

December 31, 2015

In last quarter's update, the conversation revolved around the 12% market "correction" that had occurred during July and August. The quick selloff had many investors on edge about how bad things could potentially get. Within that update we attempted to put the recent market activity into perspective and remind everyone that "corrections" are both common and healthy for the overall stock market. Fortunately, the fourth quarter offered up a strong 7% recovery by the S&P 500 while other categories of stocks posted more modest, but still good returns during the quarter (see table). For the year, large cap U.S. stocks (S&P 500) were again among the best performing equity categories, up 1.4% while mid and small cap stocks declined 2.4% and 4.4%, respectively. Developed international markets started the year strongly but languished a bit in the latter part of the year, resulting in a slight 0.8% decline for the MSCI EAFE index. This is the 4th year in the last five that international markets have underperformed the U.S. market. Emerging market stocks were some of the worst performers, declining 14.9%, amid concerns about China's economy, falling commodity prices, currency fluctuations, and political instability. These same concerns allowed bonds to surprise to the upside with a +1% return despite the Federal Reserve finally moving to

| Market Returns | YTD | Q4 2015 |
|---------------------------------|--------|---------|
| U.S. Large Caps | 1.38% | 7.04% |
| U.S. Mid Caps | -2.44 | 3.62 |
| U.S. Small Caps | -4.41 | 3.59 |
| International Developed Markets | -0.81 | 4.71 |
| Emerging Markets | -14.92 | 0.66 |
| Interm. Term Bonds | 1.07 | -0.69 |

Source: Morningstar Direct. Please see Disclosures for index definitions.†

increase short-term interest rates by 0.25% in December. One noteworthy trend for the year was the wide disparity between "growth" and "value" stocks. The Russell 1000 Growth index gained 5.7% versus a decline of 3.8% for the Russell 1000 Value index. The divergence was driven by investors' willingness to pay an increasing premium for higher growth companies in a low-growth economic environment. This thirst for growth has resulted in a "narrow" market, predominantly driven by a small sub-set of momentum-oriented stocks with long-term growth tailwinds. Many are referring to them with the acronym "FANG," which is short for Facebook, Amazon, Netflix and Google. These four stocks finished 2015 up 34%, 118%, 134% & 45%, respectively. While those stocks make up only 5.5% of the S&P 500, they accounted for +3.7% of its return. That implies that collectively, the other 496 stocks had a negative return. In fact more than half of the

stocks in the index posted negative returns for the year and 175 of those constituents actually saw their value decline by more than 10%. The dominance of just a few stocks is reminiscent of the late 1990s, when technology and telecom stocks outperformed at the expense of seemingly everything else. Most of us remember that ended pretty badly for many who chased the performance of those high-flying stocks. At a minimum, it provides a reminder to have balance and diversity in our portfolios and not to be swayed by the hot stocks of last year.

Emerging Markets

We've been pleased with several of the fund changes that we have made in the past few years.

International: Although international markets struggled last year, the funds in your portfolio performed quite well. The FMI International fund was added in 2014 and managed to gain 3.2% last year while the overall international markets declined. Additionally, we added an international fund that invests in smaller companies, the MFS International New Discovery fund, which gained 2.7% last year.

Bonds: Within bonds, our portfolios are positioned to react well in a rising interest rate environment. The Eaton Vance Global Macro Absolute Return fund gained 2.6% and the Vanguard Short-term Investment Grade Bond fund gained 1.1%, placing both in the top 10% of the respective peers (according to Morningstar).

Small Cap: The John Hancock Small Cap Value fund was added in early 2015 and outperformed the Russell 2000 index by 330 bps for the year.

We know that the volatility and headlines have been enough to spook a lot of investors. Given the market's uncertainty, we believe that developing a comfortable asset allocation and a comfortable risk return profile for your situation is the best way to invest for the long term. Our models are designed to provide you with multiple levels of global market exposure to suit your investment time horizon and your ability to sustain short-term periods of volatility. If you wish to review your allocation or have any additional questions, please don't hesitate to contact your Investment Executive. Thank you for your confidence and your business.

*Performance discussed is historical and is no guarantee of future results. No graph, chart, formula or indicator can guarantee profit of any nature in the stock market and should not be relied upon solely in making investment decisions. Investing in stocks always carries risk, including the possible loss of principal.

Returns

as of December 31, 2015 *Returns greater than 1 year are annualized

| Fund / Index Name | Rolling Returns | | | | | Fund / Index Performance at Net Asset Value** | | | | | Expense Ratio | |
|------------------------------------|-----------------|------------|------------|------------|--------------|---|--------|----------|----------|-----------|---------------|-------------------|
| | Avg 1 Year | Avg 3 Year | Avg 5 Year | Up Capture | Down Capture | YTD | 1 Year | 3 Years* | 5 Years* | 10 Years* | Gross | Net |
| Large Cap | | | | | | | | | | | | |
| American Funds AMCAP F2 | 10.24 | 8.68 | 9.70 | 97.76 | 94.50 | 1.00 | 1.00 | 15.87 | 12.66 | 7.75 | 0.47 | 0.47 |
| Diamond Hill Large Cap I | 9.30 | 7.51 | 8.30 | 96.85 | 96.05 | -0.85 | -0.85 | 14.47 | 11.62 | 7.24 | 0.70 | 0.70 |
| FMI Large Cap | 9.80 | 8.38 | 9.17 | 90.10 | 83.13 | -2.44 | -2.44 | 12.67 | 10.77 | 7.90 | 0.87 | 0.87 |
| S&P 500 Index | 9.35 | 7.34 | 8.48 | 100.00 | 100.00 | -5.29 | -0.61 | 12.40 | 13.34 | 6.80 | - | - |
| Mid Cap and Small Cap | | | | | | | | | | | | |
| Vctry Munder Mid Cap Core Growth Y | 10.62 | 8.15 | 9.76 | 87.98 | 84.60 | -4.36 | -4.36 | 12.11 | 10.15 | 7.53 | 1.07 | 1.07 ¹ |
| Vanguard Mid Cap Index Adm | 11.02 | 8.64 | 10.24 | 92.57 | 88.98 | -1.34 | -1.34 | 14.90 | 11.52 | 7.90 | 0.09 | 0.09 |
| JHancock Small Cap Value I | 18.22 | 16.69 | 16.83 | - | - | -1.13 | -1.13 | 11.96 | 10.24 | - | 1.29 | 1.29 |
| Russell 2500 Index | 10.36 | 8.68 | 10.21 | 100.00 | 100.00 | -5.98 | 0.38 | 12.39 | 12.69 | 7.40 | - | - |
| International | | | | | | | | | | | | |
| FMI International | 12.54 | 14.13 | 9.34 | - | - | 3.22 | 3.22 | 10.41 | 9.34 | - | 0.98 | 0.98 ² |
| Dodge & Cox Int'l Stock | 7.87 | 3.95 | 5.05 | 109.43 | 106.88 | -11.35 | -11.35 | 3.87 | 2.65 | 3.83 | 0.64 | 0.64 |
| MFS Int'l New Discovery | 9.53 | 6.32 | 8.08 | 98.20 | 83.12 | 2.72 | 2.72 | 6.19 | 6.19 | 6.65 | 1.11 | 1.07 |
| MSCI EAFE Index | 5.58 | 2.02 | 3.03 | 100.00 | 100.00 | -5.28 | -8.66 | 5.63 | 3.98 | 2.97 | - | - |
| Emerging Markets | | | | | | | | | | | | |
| American Funds New World F2 | 9.15 | 4.87 | 6.26 | 78.68 | 69.40 | -5.73 | -5.73 | 0.17 | 0.77 | 5.92 | 0.76 | 0.76 |
| MSCI Emerging Markets Index | 8.92 | 3.32 | 5.17 | 100.00 | 100.00 | -15.47 | -19.28 | -5.27 | -3.58 | 4.27 | - | - |
| Intermediate Gov't/Credit | | | | | | | | | | | | |
| Eaton Vance Glb Mcr Abs Rtn | 4.63 | 4.32 | 4.29 | 66.95 | -17.78 | 2.63 | 2.63 | 1.80 | 1.81 | 4.42 | 0.87 | 0.75 ³ |
| Hartford Floating Rate | 4.37 | 4.25 | 5.30 | 53.71 | -3.25 | -1.87 | -1.87 | 1.12 | 2.88 | 3.31 | 0.70 | 0.70 |
| Vanguard Interm-Term Inv Grd | 6.12 | 6.30 | 7.03 | 147.47 | 174.00 | 1.63 | 1.63 | 2.05 | 4.55 | 5.45 | 0.10 | 0.10 |
| BarCap U.S. Intrm Govt/Credit | 4.40 | 4.49 | 4.69 | 100.00 | 100.00 | 1.77 | 2.68 | 1.45 | 2.42 | 4.17 | - | - |
| Short-Term Bond | | | | | | | | | | | | |
| Vanguard Short-Term Inv Grd | 3.82 | 3.81 | 4.08 | 137.11 | 174.88 | 1.13 | 1.13 | 1.36 | 2.13 | 3.56 | 0.10 | 0.10 |
| Citigroup USBIG Gov/Corp 1-3 yr | 2.89 | 2.80 | 2.72 | 100.00 | 100.00 | 0.97 | 1.14 | 0.82 | 1.00 | 2.83 | - | - |
| Dynamic Allocation | | | | | | | | | | | | |
| BlackRock Global Allocation I | 7.05 | 5.72 | 6.39 | 67.50 | 54.73 | -0.83 | -0.83 | 5.14 | 4.37 | 6.06 | 0.87 | 0.87 |
| IVA Worldwide I | 10.44 | 9.08 | 9.65 | - | - | -2.22 | -2.22 | 5.84 | 4.44 | - | 1.01 | 1.01 |
| Kinetics Paradigm No Load | 8.98 | 5.11 | 6.19 | 113.08 | 115.27 | -8.33 | -8.33 | 9.43 | 6.47 | 5.08 | 1.68 | 1.64 ⁴ |
| Wells Fargo Avtg Abs Rtn A | 6.23 | 6.08 | 6.52 | 46.84 | 32.36 | -4.77 | -4.77 | 1.75 | 3.62 | 5.35 | 1.43 | 1.42 ⁵ |
| Wintergreen Investor | 7.36 | 5.37 | 6.99 | 81.27 | 76.44 | -6.94 | -6.94 | 2.24 | 2.94 | 5.12 | 1.89 | 1.89 |
| Ivy Asset Strategy I | 9.10 | 7.45 | 7.88 | 82.28 | 66.24 | -8.21 | -8.21 | 2.88 | 3.80 | 7.45 | 0.74 | 0.74 |
| MSCI World Index | 7.23 | 4.48 | 5.59 | 100.00 | 100.00 | -6.04 | -5.09 | 8.58 | 8.29 | 4.73 | - | - |

Performance shown is historical and is no guarantee of future results. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month end, please call (800) 853-2060.

Important Disclosures

It is important to note that short-term and trailing performance will fluctuate. We expect all of the funds at some point to experience underperformance versus their benchmarks and peer groups. However, we believe that our research process has helped us identify funds that are likely to perform well over the long term. Our decision to remove a fund is not based on short-term performance, but on in-depth analysis using our Monitoring Criteria.

"Mutual funds are offered in the FundAdvisor program at net asset value, but are subject to an annual investment advisory fee of up to 1.25% with a minimum fee of \$125 per quarter. The Davenport wrap fee includes investment advice and brokerage execution. In addition to the FundAdvisor fee, clients will bear a proportionate share of each mutual fund's management and administrative expenses, including advisory fees paid to the mutual fund's investment advisors. The performance shows the actual performance of the shares at net asset value, and does not represent individual account performance. Past performance is no guarantee of future results. Current performance may be lower or higher than the data quoted. To obtain performance data current to the most recent month-end, please visit the following web sites: www.americanfunds.com, www.blackrock.com, www.diamond-hill.com, www.dodgeandcox.com, www.eatonvance.com, www.fiduciarymgt.com, www.hartfordinvestor.com, www.ivafunds.com, www.ivyfund.com, www.jhinvestments.com, www.kineticsfunds.com, www.mfs.com, www.munder.com, www.vanguard.com, www.wellsfargo.com, www.wintergreenfund.com. The investment and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Mutual Fund and Index returns are provided by Morningstar and Zephyr StyleADVISOR.

You should consider each mutual fund's investment objectives, risks, charges and expenses carefully before investing. Each mutual fund's prospectus contains this and other important information, should be read carefully before investing or sending money, and can be obtained by contacting your Investment Executive, or by calling (800) 853-2060. The investment return and principal value of an investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Investing in securities carries risk including the possible loss of principal.

¹U.S. Large Caps represented by the **S&P 500 Index**. U.S. Mid Caps represented by the **Russell Midcap Index**. U.S. Small Caps represented by the **Russell 2000 Index**. Bonds represented by the **Barclays Capital Intermediate Government/Credit Index**. International Developed Markets represented by the **MSCI EAFE Index**. Emerging Markets represented by the **MSCI EM Index**.

Downside Capture Ratio measures a manager's performance in down markets relative to the market (benchmark) itself over the preceding 10-year period. **Gross Expense Ratio:** The total annual operating expenses of a fund divided by its average net assets. **Net Expense Ratio:** The total annual operating expenses of a fund, less any fee waivers, divided by its average net assets. This is the expense ratio actually charged by the fund for the previous fiscal year. **Rolling Returns:** The annualized average return for a period ending with the listed year. **Upside Capture Ratio** measures a manager's performance in up markets relative to the market (benchmark) itself over the preceding 10-year period.

¹The Adviser has contractually agreed to waive its management fee and/or reimburse expenses so that the total annual operating expenses of Class A, C, R, R6 and Y of the Fund (excluding Acquired Fund Fees and Expenses and certain items such as interest, taxes and brokerage commissions) do not exceed the total net annual operating expenses of, respectively, Class A, C, R, R6 and Y of the Fund's predecessor, a series of the Munder Series Trust that was managed by Munder Capital Management ("MST Munder Mid-Cap Core Growth Fund") as of June 30, 2014. This agreement will remain in place for two years after the reorganization of the MST Munder Mid-Cap Core Growth Fund into the Fund (expected to be through October 31, 2016). As a result of this agreement, during that two year period, total annual operating expenses of the Fund's Class A, C, R, R6 and Y shares will not exceed 1.32%, 2.07%, 1.57%, 0.89% and 1.07%, respectively. The Adviser is permitted to recoup advisory fees waived and expenses reimbursed for up to three years after the fiscal year in which the waiver or reimbursement took place, subject to any operating expense limits in effect at the time of the original waiver or expense reimbursement and at the time of recoupment or reimbursement.

²The investment adviser has voluntarily agreed to reimburse the Fund to the extent necessary to ensure that total annual fund operating expenses do not exceed 1.00% at least through January 31, 2016.

³Reflects net interest expense.

⁴The Investment Adviser to the Paradigm Portfolio has voluntarily agreed to waive management fees and reimburse Fund expenses so that Total Annual Fund Operating Expenses do not exceed the net expense ratio listed for the particular class, excluding acquired fund fees and expenses ("AFFE"). These waivers and reimbursements may be discontinued at any time after May 1, 2016.

⁵The Adviser has contractually committed through August 31, 2015, to waive fees and/or reimburse expenses to the extent necessary to cap the Fund's Total Annual Fund Operating Expenses After Fee Waiver at 0.57% for Administrator Class. Brokerage commissions, stamp duty fees, interest, taxes, acquired fund fees and expenses (including the expenses of GMO Benchmark-Free Allocation Fund), and extraordinary expenses are excluded from the cap. After this time, the cap may be increased or the commitment to maintain the cap may be terminated only with the approval of the Board of Trustees.

Index Definitions: The **Barclays Capital Intermediate Government/Credit Index** is an unmanaged index composed of debt securities with maturities from one to ten years issued or guaranteed by the U.S. Treasury, U.S. Government agencies, quasi-federal corporations and fixed rate dollar denominated SEC-registered corporate debt that are rated investment grade or higher by Moody's Investors Service and Standard and Poor's Corporation or Fitch Investor's Service, in that order. The **CRSP US Large Cap Index** includes U.S. companies that comprise the top 85% of investable market capitalization. The **CRSP US Mid Cap Index** targets inclusion of the U.S. companies that fall between the top 70%-85% of investable market capitalization. The **Citigroup USBIG Government/Corporate 1-3 years Index** measures the performance of bonds issued in the U.S. investment-grade bond market. The **Morgan Stanley Capital International Europe, Australia and Far East (MSCI EAFE) Index** is an unmanaged index composed of the stocks of approximately 1,000 companies traded on 20 stock exchanges from around the world, excluding the U.S., Canada, and Latin America. The **MSCI Emerging Markets Index** is a capitalization-weighted index of stocks from 26 emerging markets that only includes issues that may be traded by foreign investors. The reported returns reflect equities priced in US dollars and do not include the effects of reinvested dividends. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The **Russell 2000® Index** measures the performance of the 2000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market. The Russell 2000 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **Russell 2500® Index** measures the performance of the small to mid cap segment of the U.S. equity universe, commonly referred to as "smid" cap. The Russell 2500 is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership. The Russell 2500 Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **Russell Midcap® Index** measures the performance of the 800 smallest companies in the Russell 1000, which represent approximately 25% of the total market capitalization of the Russell 1000. The Russell Midcap Index is a trademark/service mark of the Frank Russell Co. Russell® is a trademark of the Frank Russell Co. The **Russell Top 200 Index** is an unmanaged index comprising the largest 200 securities by U.S. market cap. The **S&P 500 Index** is comprised of 500 U.S. stocks and is an indicator of the performance of the overall U.S. stock market. *An investor cannot invest in an index, and its returns are not indicative of the performance of any specific investment.*

Risk Considerations: International funds invest primarily in equity securities of issuers outside the United States. International investments are subject to additional risks such as currency fluctuations, political instability, and the potential for illiquid markets. Funds that invest in foreign securities may involve greater risks, including political and economic uncertainties, as well as risk of currency fluctuations. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies. Investments in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, while their prices fall when interest rates rise. Longer term debt securities are usually more sensitive to interest rate changes. An issuer suffering an adverse change in its financial condition could see the credit quality of its securities deteriorate, leading to greater price volatility of the security. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

The mutual fund categories are determined by Davenport using a combination of Morningstar categories and a returns-based style analysis provided by Zephyr StyleADVISOR.

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