



# LEAVELL

INVESTMENT MANAGEMENT

*Trusted Investment Solutions Since 1979*

July 14, 2010

Dear Clients:

Please find enclosed your June 30, 2010 Investment Report and Review, including a complete listing of assets and account performance along with our detailed quarterly Investment Commentary, updating our views concerning current market conditions.

In the second quarter we saw a return to significant volatility, led by negative events in the European markets and on-going concerns of the global economic recovery. As a result, equity returns finished in negative territory year-to-date. As you will see in our Investment Commentary, fixed income produced positive returns across the board.

Our thoughts for the future focus more on risk control and management than return production in the near term. However, we expect to achieve capital market returns that are competitive. By managing the risk (variability) of current returns, greater compounded results will be realized. Diversification is our primary tool to accomplish this goal. You will find your equity investments broadly spread across all capitalization ranges, into growth and value classifications, into international and emerging market economies, into real estate investment trusts and commodity related securities, and your fixed income investments focused on high quality credit issues with short to intermediate durations.

Recent market volatility is likely to continue as investors sort through the myriad of issues which we will face in the months ahead. In the meantime, we are working diligently to ensure that when opportunities do present themselves we are in a position to recognize and take advantage of them, while also being highly attuned to the potential risks.

Please call with any questions or comments, or to schedule a personal meeting to review your accounts and specific objectives. On behalf of all of us at Leavell Investment Management, we thank you for your continued confidence and loyalty.

Sincerely,

  
Jane R. Hayes  
Chief Operations Officer

Enclosures

*Please advise us if you would like copies of our annual Securities & Exchange Commission disclosure document (form ADV Part II), a Prospectus for The Government Street Funds, or a record of how your proxy statements were voted on your behalf.*

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