

## Leuthold Funds

---

Enclosed is the 2009 Tax Form for your account with the Leuthold Funds. The Form provides information on any applicable 2009 distributions and proceeds from redemptions. Please note that all information contained in this Statement has been provided to the Internal Revenue Service. In addition to the tax information provided on your enclosed Tax Form, below is supplemental information to assist you with the preparation of your 2009 income tax returns. Please consult your tax advisor for the specific application of any items below relating to the preparation of your tax returns.

### **Income from U.S. Government Obligations**

Some states do not tax their residents on income from a mutual fund that is earned from U.S. Government Obligations. The following table shows the percentage of total ordinary income dividends shown in Box 1 of your 2009 Tax Form that were attributable to interest earned from direct U.S. Government Obligations:

<b><u>Fund Name</u></b>	<b><u>% of Ordinary Income Attributable to Direct U.S. Govt. Obligation (see Box 1)</u></b>
Leuthold Undervalued and Unloved Fund	0.37%
Leuthold Asset Allocation Fund	0.00%
Leuthold Global Fund	0.00%
Leuthold Core Investment Fund	0.00%
Leuthold Global Clean Technology Fund	N/A
Leuthold Hedged Equity Fund	N/A
Grizzly Short Fund	N/A
Leuthold Select Equities Fund	N/A
Leuthold Select Industries Fund	N/A

Depending on your state's personal income tax laws, you may be entitled to declare the above portion of your 2009 ordinary income dividends (Box 1) as tax-exempt income on your state personal income tax return. However, some states do not allow the "pass through" of this exempt-interest income unless the percentage earned from U.S. Government Obligations exceeds certain thresholds or unless other requirements are met. Please consult your tax adviser or state authorities if you have any questions regarding the percentage of income you can exclude when calculating your state income tax.

For the year ended December 31, 2009, the **Leuthold Global Fund, Leuthold Asset Allocation Fund and Leuthold Core Investment Fund** earned foreign source income and paid foreign taxes. However, pursuant to Internal Revenue Code section 853(a)(1), the Funds are not permitted to pass through the foreign taxes paid to their shareholders as the Funds' total assets were not comprised of 50 percent or greater foreign securities.