

Laddered Bond Portfolio

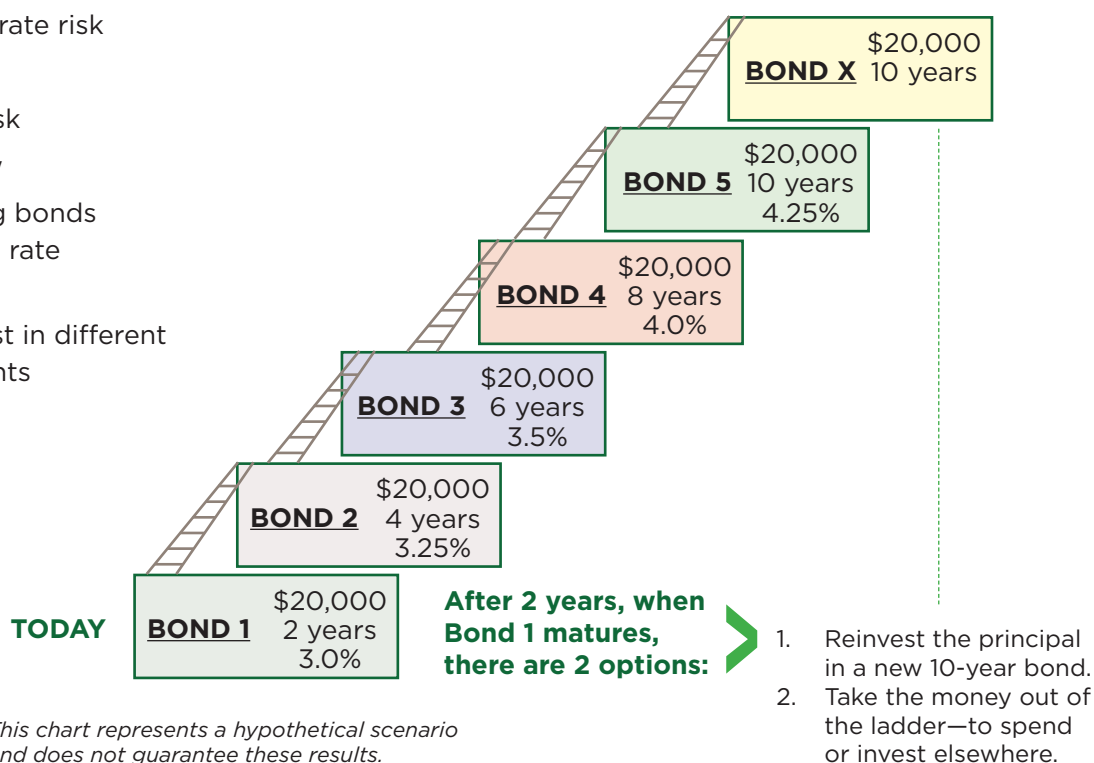
Ladders are a model for investing in fixed income that involve purchasing multiple bonds with a range of maturities depending on cash flow needs and time horizon. Staggering maturities of diverse, high-quality bonds can create a predictable stream of income and help manage interest rate and reinvestment risk.

The experienced professionals in our Fixed Income department, including bond traders and liaisons, can help Davenport Financial Advisors develop a laddered strategy to meet your needs. We can create customized proposals including corporate bonds, municipal bonds, certificates of deposit, or any combination thereof depending on risk tolerance and time horizon.

Benefits:

- Minimize interest rate risk
- Increase liquidity
- Diversify credit risk
- Manage cash flow
- Reinvest maturing bonds in current interest rate environment
- Flexibility to invest in different credit environments

LADDER EXAMPLE



Investing in ladders does not completely eliminate interest rate risk; prices of bonds in the ladder will continue to fluctuate prior to maturity as rates change. Investors will face periodic interest rate risk as rungs of the ladder mature and funds are reinvested.

The information provided is intended for informational purposes only, and is not a solicitation to purchase or sell any security.

Bonds are subject to market and interest risk; values expect to decline as interest rates rise. Bonds may not be suitable for all investors and you should consider specific risks such as credit risk, default risk and volatility prior to investing.

While predictable, bond income is not guaranteed and is subject to call risk as well as possible default on principal and interest.

Individuals should consult with their Financial Advisor to determine the most appropriate allocations for their financial situation, including their investment objectives, time frame, risk tolerance, and other investments. Diversification and asset allocation does not ensure a profit or guarantee against a loss.

Certificates of Deposit (CDs) are deposits of the issuing bank and as such are FDIC insured up to applicable limits.

Fixed Income products have their own specific characteristics. Davenport & Company is a financial services firm and does not provide tax advice. Please consult your professional accounting advisors prior to acting on any information provided by us that may have an effect in these areas.

Risk is measured by standard deviation. Standard deviation is the variability of returns around the average return.