"), NYSE Alternext US LLC, Nasdaq Global Market® or such other securities exchanges deemed appropriate by the Advisor.

The Tax-Managed U.S. Marketwide Value Series and the Tax-Managed U.S. Marketwide Value Portfolio each may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on their uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The Tax-Managed U.S. Marketwide Value Series may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the Tax-Managed U.S. Marketwide Value Series that owns them, and, in turn, the Tax-Managed U.S. Marketwide Value Portfolio itself, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Tax-Management Strategy Risk:** The tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Tax-Managed U.S. Marketwide Value Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Marketwide Value Portfolio use derivatives, each will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

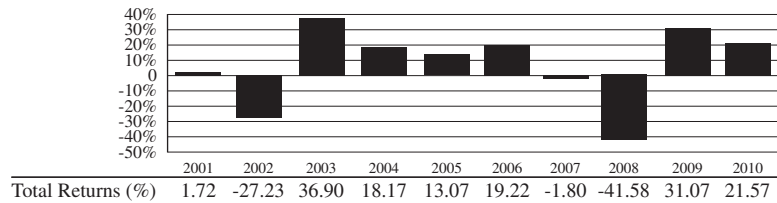
**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Tax-Managed U.S. Marketwide Value Series may lose money and there may be a delay in recovering the loaned securities. The Tax-Managed U.S. Marketwide Value Series could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of Tax-Managed U.S. Marketwide Value Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year, five year and ten year returns, both before and after taxes, compare with those of a broad measure of market performance. The Tax-Managed U.S. Marketwide Value Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimension.com](http://www.dimension.com).

The after-tax returns presented in the table for the Tax-Managed U.S. Marketwide Value Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

## Tax-Managed U.S. Marketwide Value Portfolio



### January 2001-December 2010

Highest Quarter  
24.40 (4/09-6/09)

Lowest Quarter  
-27.72 (10/08-12/08)

### Periods ending December 31, 2010

#### Annualized Returns (%)

#### Tax-Managed U.S. Marketwide Value Portfolio

	One Year	Five Years	Ten Years
Return Before Taxes . . . . .	21.57%	1.73%	3.96%
Return After Taxes on Distributions . . . . .	21.34%	1.42%	3.71%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	14.28%	1.44%	3.38%
<b>Russell 3000® Value Index</b> (reflects no deduction for fees, expenses, or taxes) . . . . .	16.23%	1.45%	3.63%

## INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT

Dimensional Fund Advisors LP serves as the investment advisor for the Tax-Managed U.S. Marketwide Value Portfolio and the Tax-Managed U.S. Marketwide Value Series. Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, is responsible for coordinating the day to day management of the Tax-Managed U.S. Marketwide Value Portfolio and the Tax-Managed U.S. Marketwide Value Series and has been a portfolio manager since 2001.

## PURCHASE AND REDEMPTION OF FUND SHARES

Investors may purchase or redeem shares of the Tax-Managed U.S. Marketwide Value Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## TAX INFORMATION

The dividends and distributions you receive from the Tax-Managed U.S. Marketwide Value Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# Tax-Managed U.S. Targeted Value Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the Tax-Managed U.S. Targeted Value Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the Tax-Managed U.S. Targeted Value Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.42%
Other Expenses .....	0.03%
Total Annual Fund Operating Expenses .....	0.45%

### Example

This Example is meant to help you compare the cost of investing in the Tax-Managed U.S. Targeted Value Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$46	\$144	\$252	\$567

### Portfolio Turnover

The Tax-Managed U.S. Targeted Value Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Tax-Managed U.S. Targeted Value Portfolio's performance. During the most recent fiscal year, the Tax-Managed U.S. Targeted Value Portfolio's portfolio turnover rate was 26% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The Advisor's tax management strategies for the Tax-Managed U.S. Targeted Value Portfolio are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Tax-Managed U.S. Targeted Value Portfolio, using a market capitalization weighted approach, generally purchases a broad and diverse group of readily marketable common stocks of U.S. small and mid cap companies that the Advisor determines to be value stocks. A company's market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the eligible company, the greater its representation in the Portfolio. The Advisor may modify market capitalization weights after considering such factors as free float, momentum, trading strategies, liquidity management and other factors that the Advisor determines appropriate, given market conditions. Securities are considered value stocks primarily because a company's shares have a high book value in relation to their market value.

As a non-fundamental policy, under normal circumstances, the Tax-Managed U.S. Targeted Value Portfolio will invest at least 80% of its net assets in securities of U.S. companies. As of the date of this Prospectus, the Advisor considers for investment companies whose market capitalizations are generally smaller than the 500th largest U.S. company. As of December 31, 2010, companies smaller than the 500th largest U.S. company fall in the lowest 15% of total market capitalization. Total market capitalization is based on the market capitalization of U.S. operating companies listed on the New York Stock Exchange ("NYSE"), NYSE Alternext US LLC, Nasdaq Global Market® or such other securities exchanges deemed appropriate by the Advisor. As of December 31, 2010, the market capitalization of a company smaller than the 500th largest U.S. company was approximately \$5,005 million or below. This dollar amount will change due to market conditions.

The Tax-Managed U.S. Targeted Value Portfolio may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The Tax-Managed U.S. Targeted Value Portfolio may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the Tax-Managed U.S. Targeted Value Portfolio that owns them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Tax-Management Strategy Risk:** The tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Tax-Managed U.S. Targeted Value Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the Tax-Managed U.S. Targeted Value Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

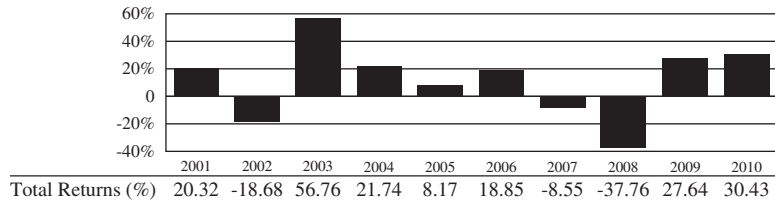
**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Tax-Managed U.S. Targeted Value Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the Tax-Managed U.S. Targeted Value Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year, five year and ten year returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimensional.com](http://www.dimensional.com).

The after-tax returns presented in the table for the Tax-Managed U.S. Targeted Value Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. A negative pre-tax total return translates into a higher after-tax return because this calculation assumes that an investor received a tax deduction for the loss incurred on the sale.

## Tax-Managed U.S. Targeted Value Portfolio



### January 2001-December 2010

Highest Quarter  
27.69 (4/03-6/03)

Lowest Quarter  
-28.06 (10/08-12/08)

<u>Annualized Returns (%)</u>	<u>Periods ending December 31, 2010</u>		
	<u>One Year</u>	<u>Five Years</u>	<u>Ten Years</u>
<b>Tax-Managed U.S. Targeted Value Portfolio</b>			
Return Before Taxes . . . . .	30.43%	2.41%	8.57%
Return After Taxes on Distributions . . . . .	30.29%	1.79%	8.03%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	19.94%	2.04%	7.56%
<b>Russell 2000® Value Index</b>			
(reflects no deduction for fees, expenses, or taxes) . . . . .	24.50%	3.52%	8.42%

## INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT

Dimensional Fund Advisors LP serves as the investment advisor for the Tax-Managed U.S. Targeted Value Portfolio. Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, is responsible for coordinating the day to day management of the Tax-Managed U.S. Targeted Value Portfolio and has been a portfolio manager since 2001.

## PURCHASE AND REDEMPTION OF FUND SHARES

Investors may purchase or redeem shares of the Tax-Managed U.S. Targeted Value Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## TAX INFORMATION

The dividends and distributions you receive from the Tax-Managed U.S. Targeted Value Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# Tax-Managed U.S. Equity Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the Tax-Managed U.S. Equity Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the Tax-Managed U.S. Equity Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.20%
Other Expenses .....	0.03%
Total Annual Fund Operating Expenses .....	0.23%
Fee Waiver and/or Expense Reimbursement or (Recovery)* .....	0.01%
Total Annual Fund Operating Expenses After Fee Waiver and/or Expense Reimbursement or (Recovery) .....	0.22%

\* The Advisor has agreed to waive certain fees and in certain instances, assume certain expenses of the Tax-Managed U.S. Equity Portfolio. The Fee Waiver and/or Expense Assumption Agreement for the Tax-Managed U.S. Equity Portfolio will remain in effect through February 28, 2012, and may not be terminated by the Advisor prior to that date. Under certain circumstances, the Advisor retains the right to seek reimbursement for any fees previously waived and/or expenses previously assumed up to thirty-six months after such fee waiver and/or expense assumption.

## Example

This Example is meant to help you compare the cost of investing in the Tax-Managed U.S. Equity Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. The costs for the Tax-Managed U.S. Equity Portfolio reflect the net expenses of the Portfolio that result from the contractual expense waiver and assumption in the first year only. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$23	\$73	\$129	\$292

## Portfolio Turnover

The Tax-Managed U.S. Equity Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Portfolio's performance. Prior to February 28, 2011, the Portfolio operated as a Feeder Portfolio in a master/feeder structure. During the most recent fiscal year, the Master Fund's portfolio turnover rate was 7% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the “Advisor”) believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The Advisor’s tax management strategies for the Tax-Managed U.S. Equity Portfolio are designed to maximize the after tax value of a shareholder’s investment. Generally, the Advisor buys and sells securities for the Tax-Managed U.S. Equity Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Tax-Managed U.S. Equity Portfolio, using a market capitalization weighted approach, generally purchases a broad and diverse group of common stocks of U.S. companies. A company’s market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the U.S. company, the greater its representation in the Tax-Managed U.S. Equity Portfolio. The Advisor may modify market capitalization weights after considering such factors as free float, momentum, trading strategies, liquidity management and other factors that the Advisor determines appropriate, given market conditions.

As a non-fundamental policy, under normal circumstances, the Tax-Managed U.S. Equity Portfolio will invest at least 80% of its net assets in securities of U.S. companies. As of the date of this Prospectus, the Advisor considers for purchase by Tax-Managed U.S. Equity Portfolio common stocks of companies whose market capitalizations generally fall within the range of total market capitalization. Total market capitalization is based on the market capitalization of U.S. operating companies listed on the New York Stock Exchange (“NYSE”), NYSE Alternext US LLC, Nasdaq Global Market® or such other securities exchanges deemed appropriate by the Advisor.

The Tax-Managed U.S. Equity Portfolio may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on their uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The Tax-Managed U.S. Equity Portfolio may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities and, in turn, the Tax-Managed U.S. Equity Portfolio that owns them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

***Tax-Management Strategy Risk:*** The tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Tax-Managed U.S. Equity Portfolio may deviate from that of non-tax managed mutual funds.

***Derivatives:*** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the Tax-Managed U.S. Equity Portfolio use derivatives, it will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

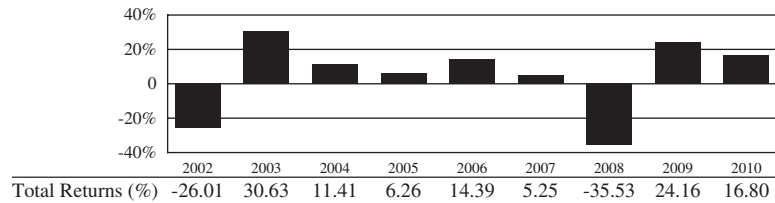
***Securities Lending:*** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Tax-Managed U.S. Equity Portfolio may lose money and there may be a delay in recovering the loaned securities. The Tax-Managed U.S. Equity Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the Tax-Managed U.S. Equity Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year, five year and since inception returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimensional.com](http://www.dimensional.com).

The after-tax returns presented in the table for the Tax-Managed U.S. Equity Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

## Tax-Managed U.S. Equity Portfolio



### January 2002-December 2010

Highest Quarter  
15.73 (4/03-6/03)

Lowest Quarter  
-21.50 (10/08-12/08)

<u>Annualized Returns (%)</u>	<u>Periods ending December 31, 2010</u>		
	<u>One Year</u>	<u>Five Years</u>	<u>Since 9/25/01 Inception</u>
<b>Tax-Managed U.S. Equity Portfolio</b>			
Return Before Taxes . . . . .	16.80%	2.39%	4.78%
Return After Taxes on Distributions . . . . .	16.50%	2.11%	4.54%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	11.25%	2.01%	4.12%
<b>Russell 3000 Index</b>			
(reflects no deduction for fees, expenses, or taxes) . . . . .	16.93%	2.74%	5.34%

## INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT

Dimensional Fund Advisors LP serves as the investment advisor for the Tax-Managed U.S. Equity Portfolio. Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, is responsible for coordinating the day to day management of the Tax-Managed U.S. Equity Portfolio and has been a portfolio manager since 2001.

## PURCHASE AND REDEMPTION OF FUND SHARES

Investors may purchase or redeem shares of the Tax-Managed U.S. Equity Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## TAX INFORMATION

The dividends and distributions you receive from the Tax-Managed U.S. Equity Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# Tax-Managed U.S. Small Cap Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the Tax-Managed U.S. Small Cap Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the Tax-Managed U.S. Small Cap Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.50%
Other Expenses .....	0.03%
Total Annual Fund Operating Expenses .....	0.53%

### Example

This Example is meant to help you compare the cost of investing in the Tax-Managed U.S. Small Cap Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$54	\$170	\$296	\$665

### Portfolio Turnover

The Tax-Managed U.S. Small Cap Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Tax-Managed U.S. Small Cap Portfolio's performance. During the most recent fiscal year, the Tax-Managed U.S. Small Cap Portfolio's portfolio turnover rate was 27% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The Advisor's tax management strategies for the Tax-Managed U.S. Small Cap Portfolio are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Tax-Managed U.S. Small Cap Portfolio, using a market capitalization weighted approach, generally purchases a broad and diverse group of readily marketable common stocks of U.S. small cap companies. A company's market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of the U.S. small cap company, the greater its representation in the Portfolio. The Advisor may modify market capitalization weights after considering such factors as free float, momentum, trading strategies, liquidity management and other factors that the Advisor determines appropriate, given market conditions.

As a non-fundamental policy, under normal circumstances, the Tax-Managed U.S. Small Cap Portfolio will invest at least 80% of its net assets in securities of small cap U.S. companies. As of the date of this Prospectus, for purposes of the Tax-Managed U.S. Small Cap Portfolio, the Advisor considers small cap companies to be companies whose market capitalizations are generally in the lowest 10% of total market capitalization or companies whose market capitalizations are smaller than the 1,000th largest U.S. company, whichever results in the higher market capitalization break. Total market capitalization is based on the market capitalization of U.S. operating companies listed on the New York Stock Exchange ("NYSE"), NYSE Alternext US LLC, Nasdaq Global Market® or such other securities exchanges deemed appropriate by the Advisor. Under the Advisor's market capitalization guidelines described above, as of December 31, 2010, the market capitalization of a small cap company was \$2,357 million, or below. This dollar amount will change due to market conditions. As a non-fundamental policy, under normal circumstances, the U.S. Small Cap Portfolio will invest at least 80% of its net assets in securities of small cap U.S. companies.

The Tax-Managed U.S. Small Cap Portfolio may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The Tax-Managed U.S. Small Cap Portfolio may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the Tax-Managed U.S. Small Cap Portfolio that owns them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Tax-Management Strategy Risk:** The tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Tax-Managed U.S. Small Cap Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the Tax-Managed U.S. Small Cap Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

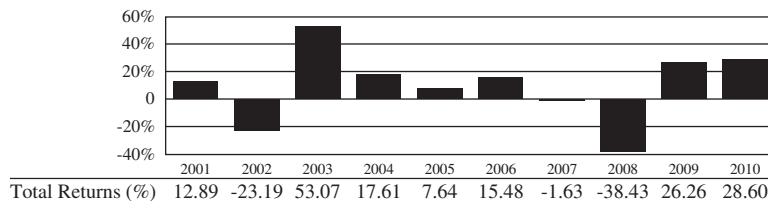
**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Tax-Managed U.S. Small Cap Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the Tax-Managed U.S. Small Cap Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year, five year and ten year returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimensional.com](http://www.dimensional.com).

The after-tax returns presented in the table for the Tax-Managed U.S. Small Cap Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

### Tax-Managed U.S. Small Cap Portfolio



#### January 2001-December 2010

Highest Quarter  
26.05 (4/03-6/03)

Lowest Quarter  
-28.03 (10/08-12/08)

#### Periods ending December 31, 2010

#### Annualized Returns (%)

#### Tax-Managed U.S. Small Cap Portfolio

	One Year	Five Years	Ten Years
Return Before Taxes . . . . .	28.60%	2.58%	6.67%
Return After Taxes on Distributions . . . . .	28.48%	2.19%	6.45%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	18.73%	2.17%	5.86%
<b>Russell 2000® Index</b> (reflects no deduction for fees, expenses, or taxes) . . . . .	26.85%	4.47%	6.33%

## **INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT**

Dimensional Fund Advisors LP serves as the investment advisor for the Tax-Managed U.S. Small Cap Portfolio. Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, is responsible for coordinating the day to day management of the Tax-Managed U.S. Small Cap Portfolio and has been a portfolio manager since 2001.

## **PURCHASE AND REDEMPTION OF FUND SHARES**

Investors may purchase or redeem shares of the Tax-Managed U.S. Small Cap Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## **TAX INFORMATION**

The dividends and distributions you receive from the Tax-Managed U.S. Small Cap Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# T.A. U.S. Core Equity 2 Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the T.A. U.S. Core Equity 2 Portfolio is to achieve long-term capital appreciation while considering federal income tax implications of investment decisions.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the T.A. U.S. Core Equity 2 Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.22%
Other Expenses .....	0.03%
Total Annual Fund Operating Expenses .....	0.25%

### Example

This Example is meant to help you compare the cost of investing in the T.A. U.S. Core Equity 2 Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$26	\$80	\$141	\$318

### Portfolio Turnover

The T.A. U.S. Core Equity 2 Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the T.A. U.S. Core Equity 2 Portfolio's performance. During the most recent fiscal year, the T.A. U.S. Core Equity 2 Portfolio's portfolio turnover rate was 5% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

When constructing the T.A. U.S. Core Equity 2 Portfolio's investment portfolio, the Advisor intends to consider federal tax implications when making investment decisions with respect to individual securities to seek to provide a tax advantage. When consistent with the Portfolio's investment policies, the Advisor will buy and sell securities for the Portfolio considering the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The T.A. U.S. Core Equity 2 Portfolio purchases a broad and diverse group of common stocks of U.S. companies with a greater emphasis on small capitalization and value companies as compared to their representation in the U.S. Universe. The Advisor generally defines the U.S. Universe as a market capitalization weighted portfolio of U.S. operating companies listed on the New York Stock Exchange ("NYSE"), NYSE Alternext US LLC or Nasdaq Global Market® or such other securities exchanges deemed appropriate by the Advisor. The Portfolio's increased exposure to small and value companies may be achieved by decreasing the allocation of the Portfolio's assets to the largest U.S. growth companies relative to their weight in the U.S. Universe, which would result in a greater weight allocation to small capitalization and value companies. An equity issuer is considered a growth company primarily because it has a low, non-negative book value in relation to its market capitalization. An equity issuer is considered a value company primarily because it has a high book value in relation to its market capitalization.

As a non-fundamental policy, under normal circumstances, the T.A. U.S. Core Equity 2 Portfolio will invest at least 80% of its net assets in securities of U.S. companies. The percentage allocation of the assets of the T.A. U.S. Core Equity 2 Portfolio to securities of the largest U.S. growth companies will generally be reduced from between 5% and 35% of their percentage weight in the U.S. Universe. For example, as of December 31, 2010, securities of the largest U.S. growth companies comprised 16% of the U.S. Universe and the Advisor allocated approximately 4% of the T.A. U.S. Core Equity 2 Portfolio to securities of the largest U.S. growth companies. The percentage by which the T.A. U.S. Core Equity 2 Portfolio's allocation to securities of the largest U.S. growth companies is reduced will fluctuate with market movements. Additionally, the range by which the T.A. U.S. Core Equity 2 Portfolio's percentage allocation to the securities of the largest U.S. growth companies is reduced as compared to the U.S. Universe will change from time to time.

The T.A. U.S. Core Equity 2 Portfolio may use derivatives, such as futures contracts and options on futures contracts for U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The T.A. U.S. Core Equity 2 Portfolio may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the T.A. U.S. Core Equity 2 Portfolio that owns them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Tax Advantage Strategy Risk:** An investment strategy that considers the tax implications of investment decisions may alter the construction of the T.A. U.S. Core Equity Portfolio and affect the portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the T.A. U.S. Core Equity 2 Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

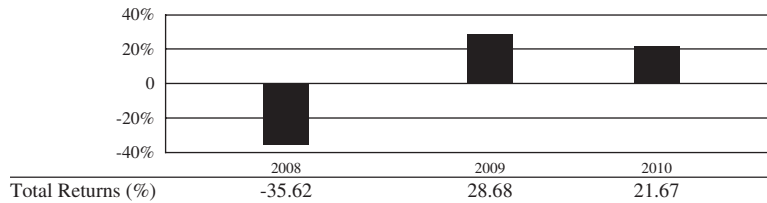
**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the T.A. U.S. Core Equity 2 Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the T.A. U.S. Core Equity 2 Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year and since inception returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimension.com](http://www.dimension.com).

The after-tax returns presented in the table for the T.A. U.S. Core Equity 2 Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. A negative pre-tax total return translates into a higher after-tax return because this calculation assumes that an investor received a tax deduction for the loss incurred on the sale.

**T.A. U.S. Core Equity 2 Portfolio**



**January 2008-December 2010**

Highest Quarter  
18.98 (7/09-9/09)

Lowest Quarter  
-24.21 (10/08-12/08)

**Periods ending December 31, 2010**

**Annualized Returns (%)**

**T.A. U.S. Core Equity 2 Portfolio**

	<b>One Year</b>	<b>Since 10/4/07 Inception</b>
Return Before Taxes . . . . .	21.67%	-1.95%
Return After Taxes on Distributions . . . . .	21.40%	-2.19%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	14.38%	-1.70%

**Russell® 3000 Index**

(reflects no deduction for fees, expenses, or taxes) . . . . .	16.93%	-3.26%
--	--------	--------

**INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT**

Dimensional Fund Advisors LP serves as the investment advisor for the T.A. U.S. Core Equity 2 Portfolio. Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, is responsible for coordinating the day to day management of the T.A. U.S. Core Equity 2 Portfolio and has been a portfolio manager since 2001.

**PURCHASE AND REDEMPTION OF FUND SHARES**

Investors may purchase or redeem shares of the T.A. U.S. Core Equity 2 Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

**TAX INFORMATION**

The dividends and distributions you receive from the T.A. U.S. Core Equity 2 Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# Tax-Managed DFA International Value Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the Tax-Managed DFA International Value Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of Tax-Managed DFA International Value Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.50%
Other Expenses .....	0.05%
Total Annual Fund Operating Expenses .....	0.55%

### Example

This Example is meant to help you compare the cost of investing in the Tax-Managed DFA International Value Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$56	\$176	\$307	\$689

### Portfolio Turnover

The Tax-Managed DFA International Value Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the Tax-Managed DFA International Value Portfolio's performance. During the most recent fiscal year, the Tax-Managed DFA International Value Portfolio's portfolio turnover rate was 28% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The Advisor's tax management strategies for the Tax-Managed DFA International Value Portfolio are designed to maximize the after tax value of a shareholder's investment. Generally, the Advisor buys and sells securities for the Portfolio with the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Tax-Managed DFA International Value Portfolio, using a market capitalization weighted approach, generally purchases stocks of large non-U.S. companies in countries with developed markets that the Advisor determines to be value stocks. A company's market capitalization is the number of its shares outstanding times its price per share. In general, the higher the relative market capitalization of a large company within an eligible country, the greater its representation in the Portfolio. The Advisor may modify market capitalization weights after considering such factors as free float, momentum, trading strategies, liquidity management and other factors that the Advisor determines appropriate, given market conditions. Securities are considered value stocks primarily because a company's shares have a high book value in relation to their market value.

The Tax-Managed DFA International Value Portfolio intends to purchase stocks of large companies associated with developed market countries that the Advisor has designated as approved markets. The Advisor determines the minimum market capitalization of a large company with respect to each country or region in which the Portfolio invests. As of December 31, 2010, for the Tax-Managed DFA International Value Portfolio, the lowest minimum market capitalization of a large company in any country or region in which the Portfolio invests was \$1,438 million. This threshold will change due to market conditions.

The Tax-Managed DFA International Value Portfolio also may gain exposure to companies associated with approved markets by purchasing equity securities in the form of depositary receipts, which may be listed or traded outside the issuer's domicile country. The Tax-Managed DFA International Value Portfolio may use derivatives, such as futures contracts and options on futures contracts for foreign or U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions.

The Tax-Managed DFA International Value Portfolio may lend its portfolio securities to generate additional income.

## PRINCIPAL RISKS

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the Tax-Managed DFA International Value Portfolio that owns them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Foreign Securities and Currencies Risk:** Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar). The Tax-Managed DFA International Value Portfolio does not hedge foreign currency risk.

**Tax-Management Strategy Risk:** The tax-management strategies may alter investment decisions and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Tax-Managed DFA International Value Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the Tax-Managed DFA International Value Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

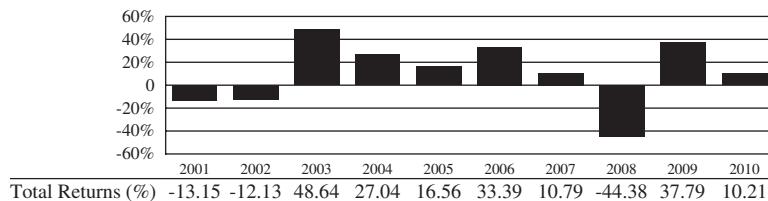
**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the Tax-Managed DFA International Value Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the Tax-Managed DFA International Value Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how annualized one year, five year and ten year returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimensional.com](http://www.dimensional.com).

The after-tax returns presented in the table for the Tax-Managed DFA International Value Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

### Tax-Managed DFA International Value Portfolio



#### January 2001-December 2010

Highest Quarter  
33.74 (4/09-6/09)

Lowest Quarter  
-22.66 (10/08-12/08)

Annualized Returns (%)	Periods ending December 31, 2010		
	One Year	Five Years	Ten Years
<b>Tax-Managed DFA International Value Portfolio</b>			
Return Before Taxes	10.21%	4.53%	7.68%
Return After Taxes on Distributions	9.97%	3.88%	7.15%
Return After Taxes on Distributions and Sale of Portfolio Shares	7.21%	4.12%	6.83%
<b>MSCI World ex USA Index (net dividends)</b> (reflects no deduction for fees, expenses, or taxes on sales)	8.95%	3.05%	3.98%

## **INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT**

Dimensional Fund Advisors LP serves as the investment advisor for the Tax-Managed DFA International Value Portfolio. The following portfolio managers are responsible for coordinating the day to day management of the Tax-Managed DFA International Value Portfolio:

- Karen Umland, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 1998.
- Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2001.
- Joseph H. Chi, Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2005.
- Jed S. Fogdall, Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2004.

## **PURCHASE AND REDEMPTION OF FUND SHARES**

Investors may purchase or redeem shares of the Tax-Managed DFA International Value Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## **TAX INFORMATION**

The dividends and distributions you receive from the Tax-Managed DFA International Value Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

# T.A. World ex U.S. Core Equity Portfolio

## INVESTMENT OBJECTIVE

The investment objective of the T.A. World ex U.S. Core Equity Portfolio is to achieve long-term capital appreciation while considering federal tax implications of investment decisions.

## FEES AND EXPENSES OF THE PORTFOLIO

This table describes the fees and expenses you may pay if you buy and hold shares of the T.A. World ex U.S. Core Equity Portfolio.

**Shareholder Fees (fees paid directly from your investment):** None

**Annual Fund Operating Expenses (expenses that you pay each year as a percentage of the value of your investment)**

Management Fee .....	0.40%
Other Expenses .....	0.08%
Total Annual Fund Operating Expenses .....	0.48%

### Example

This Example is meant to help you compare the cost of investing in the T.A. World ex U.S. Core Equity Portfolio with the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in the Portfolio for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Portfolio's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
\$49	\$154	\$269	\$604

### Portfolio Turnover

The T.A. World ex U.S. Core Equity Portfolio pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs and may result in higher taxes when Portfolio shares are held in a taxable account. These costs, which are not reflected in Annual Fund Operating Expenses or in the Example, affect the T.A. World ex U.S. Core Equity Portfolio's performance. During the most recent fiscal year, the T.A. World ex U.S. Core Equity Portfolio's portfolio turnover rate was 2% of the average value of its investment portfolio.

## PRINCIPAL INVESTMENT STRATEGIES

Dimensional Fund Advisors LP (the "Advisor") believes that equity investing should involve a long-term view and a systematic focus on sources of expected returns, not on stock picking or market timing. In constructing an investment portfolio, the Advisor identifies a broadly diversified universe of eligible securities with precisely-defined risk and return characteristics. It then places priority on efficiently managing portfolio turnover and keeping trading costs low. The Advisor does not intend to purchase or sell securities for the

investment portfolio based on prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

When constructing the T.A. World ex U.S. Core Equity Portfolio's investment portfolio, the Advisor intends to consider federal tax implications when making investment decisions with respect to individual securities to seek to provide a tax advantage. When consistent with the Portfolio's investment policies, the Advisor will buy and sell securities for the Portfolio considering the goals of: (i) delaying and minimizing the realization of net capital gains (e.g., selling stocks with capital losses to offset gains, realized or anticipated); and (ii) maximizing the extent to which any realized net capital gains are long-term in nature (i.e., taxable at lower capital gains tax rates).

The Advisor purchases for the T.A. World ex U.S. Core Equity Portfolio a broad and diverse group of common stocks of non-U.S. companies in countries with developed and emerging markets with a greater emphasis on small capitalization and value companies as compared to their representation in the Non-U.S. Universe. For purposes of this Portfolio, the Advisor defines the Non-U.S. Universe as a market capitalization weighted portfolio of non-U.S. companies in developed and emerging markets that have been authorized for investment as approved markets by the Advisor's Investment Committee. The Portfolio's increased exposure to small capitalization and value companies may be achieved by decreasing the allocation of the T.A. World ex U.S. Core Equity Portfolio's assets to the largest growth companies relative to their weight in the Non-U.S. Universe, which would result in a greater weight allocation to small capitalization and value companies. An equity issuer is considered a growth company primarily because it has a low, non-negative book value in relation to its market capitalization. An equity issuer is considered a value company primarily because it has a high book value in relation to its market capitalization.

The T.A. World ex U.S. Core Equity Portfolio intends to purchase stocks of companies associated with developed market and emerging market countries, including frontier markets (emerging market countries in an earlier stage of development), that the Advisor has designated as approved markets. As a non-fundamental policy, under normal circumstances, the T.A. World ex U.S. Core Equity Portfolio will invest at least 80% of its net assets in non-U.S. equity securities and/or investments that provide exposure to non-U.S. securities. The Advisor determines company size on a country or region specific basis and based primarily on market capitalization. The percentage allocation of the assets of the T.A. World ex U.S. Core Equity Portfolio to securities of the largest growth companies will generally be reduced from between 5% and 35% of their percentage weight in the Non-U.S. Universe. As of December 31, 2010, securities of the largest growth companies in the Non-U.S. Universe comprised approximately 15% of the Non-U.S. Universe and the Advisor allocated approximately 3% of the Portfolio to securities of the largest growth companies in the Non-U.S. Universe. The percentage by which the Portfolio's allocation to securities of the largest growth companies is reduced will fluctuate with market movements and other factors. Additionally, the range by which the T.A. World ex U.S. Core Equity Portfolio's percentage allocation to the securities of the largest growth companies is reduced as compared to the Non-U.S. Universe will change from time to time.

The T.A. World ex U.S. Core Equity Portfolio may use derivatives, such as futures contracts and options on futures contracts for foreign or U.S. equity securities and indices, to gain market exposure on its uninvested cash pending investment in securities or to maintain liquidity to pay redemptions. The Portfolio may engage in spot foreign currency transactions for the purposes of settling the Portfolio's purchases and sales of foreign securities.

The T.A. World ex U.S. Core Equity Portfolio may lend its portfolio securities to generate additional income.

## **PRINCIPAL RISKS**

**Market Risk:** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities, and the T.A. World ex U.S. Core Equity Portfolio that owns

them, to rise or fall. Because the value of your investment in the Portfolio will fluctuate, there is the risk that you will lose money.

**Value Investment Risk:** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Portfolio to at times underperform equity funds that use other investment strategies.

**Small Company Risk:** Securities of small companies are often less liquid than those of large companies and this could make it difficult to sell a small company security at a desired time or price. As a result, small company stocks may fluctuate relatively more in price. In general, smaller capitalization companies are also more vulnerable than larger companies to adverse business or economic developments and they may have more limited resources.

**Foreign Securities and Currencies Risk:** Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities are also exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar). The T.A. World ex U.S. Core Equity Portfolio does not hedge foreign currency risk.

**Emerging Markets Risk:** Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political problems. Stock markets in many emerging market countries are relatively small, expensive to trade and risky. Foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Frontier market countries generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

**Tax Advantage Strategy Risk:** An investment strategy that considers the tax implications of investment decisions may alter the construction of the T.A. World ex U.S. Core Equity Portfolio and affect portfolio holdings, when compared to those of non-tax managed mutual funds. The Advisor anticipates that performance of the Portfolio may deviate from that of non-tax managed mutual funds.

**Derivatives:** Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. The use of derivatives for non-hedging purposes may be considered more speculative than other types of investments. When the T.A. World ex U.S. Core Equity Portfolio uses derivatives, the Portfolio will be directly exposed to the risks of that derivative. Derivative securities are subject to a number of risks including liquidity, interest rate, market, credit and management risks, and the risk of improper valuation. Changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index, and the Portfolio could lose more than the principal amount invested.

**Securities Lending:** Securities lending involves the risk that the borrower may fail to return the securities in a timely manner or at all. As a result, the T.A. World ex U.S. Core Equity Portfolio may lose money and there may be a delay in recovering the loaned securities. The Portfolio could also lose money if it does not recover the securities and/or the value of the collateral falls, including the value of investments made with cash collateral. Securities lending also may have certain potential adverse tax consequences.

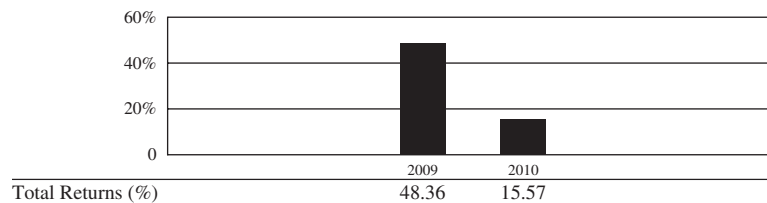
## PERFORMANCE

The bar chart and table immediately following illustrate the variability of the T.A. World ex U.S. Core Equity Portfolio's returns and are meant to provide some indication of the risks of investing in the Portfolio. The bar chart shows the changes in the Portfolio's performance from year to year. The table illustrates how

annualized one year and since inception returns, both before and after taxes, compare with those of a broad measure of market performance. The Portfolio's past performance (before and after taxes) is not an indication of future results. Updated performance information for the Portfolio can be obtained by visiting [www.dimensionalfund.com](http://www.dimensionalfund.com).

The after-tax returns presented in the table for the T.A. World ex U.S. Core Equity Portfolio are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown in the table. In addition, the after-tax returns shown are not relevant to investors who hold shares of the Portfolio through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

### T.A. World ex U.S. Core Equity Portfolio



#### January 2009-December 2010

Highest Quarter  
33.22 (4/09-6/09)

Lowest Quarter  
-12.33 (4/10-6/10)

<u>Annualized Returns (%)</u>	<u>Periods ending December 31, 2010</u>	
	<u>One Year</u>	<u>Since 3/6/08 Inception</u>
<b>T.A. World ex U.S. Core Equity Portfolio</b>		
Return Before Taxes . . . . .	15.57%	1.10%
Return After Taxes on Distributions . . . . .	15.28%	0.84%
Return After Taxes on Distributions and Sale of Portfolio Shares . . . . .	10.58%	0.96%
<b>MSCI All Country World ex USA Index (net dividends)</b> (reflects no deduction for fees, expenses, or taxes on sales) . . . . .	11.15%	-2.28%

### INVESTMENT ADVISOR/PORTFOLIO MANAGEMENT

Dimensional Fund Advisors LP serves as the investment advisor for the T.A. World ex U.S. Core Equity Portfolio. The following portfolio managers are responsible for coordinating the day to day management of the T.A. World ex U.S. Core Equity Portfolio:

- Karen Umland, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 1998.
- Stephen A. Clark, Senior Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2001.
- Joseph H. Chi, Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2005.
- Jed S. Fogdall, Portfolio Manager and Vice President of the Advisor, has been a portfolio manager since 2004.

## **PURCHASE AND REDEMPTION OF FUND SHARES**

Investors may purchase or redeem shares of the T.A. World ex U.S. Core Equity Portfolio on any business day by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment or redemption. Shareholders that invest in the Portfolio through a financial intermediary should contact their financial intermediary regarding purchase and redemption procedures. The Portfolio generally is available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor. All investments are subject to approval of the Advisor.

## **TAX INFORMATION**

The dividends and distributions you receive from the T.A. World ex U.S. Core Equity Portfolio are taxable and generally will be taxed as ordinary income, capital gains, or some combination of both, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account.

## ADDITIONAL INFORMATION ON INVESTMENT OBJECTIVES AND POLICIES

The investment company described in this Prospectus offers a variety of investment portfolios. Each of the investment company's Portfolios has its own investment objective and policies, and is the equivalent of a separate mutual fund. The Portfolios described in this Prospectus are designed for long-term investors.

### **Tax-Managed U.S. Marketwide Value Portfolio and Tax-Managed U.S. Targeted Value Portfolio**

The investment objective of each of the Tax-Managed U.S. Marketwide Value Portfolio and Tax-Managed U.S. Targeted Value Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns. The Tax-Managed U.S. Marketwide Value Portfolio is a Feeder Portfolio and pursues its investment objective by investing substantially all of its assets in its corresponding Master Fund, the Tax-Managed U.S. Marketwide Value Series of the Trust, which has the same investment objective and policies as the Tax-Managed U.S. Marketwide Value Portfolio. The Tax-Managed U.S. Targeted Value Portfolio generally invests directly in portfolio securities of U.S. companies.

Ordinarily, each of the Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio will invest its assets in the a broad and diverse group of common stocks of U.S. companies that the Advisor determines to be value stocks at the time of purchase. Securities are considered value stocks primarily because the shares have a high book value in relation to their market value (a "book to market ratio"). In assessing value, however, the Advisor may consider additional factors, such as a company's price to cash flow or price to earnings ratios, as well as economic conditions and developments in the company's industry. The criteria the Advisor uses for assessing value are subject to change from time to time.

The Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio will purchase securities that are listed on the U.S. national securities exchanges or traded on the over-the-counter market. Each of the Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio uses a market capitalization weighted approach. See "**Market Capitalization Weighted Approach**" in this Prospectus.

On not less than a semi-annual basis, for each of the Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio, the Advisor will calculate book to market ratios and review total market capitalization to determine those companies whose stock may be eligible for investment.

The Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio do not intend to purchase or sell securities based on the prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase.

The total market capitalization ranges, and the value criteria used by the Advisor for The Tax-Managed U.S. Marketwide Value Series and the Tax-Managed U.S. Targeted Value Portfolio, as described above, generally apply at the time of purchase by either The Tax-Managed U.S. Marketwide Value Series or the Tax-Managed U.S. Targeted Value Portfolio. The Tax-Managed U.S. Marketwide Value Series and the Tax-Managed U.S. Targeted Value Portfolio are not required to dispose of a security if the security's issuer is no longer within the total market capitalization range or does not meet current value criteria. Similarly, the Advisor is not required to sell a security even if the decline in the market capitalization reflects a serious financial difficulty or potential or actual insolvency of the company. Securities that do meet the market capitalization and/or value criteria nevertheless may be sold at any time when, in the Advisor's judgement, circumstances warrant their sale. See "**Portfolio Transactions**" in this Prospectus.

The Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio may each invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the U.S. equity markets while maintaining liquidity. In addition to money market instruments

and other short-term investments, the Tax-Managed U.S. Marketwide Value Series and Tax-Managed U.S. Targeted Value Portfolio may each invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

### **Tax-Managed U.S. Equity Portfolio**

The investment objective of the Tax-Managed U.S. Equity Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns.

The Tax-Managed U.S. Equity Portfolio generally will invest its assets in a broad and diverse group of the common stocks of companies listed on the U.S. national securities exchanges or traded on the over-the-counter market. The Tax-Managed U.S. Equity Portfolio uses a market capitalization weighted approach. See “**Market Capitalization Weighted Approach**” in this Prospectus.

The total market capitalization range used by the Advisor for The Tax-Managed U.S. Equity Portfolio, as described above, generally applies at the time of purchase by The Tax-Managed U.S. Equity Portfolio. The Tax-Managed U.S. Equity Portfolio is not required to dispose of a security if the security’s issuer is no longer within this total market capitalization range. Similarly, the Advisor is not required to dispose of a security even if the decline in the market capitalization reflects a serious financial difficulty or potential or actual insolvency of the company. Securities that do meet the market capitalization range nevertheless may be sold at any time when, in the Advisor’s judgement, circumstances warrant their sale. See “**Portfolio Transactions**” in this Prospectus.

The Tax-Managed U.S. Equity Portfolio may invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the U.S. equity markets while maintaining liquidity. In addition to money market instruments and other short-term investments, the Tax-Managed U.S. Equity Portfolio may invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

### **Tax-Managed U.S. Small Cap Portfolio**

The investment objective of the Tax-Managed U.S. Small Cap Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns. The Portfolio provides investors with access to a securities portfolio generally consisting of small U.S. companies traded on a U.S. national securities exchange or on an over-the-counter market. Company size will be determined for purposes of the Portfolio solely on the basis of a company’s market capitalization, which will be calculated by multiplying the price of a company’s stock by the number of its shares of outstanding common stock. As of the date of this Prospectus, for this Portfolio, the Advisor considers small cap companies to be all companies whose market capitalizations are generally in the lowest 10% of total market capitalization or companies whose market capitalizations are smaller than the 1,000th largest U.S. company, whichever results in the higher market capitalization break.

The Tax-Managed U.S. Small Cap Portfolio intends to invest in the securities of eligible companies using a market capitalization weighted approach. See “**Market Capitalization Weighted Approach**.”

The Tax-Managed U.S. Small Cap Portfolio may purchase securities of foreign issuers that are traded in the U.S. securities markets, but such investments may not exceed 5% of the gross assets of the Portfolio. In addition, the Tax-Managed U.S. Small Cap Portfolio is authorized to invest in privately placed convertible debentures. Such investments are considered illiquid and the value thereof, together with the value of all other illiquid investments, may not exceed 15% of the value of the Tax-Managed U.S. Small Cap Portfolio’s net assets at the time of purchase.

The Tax-Managed U.S. Small Cap Portfolio may invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the U.S. equity markets while maintaining liquidity. In addition to money market instruments and other short-term investments, the Portfolio may invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

### **T.A. U.S. Core Equity 2 Portfolio**

The investment objective of the T.A. U.S. Core Equity 2 Portfolio is to achieve long-term capital appreciation while minimizing federal income tax implications of investment decisions. The Portfolio seeks to achieve its investment objective by purchasing a broad and diverse group of common stocks of U.S. companies with an increased exposure to small capitalization and value companies relative to the U.S. Universe, while excluding securities of companies based upon the Portfolio's social issue screens. The Advisor generally defines the U.S. Universe as a market capitalization weighted portfolio of U.S. operating companies listed on the New York Stock Exchange ("NYSE"), NYSE Alternext US LLC ("NYSE Alternext"), Nasdaq Global Market® ("Nasdaq") and such other securities exchanges deemed appropriate by the Advisor from time to time (U.S. Universe). The increased exposure to small and value companies may be achieved by decreasing the allocation of the Portfolio's assets to the largest U.S. growth companies relative to their weight in the U.S. Universe, which would result in a greater weight allocation to small capitalization and value companies. An equity issuer is considered a growth company primarily because it has a low, non-negative book value in relation to its market capitalization. An equity issuer is considered a value company primarily because it has a high book value in relation to its market capitalization. In assessing growth and value, the Advisor may consider additional factors, such as price-to-cash-flow or price-to-earnings ratios, as well as economic conditions and developments in the issuer's industry.

The T.A. U.S. Core Equity 2 Portfolio may invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the U.S. stock market while maintaining liquidity. In addition to money market instruments and other short-term investments, the T.A. U.S. Core Equity 2 Portfolio may invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

### **Tax-Managed DFA International Value Portfolio**

The investment objective of the Tax-Managed DFA International Value Portfolio is to achieve long-term capital appreciation while minimizing federal income taxes on returns. The Portfolio seeks to achieve its investment objective by purchasing the stocks of large non-U.S. companies which the Advisor determines to be value stocks at the time of the purchase. Securities are considered value stocks primarily because a company's shares have a high book value in relation to their market value (a "book to market ratio"). In assessing value, the Advisor may consider additional factors, such as price to cash flow or price to earnings ratios, as well as economic conditions and developments in the issuer's industry. The criteria the Advisor uses for assessing value are subject to change from time to time. As of the date of this Prospectus, the Portfolio may invest in the stocks of large companies associated with Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the United Kingdom (collectively, the "Approved Markets"). The Advisor will determine, in its discretion, when and whether to invest in countries that have been authorized as Approved Markets, depending on a number of factors, such as asset growth in the Portfolio and the characteristics of each country's markets. The Investment Committee of the Advisor may designate other countries as Approved Markets for investment in the future, in addition to the countries identified above, or the Investment Committee may remove one or more countries from the list of Approved Markets. In addition, the Portfolio may continue to hold investments in countries that are not currently designated as Approved Markets, but had been authorized for

investment in the past, and may reinvest distributions received in connection with such existing investments in such previously Approved Markets. (For a description of the securities approved for investment, see “**Approved Markets**”).

Under normal market conditions, the Tax-Managed DFA International Value Portfolio intends to invest at least 40% of its assets in three or more non-U.S. countries by investing in securities of companies associated with such countries.

In the countries or regions authorized for investment, the Advisor first ranks eligible companies listed on selected exchanges based on the companies’ market capitalization. The Advisor then determines the universe of eligible stocks by defining the minimum market capitalization of a large company that may be purchased by the Tax-Managed DFA International Value Portfolio with respect to each country or region. As of December 31, 2010, for the Tax-Managed DFA International Value Portfolio, the lowest minimum market capitalization of a large company in any country or region in which the Tax-Managed DFA International Value Portfolio invests was \$1,438 million. This threshold will change due to market conditions. For example, as of December 31, 2010, the Advisor considered a large company in the European Monetary Union (EMU) to have a market capitalization of at least \$3,133 million, a large company in Australia to have a market capitalization of at least \$2,139 million, and a large company in Japan to have a market capitalization of at least \$1,438 million. These dollar amounts will change due to market conditions.

The Tax-Managed DFA International Value Portfolio intends to purchase securities within each applicable country using a market capitalization weighted approach. The Advisor, using this approach and its judgment, will seek to set country weights based on the relative market capitalizations of eligible large companies within each country. See “**Market Capitalization Weighted Approach**.” As a result, the weightings of countries in the Portfolio may vary from their weighting in international indices, such as those published by FTSE International, Morgan Stanley Capital International or Citigroup.

The Tax-Managed DFA International Value Portfolio does not seek current income as an investment objective. However, many of the companies whose securities will be included in the Portfolio do pay dividends. It is anticipated, therefore, that the Portfolio will receive dividend income.

The Tax-Managed DFA International Value Portfolio may invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the equity markets while maintaining liquidity. In addition to money market instruments and other short-term investments, the Tax-Managed DFA International Value Portfolio may invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

#### **T.A. World ex U.S. Core Equity Portfolio**

The investment objective of the T.A. World ex U.S. Core Equity Portfolio is to achieve long-term capital appreciation while considering federal tax implications of investment decisions. The Portfolio seeks to achieve its investment objective by purchasing a broad and diverse group of stocks of non-U.S. companies with an increased exposure to small capitalization and value companies relative to the Non-U.S. Universe. For purposes of this Portfolio, the Advisor defines the “Non-U.S. Universe” as a market capitalization weighted portfolio of non-U.S. companies in developed and emerging markets, including frontier markets, that have been authorized for investment as Approved Markets by the Advisor’s Investment Committee. As of the date of this Prospectus, the following markets have been authorized for investment as Approved Markets for the T.A. World ex U.S. Core Equity Portfolio and comprise the Non-U.S. Universe: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, Brazil, Chile, China, Columbia,

Czech Republic, Egypt, Hungary, India, Indonesia, Malaysia, Mexico, Peru, the Philippines, Poland, Russia, South Africa, South Korea, Taiwan, Thailand, and Turkey. The Advisor will determine in its discretion when and whether to invest in markets that have been authorized as Approved Markets, depending on a number of factors, such as asset growth in the Portfolio and characteristics of each such market. The Investment Committee of the Advisor also may authorize other markets for investment in the future, in addition to the Approved Markets identified above, or may remove one or more markets from the list of Approved Markets. Also, the Portfolio may continue to hold investments in countries that are not currently designated as Approved Markets, but had been authorized for investment in the past, and may reinvest distributions received in connection with such existing investments in such previously Approved Markets. (For a description of the securities approved for investment, see “**Approved Markets**”).

Under normal market conditions, the T.A. World ex U.S. Core Equity Portfolio intends to invest at least 40% of its assets in three or more non-U.S. countries by investing in securities of companies associated with such countries.

The increased exposure to small capitalization and value companies for the T.A. World ex U.S. Core Equity Portfolio may be achieved by decreasing the allocation of the Portfolio’s assets to the largest growth companies relative to their weight in the Non-U.S. Universe, which would result in a greater weight allocation to small capitalization and value companies. An equity issuer is considered a growth company primarily because it has a low, non-negative book value in relation to its market capitalization. An equity issuer is considered a value company primarily because it has a high book value in relation to its market capitalization. In assessing growth and value, the Advisor may consider additional factors, such as price-to-cash-flow or price-to-earnings ratios, as well as economic conditions and developments in the issuer’s industry.

The Portfolio may not invest in all companies of an Approved Market or all Approved Markets as described above, for reasons which include constraints imposed within Approved Markets (e.g., restrictions on purchases by foreigners), and the Portfolio’s policy not to invest more than 25% of its assets in any one industry.

In determining which emerging market countries are eligible markets for the T.A. World ex U.S. Core Equity Portfolio, the Advisor may consider various factors, including, without limitation, the data, analysis, and classification of countries published or disseminated by the International Bank for Reconstruction and Development (commonly known as the World Bank), the International Finance Corporation, FTSE International, Morgan Stanley Capital International, Citigroup, and the Heritage Foundation. Approved emerging markets may not include all such emerging markets. In determining whether to approve emerging markets for investment, the Advisor will take into account, among other things, market liquidity, relative availability of investor information, government regulation, including fiscal and foreign exchange repatriation rules and the availability of other access to these markets for the Portfolio.

Even though a company’s stock may meet the criteria for investment, a company’s stock may not be included in the T.A. World ex U.S. Core Equity Portfolio for one or more of a number of reasons. For example, in the Advisor’s judgment, the issuer may be considered in extreme financial difficulty or a material portion of its securities may be closely held and not likely available to support market liquidity. There will be the exercise of discretion and consideration by the Advisor in purchasing securities in an Approved Market and in determining the allocation of investments among Approved Markets.

The T.A. World ex U.S. Core Equity Portfolio may invest in exchange-traded funds (ETFs) and similarly structured pooled investments for the purpose of gaining exposure to the equity markets while maintaining liquidity. In addition to money market instruments and other short-term investments, the Portfolio may invest in affiliated and unaffiliated registered and unregistered money market funds to manage cash pending investment in other securities or to maintain liquidity for the payment of redemptions or other purposes. Investments in money market funds may involve a duplication of certain fees and expenses.

## **Approved Markets**

The Tax-Managed DFA International Value Portfolio and T.A. World ex U.S. Core Equity Portfolio (each an “International Portfolio” and collectively, the “International Portfolios”) each invests in securities of Approved Markets as identified above for each International Portfolio. The Approved Markets securities invested in by each International Portfolio will be listed on bona fide securities exchanges or traded on the over-the-counter markets. These exchanges or over-the-counter markets may be either within or outside the issuer’s domicile country. For example, the securities may be listed or traded in the form of European Depositary Receipts, Global Depositary Receipts, American Depositary Receipts, or other types of depositary receipts (including non-voting depositary receipts) or may be listed on bona fide securities exchanges in more than one country. Approved Market securities are defined as securities that are associated with an Approved Market, and include, among others: (a) securities of companies that are organized under the laws of, or maintain their principal place of business in, an Approved Market; (b) securities for which the principal trading market is in an Approved Market; (c) securities issued or guaranteed by the government of an Approved Market country, its agencies or instrumentalities, or the central bank of such country; (d) securities denominated in an Approved Market currency issued by companies to finance operations in Approved Markets; (e) securities of companies that derive at least 50% of their revenues or profits from goods produced or sold, investments made, or services performed in Approved Markets or have at least 50% of their assets in Approved Markets; (f) Approved Markets equity securities in the form of depositary shares; (g) securities of pooled investment vehicles that invest primarily in Approved Markets securities or derivative instruments that derive their value from Approved Markets securities; or (h) securities included in the International Portfolio’s benchmark index. Securities of Approved Markets may include securities of companies that have characteristics and business relationships common to companies in other countries. As a result, the value of the securities of such companies may reflect economic and market forces in such other countries as well as in the Approved Markets. The Advisor, however, will select only those companies that, in its view, have sufficiently strong exposure to economic and market forces in Approved Markets. For example, the Advisor may invest in companies organized and located in the United States or other countries outside of Approved Markets, including companies having their entire production facilities outside of Approved Markets, when such companies meet the criteria discussed above to be considered associated with Approved Markets.

## **Market Capitalization Weighted Approach**

The portfolio structures of Tax-Managed U.S. Marketwide Value Series, Tax-Managed U.S. Targeted Value Portfolio, Tax-Managed U.S. Equity Portfolio, Tax-Managed U.S. Small Cap Portfolio and Tax-Managed DFA International Value Portfolio each involve market capitalization weighting in determining individual security weights and, where applicable, country or region weights. Market capitalization weighting means each security is generally purchased based on the issuer’s relative market capitalization. Market capitalization weighting will be modified by the Advisor for a variety of factors. The Advisor may consider such factors as free float, momentum, trading strategies, liquidity management and other factors determined to be appropriate by the Advisor given market conditions. The Advisor may deviate from market capitalization weighting to limit or fix the exposure of the Portfolio to a particular issuer to a maximum proportion of the assets of the Portfolio. The Advisor may exclude the stock of a company that meets applicable market capitalization criterion if the Advisor determines, in its best judgment, that the purchase of such stock is inappropriate in light of other conditions. These adjustments will result in a deviation from traditional market capitalization weighting.

Adjustment for free float modifies market capitalization weighting to exclude the share capital of a company that is not freely available for trading in the public equity markets. For example, the following types of shares may be excluded: (i) those held by strategic investors (such as governments, controlling shareholders and management), (ii) treasury shares, or (iii) shares subject to foreign ownership restrictions.

Deviation from market capitalization weighting also will occur because the Advisor generally intends to purchase in round lots. Furthermore, the Advisor may reduce the relative amount of any security held in order to

retain sufficient portfolio liquidity. A portion, but generally not in excess of 20% of assets, may be invested in interest bearing obligations, such as money market instruments, thereby causing further deviation from market capitalization weighting. A further deviation may occur due to holdings of privately placed convertible debentures and securities received in connection with corporate actions.

The Portfolios and the Master Fund should not be expected to adhere to their market capitalization weighted approach to the same extent as non-tax-managed portfolios advised by the Advisor. The tax management strategies used by the Advisor to defer the realization of net capital gains or minimize dividend income, from time to time, may cause deviation from the market capitalization weighted approach.

Block purchases of eligible securities may be made at opportune prices, even though such purchases exceed the number of shares that, at the time of purchase, adherence to a market capitalization weighted approach would otherwise require. In addition, securities eligible for purchase or otherwise represented in a Portfolio or Master Fund may be acquired in exchange for the issuance of shares. See **“PURCHASE OF SHARES—In-Kind Purchases.”** While such transactions might cause a deviation from market capitalization weighting, they would ordinarily be made in anticipation of further growth of assets.

Changes in the composition and relative ranking (in terms of market capitalization) of the stocks that are eligible for purchase take place with every trade when the securities markets are open for trading due, primarily, to price fluctuations of such securities. On at least a semi-annual basis, the Advisor will identify companies whose stock is eligible for investment by a Portfolio or Master Fund. Additional investments generally will not be made in securities that have changed in value sufficiently to be excluded from the Advisor’s then current market capitalization requirement for eligible portfolio securities. This may result in further deviation from market capitalization weighting. Such deviation could be substantial if a significant amount of holdings of a Portfolio or Master Fund change in value sufficiently to be excluded from the requirement for eligible securities, but not by a sufficient amount to warrant their sale.

Country weights may be based on the total market capitalization of companies within each country. The calculation of country market capitalization may take into consideration the free float of companies within a country or whether these companies are eligible to be purchased for the particular strategy. In addition, to maintain a satisfactory level of diversification, the Investment Committee may limit or fix the exposure to a particular country or region to a maximum proportion of the assets of that vehicle. Country weights may also deviate from target weights due to general day-to-day trading patterns and price movements. As a result, the weighting of countries may vary from their weighting in published international indices.

### **Portfolio Transactions**

Securities will not be purchased or sold based on the prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase. Securities which have depreciated in value since their acquisition will not be sold solely because prospects for the issuer are not considered attractive or due to an expected or realized decline in securities prices in general. Securities will not be sold to realize short-term profits, but when circumstances warrant, they may be sold without regard to the length of time held. Securities, including those eligible for purchase, may be disposed of, however, at any time when, in the Advisor’s judgment, circumstances warrant their sale, including but not limited to tender offers, mergers and similar transactions, or bids made for block purchases at opportune prices. Generally, securities will be purchased with the expectation that they will be held for longer than one year and will be held until such time as they are no longer considered an appropriate holding in light of the investment policy of each Portfolio or the Master Fund.

**Tax Management Strategies—Tax-Managed U.S. Marketwide Value Portfolio, Tax-Managed U.S. Targeted Value Portfolio, Tax-Managed U.S. Equity Portfolio, Tax-Managed U.S. Small Cap Portfolio and Tax-Managed DFA International Value Portfolio**

Tax-Managed U.S. Marketwide Value Portfolio, Tax-Managed U.S. Targeted Value Portfolio, Tax-Managed U.S. Equity Portfolio, Tax-Managed U.S. Small Cap Portfolio and Tax-Managed DFA International Value Portfolio each seek to maximize the after tax value of an investment by managing its portfolio in a manner that will defer the realization of net capital gains where possible and may attempt to reduce dividend income.

When selling securities, a Portfolio or Master Fund typically will select the highest cost shares of the specific security in order to minimize the realization of capital gains. In certain cases, the highest cost shares may produce a short-term capital gain. Since short-term capital gains generally are taxed at higher tax rates than long-term capital gains, the highest cost shares with a long-term holding period may be disposed of instead. Each Portfolio or Master Fund, when possible, generally will refrain from disposing of a security until the long-term holding period for capital gains for tax purposes has been satisfied. Additionally, each Portfolio or Master Fund, when consistent with all other tax management policies, may sell securities in order to realize capital losses. Realized capital losses can be used to offset realized capital gains, thus reducing capital gains distributions.

The Advisor may attempt to time the purchases and sales of securities to reduce the receipt of dividends when possible. With respect to dividends that are received, the Portfolios and the Master Fund may not be eligible to flow through the dividends received deduction attributable to holdings in U.S. equity securities to corporate shareholders if, because of certain timing rules, hedging activities, or debt financing activities at the Portfolio or Master Fund level, the requisite holding period of the dividend paying stock is not met.

The Portfolios and the Master Fund are expected to deviate from their market capitalization weightings to a greater extent than non-tax-managed portfolios. For example, the Advisor may determine to hold shares of a company in a small cap portfolio despite changes to that company's market capitalization as part of the portfolio's tax management strategy. For that reason, in this example, under normal conditions shareholders should expect a tax managed small cap portfolio to have a different overall market capitalization exposure than a non-tax managed small cap portfolio. In addition, the Advisor may delay buying the stock of a company that meets applicable market capitalization criteria in order to avoid dividend income, and may sell stock of a company that meets applicable market capitalization criteria in order to realize a capital loss. Also, the Portfolios and Master Fund may dispose of securities whenever the Advisor determines that disposition is consistent with their tax management strategies or is otherwise in the best interest of a Portfolio or Master Fund.

Although the Advisor intends to manage each Portfolio or Master Fund in a manner which considers the effects of the realization of capital gains and taxable dividend income each year, the Portfolios may nonetheless distribute taxable gains and dividends to shareholders. Of course, realization of capital gains is not entirely within the Advisor's control. Capital gains distributions may vary considerably from year to year; there will be no capital gains distributions in years when a Portfolio or Master Fund realizes a net capital loss. Furthermore, the redeeming shareholders will be required to pay taxes on their capital gains, if any, on a redemption of a Portfolio's shares, whether paid in cash or in kind, if the amount received on redemption is greater than the amount of the shareholder's tax basis in the shares redeemed.

**Consideration of Tax Implications—T.A. U.S. Core Equity 2 Portfolio and T.A. World ex U.S. Core Equity Portfolio**

When constructing its investment portfolio, the T.A. U.S. Core Equity 2 Portfolio and T.A. World ex U.S. Core Equity Portfolio each intends to consider federal tax implications when making investment decisions with respect to individual securities to seek to provide a tax advantage. When selling securities, each Portfolio typically will select the highest cost shares of the specific security in order to minimize the realization of capital gains. In certain cases, the highest cost shares may produce a short-term capital gain. Since short-term capital

gains generally are taxed at higher tax rates than long-term capital gains, the highest cost shares with a long-term holding period may be disposed of instead. Each Portfolio, when possible, will generally refrain from disposing of a security until the long-term holding period for capital gains for tax purposes has been satisfied. Additionally, each Portfolio, when consistent with its investment and tax policies, may sell securities in order to realize capital losses. Realized capital losses can be used to offset realized capital gains, thus reducing capital gains distributions. The Advisor may delay buying the stock of a company that meets applicable investment criteria in order to avoid dividend income, and may sell the stock of a company that meets applicable investment criteria in order to realize a capital loss. Also, each Portfolio may dispose of securities whenever the Advisor determines that disposition is consistent with the Portfolio's tax and investment management strategies or is otherwise in the best interest of the Portfolio. As part of its investment decisions, the Advisor may also consider the effects of holding periods and securities lending, among other factors, that may affect the tax characteristics of the income received.

Although the Advisor intends to manage each Portfolio in a manner that considers the effects of the realization of capital gains and taxable dividend income each year, the Portfolio may nonetheless distribute taxable gains and dividends to shareholders. Of course, realization of capital gains is not entirely within the Advisor's control. Capital gains distributions may vary considerably from year to year; there will be no capital gains distributions in years when the Portfolio realizes a net capital loss. Furthermore, the redeeming shareholders will be required to pay taxes on their capital gains, if any, on a redemption of the Portfolio's shares, whether paid in cash or in kind, if the amount received on redemption is greater than the amount of the shareholder's tax basis in the shares redeemed.

## **Other Information**

### *Commodity Pool Operator Exemption:*

The Master Fund and Portfolios are operated by a person that has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act ("CEA"), and, therefore, such person is not subject to registration or regulation as a pool operator under the CEA.

## **SECURITIES LOANS**

All of the Portfolios and the Master Fund are authorized to lend securities to qualified brokers, dealers, banks and other financial institutions for the purpose of earning additional income, although inasmuch as the Feeder Portfolio will only hold shares of its corresponding Master Fund, the Portfolio does not intend to lend those shares. While a Portfolio or Master Fund may earn additional income from lending securities, such activity is incidental to the investment objective of a Portfolio or Master Fund. For information concerning the revenue from securities lending, see "**SECURITIES LENDING REVENUE.**" The value of securities loaned may not exceed 33 $\frac{1}{3}$ % of the value of a Portfolio's or Master Fund's total assets, which includes the value of collateral received. To the extent a Portfolio or Master Fund loans a portion of its securities, a Portfolio or Master Fund will receive collateral consisting generally of cash or U.S. government securities, which will be maintained by marking to market daily in an amount equal to at least (i) 100% of the current market value of the loaned securities with respect to securities of the U.S. government or its agencies, (ii) 102% of the current market value of the loaned securities with respect to U.S. securities, and (iii) 105% of the current market value of the loaned securities with respect to foreign securities. Subject to their stated investment policies, the Portfolios and Master Fund will generally invest the cash collateral received for the loaned securities in the DFA Short Term Investment Fund (the "Money Market Series"), an affiliated registered money market fund advised by the Advisor for which the Advisor receives a management fee of 0.05% of the average daily net assets of the Money Market Series. The Portfolios and Master Fund may also invest such collateral in securities of the U.S. government or its agencies, repurchase agreements collateralized by securities of the U.S. government or its agencies, and affiliated and unaffiliated registered and unregistered money market funds. For purposes of this paragraph, agencies include both agency debentures and agency mortgage backed securities.

In addition, the Portfolios and Master Fund will be able to terminate the loan at any time and will receive reasonable interest on the loan, as well as amounts equal to any dividends, interest or other distributions on the loaned securities. However, dividend income received from loaned securities may not be eligible to be taxed at qualified dividend income rates. As a result, the Portfolios and Master Fund may limit the use of securities lending to limit the impact of these tax consequences. See the Statement of Additional Information (“SAI”) for a further discussion of the tax consequences related to securities lending. A Portfolio or Master Fund will be entitled to recall a loaned security in time to vote proxies or otherwise obtain rights to vote proxies of loaned securities if the Portfolio or Master Fund knows a material event will occur. In the event of the bankruptcy of the borrower, the Fund or the Trust could experience delay in recovering the loaned securities or only recover cash or a security of equivalent value. See “**PRINCIPAL RISKS—Securities Lending**” for a discussion of the risks related to securities lending.

### SECURITIES LENDING REVENUE

For the fiscal year October 31, 2010, the following Portfolios received the following net revenues from a securities lending program, which constituted a percentage of the average daily net assets of each Portfolio (see “**SECURITIES LOANS**”):

<u>Portfolio</u>	<u>Net Revenue</u>	<u>Percentage of Net Assets</u>
Tax-Managed U.S. Marketwide Value* . . . . .	\$ 961,000	0.05%
Tax-Managed U.S. Targeted Value . . . . .	\$1,465,000	0.07%
Tax-Managed U.S. Equity** . . . . .	\$ 397,000	0.03%
Tax-Managed U.S. Small Cap . . . . .	\$2,026,000	0.19%
T.A. U.S. Core Equity 2 . . . . .	\$1,190,000	0.07%
Tax-Managed DFA International Value . . . . .	\$1,228,000	0.07%
T.A. World ex U.S. Core Equity . . . . .	\$ 486,000	0.06%

\* A Feeder Portfolio whose corresponding Master Fund is taxed as a partnership. “Net Revenue” reflects the proportional share of the securities lending revenue generated by the Master Fund that was received by the Feeder Portfolio.

\*\* Prior to February 28, 2011, the Tax-Managed U.S. Equity Portfolio operated as a Feeder Portfolio in a master/feeder structure. The Tax-Managed U.S. Equity invested all of its assets in The Tax-Managed U.S. Equity Series prior to February 28, 2011. For the Tax-Managed U.S. Equity Portfolio, the “Net Revenue” reflects the proportional share of securities lending revenue generated by The Tax-Managed U.S. Equity Series that was received by the Portfolio.

### MANAGEMENT OF THE FUND

The Advisor serves as investment advisor to the Portfolios and the Master Fund. Pursuant to an Investment Advisory Agreement with the Fund and the Trust on behalf of each Non-Feeder Portfolio and the Master Fund, respectively, the Advisor is responsible for the management of each of the Portfolio’s and Master Fund’s assets. Additionally, pursuant to an Investment Advisory Agreement with the Feeder Portfolio, the Advisor, for no additional compensation, manages the portion of the Feeder Portfolio’s assets that are retained by the Feeder Portfolio for cash management purposes and, at its discretion, may make a determination to withdraw the Feeder Portfolio’s investment from its corresponding Master Fund to invest in another Master Fund if the Advisor believes it is in the best interests of the Feeder Portfolio and its shareholders to do so. The Portfolios and the Master Fund are managed using a team approach. The investment team includes the Investment Committee of the Advisor, portfolio managers and trading personnel.

The Investment Committee is composed primarily of certain officers and directors of the Advisor who are appointed annually. As of the date of this Prospectus the Investment Committee has ten members. Investment strategies for the Portfolios and Master Fund are set by the Investment Committee, which meets on a regular basis and also as needed to consider investment issues. The Investment Committee also sets and reviews all investment related policies and procedures and approves any changes in regards to approved countries, security types and brokers.

In accordance with the team approach used to manage the Portfolios and Master Fund, the portfolio managers and portfolio traders implement the policies and procedures established by the Investment Committee. The portfolio managers and portfolio traders also make daily investment decisions regarding the Portfolios and Master Fund including running buy and sell programs based on the parameters established by the Investment Committee. The portfolio managers named below coordinate the efforts of all other portfolio managers with respect to the day-to-day management of the Portfolios and Master Fund indicated below.

Domestic Equity portfolios	Stephen A. Clark
International Equity portfolios	Stephen A. Clark, Karen E. Umland, Joseph H. Chi and Jed S. Fogdall

Mr. Clark is a Senior Portfolio Manager and Vice President of the Advisor and chairman of the Investment Committee. Mr. Clark received his MBA from the University of Chicago and his BS from Bradley University. Mr. Clark joined the Advisor as a portfolio manager in 2001 and has been responsible for the portfolio management group since January 2006.

Ms. Umland is a Senior Portfolio Manager and Vice President of the Advisor and a member of the Investment Committee. She received her BA from Yale University in 1988 and her MBA from the University of California at Los Angeles in 1993. Ms. Umland joined the Advisor in 1993 and has been a portfolio manager and responsible for the international equity portfolios since 1998.

Mr. Chi is a Portfolio Manager and Vice President of the Advisor and a member of the Investment Committee. Mr. Chi has an MBA and BS from the University of California, Los Angeles and also a JD from the University of Southern California. Mr. Chi joined the Advisor as a portfolio manager in 2005 and has been responsible for the international portfolios since 2010.

Mr. Fogdall is a Portfolio Manager and Vice President of the Advisor and a member of the Investment Committee. Mr. Fogdall has an MBA from the University of California, Los Angeles and a BS from Purdue University. Mr. Fogdall joined the Advisor as a portfolio manager in 2004 and has been responsible for the international portfolios since 2010.

The SAI provides information about each portfolio manager's compensation, other accounts managed by the portfolio manager, and the portfolio manager's ownership of each Portfolio's shares.

The Advisor provides the Portfolios and the Master Fund with a trading department and selects brokers and dealers to effect securities transactions. Securities transactions are placed with a view to obtaining best price and execution. A discussion regarding the basis for the Boards of Trustees/Directors approving the investment management agreements with respect to the Non-Feeder Portfolios and Master Fund is available in the semi-annual report for the Portfolios for the fiscal period ending April 30, 2010. The Advisor's address is 6300 Bee Cave Road, Building One, Austin, TX 78746. The Advisor has been engaged in the business of providing investment management services since May 1981. The Advisor is currently organized as a Delaware limited partnership and is controlled and operated by its general partner, Dimensional Holdings Inc., a Delaware corporation. The Advisor controls Dimensional Fund Advisors Ltd. ("DFAL") and DFA Australia Limited ("DFA Australia"). As of January 31, 2011, assets under management for all Dimensional affiliated advisors totaled approximately \$209 billion.

The Fund and the Trust bear all of their own costs and expenses, including: services of their independent registered public accounting firm, legal counsel, brokerage fees, commissions and transfer taxes in connection with the acquisition and disposition of portfolio securities, taxes, insurance premiums, costs incidental to meetings of their shareholders and directors or trustees, the cost of filing their registration statements under the federal securities laws and the cost of any filings required under state securities laws, reports to shareholders, and transfer and dividend disbursing agency, administrative services and custodian fees. Expenses allocable to a particular Portfolio or Master Fund are so allocated. The expenses of the Fund which are not allocable to a particular Portfolio are to be borne by each Portfolio of the Fund on the basis of its relative net assets. Similarly, the expenses of the Trust which are not allocable to a particular Master Fund are to be borne by each Master Fund on the basis of its relative net assets.

### **Management Fees**

The “**Annual Fund Operating Expenses**” table describes the fees incurred by a Portfolio for the services provided by the Advisor for the fiscal year ended October 31, 2010. The “Management Fee” listed in the table for the Tax-Managed U.S. Marketwide Value Portfolio includes the investment management fee that was payable by the Portfolio’s Master Fund to the Advisor and the administrative fee that was payable by the Portfolio to the Advisor. The “Management Fee” listed in the table for the Tax-Managed U.S. Equity Portfolio includes both an investment advisory fee and administrative fee that is payable by the Portfolio to the Advisor. The “Management Fee” listed in the table for the remaining Non-Feeder Portfolios provides the investment advisory fee that was payable by the respective Portfolio to the Advisor.

### **Sub-Advisors**

The Advisor has entered into Sub-Advisory Agreements with Dimensional Fund Advisors Ltd. (“DFAL”) and DFA Australia Limited (“DFA Australia”), respectively, with respect to the International Portfolios. Pursuant to the terms of each Sub-Advisory Agreement, DFAL and DFA Australia each have the authority and responsibility to select brokers or dealers to execute securities transactions for the International Portfolios. Each Sub-Advisor’s duties include the maintenance of a trading desk and the determination of the best and most efficient means of executing securities transactions. On at least a semi-annual basis, the Advisor will review the holdings of each International Portfolio and review the trading process and the execution of securities transactions. The Advisor is responsible for determining those securities which are eligible for purchase and sale by an International Portfolio and may delegate this task, subject to its own review, to DFAL and DFA Australia. DFAL and DFA Australia maintain and furnish to the Advisor information and reports on companies in certain markets, including recommendations of securities to be added to the securities that are eligible for purchase by each International Portfolio, as well as making recommendations and elections on corporate actions. The Advisor controls DFAL and DFA Australia. DFA Australia is a U.S. federally registered investment advisor located at Level 43 Gateway, 1 Macquarie Place, Sydney, New South Wales 2000, Australia. DFAL is a U.S. federally registered investment advisor located at 20 Triton Street, Regent’s Place, London NW13BF, United Kingdom. DFAL is a member of the Financial Services Authority (“FSA”), a self-regulatory organization for investment managers operating under the laws of England.

### **Fee Waiver and Expense Assumption Agreements**

Pursuant to an Amended and Restated Fee Waiver and/or Expense Assumption Agreement for the Tax-Managed U.S. Equity Portfolio, T.A. U.S. Core Equity 2 Portfolio and T.A. World ex U.S. Core Equity Portfolio, the Advisor has agreed to waive certain fees and in certain instances, assume certain expenses of the Portfolios, as described below. The Amended and Restated Fee Waiver and/or Expense Assumption Agreement for the Portfolios will remain in effect through February 28, 2012, and shall continue in effect from year to year thereafter unless terminated by the Fund or the Advisor.

The Advisor has contractually agreed to waive its administration fee and assume the expenses of the Tax-Managed U.S. Equity Portfolio to the extent necessary to reduce the Portfolio's expenses when its total operating expenses exceed 0.22% of the average net assets of the Portfolio on an annualized basis. At any time that the annualized expenses of the Tax-Managed U.S. Equity Portfolio are less than 0.22% of the Portfolio's average net assets on an annualized basis, the Advisor retains the right to seek reimbursement for any fees previously waived and/or any expenses previously assumed to the extent that such reimbursement will not cause the Portfolio's annualized expenses to exceed 0.22% of its average net assets. The Tax-Managed U.S. Equity Portfolio is not obligated to reimburse the Advisor for fees waived or expenses assumed by the Advisor more than thirty-six months before the date of such reimbursement.

The Advisor has agreed to waive all or a portion of its management fee and to assume the T.A. U.S. Core Equity 2 Portfolio's ordinary operating expenses (excluding the expenses the Portfolio incurs indirectly through investment in other investment companies) ("Portfolio Expenses") to the extent necessary to limit the Portfolio Expenses to 0.30% of the Portfolio's average net assets on an annualized basis (the "Expense Limitation Amount"). At any time that the Portfolio's annualized Portfolio Expenses are less than the Portfolio's Expense Limitation Amount, described in the prior sentence, the Advisor retains the right to seek reimbursement for any fees previously waived and/or expenses previously assumed to the extent that such reimbursement will not cause the Portfolio's annualized expenses to exceed the Expense Limitation Amount. The Portfolio is not obligated to reimburse the Advisor for fees previously waived or expenses previously assumed by the Advisor more than thirty-six months before the date of such reimbursement.

The Advisor has agreed to waive all or a portion of its management fee and to assume the expenses of the T.A. World ex U.S. Core Equity Portfolio (including the expenses that the Portfolio bears as a shareholder of other funds managed by the Advisor but excluding the expenses that the Portfolio incurs indirectly through its investment in unaffiliated investment companies) ("Portfolio Expenses") to the extent necessary to limit the Portfolio Expenses of the Portfolio to 0.60% of the Portfolio's average net assets on an annualized basis (the "Expense Limitation Amount"). At any time that the Portfolio Expenses of the Portfolio are less than the Portfolio's Expense Limitation Amount, the Advisor retains the right to seek reimbursement for any fees previously waived and/or expenses previously assumed to the extent that such reimbursement will not cause the Portfolio's annualized Portfolio Expenses to exceed the Portfolio's Expense Limitation Amount. The Portfolio is not obligated to reimburse the Advisor for fees previously waived or expenses previously assumed by the Advisor more than thirty-six months before the date of such reimbursement.

## **DIVIDENDS, CAPITAL GAINS DISTRIBUTIONS AND TAXES**

**Dividends and Distributions.** Each Portfolio intends to qualify each year as a regulated investment company under the Internal Revenue Code of 1986, as amended (the "Code"). As a regulated investment company, a Portfolio generally pays no federal income tax on the income and gains it distributes to you. Dividends from net investment income of a Portfolio are distributed quarterly (on a calendar basis) and any net realized capital gains (after any reductions for available capital loss carryforwards) are distributed annually, typically in December. A Portfolio may distribute such income dividends and capital gains more frequently, if necessary, in order to reduce or eliminate federal excise or income taxes on the Portfolio.

Capital gains distributions may vary considerably from year to year as a result of a Portfolio's normal investment activities and cash flows. During a time of economic downturn, a Portfolio may experience capital losses and unrealized depreciation in value of investments, the effect of which may be to reduce or eliminate capital gains distributions for a period of time. Even though a Portfolio may experience a current year loss, it may nonetheless distribute prior year capital gains.

You will automatically receive all income dividends and capital gains distributions in additional shares of the Portfolio whose shares you hold at net asset value (as of the business date following the dividend record

date), unless, upon written notice to the Advisor and completion of account information, you select one of the options listed below:

**Income Option**—to receive income dividends in cash and capital gains distributions in additional shares at net asset value.

**Capital Gains Option**—to receive capital gains distributions in cash and income dividends in additional shares at net asset value.

**Cash Option**—to receive both income dividends and capital gains distributions in cash.

*Annual Statements.* Each year, you will receive a statement that shows the tax status of distributions you received the previous calendar year. Distributions declared in December to shareholders of record in such month, but paid in January, are taxable as if they were paid in December.

*Avoid “Buying A Dividend.”* At the time you purchase your Portfolio shares, a Portfolio’s net asset value may reflect undistributed income, undistributed capital gains, or net unrealized appreciation in value of portfolio securities held by the Portfolio. A subsequent distribution to you of such amounts, although constituting a return of your investment, would be taxable. Buying shares in a Portfolio just before it declares an income dividend or capital gains distribution is sometimes known as “buying a dividend.”

**Tax Considerations.** This discussion of “**Tax Considerations**” should be read in conjunction with the remaining subsections below containing additional information. Also, unless otherwise indicated, the discussion below with respect to a Portfolio includes in the case of a Feeder Portfolio, its pro rata share of its corresponding Master Fund’s income and assets.

In general, if you are a taxable investor, Portfolio distributions (other than exempt-interest dividends) are taxable to you as ordinary income, capital gains, or some combination of both. This is true whether you reinvest your distributions in additional Portfolio shares or receive them in cash.

For federal income tax purposes, Portfolio distributions of short-term capital gains are taxable to you as ordinary income. Portfolio distributions of long-term capital gains are taxable to you as long-term capital gains no matter how long you have owned your shares. A Portfolio with a high portfolio turnover rate (a measure of how frequently assets within a Portfolio are bought and sold) is more likely to generate short-term capital gains than a Portfolio with a low portfolio turnover rate. With respect to taxable years of a Portfolio beginning before January 1, 2013, unless such provision is extended or made permanent, a portion of income dividends reported by a Portfolio as qualified dividend income may be eligible for taxation by individual shareholders at long-term capital gain rates provided certain holding period requirements are met.

If a Portfolio qualifies to pass through to you the tax benefits from foreign taxes it pays on its investments, and elects to do so, then any foreign taxes it pays on these investments may be passed through to you as a foreign tax credit.

The Board of Trustees of a Master Fund reserves the right to change the entity classification of a Master Fund for U.S. federal income tax purposes at any time, as may be permitted or required under the Code. For instance, the Board might cause a Master Fund that is classified as a partnership to elect to be classified as a corporation and taxable as a regulated investment company or disregarded entity (if it has one shareholder) or vice versa. Such a change in entity classification may be prompted by, among other things, changes in law, the investment strategy of a Master Fund, or the nature and number of shareholders of a Master Fund or other factors or events adversely affecting the ability of a Master Fund to comply with the Code. A change in entity classification of a Master Fund may be a taxable event, causing the Master Fund and shareholders of the Master Fund that are subject to tax to recognize a taxable gain or loss. Such a change in entity classification would also cause the shareholders of the Master Fund to be subject to a different taxation regime, which may adversely affect some shareholders depending upon their particular circumstances.

*Sale or Redemption of Portfolio Shares.* The sale of shares of a Portfolio is a taxable event and may result in a capital gain or loss to you. Capital gain or loss may be realized from an ordinary redemption of shares or an exchange of shares between two Portfolios. Any loss incurred on the sale or exchange of a Portfolio's shares, held for six months or less, will be treated as a long-term capital loss to the extent of capital gain dividends received with respect to such shares.

*Backup Withholding.* By law, a Portfolio may be required to withhold 28% of taxable dividends, capital gains distributions, and redemption proceeds paid to you if you do not provide your proper taxpayer identification number and certain required certifications. You may avoid this withholding requirement by providing and certifying on the account registration form your correct Taxpayer Identification Number and by certifying that you are not subject to backup withholding and are a U.S. person (including a U.S. resident alien). A Portfolio must also withhold if the IRS instructs it to do so.

*State and Local Taxes.* In addition to federal taxes, you may be subject to state and local taxes on distributions from a Portfolio and on gains arising on redemption or exchange of a Portfolio's shares. Distributions of interest income and capital gains realized from certain types of U.S. government securities may be exempt from state personal income taxes.

*Non-U.S. Investors.* Non-U.S. investors may be subject to U.S. withholding tax at a 30% or lower treaty rate and are subject to special U.S. tax certification requirements to avoid backup withholding and claim any treaty benefits. Exemptions from U.S. withholding tax are provided for capital gain dividends paid by a Portfolio from long-term capital gains, if any, exempt-interest dividends, and, with respect to taxable years of a Portfolio that begin before January 1, 2012 (unless such sunset date is extended or made permanent), interest-related dividends paid by a Portfolio from its qualified net interest income from U.S. sources and short-term capital gain dividends. However, notwithstanding such exemptions from U.S. withholding at the source, any such dividends and distributions of income and capital gains will be subject to backup withholding at a rate of 28% if you fail to properly certify that you are not a U.S. person. Non-U.S. investors also may be subject to U.S. estate tax.

**This discussion of “DIVIDENDS, CAPITAL GAINS DISTRIBUTIONS AND TAXES” is not intended or written to be used as tax advice. Because everyone’s tax situation is unique, you should consult your tax professional about federal, state, local or foreign tax consequences before making an investment in a Portfolio. Prospective investors should also consult the SAI.**

## PURCHASE OF SHARES

### Cash Purchases

Investors may purchase shares of any Portfolio by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment. The Portfolios generally are available for investment only by institutional clients, clients of registered investment advisors, clients of financial institutions and a limited number of certain other investors as approved from time to time by the Advisor (“Eligible Investors”). Eligible Investors include employees, former employees, shareholders and directors of the Advisor and the Funds and friends and family members of such persons. All investments are subject to approval of the Advisor, and all investors must complete and submit the necessary account registration forms in good order. The Fund reserves the right to reject any initial or additional investment and to suspend the offering of shares of any Portfolio.

“Good order” with respect to the purchase of shares means that (1) a fully completed and properly signed Account Registration Form and any additional supporting legal documentation required by the Advisor have been received in legible form and (2) the Advisor has been notified of the purchase by telephone and, if the Advisor so requests, also in writing, no later than the close of regular trading on the NYSE (normally, 4:00 p.m.

ET) on the day of the purchase. If an order to purchase shares must be canceled due to nonpayment, the purchaser will be responsible for any loss incurred by the Fund arising out of such cancellation. To recover any such loss, the Fund reserves the right to redeem shares owned by any purchaser whose order is canceled, and such purchaser may be prohibited or restricted in the manner of placing further orders.

Investors having an account with a bank that is a member or a correspondent of a member of the Federal Reserve System may purchase shares by first calling the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed investment, then requesting the bank to transmit immediately available funds (Federal Funds) by wire to PNC Bank, N.A. for the account of DFA Investment Dimensions Group Inc. (specify Portfolio). Additional investments also may be made through the wire procedure by first notifying the Advisor. Investors who wish to purchase shares of any Portfolio by check should send their check to DFA Investment Dimensions Group Inc., c/o BNY Mellon Investment Servicing (US) Inc., Attn: AIM: 19K-1A18, 760 Moore Road, King of Prussia, PA.

Payment of the total amount due should be made in U.S. dollars. However, subject to approval by the Advisor, payment may be made in any freely convertible currency and the necessary foreign exchange transactions will be arranged on behalf of, and at the expense of, the applicant. Applicants settling in any currency other than U.S. dollars are advised that a delay in processing a purchase or redemption may occur to allow for currency conversion.

Shares also may be purchased and sold by individuals through securities firms that may charge a service fee or commission for such transactions. No such fee or commission is charged on shares that are purchased or redeemed directly from the Fund. Investors who are clients of investment advisory organizations may also be subject to investment advisory fees under their own arrangements with such organizations.

### **In-Kind Purchases**

If accepted by the Fund, shares of the Portfolios may be purchased in exchange for securities that are eligible for acquisition by the Portfolios (or the Master Fund) or otherwise represented in their portfolios as described in this Prospectus or as otherwise consistent with the Fund's policies or procedures or in exchange for local currencies in which such securities of an International Portfolio are denominated. Securities and local currencies accepted by the Fund for exchange and Fund shares to be issued in the exchange will be valued as set forth under "VALUATION OF SHARES" at the time of the next determination of net asset value after such acceptance. All dividends, interest, subscription, or other rights pertaining to such securities shall become the property of the Portfolio whose shares are being acquired and must be delivered to the Fund by the investor upon receipt from the issuer. Investors who desire to purchase shares of an International Portfolio with local currencies should first contact the Advisor.

The Fund will not accept securities in exchange for shares of a Portfolio unless: (1) such securities are, at the time of the exchange, eligible to be included, or otherwise represented, in the Portfolio whose shares are to be issued (or in its Master Fund) and current market quotations are readily available for such securities; (2) the investor represents and agrees that all securities offered to be exchanged are not subject to any restrictions upon their sale by the Portfolio or Master Fund under the Securities Act of 1933 or under the laws of the country in which the principal market for such securities exists, or otherwise; and (3) at the discretion of the Fund, the value of any such security (except U.S. Government securities) being exchanged together with other securities of the same issuer owned by the Portfolio or Master Fund may not exceed 5% of the net assets of the Portfolio or Master Fund immediately after the transaction.

A gain or loss for federal income tax purposes will generally be realized by investors who are subject to federal taxation upon the exchange depending upon the cost of the securities or local currency exchanged. Investors interested in such exchanges should contact the Advisor. Purchases of shares will be made in full and fractional shares calculated to three decimal places. In the interest of economy and convenience, certificates for shares will not be issued.

## **POLICY REGARDING EXCESSIVE OR SHORT-TERM TRADING**

The Portfolios are designed for long-term investors and are not intended for investors that engage in excessive short-term trading activity that may be harmful to the Portfolios, including but not limited to market timing. Short-term or excessive trading into and out of the Portfolios can disrupt portfolio management strategies, harm performance and increase Portfolio expenses for all shareholders, including long-term shareholders who do not generate these costs.

In addition, certain Portfolios may be more susceptible to the risks of short-term trading than other Portfolios. The nature of an International Portfolio's holdings may present opportunities for a shareholder to engage in a short-term trading strategy that exploits possible delays between changes in the price of a Portfolio's holdings and the reflection of those changes in the Portfolio's net asset value (called "arbitrage market timing"). Such delays may occur because an International Portfolio has significant investments in foreign securities where, due to time zone differences, the values of those securities are established some time before the Portfolio calculates its net asset value. In such circumstances, the available market prices for such foreign securities may not accurately reflect the latest indications of value at the time an International Portfolio calculates its net asset value. Each International Portfolio and the Tax-Managed U.S. Small Cap Portfolio also may be subject to arbitrage market timing because they have significant holdings in small cap securities, which may have prices that do not accurately reflect the latest indications of value of these securities at the time these Portfolios calculate their net asset values due to, among other reasons, infrequent trading or illiquidity. There is a possibility that arbitrage market timing may dilute the value of a Portfolio's shares if redeeming shareholders receive proceeds (and purchasing shareholders receive shares) based upon a net asset value that does not reflect appropriate fair value prices.

The Board of Directors of the Fund and Board of Trustees of the Trust (collectively, the "Board") have adopted a policy (the "Trading Policy") and the Advisor and DFA Securities LLC (collectively, "Dimensional") and Dimensional's agents have implemented the following procedures, which are designed to discourage and prevent market timing or excessive short-term trading in the Fund and Trust: (i) trade activity monitoring and purchase blocking procedures; and (ii) use of fair value pricing.

The Fund, Dimensional and their agents monitor trades and flows of money in and out of the Portfolios from time to time in an effort to detect excessive short-term trading activities, and for consistent enforcement of the Trading Policy. The Fund reserves the right to take the actions necessary to stop excessive or disruptive trading activities, including refusing or canceling purchase or exchange orders for any reason, without prior notice, particularly purchase or exchange orders that the Fund believes are made on behalf of market timers. The Fund, Dimensional and their agents reserve the right to restrict, refuse or cancel any purchase or exchange request made by an investor indefinitely if the Fund or Dimensional believe that any combination of trading activity in the accounts is potentially disruptive to a Portfolio. In making such judgments, the Fund and Dimensional seek to act in a manner that is consistent with the interests of shareholders. For purposes of applying these procedures, Dimensional may consider an investor's trading history in the Portfolios, and accounts under common ownership, influence or control.

In addition to the Fund's general ability to restrict potentially disruptive trading activity as described above, the Fund also has adopted purchase blocking procedures. Under the Fund's purchase blocking procedures, where an investor has engaged in any two purchases and two redemptions (including redemptions that are part of an exchange transaction) in a Portfolio in any rolling 30 calendar day monitoring period (i.e., two "round trips"), the Fund and Dimensional intend to block the investor from making any additional purchases in that Portfolio for 90 calendar days (a "purchase block"). If implemented, a purchase block will begin at some point after the transaction that caused the investor to have engaged in the prohibited two round-trips is detected by the Fund, Dimensional, or their agents. The Fund and Dimensional are permitted to implement a longer purchase block, or permanently bar future purchases by an investor, if they determine that it is appropriate.

Under the Fund's purchase blocking procedures, the following purchases and redemptions will not trigger a purchase block: (i) purchases and redemptions of shares having a value in each transaction of less than \$5,000; (ii) purchases and redemptions by U.S. registered investment companies that operate as fund of funds and non-U.S. investment companies that operate as fund of funds that the Funds or Dimensional, in their sole discretion, have determined are not designed and/or are not serving as vehicles for excessive short-term or other disruptive trading (in each case, the fund of funds shall agree to be subject to monitoring by Dimensional); (iii) purchases and redemptions by a feeder portfolio of a master fund's shares; (iv) systematic or automated transactions where the shareholder, financial advisor or investment fiduciary does not exercise direct control over the investment decision; (v) retirement plan contributions, loans, loan repayments and distributions (including hardship withdrawals) identified as such in the retirement plan recordkeeper's system; (vi) purchase transactions involving transfers of assets, rollovers, Roth IRA conversions and IRA recharacterizations; (vii) purchases of shares with Portfolio dividends or capital gain distributions; (viii) transfers and reregistrations of shares within the same Portfolio; and (ix) transactions by 529 Plans. Notwithstanding the Fund's purchase blocking procedures, all transactions in Portfolio shares are subject to the right of the Fund and Dimensional to restrict potentially disruptive trading activity (including purchases and redemptions described above that will not be subject to the purchase blocking procedures).

In addition, the purchase blocking procedures will not apply to a redemption transaction in which a Portfolio distributes portfolio securities to a shareholder in-kind, where the redemption will not disrupt the efficient portfolio management of the Portfolio/Master Fund and the redemption is consistent with the interests of the remaining shareholders of the Portfolio/Master Fund.

The Fund, Dimensional or their designees will have the ability, pursuant to Rule 22c-2 under the Investment Company Act of 1940 (the "1940 Act"), to request information from financial intermediaries, such as 401(k) plan administrators, trust companies and broker dealers (together, "Intermediaries"), concerning trades placed in omnibus and other multi-investor accounts (together, "Omnibus Accounts"), in order to attempt to monitor trades that are placed by the underlying shareholders of these Omnibus Accounts. The Fund, Dimensional and their designees will use the information obtained from the Intermediaries to monitor trading in the Fund and to attempt to identify shareholders in Omnibus Accounts engaged in trading that is inconsistent with the Trading Policy or otherwise not in the best interests of the Fund. The Fund, Dimensional or their designees, when they detect trading patterns in shares of the Fund that may constitute short-term or excessive trading, will provide written instructions to the Intermediary to restrict or prohibit further purchases or exchanges of shares of the Portfolios by a shareholder that has been identified as having engaged in excessive or short-term transactions in the Portfolio's shares (directly or indirectly through the Intermediary's account) that violate the Trading Policy.

The ability of the Fund and Dimensional to impose these limitations, including the purchase blocking procedures, on investors investing through Intermediaries is dependent on the receipt of information necessary to identify transactions by the underlying investors and the Intermediary's cooperation in implementing the Trading Policy. Investors seeking to engage in excessive short-term trading practices may deploy a variety of strategies to avoid detection, and despite the efforts of the Fund and Dimensional to prevent excessive short-term trading, there is no assurance that the Fund, Dimensional or their agents will be able to identify those shareholders or curtail their trading practices. The ability of the Fund, Dimensional and their agents to detect and limit excessive short-term trading also may be restricted by operational systems and technological limitations.

The purchase blocking procedures of the Trading Policy may not apply to redemptions by shareholders whose shares are held on the books of Intermediaries if the Intermediaries have not adopted procedures to implement this Policy. The Fund and Dimensional will work with Intermediaries to develop such policies to institute the purchase blocking procedures or other procedures that the Fund and Dimensional determine are reasonably designed to achieve the objective of this Trading Policy. At the time the Intermediaries adopt these procedures, shareholders whose accounts are on the books of such Intermediaries will be subject to the Trading Policy's purchase blocking procedures or another frequent trading policy that achieves the objective of the purchase blocking procedures. Investors that invest in the Portfolios through an Intermediary should contact the Intermediary for information concerning the policies and procedures that apply to the investor.

As of the date of this Prospectus, the ability of the Fund and Dimensional to apply the purchase blocking procedures on purchases by all investors and the ability of the Fund and Dimensional to monitor trades through Omnibus Accounts maintained by Intermediaries may be restricted due to systems limitations of both the Fund's service providers and the Intermediaries. The Fund expects that the application of the Trading Policy as described above, including the purchase blocking procedures (subject to the limitations described above), will be able to be implemented by Intermediaries in compliance with Rule 22c-2 under the 1940 Act.

In addition to monitoring trade activity, the Board has adopted fair value pricing procedures that govern the pricing of the securities of the Portfolios and Master Fund. These procedures are designed to help ensure that the prices at which Portfolio shares are purchased and redeemed are fair, and do not result in dilution of shareholder interests or other harm to shareholders. See the discussion under "**VALUATION OF SHARES—Net Asset Value**" for additional details regarding fair value pricing of the Portfolio's securities.

Although the procedures are designed to discourage excessive short-term trading, none of the procedures individually nor all of the procedures taken together can completely eliminate the possibility that excessive short-term trading activity in a Portfolio may occur. The Portfolios and Master Fund do not knowingly accommodate excessive or disruptive trading activities, including market timing.

## VALUATION OF SHARES

### Net Asset Value

The net asset value per share of each Portfolio and the Master Fund is generally calculated on days that the NYSE is open for trading. The net asset value per share of each Portfolio and the Master Fund is calculated after the close of the NYSE (normally, 4:00 p.m. ET) by dividing the total value of the Portfolio's or Master Fund's investments and other assets, less any liabilities, by the total outstanding shares of the stock of the respective Portfolio or Master Fund. Each Portfolio and the Master Fund generally accepts purchase and redemption orders on days that the NYSE is open for trading. *Note:* The time at which transactions and shares are priced may be changed in case of an emergency or if the NYSE closes at a time other than 4:00 p.m. ET.

The value of the shares of each Non-Feeder Portfolio will fluctuate in relation to its own investment experience. The value of the shares of the Feeder Portfolio will fluctuate in relation to the investment experience of the Master Fund in which such Portfolio invests. Securities held by the Portfolios and Master Fund will be valued in accordance with applicable laws and procedures adopted by the Board of Directors or Trustees, and generally, as described below.

Securities held by the Portfolios and Master Fund (including over-the-counter securities) are valued at the last quoted sale price of the day. Securities held by the Portfolios and Master Fund that are listed on Nasdaq are valued at the Nasdaq Official Closing Price ("NOCP"). If there is no last reported sale price or NOCP of the day, the Portfolios and Master Fund value the securities at the mean of the most recent quoted bid and asked prices. Price information on listed securities is taken from the exchange where the security is primarily traded. Generally, securities issued by open-end investment companies, such as the Master Fund, are valued using their respective net asset values or public offering prices, as appropriate, for purchase orders placed at the close of the NYSE.

The value of the securities and other assets of the Portfolios and Master Fund for which no market quotations are readily available (including restricted securities), or for which market quotations have become unreliable, are determined in good faith at fair value in accordance with procedures adopted by the Board of Directors or Trustees, as the case may be. Fair value pricing may also be used if events that have a significant effect on the value of an investment (as determined in the discretion of the Investment Committee of the Advisor) occur before the net asset value is calculated. When fair value pricing is used, the prices of securities used by the Portfolios and the Master Fund may differ from the quoted or published prices for the same securities on their primary markets or exchanges.

As of the date of this Prospectus, each International Portfolio will also fair value price in the circumstances described below. Generally, trading in foreign securities markets is completed each day at various times prior to the close of the NYSE. For example, trading in the Japanese securities markets is completed each day at the close of the Tokyo Stock Exchange (normally, 2:00 a.m. ET), which is fourteen hours prior to the close of the NYSE (normally, 4:00 p.m. ET) and the time that the net asset value of each International Portfolio is computed. Due to the time differences between the closings of the relevant foreign securities exchanges and the time the International Portfolio prices its shares at the close of the NYSE, each International Portfolio will fair value its foreign investments when it is determined that the market quotations for the foreign investments are either unreliable or not readily available. The fair value prices will attempt to reflect the impact of the U.S. financial markets' perceptions and trading activities on each International Portfolio's foreign investments since the last closing prices of the foreign investments were calculated on their primary foreign securities markets or exchanges. For these purposes, the Board of Directors of the Fund has determined that movements in relevant indices or other appropriate market indicators, after the close of the Tokyo Stock Exchange or the London Stock Exchange, demonstrate that market quotations may be unreliable, and may trigger fair value pricing. Consequently, fair valuation of portfolio securities may occur on a daily basis. The fair value pricing by each International Portfolio utilizes data furnished by an independent pricing service (and that data draws upon, among other information, the market values of foreign investments). When an International Portfolio uses fair value pricing, the values assigned to the International Portfolio's foreign investments may not be the quoted or published prices of the investments on their primary markets or exchanges. The Board of Directors of the Fund monitors the operation of the method used to fair value price each International Portfolio's foreign investments.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. There can be no assurance that a Portfolio or the Master Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Portfolio or Master Fund determines its net asset value per share. As a result, the sale or redemption by a Portfolio or the Master Fund of its shares at net asset value, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing shareholders.

The net asset value per share of the International Portfolio is expressed in U.S. dollars by translating the net assets of the International Portfolio using the mean of the most recent bid and asked prices for the dollar as quoted by generally recognized reliable sources. Because the International Portfolio owns securities that are primarily listed on foreign exchanges which may trade on days when the International Portfolio does not price its shares, the net asset value of the International Portfolio may change on days when shareholders will not be able to purchase or redeem shares.

Certain of the securities holdings of the T.A. World ex U.S. Core Equity Portfolio in Approved Markets may be subject to tax, investment and currency repatriation regulations of the Approved Markets that could have a material effect on the values of the securities. For example, such fund might be subject to different levels of taxation on current income and realized gains depending upon the holding period of the securities. In general, a longer holding period (e.g., 5 years) may result in the imposition of lower tax rates than a shorter holding period (e.g., 1 year). The T.A. World ex U.S. Core Equity Portfolio may also be subject to certain contractual arrangements with investment authorities in an Approved Market which require the Portfolio to maintain minimum holding periods or to limit the extent of repatriation of income and realized gains.

Futures contracts are valued using the settlement price established each day on the exchange on which they are traded. The value of such futures contracts held by a Portfolio or the Master Fund is determined each day as of such close.

## **Public Offering Price**

Provided that the transfer agent has received the investor's Account Registration Form in good order and the custodian has received the investor's payment, shares of the Portfolio selected will be priced at the public offering price, which is the net asset value of the shares next determined after receipt of the investor's funds by the custodian. The transfer agent or the Fund may, from time to time, appoint sub-transfer agents or various financial intermediaries ("Intermediaries") for the receipt of purchase orders, redemption orders and funds from certain investors. Intermediaries, in turn, are authorized to designate other financial intermediaries ("Sub-designees") to receive purchase and redemption orders for the Portfolios' shares from investors. With respect to such investors, the shares of the Portfolio selected will be priced at the public offering price calculated after receipt of the purchase order by the Intermediary or Sub-designee, as applicable, that is authorized to receive purchase orders. If the investor buys shares through an Intermediary or a Sub-designee, the purchase price will be the public offering price next calculated after the Intermediary or Sub-designee, as applicable, receives the order, rather than on the day the custodian receives the investor's payment (provided that the Intermediary or Sub-designee, as applicable, has received the investor's purchase order in good order, and the investor has complied with the Intermediary's or Sub-designee's payment procedures). No reimbursement fee or sales charge is imposed on purchases. If an order to purchase shares must be canceled due to non-payment, the purchaser will be responsible for any loss incurred by a Portfolio arising out of such cancellation. The Portfolios reserve the right to redeem shares owned by any purchaser whose order is canceled to recover any resulting loss to a Portfolio and may prohibit or restrict the manner in which such purchaser may place further orders.

## **EXCHANGE OF SHARES**

Investors may exchange shares of one Portfolio for those of another Portfolio by first contacting the Advisor at (888) 576-1167 or (512) 306-7400 to notify the Advisor of the proposed exchange and then sending a letter of instruction. A letter of instruction for an exchange of shares may be sent by mail to:

DFA Investment Dimensions Group Inc.  
Attn: Client Operations  
6300 Bee Cave Road, Building One  
Austin, TX 78746

The minimum amount for an exchange is \$100,000. Exchanges are accepted into or from any of the Portfolios offered in this Prospectus. Contact the Advisor for information regarding the other portfolios of the Fund available for exchanges and to request a copy of the prospectus(es) of such portfolios. Investors in any Portfolio eligible for the exchange privilege also may exchange all or part of their Portfolio shares into portfolios of Dimensional Investment Group Inc., subject to the minimum purchase requirement set forth in the applicable portfolio's prospectus. Investors may contact the Advisor at the above-listed phone number for more information on such exchanges and to request a copy of the prospectuses of the portfolios of Dimensional Investment Group Inc.

The exchange privilege is not intended to afford shareholders a way to speculate on short-term movements in the markets. Accordingly, in order to prevent excessive use of the exchange privilege that may potentially disrupt the management of the Portfolios or otherwise adversely affect the Fund, any proposed exchange will be subject to the approval of the Advisor. Such approval will depend on: (i) the size of the proposed exchange; (ii) the prior number of exchanges by that shareholder; (iii) the nature of the underlying securities and the cash position of the Portfolios involved in the proposed exchange; (iv) the transaction costs involved in processing the exchange; and (v) the total number of redemptions by exchange already made out of a Portfolio. Excessive use of the exchange privilege is defined as any pattern of exchanges among portfolios by an investor that evidences market timing.

The redemption and purchase prices of shares redeemed and purchased by exchange, respectively, are the net asset values next determined after the Advisor has received a letter of instruction in good order. "Good order" means a completed letter of instruction specifying the dollar amount to be exchanged, signed by all registered owners of the shares (or representatives thereof); and if the Fund does not have on file the authorized signatures for the account, proof of authority. Exchanges will be accepted only if stock certificates have not been issued and the shares of the Portfolio being acquired are registered in the investor's state of residence.

There is no fee imposed on an exchange. However, the Fund reserves the right to impose an administrative fee in order to cover the costs incurred in processing an exchange. Any such fee will be disclosed in the prospectus. An exchange is treated as a redemption and a purchase. Therefore, an investor could realize a taxable gain or a loss on the transaction. The Fund reserves the right to revise or terminate the exchange privilege, waive the minimum amount requirement, limit the amount of or reject any exchange, as deemed necessary, at any time.

## **REDEMPTION OF SHARES**

### **Redemption Procedure**

Investors who desire to redeem shares of a Portfolio must first contact the Advisor at (888) 576-1167 or (512) 306-7400. Shareholders who invest in the Portfolios through a financial intermediary should contact their financial intermediary regarding redemption procedures. Each Portfolio will redeem shares at the net asset value of such shares next determined, either: (1) where stock certificates have not been issued, after receipt of a written request for redemption in good order, by the transfer agent (or Intermediary or Sub-designee, if applicable) or (2) if stock certificates have been issued, after receipt of the stock certificates in good order at the office of the transfer agent (or Intermediary or Sub-designee, if applicable). "Good order" means that the request to redeem shares must include all necessary documentation, to be received in writing by the Advisor no later than the close of regular trading on the NYSE (normally, 4:00 p.m. ET), including but not limited to: the stock certificate(s), if issued; a letter of instruction or a stock assignment specifying the number of shares or dollar amount to be redeemed, signed by all registered owners (or authorized representatives thereof) of the shares; and, if the Fund does not have on file the authorized signatures for the account, proof of authority.

Shareholders redeeming shares for which certificates have not been issued, who have authorized redemption payment by wire in writing, may request that redemption proceeds be paid in federal funds wired to the bank they have designated in writing. The Fund reserves the right to send redemption proceeds by check in its discretion; a shareholder may request overnight delivery of such check at the shareholder's own expense. If the proceeds are wired to the shareholder's account at a bank that is not a member of the Federal Reserve System, there could be a delay in crediting the funds to the shareholder's bank account. The Fund reserves the right at any time to suspend or terminate the redemption by wire procedure after prior notification to shareholders. No fee is charged for redemptions. The redemption of all shares in an account will result in the account being closed. A new Account Registration Form will be required for future investments. (See "**PURCHASE OF SHARES.**") In the interests of economy and convenience, certificates for shares are not issued.

Although the redemption payments will ordinarily be made within seven days after receipt, payment to investors redeeming shares that were purchased by check will not be made until the Fund can verify that the payments for the purchase have been, or will be, collected, which may take up to ten days or more. Investors may avoid this delay by submitting a certified check along with the purchase order.

### **Redemption of Small Accounts**

With respect to each Portfolio, the Fund reserves the right to redeem an account if the value of the shares in a specific Portfolio is \$500 or less because of redemptions. Before the Fund involuntarily redeems shares from such an account and sends the proceeds to the stockholder, the Fund will give written notice of the redemption to the stockholder at least sixty days before the redemption date. The stockholder will then have sixty days from the

date of the notice to make an additional investment in order to bring the value of the shares in the account for a specific Portfolio to more than \$500 and avoid such involuntary redemption. The redemption price to be paid to a stockholder for shares redeemed by the Fund under this right will be the aggregate net asset value of the shares in the account at the close of business on the redemption date. The right to redeem small accounts applies to accounts established with the Fund's transfer agent.

### **In-Kind Redemptions**

When in the best interests of the Feeder Portfolio, the Feeder Portfolio may make a redemption payment, in whole or in part, by a distribution of portfolio securities that the Feeder Portfolio receives from the Master Fund in lieu of cash. A Portfolio that is not a Feeder Portfolio may also make a redemption payment, in whole or in part, by a distribution of portfolio securities that the Portfolio owns in lieu of cash, when in the best interests of the Portfolio. The Portfolios and the Master Fund are also authorized to make redemption payments solely by a distribution of portfolio securities (or a combination of securities and cash) when it is determined by the Advisor to be consistent with the tax management strategies described in this Prospectus. Such distributions will be made in accordance with the federal securities laws and regulations governing mutual funds. Investors may incur brokerage charges and other transaction costs when selling securities that were received in payment of redemptions. The Tax-Managed DFA International Value Portfolio and T.A. World ex U.S. Core Equity Portfolio each reserve the right to redeem its shares in the currencies in which its investments are denominated. Investors may incur charges in converting such securities to dollars and the value of the securities may be affected by currency exchange fluctuations.

## **THE FEEDER PORTFOLIO**

The Master Feeder structure is relatively complex. While this structure is designed to reduce costs, it may not do so. As a result, the Feeder Portfolio may encounter operational or other complications. Other institutional investors, including other mutual funds, may invest in the Master Fund. Accordingly, the expenses of such other funds and, correspondingly, their returns may differ from those of the Feeder Portfolio. Please contact The DFA Investment Trust Company at 6300 Bee Cave Road, Building One, Austin, TX 78746, (512) 306-7400 for information about the availability of investing in the Master Fund other than through the Feeder Portfolio.

The aggregate amount of expenses for the Feeder Portfolio and the corresponding Master Fund may be greater than it would be if the Portfolio were to invest directly in the securities held by the Master Fund. However, the total expense ratios for the Feeder Portfolio and the Master Fund are expected to be less over time than such ratios would be if the Portfolio were to invest directly in the underlying securities. This arrangement enables various institutional investors, including the Feeder Portfolio, to pool their assets, which may be expected to result in economies by spreading certain fixed costs over a larger asset base. Each shareholder in the Master Fund, including the Feeder Portfolio, will pay its proportionate share of the expenses of that Master Fund.

The shares of the Master Fund will be offered to institutional investors for the purpose of increasing the funds available for investment, to reduce expenses as a percentage of total assets and to achieve other economies that might be available at higher asset levels. Investment in the Master Fund by other institutional investors offers potential benefits to the Master Fund, and through its investment in the Master Fund, the Feeder Portfolio also. However, such economies and expense reductions might not be achieved, and additional investment opportunities, such as increased diversification, might not be available if other institutions do not invest in the Master Fund. Also, if an institutional investor were to redeem its interest in the Master Fund, the remaining investors in the Master Fund could experience higher pro rata operating expenses, thereby producing lower returns, and the Master Fund's security holdings may become less diverse, resulting in increased risk. Institutional investors that have a greater pro rata ownership interest in the Master Fund than the Feeder Portfolio could have effective voting control over the operation of the Master Fund.

If the Board of Directors of the Fund determines that it is in the best interest of the Feeder Portfolio, the Feeder Portfolio may withdraw its investment in the Master Fund at any time. Upon any such withdrawal, the Board would consider what action the Portfolio might take, including either seeking to invest its assets in another registered investment company with the same investment objective as the Portfolio, which might not be possible, or retaining an investment advisor to manage the Portfolio's assets in accordance with its own investment objective, possibly at increased cost. Shareholders of the Feeder Portfolio will receive written notice thirty days before the effective date of any change in the investment objective of the Master Fund. A withdrawal by the Feeder Portfolio of its investment in the Master Fund could result in a distribution in kind of portfolio securities (as opposed to a cash distribution) to the Portfolio. Should such a distribution occur, the Portfolio could incur brokerage fees or other transaction costs in converting such securities to cash in order to pay redemptions. In addition, a distribution in kind to the Portfolio could result in a less diversified portfolio of investments and could affect adversely the liquidity of the Portfolio.

### **DISCLOSURE OF PORTFOLIO HOLDINGS**

Each Portfolio generally will disclose up to its 25 largest portfolio holdings (or with respect to the Feeder Portfolio, the holdings of the Master Fund) (other than cash and cash equivalents) and the percentages that each of these largest portfolio holdings represent of the total assets of the Portfolio or Master Fund, as of the most recent month-end, online at the Advisor's public Web site, <http://www.dimensional.com>, within 20 days after the end of each month. Each Portfolio also generally will disclose its complete portfolio holdings (or with respect to the Feeder Portfolio, the holdings of the Master Fund) (other than cash and cash equivalents), as of month-end, online at the Advisor's public Web site, two months following the month-end or more frequently and at different periods when authorized in accordance with the Portfolios and Master Fund's policies and procedures. Please consult the SAI for a description of the other policies and procedures that govern disclosure of the portfolio holdings by the Portfolios and Master Fund.

### **DELIVERY OF SHAREHOLDER DOCUMENTS**

To eliminate duplicate mailings and reduce expenses, the Portfolios may deliver a single copy of certain shareholder documents, such as this Prospectus and annual and semi-annual reports, to related shareholders at the same address, even if accounts are registered in different names. This practice is known as "householding." The Portfolios will not household personal information documents, such as account statements. If you do not want the mailings of these documents to be combined with other members of your household, please call us collect at (512) 306-7400. We will begin sending individual copies of the shareholder documents to you within 30 days of receiving your request.

### **FINANCIAL HIGHLIGHTS**

The Financial Highlights table is meant to help you understand each Portfolio's financial performance for the past five years or, if shorter, the period of that Portfolio's operations, as indicated by the table. The total returns in the table represent the rate that you would have earned (or lost) on an investment in the Portfolio, assuming reinvestment of all dividends and distributions. The information has been audited by PricewaterhouseCoopers LLP, whose report, along with the Portfolios' annual financial statements, are included in the annual report. Further information about each Portfolio's performance is contained in the annual report which is available upon request.

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
(For a share outstanding throughout each period)

	Tax-Managed U.S. Marketwide Value Portfolio					
	Year Ended Oct. 31, 2010	Year Ended Oct. 31, 2009	Period Ended Oct. 31, 2008 <sup>^</sup>	Year Ended Nov. 30, 2007	Year Ended Nov. 30, 2006	Year Ended Nov. 30, 2005
Net Asset Value, Beginning of Period .....	\$ 11.61	\$ 10.59	\$ 17.51	\$ 17.67	\$ 15.26	\$ 13.27
<b>Income From Investment Operations</b>						
Net Investment Income (Loss) .....	0.16#	0.21#	0.27#	0.27#	0.24#	0.18
Net Gains (Losses) on Securities (Realized and Unrealized) .....	2.17	1.06	(6.66)	(0.16)	2.39	1.96
Total From Investment Operations .....	2.33	1.27	(6.39)	0.11	2.63	2.14
<b>Less Distributions</b>						
Net Investment Income .....	(0.16)	(0.25)	(0.29)	(0.27)	(0.22)	(0.15)
Net Realized Gains .....	—	—	(0.24)	—	—	—
Total Distributions .....	(0.16)	(0.25)	(0.53)	(0.27)	(0.22)	(0.15)
Net Asset Value, End of Period .....	\$ 13.78	\$ 11.61	\$ 10.59	\$ 17.51	\$ 17.67	\$ 15.26
Total Return .....	20.17%	12.54%	(37.53)%**	0.54%	17.45%	16.27%
Net Assets, End of Period (thousands) .....	\$1,896,941	\$1,618,256	\$1,576,757	\$2,747,843	\$2,505,779	\$1,754,320
Ratio of Expenses to Average Net Assets* .....	0.38%	0.40%	0.38%@	0.37%	0.38%	0.40%
Ratio of Expenses to Average Net Assets (Excluding Waivers and Assumption of Expenses and/or Recovery of Previously Waived Fees)* .....	0.38%	0.40%	0.38%@	0.37%	0.38%	0.40%
Ratio of Net Investment Income to Average Net Assets .....	1.24%	2.07%	1.93%@	1.45%	1.47%	1.35%

<sup>^</sup> The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 through October 31, 2008.

# Computed using average shares outstanding.

\* Represents the combined ratios for the respective portfolio and its respective pro-rata share of its Master Fund Series.

\*\* Non-Annualized

@ Annualized

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
(For a share outstanding throughout each period)

	Tax-Managed U.S. Targeted Value Portfolio					
	Year Ended Oct. 31, 2010	Year Ended Oct. 31, 2009	Period Ended Oct. 31, 2008 <sup>^</sup>	Year Ended Nov. 30, 2007	Year Ended Nov. 30, 2006	Year Ended Nov. 30, 2005
Net Asset Value, Beginning of Period . . . . .	\$ 14.96	\$ 14.41	\$ 23.09	\$ 27.39	\$ 25.60	\$ 23.32
<b>Income From Investment Operations</b>						
Net Investment Income (Loss) . . . . .	0.11#	0.14#	0.20#	0.25#	0.22#	0.09
Net Gains (Losses) on Securities (Realized and Unrealized) . . . . .	4.13	0.60	(7.29)	(1.87)	3.90	2.68
Total From Investment Operations . . . . .	4.24	0.74	(7.09)	(1.62)	4.12	2.77
<b>Less Distributions</b>						
Net Investment Income . . . . .	(0.11)	(0.19)	(0.18)	(0.24)	(0.19)	(0.10)
Net Realized Gains . . . . .	—	—	(1.41)	(2.44)	(2.14)	(0.39)
Total Distributions . . . . .	(0.11)	(0.19)	(1.59)	(2.68)	(2.33)	(0.49)
Net Asset Value, End of Period . . . . .	\$ 19.09	\$ 14.96	\$ 14.41	\$ 23.09	\$ 27.39	\$ 25.60
Total Return . . . . .	28.43%	5.41%	(32.85)%**	(6.58)%	17.70%	12.09%
Net Assets, End of Period (thousands) . . . . .	\$2,145,546	\$1,700,343	\$1,662,774	\$2,905,694	\$3,203,763	\$2,634,891
Ratio of Expenses to Average Net Assets . . . . .	0.45%	0.47%	0.45%@	0.47%	0.53%	0.55%
Ratio of Net Investment Income to Average Net Assets . . . . .	0.63%	1.04%	1.07%@	0.98%	0.85%	0.39%
Portfolio Turnover Rate . . . . .	26%	34%	40%**	28%	35%	21%

<sup>^</sup> The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 to October 31, 2008.

# Computed using average shares outstanding.

\*\* Non-Annualized

@ Annualized

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
(For a share outstanding throughout each period)

	Tax-Managed U.S. Equity Portfolio					
	Year Ended Oct. 31, 2010	Year Ended Oct. 31, 2009	Period Ended Oct. 31, 2008 <sup>^</sup>	Year Ended Nov. 30, 2007	Year Ended Nov. 30, 2006	Year Ended Nov. 30, 2005
Net Asset Value, Beginning of Period .....	\$ 10.94	\$ 10.36	\$ 15.57	\$ 14.75	\$ 13.26	\$ 12.23
<b>Income From Investment Operations</b>						
Net Investment Income (Loss) .....	0.20#	0.22#	0.23#	0.25#	0.21#	0.16
Net Gains (Losses) on Securities (Realized and Unrealized) .....	1.76	0.60	(5.19)	0.81	1.47	1.05
Total From Investment Operations .....	1.96	0.82	(4.96)	1.06	1.68	1.21
<b>Less Distributions</b>						
Net Investment Income .....	(0.20)	(0.24)	(0.25)	(0.24)	(0.19)	(0.18)
Net Realized Gains .....	—	—	—	—	—	—
Total Distributions .....	(0.20)	(0.24)	(0.25)	(0.24)	(0.19)	(0.18)
Net Asset Value, End of Period .....	\$ 12.70	\$ 10.94	\$ 10.36	\$ 15.57	\$ 14.75	\$ 13.26
Total Return .....	18.10%	8.30%	(32.30)%**	7.23%	12.84%	9.97%
Net Assets, End of Period (thousands) .....	\$1,286,236	\$1,141,449	\$1,268,330	\$1,823,812	\$1,487,611	\$999,215
Ratio of Expenses to Average Net Assets* .....	0.22%	0.22%	0.22%@	0.22%	0.23%	0.25%
Ratio of Expenses to Average Net Assets (Excluding Waivers and Assumption of Expenses and/or Recovery of Previously Waived Fees)* .....	0.23%	0.26%	0.23%@	0.23%	0.24%	0.26%
Ratio of Net Investment Income to Average Net Assets .....	1.70%	2.24%	1.76%@	1.59%	1.55%	1.35%

<sup>^</sup> The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 to October 31, 2008.

# Computed using average shares outstanding.

\* Represents the combined ratios for the respective portfolio and its respective pro-rata share of its Master Fund Series.

\*\* Non-Annualized

@ Annualized

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
**(For a share outstanding throughout each period)**

	Tax-Managed U.S. Small Cap Portfolio					
	Year Ended Oct. 31, 2010	Year Ended Oct. 31, 2009	Period Ended Oct. 31, 2008 <sup>^</sup>	Year Ended Nov. 30, 2007	Year Ended Nov. 30, 2006	Year Ended Nov. 30, 2005
Net Asset Value, Beginning of Period .....	\$ 16.26	\$ 15.83	\$ 25.86	\$ 26.27	\$ 22.95	\$ 20.53
<b>Income From Investment Operations</b>						
Net Investment Income (Loss) .....	0.11#	0.13#	0.19#	0.18#	0.10#	0.04
Net Gains (Losses) on Securities (Realized and Unrealized) .....	4.20	0.47	(7.87)	(0.42)	3.30	2.42
Total From Investment Operations .....	4.31	0.60	(7.68)	(0.24)	3.40	2.46
<b>Less Distributions</b>						
Net Investment Income .....	(0.10)	(0.17)	(0.18)	(0.17)	(0.08)	(0.04)
Net Realized Gains .....	—	—	(2.17)	—	—	—
Total Distributions .....	(0.10)	(0.17)	(2.35)	(0.17)	(0.08)	(0.04)
Net Asset Value, End of Period .....	\$ 20.47	\$ 16.26	\$ 15.83	\$ 25.86	\$ 26.27	\$ 22.95
Total Return .....	26.61%	3.98%	(32.53)%**	(0.94)%	14.88%	11.98%
Net Assets, End of Period (thousands) .....	\$1,141,494	\$957,145	\$1,077,395	\$1,779,245	\$1,653,038	\$1,242,288
Ratio of Expenses to Average Net Assets .....	0.53%	0.55%	0.53% <sup>@</sup>	0.53%	0.53%	0.55%
Ratio of Net Investment Income to Average Net Assets .....	0.58%	0.88%	0.98% <sup>@</sup>	0.65%	0.41%	0.21%
Portfolio Turnover Rate .....	27%	28%	39%**	31%	22%	15%

<sup>^</sup> The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 through October 31, 2008.

# Computed using average shares outstanding.

\*\* Non-Annualized

@ Annualized

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
**(For a share outstanding throughout each period)**

	<b>T.A. U.S. Core Equity 2 Portfolio</b>			
	<b>Year Ended Oct. 31, 2010</b>	<b>Year Ended Oct. 31, 2009</b>	<b>Period Ended Oct. 31, 2008**</b>	<b>For the Period Oct. 4, 2007*** to Nov. 30, 2007</b>
Net Asset Value, Beginning of Period . . . . .	\$ 6.83	\$ 6.31	\$ 9.40	\$ 10.00
<b>Income From Investment Operations</b>				
Net Investment Income (Loss)# . . . . .	0.11	0.11	0.13	0.02
Net Gains (Losses) on Securities (Realized and Unrealized) . . . . .	1.35	0.52	(3.12)	(0.62)
Total From Investment Operations . . . . .	1.46	0.63	(2.99)	(0.60)
<b>Less Distributions</b>				
Net Investment Income . . . . .	(0.11)	(0.11)	(0.10)	—
Net Realized Gains . . . . .	—	—	—	—
Total Distributions . . . . .	(0.11)	(0.11)	(0.10)	—
Net Asset Value, End of Period . . . . .	<u>\$ 8.18</u>	<u>\$ 6.83</u>	<u>\$ 6.31</u>	<u>\$ 9.40</u>
Total Return . . . . .	21.49%	10.28%	(32.16)%†	(6.00)%†
Net Assets, End of Period (thousands) . . . . .	\$2,014,584	\$1,444,886	\$585,165	\$106,507
Ratio of Expenses to Average Net Assets . . . . .	0.25%	0.28%	0.29%^	0.30%^@
Ratio of Expenses to Average Net Assets (Excluding Waivers and Assumption of Expenses and/or Recovery of Previously Waived Fees) . . . . .	0.25%	0.28%	0.29%^	0.60%^@
Ratio of Net Investment Income to Average Net Assets . . . . .	1.45%	1.82%	1.75%^	2.09%^@
Portfolio Turnover Rate . . . . .	5%	5%	9%†	0%†

# Computed using average shares outstanding.

^ Annualized

† Non-annualized

\*\* The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 through October 31, 2008.

\*\*\* Commencement of operations.

@ Because of commencement of operations and related preliminary transaction costs, these ratios are not necessarily indicative of future ratios.

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**  
**(For a share outstanding throughout each period)**

	Tax-Managed DFA International Value Portfolio					
	Year Ended Oct. 31, 2010	Year Ended Oct. 31, 2009	Period Ended Oct. 31, 2008 <sup>^</sup>	Year Ended Nov. 30, 2007	Year Ended Nov. 30, 2006	Year Ended Nov. 30, 2005
Net Asset Value, Beginning of Period	\$ 13.49	\$ 10.55	\$ 21.91	\$ 19.96	\$ 15.51	\$ 13.63
<b>Income From Investment Operations</b>						
Net Investment Income (Loss)#	0.31	0.32	0.59	0.59	0.54	0.33
Net Gains (Losses) on Securities (Realized and Unrealized)	1.03	3.00	(9.60)	2.76	4.71	1.90
Total From Investment Operations	1.34	3.32	(9.01)	3.35	5.25	2.23
<b>Less Distributions</b>						
Net Investment Income	(0.30)	(0.38)	(0.64)	(0.48)	(0.59)	(0.35)
Net Realized Gains	—	—	(1.71)	(0.92)	(0.21)	—
Total Distributions	(0.30)	(0.38)	(2.35)	(1.40)	(0.80)	(0.35)
Net Asset Value, End of Period	\$ 14.53	\$ 13.49	\$ 10.55	\$ 21.91	\$ 19.96	\$ 15.51
Total Return	10.34%	32.27%	(45.58)%**	17.51%	35.01%	16.63%
Net Assets, End of Period (thousands)	\$1,834,003	\$1,637,834	\$1,393,229	\$2,859,270	\$2,370,683	\$1,571,217
Ratio of Expenses to Average Net Assets	0.55%	0.56%	0.54% <sup>@</sup>	0.54%	0.54%	0.60%
Ratio of Expenses to Average Net Assets (Excluding Waivers and Assumption of Expenses and/or Recovery of Previously Waived Fees)	0.55%	0.56%	0.54% <sup>@</sup>	0.54%	0.54%	0.60%
Ratio of Net Investment Income to Average Net Assets	2.29%	2.92%	3.76% <sup>@</sup>	2.77%	3.04%	2.23%
Portfolio Turnover Rate	28%	24%	24%**	20%	13%	11%

<sup>^</sup> The fiscal year end for the Portfolio was changed from November 30 to October 31. The information presented covers the period from December 1, 2007 through October 31, 2008.

# Computed using average shares outstanding.

\*\* Non-Annualized

@ Annualized

**DFA INVESTMENT DIMENSIONS GROUP INC.**

**FINANCIAL HIGHLIGHTS**

**(For a share outstanding throughout each period)**

	<u>T.A. World ex U.S. Core Equity Portfolio</u>		
	<u>Year Ended Oct. 31, 2010</u>	<u>Year Ended Oct. 31, 2009</u>	<u>For the Period Mar. 6, 2008*** to Oct. 31, 2008</u>
Net Asset Value, Beginning of Period . . . . .	\$ 8.13	\$ 5.85	\$ 10.00
<b>Income From Investment Operations</b>			
Net Investment Income (Loss) . . . . .	0.17#	0.16#	0.15#
Net Gains (Losses) on Securities (Realized and Unrealized) . . . . .	1.17	2.27	(4.15)
Total From Investment Operations . . . . .	<u>1.34</u>	<u>2.43</u>	<u>(4.00)</u>
<b>Less Distributions</b>			
Net Investment Income . . . . .	<u>(0.16)</u>	<u>(0.15)</u>	<u>(0.15)</u>
Total Distributions . . . . .	<u>(0.16)</u>	<u>(0.15)</u>	<u>(0.15)</u>
Net Asset Value, End of Period . . . . .	<u>\$ 9.31</u>	<u>\$ 8.13</u>	<u>\$ 5.85</u>
Total Return . . . . .	<u>16.78%</u>	<u>42.13%</u>	<u>(40.61)%†</u>
Net Assets, End of Period (thousands) . . . . .	\$966,999	\$668,728	\$228,318
Ratio of Expenses to Average Net Assets . . . . .	0.48%	0.54%	0.60% <sup>^</sup> @
Ratio of Expenses to Average Net Assets (Excluding Waivers and Assumption of Expenses and/or Recovery of Previously Waived Fees) . . . . .	0.48%	0.51%	0.85% <sup>^</sup> @
Ratio of Net Investment Income to Average Net Assets . . . . .	2.00%	2.38%	3.27% <sup>^</sup> @
Portfolio Turnover Rate . . . . .	2%	5%	2%†

# Computed using average shares outstanding.

<sup>^</sup> Annualized

† Non-annualized

\*\*\* Commencement of operations.

@ Because of commencement of operations and related preliminary transaction costs, these ratios are not necessarily indicative of future ratios.

## SERVICE PROVIDERS

### Investment Advisor

DIMENSIONAL FUND ADVISORS LP  
6300 Bee Cave Road, Building One  
Austin, TX 78746  
Tel. No. (512) 306-7400

### Sub-Advisors

DIMENSIONAL FUND ADVISORS LTD.  
20 Triton Street, Regent's Place  
London NW13BF  
United Kingdom  
Tel. No. (20) 3033-3300

DFA AUSTRALIA LIMITED  
Level 43 Gateway  
1 Macquarie Place  
Sydney, New South Wales 2000  
Australia  
Tel. No. (612) 8 336-7100

### Custodian—International

CITIBANK, N.A.  
111 Wall Street  
New York, NY 10005

### Custodian—Domestic

PFPC TRUST COMPANY  
(to be renamed BNY Mellon Investment Servicing  
Trust Company effective July 1, 2011)  
301 Bellevue Parkway  
Wilmington, DE 19809

### Accounting Services, Dividend Disbursing and Transfer Agent

BNY MELLON INVESTMENT SERVICING  
(US) INC.  
(formerly, PNC Global Investment  
Servicing (U.S.) Inc.)  
301 Bellevue Parkway  
Wilmington, DE 19809

### Legal Counsel

STRADLEY RONON STEVENS & YOUNG, LLP  
2600 One Commerce Square  
Philadelphia, PA 19103-7098

### Independent Registered Public Accounting Firm

PRICEWATERHOUSECOOPERS LLP  
Two Commerce Square  
Suite 1700  
2001 Market Street  
Philadelphia, PA 19103-7042

## Other Available Information

You can find more information about the Fund and the Portfolios in the Fund's SAI and Annual and Semi-Annual Reports.

**Statement of Additional Information.** The SAI supplements, and is technically part of, this Prospectus. It includes an expanded discussion of investment practices, risks, and fund operations.

**Annual and Semi-Annual Reports to Shareholders.** These reports focus on Portfolio holdings and performance. The Annual Report also discusses the market conditions and investment strategies that significantly affected the Portfolios in their last fiscal year.

### Request free copies from:

- Your investment advisor—you are a client of an investment advisor who has invested in the Portfolios on your behalf.
- The Fund—you represent an institutional investor, registered investment advisor or other qualifying investor. Call collect at (512) 306-7400.
- Access them on our Web site at <http://www.dimensionalfund.com>.
- Access them on the EDGAR Database in the SEC's Internet site at <http://www.sec.gov>.
- Review and copy them at the SEC's Public Reference Room in Washington D.C. (phone 1-800-SEC-0330).
- Request copies from the Public Reference Section of the SEC, Washington, D.C. 20549-0102 or at [publicinfo@sec.gov](mailto:publicinfo@sec.gov) (you will be charged a copying fee). Information on the operation of the SEC's public reference room is available by calling the SEC at 1-202-551-8090.

## Dimensional Fund Advisors LP

6300 Bee Cave Road, Building One  
Austin, TX 78746  
(512) 306-7400

DFA Investment Dimensions Group Inc.—Registration No. 811-3258



RRD022811-002