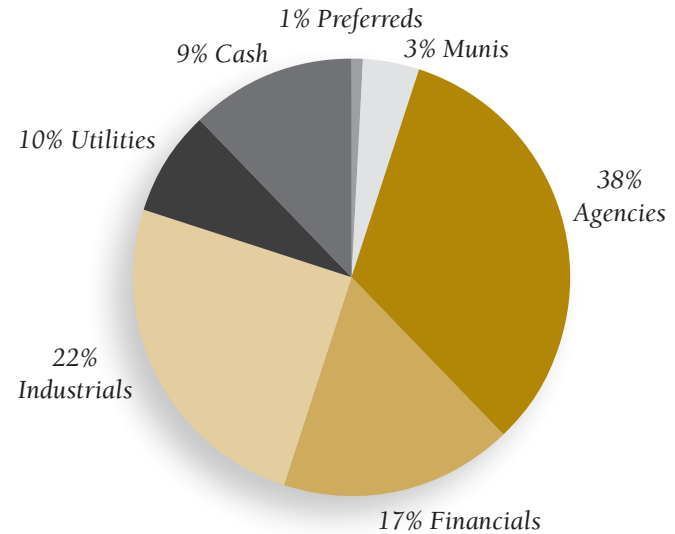


Challenging is probably the best way to describe the current fixed income environment. With the exception of the Treasury market, debt issuance in other sectors (taxable as well as tax-exempt markets) has been extremely light, while demand remains heavy. Excess cash is still seeking lower volatility and dependable returns, which translates into investing in US debt markets, more specifically the US Treasury market. Over the third quarter of 2009, bond yields continued to fall, reacting to supply and demand inequalities and the FOMC's attempts to stimulate economic growth through the continuation of non-traditional programs. Although improving, the economy continues to limp along, with high levels of unemployment, excess capacity and a hesitant consumer. Those that depend upon the income generated by fixed income securities will find the current rate environment challenging. Bond yields will remain low until confidence improves and a more robust level of growth is attained.

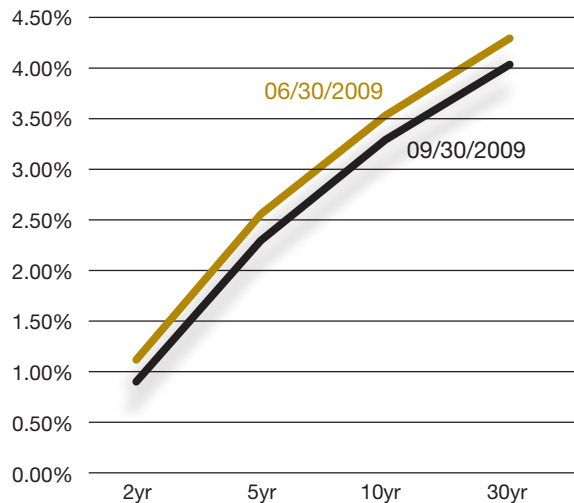
The TCVA taxable, fixed income composite under-performed its benchmark for the 3rd quarter, ending September 30, 2009, but outperformed over the past 12 months. The composite has maintained an average weighted maturity and duration shorter than the Lipper Benchmark. With the large amount of uncertainty in the financial sector, our exposure continues

to remain significantly lower than the benchmark. Other characteristics of the composite included higher credit quality and a larger concentration of corporate securities over government agency bonds. Investing in shorter maturing bonds with higher coupons is the best defensive strategy in an already low interest rate environment and no change in the composites configuration is expected. Concentrating on higher quality bonds with above average yield advantages over Treasuries will continue to be the focus.

Fixed Income Sector Breakdown



Treasury Yield Curve



Portfolio Characteristics:

Average Maturity	2.5 yrs
Average Duration	2.0 yrs
Average Yield to Maturity	2.51%
Average Coupon	6.16%
Average Quality	AA

Credit Quality:

Aaa	42%
Aa	12%
A	37%
BBB	9%