

2010 Year-End Tax Letter

January 31, 2011

The following information has been prepared to help you prepare your 2010 federal and state income tax returns. Please remember, however, that each individual taxpayer's status varies, and the assistance of a professional tax advisor may be appropriate.

Federal Obligations

The Sentinel Balanced, Capital Growth, Common Stock, Conservative Strategies', Government Securities, Growth Leaders, International Equity, Mid Cap Value, Short Maturity Government, and Sustainable Core Opportunities Funds invest in obligations of the United States and obligations guaranteed by the United States or an agency or instrumentality of the United States ("federal obligations"). Therefore, a portion of the Fund's dividends are attributable to interest on such federal obligations.

State law varies as to whether, and what percentage of dividend income attributable to federal obligations is exempt from state income and/or intangibles tax. We recommend that you consult your tax advisor to determine if any portion of the dividend you received is exempt from state tax.

Listed below is the percentage of the total assets that each Fund invested in either U.S. Government obligations (1) or U.S. Government Agency obligations (2) as of the end of each quarter of the Fund's calendar year.

BALANCED FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	24.77%	24.77%
June 30, 2010	0.51%	24.78%	25.29%
September 30, 2010	1.85%	19.23%	21.08%
December 31, 2010	0.82%	18.86%	19.68%

CAPITAL GROWTH FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	0.00%	0.00%
June 30, 2010	1.82%	0.00%	1.82%
September 30, 2010	0.00%	0.00%	0.00%
December 31, 2010	0.00%	0.00%	0.00%

COMMON STOCK FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	0.11%	0.11%
June 30, 2010	0.01%	0.98%	0.99%
September 30, 2010	0.00%	0.00%	0.00%
December 31, 2010	0.00%	0.00%	0.00%

CONSERVATIVE STRATEGIES FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	52.79%	52.79%
June 30, 2010	1.06%	55.04%	56.10%
September 30, 2010	4.52%	39.88%	44.40%
December 31, 2010	1.66%	37.61%	39.27%

GOVERNMENT SECURITIES FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	94.91%	94.91%
June 30, 2010	4.65%	95.35%	100.00%
September 30, 2010	7.53%	91.80%	99.33%
December 31, 2010	2.95%	97.05%	100.00%

GROWTH LEADERS FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	2.12%	2.12%
June 30, 2010	0.00%	0.00%	0.00%
September 30, 2010	0.00%	0.00%	0.00%
December 31, 2010	0.00%	0.00%	0.00%

INTERNATIONAL EQUITY FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	1.68%	1.68%
June 30, 2010	0.00%	1.83%	1.83%
September 30, 2010	0.00%	0.89%	0.89%
December 31, 2010	1.46%	0.00%	1.46%

MID CAP VALUE FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	0.40%	0.40%
June 30, 2010	0.00%	2.84%	2.84%
September 30, 2010	0.00%	0.00%	0.00%
December 31, 2010	0.00%	0.59%	0.59%

SHORT MATURITY GOVERNMENT FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	100.00%	100.00%
June 30, 2010	0.21%	99.12%	99.33%
September 30, 2010	0.00%	100.00%	100.00%
December 31, 2010	1.61%	98.39%	100.00%

SUSTAINABLE CORE OPPORTUNITIES FUND

Calendar Quarter Ended	(1)	(2)	Total
March 31, 2010	0.00%	0.66%	0.66%
June 30, 2010	0.69%	2.55%	3.24%
September 30, 2010	0.00%	0.64%	0.64%
December 31, 2010	0.00%	0.36%	0.36%

The table below indicates the percentage of interest income earned on Federal obligations (not including repurchase agreements) versus total earnings of each Fund for the calendar year 2010.

	Direct U.S. Govt. Obligations (T-Notes, T-Bonds, T-Bills)	U.S. Govt. Agency Obligations (FHLMCs, FNMA, GNMA, etc.)	Total
Sentinel Balanced Fund	1.47%	66.31%	67.78%
Sentinel Capital Growth Fund	0.01%	0.01%	0.02%
Sentinel Common Stock Fund	0.00%	0.01%	0.01%
Sentinel Conservative Strategies Fund	2.80%	48.41%	51.21%
Sentinel Government Securities Fund	4.17%	95.81%	99.98%
Sentinel Growth Leaders Fund	0.01%	0.00%	0.01%
Sentinel International Equity Fund	0.01%	0.03%	0.04%
Sentinel Mid Cap Value Fund	0.03%	0.05%	0.08%
Sentinel Short Maturity Government Fund	0.00%	99.92%	99.92%
Sentinel Sustainable Core Opportunities Fund	0.01%	0.04%	0.05%

The Sentinel Georgia Municipal Bond, Mid Cap, Small Company, Small Mid Cap, Sustainable Growth Opportunities Funds and Total Return Bond Funds, either paid no dividends or had no significant investments in U.S. Government obligations or U.S. Government Agency obligations.

All of the dividends paid by the Sentinel Georgia Municipal Bond are tax-exempt for Federal income tax purposes and no earnings in either Fund are subject to an alternative minimum tax.

If you have questions regarding this information, please call Sentinel Investor Services at 1.800.282.FUND.

This material does not constitute tax, legal or accounting advice and neither Sentinel Investments nor any of its agents, employees or registered representatives are in the business of offering such advice. Please contact your financial professional or tax accountant for any professional advice.

Investment return and principal value will vary in any of the funds so that you may have a gain or loss when you sell shares. Consider a fund's objectives, risks, charges and expenses carefully before investing. The prospectus contains this and other information about the Funds. Please read it carefully before you invest.

1. On 12/15/2010 the Conservative Allocation Fund was renamed the Conservative Strategies Fund. On 12/17/2010 the Conservative Strategies Fund investment strategies changed. Performance and ratings shown reflect the investment strategies used prior to 12/17/2010.

Sentinel Investments is the unifying brand name for Sentinel Financial Services Company, Sentinel Asset Management, Inc., and Sentinel Administrative Services, Inc. Sentinel Funds are distributed by Sentinel Financial Services Company, One National Life Drive, Montpelier, VT 05604, 800.282.FUND sentinelinvestments.com.