

### Market Overview

It was another solid quarter for the stock market as the global economy has continued to generate steady growth. In fact, the second quarter (reported in Q3) was the first time since 2013 that all G20 countries produced positive gross domestic product (GDP) growth, according to the Organization for European Cooperation and Development (OECD). This quarter international developed markets (represented by the MSCI EAFE Index) gained 5.4% while emerging markets (represented by the MSCI EM Index) were up 7.9%, resulting in year-to-date returns of 20.0% and 27.8%, respectively.

Here in the U.S., investors have been able to shrug off devastation from multiple hurricanes, escalating tensions with North Korea, and a widening political divide. The Federal Reserve's plan to begin slowly unwinding the stimulus programs following the 2008 recession has signaled their confidence in the sustainability of our economic growth, and has given confidence to investors. Additionally, earnings of S&P 500 companies have grown at more than 12% in the first half of this year and are expected to grow at a similar pace in 2018. We believe that tax reform could boost those numbers further.

During the quarter, small company stocks increased 5.7% and the S&P 500 Index gained 4.5%, resulting in double-digit gains for the year to date period (10.9% and 14.2% respectively). All of these returns are considerably higher than most market pundits were predicting at the beginning of the year. "Growth" stocks, particularly in the technology sector, have continued to lead the way, but Q3 showed some improvement in more cyclical energy and materials stocks that have struggled for years. Investors' preference for growth has stemmed from a perceived lack thereof in most of the developed world. If economies and companies continue to post convincing steady growth, we may see a shift toward more value-oriented stocks. In our view, this would be good for most actively-managed mutual funds like those that make up the FundAdvisor portfolios.

Market Returns	Q3 2017	YTD 2017
U.S. Large Caps	4.5	14.2
U.S. Mid Caps	3.5	11.7
U.S. Small Caps	5.7	10.9
International Developed Markets	5.4	20.0
Emerging Markets	7.9	27.8
Intermediate Term Bonds	0.6	2.3

Source: Morningstar Direct. Please see Important Disclosures on page 4 for index definitions.

### Recent Activity - Rebalancing and Share Class Changes

You may have noticed several transactions in your account during the third quarter. It is our goal to find the best funds that are also cost-effective, therefore we were able to convert (without triggering taxable gains) the American Funds AMCAP and the Hartford Floating Rate funds into new share classes that lowered the expenses by 0.11 and 0.08% respectively. (American Funds AMCAP F2 shares converted to F3 shares and Hartford Floating Rate I shares converted to F shares.) In addition, we rebalanced all accounts to reflect our views on asset allocation. Rebalancing\* is a systematic way to "buy low" and "sell high." As the market moves, allocations change—the best performers typically become a bigger part of ones' portfolio. Rebalancing is intended to sell some of what has performed well to buy more of what has not. Because of this, all accounts were recently rebalanced to our target allocations.

### Our thoughts on Asset Allocation

We designed our asset allocation process to be long-term oriented, not reactive to what has been happening recently in the market. We try to identify areas of market opportunity by looking at valuation and long-term return trends for a variety of asset classes. Over the past few years, we have made several moves to increase our exposure to emerging market stocks and small/mid cap international stocks. These are areas that have not done as well as the S&P 500 but are becoming increasingly attractive based on valuations (lower price to earnings multiples). Not surprisingly, the international markets have looked significantly cheaper than the U.S. for some time and we are finally starting to see them perform better. We believe that if economic growth continues to accelerate overseas, those areas will benefit. Additionally, we have increased our exposure to mid cap stocks by reducing small cap stock exposure. Historically, mid-sized companies have generated similar returns to small caps, but with less volatility. Because of these changes, we feel well-positioned for a possible shift in investor preferences, and have decided not to make any additional changes to asset allocation this year. Please refer to page 2 of this document for detailed holdings and asset allocation information.

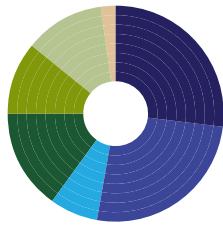
**You should consider each mutual fund's investment objectives, risks, charges and expenses carefully before investing. Each mutual fund's prospectus contains this and other important information, should be read carefully before investing or sending money, and can be obtained by contacting your Investment Executive, or by calling (800) 846-6666.**

*Performance shown is historical and is no guarantee of future results.*

\*Rebalancing cannot guarantee you a profit or avoid a loss. The information contained herein has been compiled from sources believed to be reliable; however, there is no guarantee of its accuracy or completeness. Please see page 4 for index definitions and Important Disclosures.

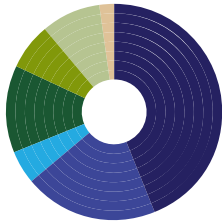
# FundAdvisor Portfolio Holdings as of September 30, 2017

## Maximum Growth Portfolio



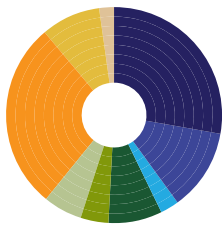
Asset Class	% Fund
U.S. Large Cap	9% FMI Large Cap 9% Diamond Hill Large Cap 9% American Funds AMCAP
U.S. Mid Cap	26% Vanguard Mid Cap Index
U.S. Small Cap	7% JHancock Small Value
International Large Cap	6% FMI International 9% Dodge & Cox International
International SMID	11% MFS International New Discovery
Emerging Markets	6% Touchstone Emerging Markets 6% Vanguard Emerging Markets
Cash	2% Money Market

## Growth Portfolio



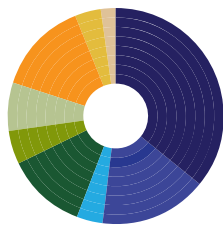
U.S. Large Cap	15% FMI Large Cap 15% Diamond Hill Large Cap 14% American Funds AMCAP
U.S. Mid Cap	20% Vanguard Mid Cap Index
U.S. Small Cap	5% JHancock Small Value
International Large Cap	6% FMI International 7% Dodge & Cox International
International SMID	7% MFS International New Discovery
Emerging Markets	5% Touchstone Emerging Markets 4% Vanguard Emerging Markets
Cash	2% Money Market

## Balanced Portfolio



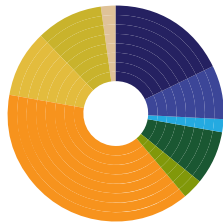
U.S. Large Cap	10% FMI Large Cap 9% Diamond Hill Large Cap 9% American Funds AMCAP
U.S. Mid Cap	12% Vanguard Mid Cap Index
U.S. Small Cap	3% JHancock Small Value
International Large Cap	4% FMI International 4% Dodge & Cox International
International SMID	4% MFS International New Discovery
Emerging Markets	3% Touchstone Emerging Markets 3% Vanguard Emerging Markets
Investment Grade Bonds	9% Vanguard Interm Term Invest Grade Bond 19% Vanguard Short Term Invest Grade Bond
Floating Rate Notes	9% Hartford Floating Rate
Cash	2% Money Market

## Conservative Growth Portfolio



U.S. Large Cap	12% FMI Large Cap 12% Diamond Hill Large Cap 12% American Funds AMCAP
U.S. Mid Cap	16% Vanguard Mid Cap Index
U.S. Small Cap	4% JHancock Small Value
International Large Cap	6% FMI International 6% Dodge & Cox International
International SMID	5% MFS International New Discovery
Emerging Markets	4% Touchstone Emerging Markets 3% Vanguard Emerging Markets
Investment Grade Bonds	4% Vanguard Interm Term Invest Grade Bond 10% Vanguard Short Term Invest Grade Bond
Floating Rate Notes	4% Hartford Floating Rate
Cash	2% Money Market

## Conservative Balanced Portfolio



U.S. Large Cap	6% FMI Large Cap 6% Diamond Hill Large Cap 6% American Funds AMCAP
U.S. Mid Cap	8% Vanguard Mid Cap Index
U.S. Small Cap	2% JHancock Small Value
International Large Cap	4% FMI International 4% Dodge & Cox International
International SMID	3% MFS International New Discovery
Investment Grade Bonds	19% Vanguard Interm Term Invest Grade Bond 20% Vanguard Short Term Invest Grade Bond
Floating Rate Notes	10% Hartford Floating Rate
Global Bonds	10% Eaton Vance Global Macro Abs Return
Cash	2% Money Market

# Returns Net of Fees as of September 30, 2017

Fund / Index Name	Fund / Index Performance at Net Asset Value**					Up Capture	Down Capture	Expense Ratio	
	YTD	1 Year	3 Years*	5 Years*	10 Years*			Gross	Net
<b>Large Cap</b>									
American Funds AMCAP F3	15.41	17.41	9.46	14.59	8.00	100.38	97.39	0.37	0.37
Diamond Hill Large Cap I	13.79	20.54	10.97	14.60	7.73	99.02	97.03	0.68	0.68
FMI Large Cap Institutional	12.53	17.95	9.64	13.04	8.22	92.46	85.19	0.72	0.72
Benchmark: S&P 500 Index	14.24	18.61	10.81	14.22	7.44				
<b>Mid Cap and Small Cap</b>									
Vanguard Mid Cap Index Admiral	12.88	15.30	9.72	14.39	7.95	90.37	88.35	0.06	0.06
JHancock Small Cap Value I	0.79	13.13	10.68	12.39	-	-	-	1.26	1.26
Benchmark: Russell 2500 Index	11.00	17.79	10.60	13.86	8.19				
<b>International</b>									
FMI International Institutional	12.52	13.79	8.69	11.64	-	-	-	0.80	0.80
Dodge & Cox International Stock	22.47	26.58	3.87	10.13	2.98	111.92	105.43	0.64	0.64
MFS International New Discovery I	23.82	16.98	8.38	9.25	5.10	95.29	80.16	1.08	1.08
Benchmark: MSCI EAFE Index	19.96	19.10	5.04	8.38	1.34				
<b>Emerging Markets</b>									
Touchstone Sands Cptl Emerg Mkts Gr Y <sup>1</sup>	32.31	19.41	6.71	-	-	-	-	1.56	1.50 <sup>3</sup>
Vanguard Emerging Mkts Stock Idx Adm	23.60	18.85	4.03	3.60	0.97	100.46	101.62	0.14	0.14
Benchmark: MSCI EM Index	27.78	22.46	4.90	3.99	1.32				
<b>Intermediate Gov't/Credit</b>									
Eaton Vance Gbl Macr Absolute Return I <sup>2</sup>	3.17	3.49	3.40	2.44	3.82	60.08	-14.55	0.76	0.73 <sup>3</sup>
Hartford Floating Rate F	3.42	6.51	3.79	3.91	3.98	64.42	-10.19	0.66	0.66
Vanguard Interm-Term Investment-Grde Adm	4.06	0.98	3.64	3.01	5.43	155.41	166.77	0.10	0.10
Benchmark: BBgBarc US Interm Govt/Credit Index	2.34	0.23	2.13	1.61	3.64				
<b>Short-Term Bond</b>									
Vanguard Short-Term Investment-Grade Adm	2.17	1.34	2.11	1.93	3.15	154.41	163.74	0.10	0.10
Benchmark: Citi USBIG Govt/Corp 1-3 Yr	1.00	0.62	1.01	0.87	2.06				

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) 846-6666. \*Returns greater than one year are annualized.

\*\*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%. 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](http://www.americanfunds.com), [www.blackrock.com](http://www.blackrock.com), [www.diamond-hill.com](http://www.diamond-hill.com), [www.dodgeandcox.com](http://www.dodgeandcox.com), [www.eatonvance.com](http://www.eatonvance.com), [www.fiduciarymgt.com](http://www.fiduciarymgt.com), [www.hartfordinvestor.com](http://www.hartfordinvestor.com), [www.ivafunds.com](http://www.ivafunds.com), [www.ivyfund.com](http://www.ivyfund.com), [www.jhinvestments.com](http://www.jhinvestments.com), [www.kineticsfunds.com](http://www.kineticsfunds.com), [www.mfs.com](http://www.mfs.com), [www.munder.com](http://www.munder.com), [www.vanguard.com](http://www.vanguard.com), [www.wellsfargo.com](http://www.wellsfargo.com), [www.wintergreenfund.com](http://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) 846-6666. 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.**

# Important Disclosures

<sup>1</sup>Touchstone Advisors has contractually agreed to waive a portion of its fees and/or reimburse certain Fund expenses in order to limit annual fund operating expenses (excluding Acquired Fund Fees and Expenses "AFFE," if any) to 1.49% for Class Y Shares. These expense limitations will remain in effect until at least 07/29/18. Please refer to the fund's prospectus for more information.

<sup>2</sup>Total annual Fund operating expense ratio for the Eaton Vance Global Macro Absolute Return Fund is as stated in the Fund's most recent prospectus. Net expense ratio is not a result of a fee waiver or expense reimbursement. Net expense ratio excludes interest expense associated with certain investment transactions.

<sup>3</sup>Investors pay the net expense ratio of the fund.

Diversification and Asset Allocation does not ensure a profit or guarantee protection against a loss. 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. The mutual fund categories are determined by Davenport using a combination of Morningstar categories and a returns-based style analysis provided by Zephyr StyleADVISOR.

Any opinions expressed here are statements of judgment on this date and are subject to future change without notice. This information may contain forward looking predictions that are subject to certain risks and uncertainties which could cause actual results to differ materially from those currently anticipated or projected. The information contained herein has been compiled from sources believed to be reliable; however, there is no guarantee of its accuracy or completeness. There is no guarantee that a company will continue to pay a dividend. The investment return and principal value of an investment will fluctuate. Small and mid cap company stocks may be more volatile than stocks of larger, more established companies. The portfolios may invest in foreign securities which are subject to additional risks such as currency fluctuations, political instability, differing financial standards and the potential for illiquid markets.

*Index Definitions: U.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. International Developed Markets represented by the MSCI EAFE Index. Emerging Markets represented by the MSCI EM Index. Intermediate Term Bonds represented by the Bloomberg Barclays Intermediate Government/Credit Index.*

*Performance shown is historical and is no guarantee of future results. Investing in securities carries risk including the possible loss of principal.*

\*\*Source: Morningstar Direct. Data as of 9/30/2017. ©2017 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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. 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 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 2000® Index** and **Russell Midcap® Index** are trademark/service marks of the Frank Russell Co. **Russell®** is a trademark of the Frank Russell Co. The **Lipper Equity Income Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Equity Income Fund category. The **Lipper Large Cap Growth Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Large Cap Growth Fund category. The **Lipper Large Cap Value Funds Index** is an unmanaged index of the 30 largest funds in the Lipper Large Cap Value Fund category. The **MSCI 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 (MSCI EM) 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 **Bloomberg Barclays U.S. Corporate High Yield Index** measures the U.S. dollar-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The **Bloomberg Barclays 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 **Bloomberg Barclays Municipal Index** covers the U.S. dollar-denominated long-term tax exempt bond market. The **Bloomberg Barclays U.S. Government/Credit Bond Index** measures the non-securitized component of the U.S. Aggregate Index. It includes investment grade, U.S. dollar-denominated, fixed-rate Treasuries, government-related and corporate securities. **An index is not available for direct investment; therefore its performance does not reflect the expenses, fees and taxes generally paid with the active management of an actual portfolio.**

**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. Investments in emerging markets come with much greater risk due to political instability, domestic infrastructure problems, currency volatility and limited equity opportunities, as many large companies may still be "state-run" or private. 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.

**Upside Capture Ratio** measures a manager's performance in up markets relative to the market (benchmark) itself over the preceding 10-year period. **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.

# DAVENPORT

## ASSET MANAGEMENT

One James Center  
901 East Cary Street, Suite 1100  
Richmond, VA 23219  
(800) 846-6666  
[www.davenportassetmanagement.com](http://www.davenportassetmanagement.com)

Davenport & Company LLC  
Member: NYSE • FINRA • SIPC

## Davenport & Company LLC Offices

---

**Charlottesville, VA**

600 East Water Street Suite A  
Charlottesville, VA 22902  
(434) 296-9013

**Danville, VA**

Coleman Market Place  
165 Holt Garrison Pkwy Suite 570B  
Danville, VA 24540  
(434) 836-5528

**Farmville, VA**

101 North Main Street  
Farmville, VA 23901  
(434) 392-9813

**Franklin, VA**

105 West Fourth Avenue  
Franklin, VA 23851  
(757) 562-0053

**Fredericksburg, VA**

904 Princess Anne Street Suite 102  
Fredericksburg, VA 22401  
(540) 373-1863

**Greensboro, NC**

628 Green Valley Road Suite 410  
Greensboro, NC 27408  
(336) 297-2800

**Kilmarnock, VA**

141 Technology Park Drive  
Kilmarnock, VA 22482  
(804) 435-7705

**Lynchburg, VA**

1104 Commerce Street Suite 100  
Lynchburg, VA 24504  
(434) 948-1100

**Newport News, VA**

11827 Canon Boulevard Suite 404  
Newport News, VA 23606  
(757) 595-5740

**Norfolk, VA**

World Trade Center  
101 W. Main Street Suite 4000  
Norfolk, VA 23510  
(757) 314-3600

**Raleigh, NC**

3605 Glenwood Plaza Suite 310  
Raleigh, NC 27612  
(919) 571-6550

**Richmond, VA**

One James Center  
901 East Cary Street Suite 1100  
Richmond, VA 23219  
(804) 780-2000

**Roanoke, VA**

10 Franklin Road SE Suite 450  
Roanoke, VA 24011  
(540) 345-1909

**Sanford, NC**

503 Carthage Street Suite 300  
Sanford, NC 27330  
(919) 777-9823

**Suffolk, VA**

330 West Constance Road Suite 200  
Suffolk, VA 23434  
(757) 539-5355

**Virginia Beach, VA**

Pinehurst Centre  
477 Viking Drive Suite 200  
Virginia, Beach 23452  
(757) 498-4000

**Williamsburg, VA**

5400 Discovery Park Blvd Suite 301  
Williamsburg, VA 23188  
(757) 258-2800