

---

**Discussion Materials  
Bertie County, NC**



**Prepared By  
Davenport & Company LLC**  
Member NYSE - FINRA - SIPC

---

**August 20, 2012**



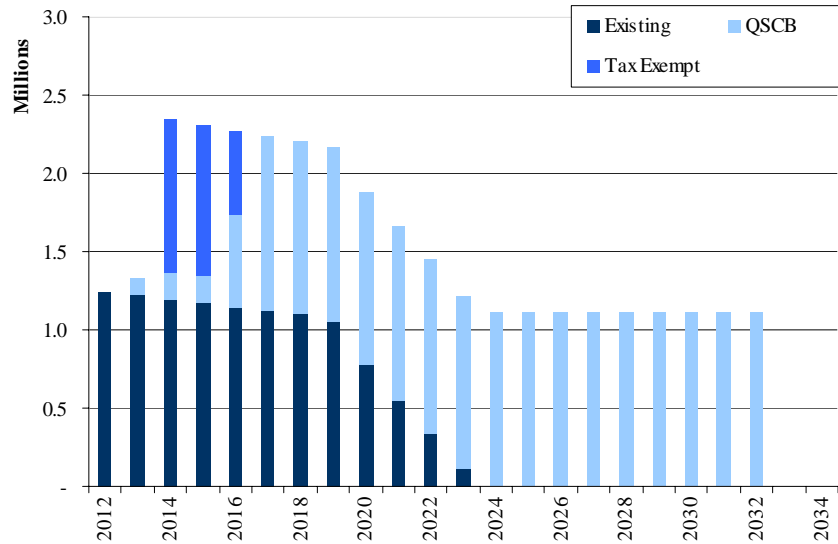
***Scenario A-1***  
***\$20.4 Million Project (Public Sale)***  
***Level Principal***

# Scenario A-1: Level Principal

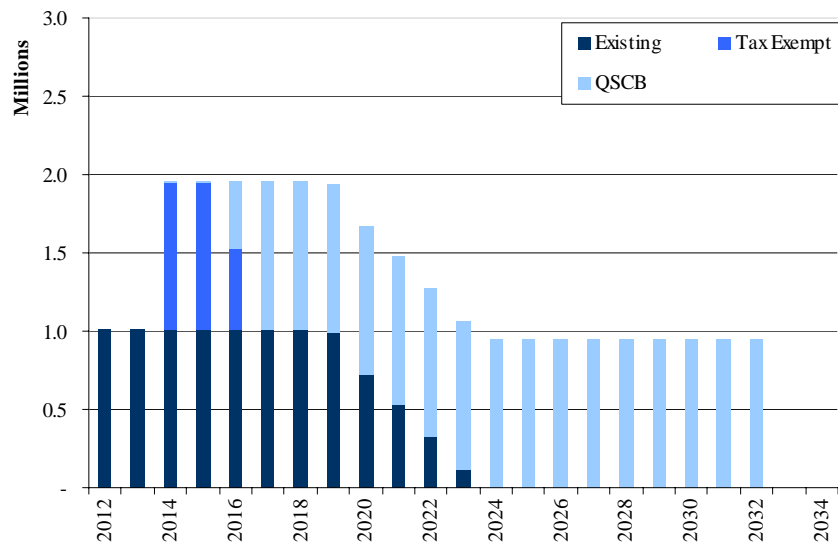


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$2,406,000
  - Total: \$20,436,000
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Level Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 3 years
  - Short-Term Tax Exempt Rate\*: 1.50%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$21,264,357

\* Subject to change

# Affordability: Scenario A-1



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Debt Service Requirements						Revenue Available for DS					Debt Service Cash Flow Surplus (Deficit)				
FY	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	1,145,991	375,000	-	2,717,539	376,878	150,000	725,679	1,252,557	(1,464,982)	(168,442)	(1,296,540)	12.0¢	-
2015	365,852	806,150	1,131,891	375,000	-	2,678,893	365,852	150,000	740,193	1,256,045	(1,422,849)	-	(113,343)	1.0¢	-
2016	354,846	792,815	1,117,791	375,000	-	2,640,453	354,846	150,000	754,996	1,259,842	(1,380,610)	-	56,467	--	56,467
2017	343,800	779,110	1,109,901	375,000	-	2,607,811	343,800	150,000	770,096	1,263,897	(1,343,914)	-	107,533	--	164,000
2018	332,774	765,590	1,109,901	375,000	-	2,583,265	332,774	150,000	785,498	1,268,273	(1,314,992)	-	150,970	--	314,970
2019	299,679	752,070	1,109,901	375,000	-	2,536,649	299,679	150,000	801,208	1,250,887	(1,285,762)	-	194,859	--	509,830
2020	245,938	526,406	1,109,901	375,000	-	2,257,245	245,938	150,000	817,232	1,213,170	(1,044,074)	-	451,354	--	961,183
2021	237,292	312,849	1,109,901	375,000	-	2,035,042	237,292	150,000	833,577	1,220,869	(814,173)	-	696,210	--	1,657,393
2022	228,646	109,460	1,109,901	375,000	-	1,823,007	228,646	150,000	850,249	1,228,895	(594,112)	-	931,374	--	2,588,767
2023	-	109,460	1,109,901	375,000	-	1,594,361	-	150,000	867,254	1,017,254	(577,107)	-	963,634	--	3,552,401
2024	-	-	1,109,901	375,000	-	1,484,901	-	150,000	884,599	1,034,599	(450,302)	-	1,105,847	--	4,658,248
2025	-	-	1,109,901	375,000	-	1,484,901	-	150,000	902,291	1,052,291	(432,610)	-	1,139,100	--	5,797,348
2026	-	-	1,109,901	375,000	-	1,484,901	-	150,000	920,336	1,070,336	(414,564)	-	1,172,863	--	6,970,210
2027	-	-	1,109,901	375,000	-	1,484,901	-	150,000	938,743	1,088,743	(396,157)	-	1,207,144	--	8,177,354
2028	-	-	1,109,901	375,000	-	1,484,901	-	150,000	957,518	1,107,518	(377,383)	-	1,241,952	--	9,419,306
2029	-	-	1,109,901	375,000	-	1,484,901	-	150,000	976,668	1,126,668	(358,232)	-	1,277,295	--	10,696,602
2030	-	-	1,109,901	375,000	-	1,484,901	-	150,000	996,202	1,146,202	(338,699)	-	1,313,184	--	12,009,786
2031	-	-	1,109,901	375,000	-	1,484,901	-	150,000	1,016,126	1,166,126	(318,775)	-	1,349,627	--	13,359,413
2032	-	-	1,109,901	375,000	-	1,484,901	-	150,000	1,036,448	1,186,448	(298,452)	-	1,386,634	--	14,746,046
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	2,534,114	--	17,280,160
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,572,277	--	19,852,437
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,611,033	--	22,463,470
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,650,392	--	25,113,862
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,690,365	--	27,804,227
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,730,962	--	30,535,188
													Total Tax Effect	13.1¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.



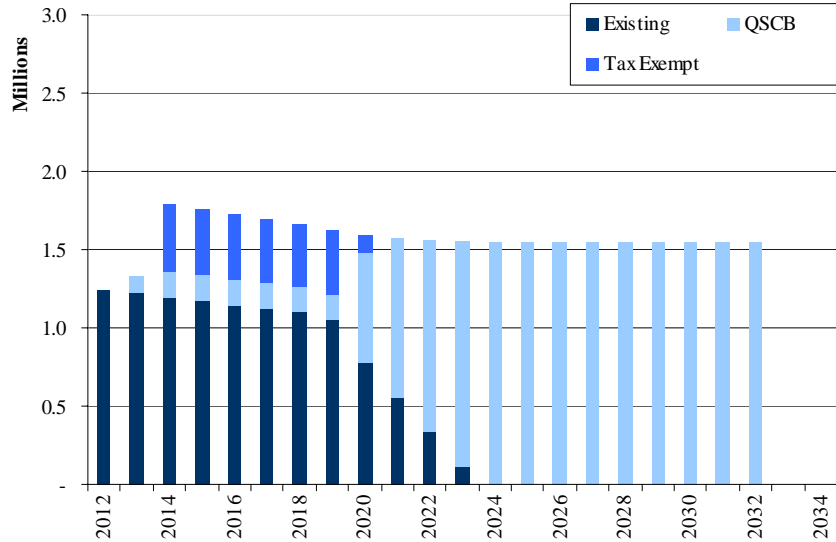
***Scenario A-2***  
***\$20.4 Million Project (Public Sale)***  
***Structured Principal***

# Scenario A-2: Structured Principal

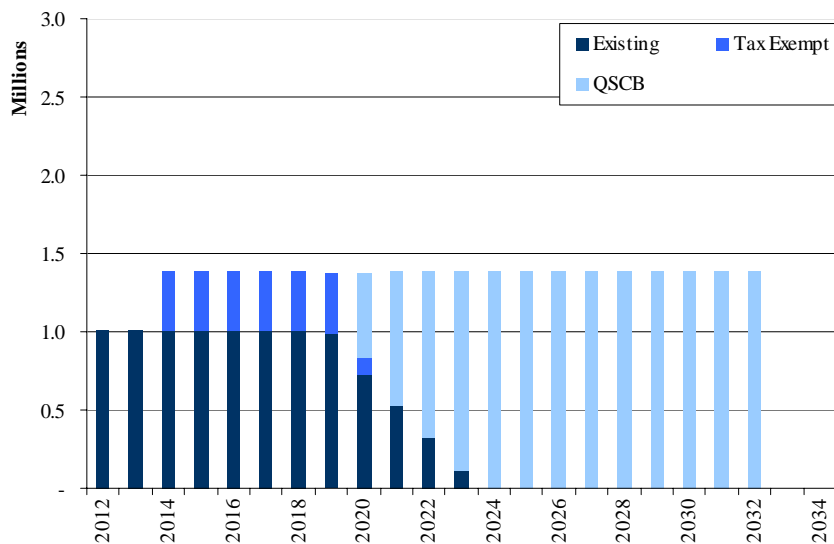


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$2,406,000
  - Total: \$20,436,000
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Structured Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 7 years
  - Short-Term Tax Exempt Rate\*: 2.00%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$21,968,239

\* Subject to change

# Affordability: Scenario A-2



Bertie County, NC

A FY	B Debt Service Requirements						C Revenue Available for DS				D Debt Service Cash Flow Surplus (Deficit)				
	B Existing County Debt Service	C Existing School Debt Service	D CIP Debt Service	E School Capital Outlay	F New Operating Costs	G Total	H Non-School Budgeted DS	I Lottery	J Sales Tax	K Total Revenues Available	L Surplus/ (Deficit)	M Capital Reserve Utilized	N Adjusted Surplus/ (Deficit)	O Estimated Incremental Tax Equivalent	P Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	590,390	375,000	-	2,161,938	376,878	150,000	725,679	1,252,557	(909,381)	(168,442)	(740,939)	6.9¢	-
2015	365,852	806,150	582,790	375,000	-	2,129,792	365,852	150,000	740,193	1,256,045	(873,748)	-	(125,399)	1.2¢	-
2016	354,846	792,815	575,190	375,000	-	2,097,851	354,846	150,000	754,996	1,259,842	(838,009)	-	44,476	--	44,476
2017	343,800	779,110	567,590	375,000	-	2,065,500	343,800	150,000	770,096	1,263,897	(801,604)	-	89,706	--	134,182
2018	332,774	765,590	559,990	375,000	-	2,033,354	332,774	150,000	785,498	1,268,273	(765,082)	-	135,141	--	269,323
2019	299,679	752,070	567,390	375,000	-	1,994,139	299,679	150,000	801,208	1,250,887	(743,252)	-	165,973	--	435,297
2020	245,938	526,406	816,615	375,000	-	1,963,959	245,938	150,000	817,232	1,213,170	(750,789)	-	167,528	--	602,825
2021	237,292	312,849	1,018,776	375,000	-	1,943,917	237,292	150,000	833,577	1,220,869	(723,048)	-	204,453	--	807,278
2022	228,646	109,460	1,218,314	375,000	-	1,931,420	228,646	150,000	850,249	1,228,895	(702,525)	-	234,251	--	1,041,528
2023	-	109,460	1,437,806	375,000	-	1,922,266	-	150,000	867,254	1,017,254	(905,012)	-	41,131	--	1,082,660
2024	-	-	1,547,013	375,000	-	1,922,013	-	150,000	884,599	1,034,599	(887,414)	-	68,191	--	1,150,850
2025	-	-	1,547,013	375,000	-	1,922,013	-	150,000	902,291	1,052,291	(869,722)	-	95,439	--	1,246,289
2026	-	-	1,547,013	375,000	-	1,922,013	-	150,000	920,336	1,070,336	(851,676)	-	123,136	--	1,369,425
2027	-	-	1,547,013	375,000	-	1,922,013	-	150,000	938,743	1,088,743	(833,270)	-	151,291	--	1,520,716
2028	-	-	1,547,013	375,000	-	1,922,013	-	150,000	957,518	1,107,518	(814,495)	-	179,911	--	1,700,628
2029	-	-	1,547,013	375,000	-	1,922,013	-	150,000	976,668	1,126,668	(795,344)	-	209,006	--	1,909,634
2030	-	-	1,547,013	375,000	-	1,922,013	-	150,000	996,202	1,146,202	(775,811)	-	238,583	--	2,148,216
2031	-	-	1,547,013	375,000	-	1,922,013	-	150,000	1,016,126	1,166,126	(755,887)	-	268,651	--	2,416,867
2032	-	-	1,547,013	375,000	-	1,922,013	-	150,000	1,036,448	1,186,448	(735,564)	-	299,219	--	2,716,086
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	1,877,308	--	4,593,394
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	1,908,903	--	6,502,297
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	1,941,025	--	8,443,322
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	1,973,684	--	10,417,006
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,006,890	--	12,423,896
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,040,652	--	14,464,549
													Total Tax Effect	8.0¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.



---

***Scenario B-1***  
***\$20.2 Million Project (Public Sale)***  
***Level Principal***

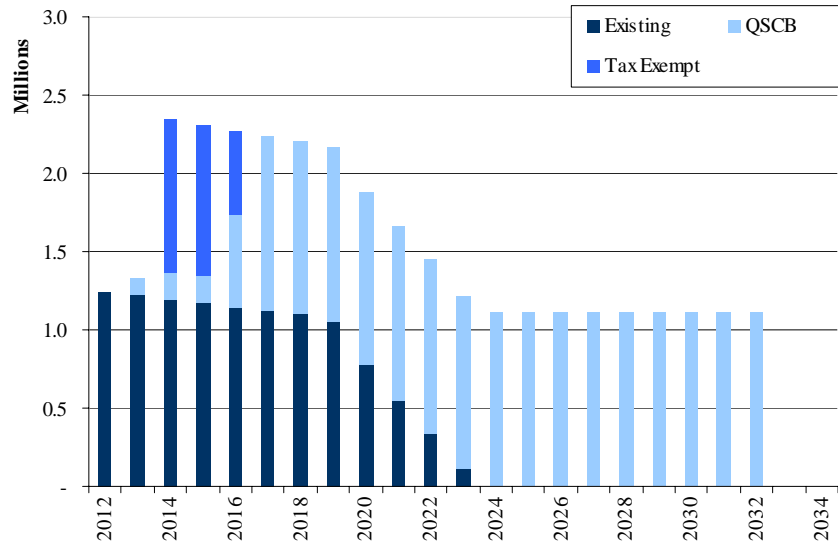


# Scenario B-1: Level Principal

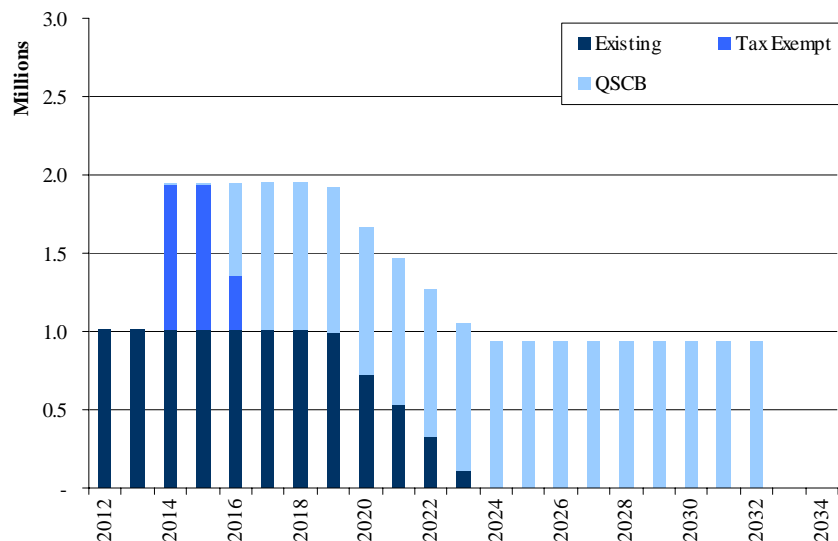


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$2,209,727
  - Total: \$20,239,727
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Level Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 3 years
  - Short-Term Tax Exempt Rate\*: 1.50%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$21,059,783

\* Subject to change

# Affordability: Scenario B-1



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Debt Service Requirements							Revenue Available for DS				Debt Service Cash Flow Surplus (Deficit)				
FY	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	1,132,716	375,000	-	2,704,265	376,878	150,000	725,679	1,252,557	(1,451,707)	(168,442)	(1,283,266)	11.9¢	-
2015	365,852	806,150	1,118,794	375,000	-	2,665,796	365,852	150,000	740,193	1,256,045	(1,409,751)	-	(113,653)	1.0¢	-
2016	354,846	792,815	1,104,871	375,000	-	2,627,533	354,846	150,000	754,996	1,259,842	(1,367,690)	-	56,159	--	56,159
2017	343,800	779,110	1,099,570	375,000	-	2,597,481	343,800	150,000	770,096	1,263,897	(1,333,584)	-	104,503	--	160,662
2018	332,774	765,590	1,099,570	375,000	-	2,572,935	332,774	150,000	785,498	1,268,273	(1,304,662)	-	147,806	--	308,468
2019	299,679	752,070	1,099,570	375,000	-	2,526,319	299,679	150,000	801,208	1,250,887	(1,275,432)	-	191,561	--	500,029
2020	245,938	526,406	1,099,570	375,000	-	2,246,915	245,938	150,000	817,232	1,213,170	(1,033,744)	-	447,919	--	947,947
2021	237,292	312,849	1,099,570	375,000	-	2,024,712	237,292	150,000	833,577	1,220,869	(803,843)	-	692,637	--	1,640,584
2022	228,646	109,460	1,099,570	375,000	-	1,812,676	228,646	150,000	850,249	1,228,895	(583,782)	-	927,662	--	2,568,247
2023	-	109,460	1,099,570	375,000	-	1,584,030	-	150,000	867,254	1,017,254	(566,777)	-	959,782	--	3,528,028
2024	-	-	1,099,570	375,000	-	1,474,570	-	150,000	884,599	1,034,599	(439,972)	-	1,101,853	--	4,629,881
2025	-	-	1,099,570	375,000	-	1,474,570	-	150,000	902,291	1,052,291	(422,280)	-	1,134,963	--	5,764,844
2026	-	-	1,099,570	375,000	-	1,474,570	-	150,000	920,336	1,070,336	(404,234)	-	1,168,581	--	6,933,425
2027	-	-	1,099,570	375,000	-	1,474,570	-	150,000	938,743	1,088,743	(385,827)	-	1,202,716	--	8,136,141
2028	-	-	1,099,570	375,000	-	1,474,570	-	150,000	957,518	1,107,518	(367,052)	-	1,237,376	--	9,373,517
2029	-	-	1,099,570	375,000	-	1,474,570	-	150,000	976,668	1,126,668	(347,902)	-	1,272,571	--	10,646,088
2030	-	-	1,099,570	375,000	-	1,474,570	-	150,000	996,202	1,146,202	(328,369)	-	1,308,309	--	11,954,397
2031	-	-	1,099,570	375,000	-	1,474,570	-	150,000	1,016,126	1,166,126	(308,445)	-	1,344,600	--	13,298,997
2032	-	-	1,099,570	375,000	-	1,474,570	-	150,000	1,036,448	1,186,448	(288,122)	-	1,381,453	--	14,680,449
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	2,518,448	--	17,198,897
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,556,454	--	19,755,351
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,595,052	--	22,350,403
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,634,251	--	24,984,654
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,674,063	--	27,658,717
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,714,496	--	30,373,213
													Total Tax Effect	13.0¢	
													Total	(1,000,000)	

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.



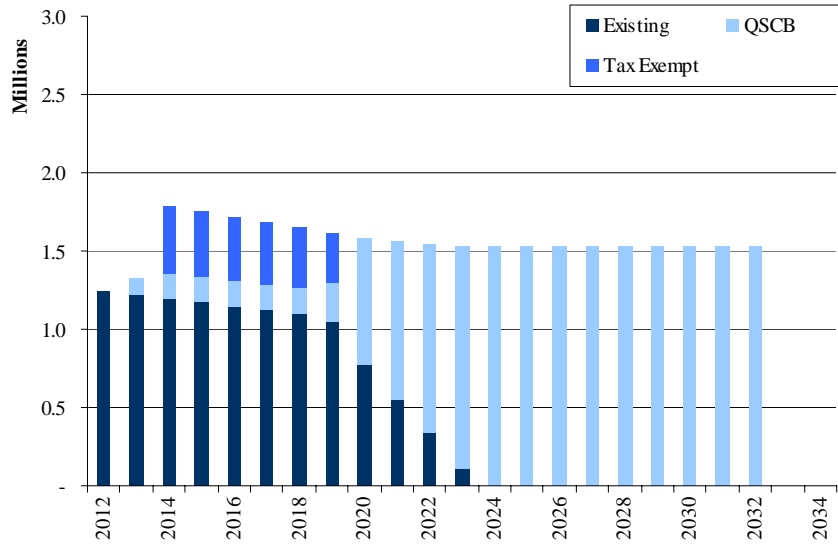
***Scenario B-2***  
***\$20.2 Million Project (Public Sale)***  
***Structured Principal***

# Scenario B-2: Structured Principal

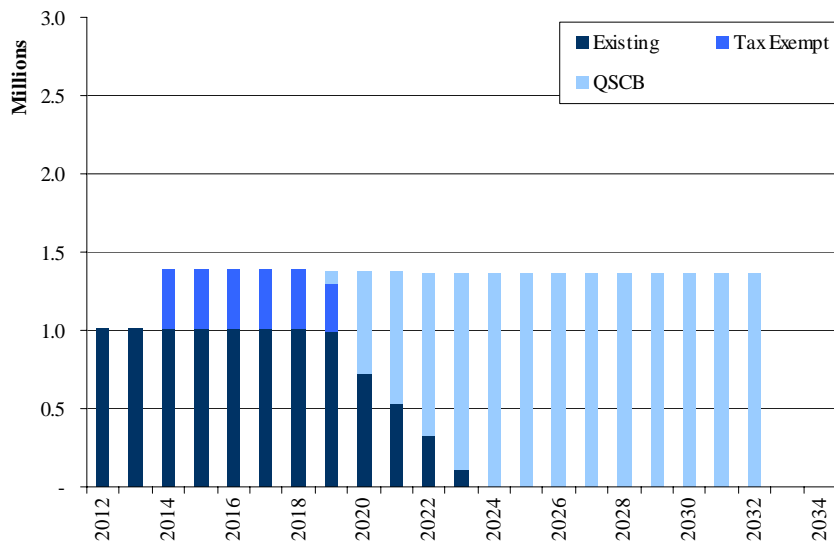


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$2,209,727
  - Total: \$20,239,727
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Structured Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 6 years
  - Short-Term Tax Exempt Rate\*: 2.00%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$21,717,925

\* Subject to change

# Affordability: Scenario B-2



Bertie County, NC

A FY	B Debt Service Requirements						C Revenue Available for DS					D Debt Service Cash Flow Surplus (Deficit)				
	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance	
2011															1,000,000	
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457	
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442	
2014	376,878	819,670	586,465	375,000	-	2,158,013	376,878	150,000	725,679	1,252,557	(905,456)	(168,442)	(737,014)	6.8¢	-	
2015	365,852	806,150	578,865	375,000	-	2,125,867	365,852	150,000	740,193	1,256,045	(869,822)	-	(125,438)	1.2¢	-	
2016	354,846	792,815	571,265	375,000	-	2,093,926	354,846	150,000	754,996	1,259,842	(834,083)	-	44,437	--	44,437	
2017	343,800	779,110	563,665	375,000	-	2,061,575	343,800	150,000	770,096	1,263,897	(797,678)	-	89,627	--	134,064	
2018	332,774	765,590	556,065	375,000	-	2,029,429	332,774	150,000	785,498	1,268,273	(761,156)	-	135,022	--	269,086	
2019	299,679	752,070	561,760	375,000	-	1,988,509	299,679	150,000	801,208	1,250,887	(737,622)	-	167,519	--	436,605	
2020	245,938	526,406	810,065	375,000	-	1,957,410	245,938	150,000	817,232	1,213,170	(744,239)	-	169,953	--	606,557	
2021	237,292	312,849	1,006,818	375,000	-	1,931,959	237,292	150,000	833,577	1,220,869	(711,090)	-	212,244	--	818,801	
2022	228,646	109,460	1,203,570	375,000	-	1,916,676	228,646	150,000	850,249	1,228,895	(687,781)	-	244,786	--	1,063,587	
2023	-	109,460	1,419,997	375,000	-	1,904,457	-	150,000	867,254	1,017,254	(887,204)	-	54,689	--	1,118,276	
2024	-	-	1,527,680	375,000	-	1,902,680	-	150,000	884,599	1,034,599	(868,081)	-	83,230	--	1,201,506	
2025	-	-	1,527,680	375,000	-	1,902,680	-	150,000	902,291	1,052,291	(850,389)	-	110,436	--	1,311,942	
2026	-	-	1,527,680	375,000	-	1,902,680	-	150,000	920,336	1,070,336	(832,343)	-	138,090	--	1,450,031	
2027	-	-	1,527,680	375,000	-	1,902,680	-	150,000	938,743	1,088,743	(813,937)	-	166,201	--	1,616,232	
2028	-	-	1,527,680	375,000	-	1,902,680	-	150,000	957,518	1,107,518	(795,162)	-	194,777	--	1,811,009	
2029	-	-	1,527,680	375,000	-	1,902,680	-	150,000	976,668	1,126,668	(776,011)	-	223,827	--	2,034,836	
2030	-	-	1,527,680	375,000	-	1,902,680	-	150,000	996,202	1,146,202	(756,478)	-	253,358	--	2,288,194	
2031	-	-	1,527,680	375,000	-	1,902,680	-	150,000	1,016,126	1,166,126	(736,554)	-	283,381	--	2,571,575	
2032	-	-	1,527,680	375,000	-	1,902,680	-	150,000	1,036,448	1,186,448	(716,231)	-	313,903	--	2,885,477	
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	1,872,613	--	4,758,090	
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	1,904,161	--	6,662,251	
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	1,936,235	--	8,598,486	
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	1,968,847	--	10,567,333	
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,002,004	--	12,569,337	
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,035,717	--	14,605,054	
													Total Tax Effect	8.0¢		
													Total	(1,000,000)		

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.



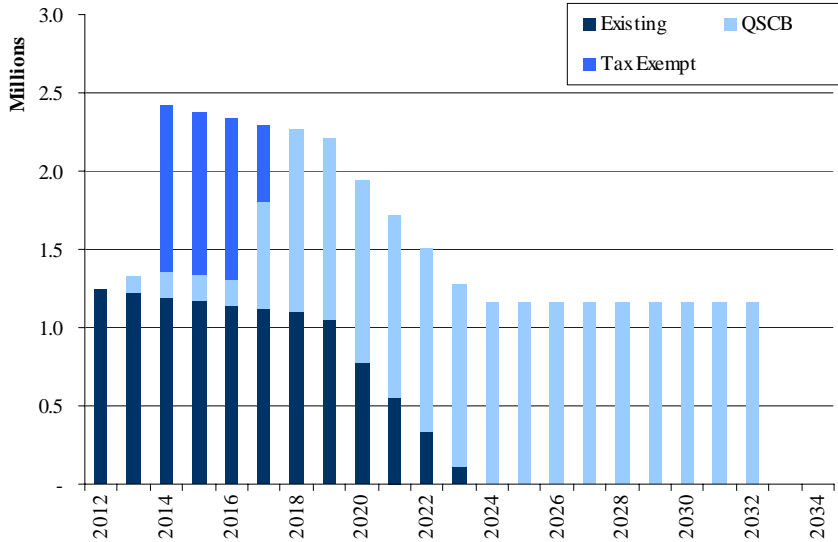
***Scenario C-1***  
***\$21.5 Million Project (Public Sale)***  
***Level Principal***

# Scenario C-1: Level Principal

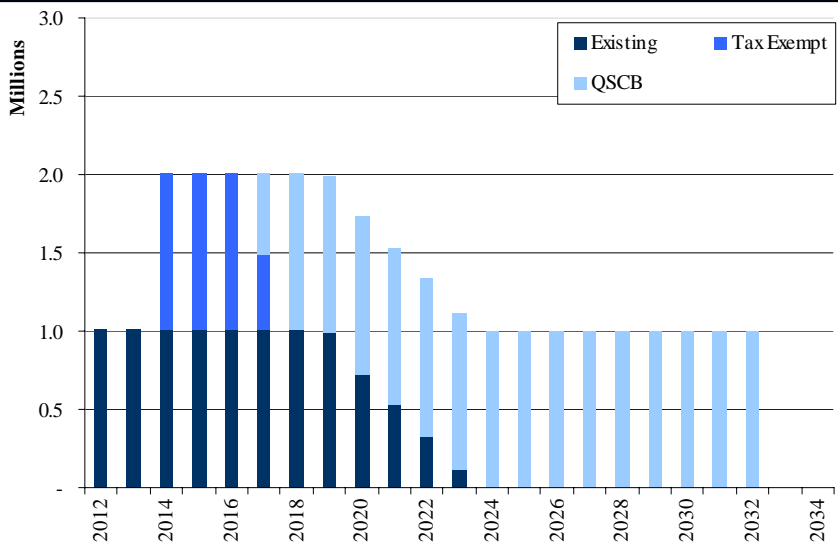


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$3,497,027
  - Total: \$21,527,027
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Level Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 4 years
  - Short-Term Tax Exempt Rate\*: 1.50%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$22,408,779

\* Subject to change

# Affordability: Scenario C-1



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Debt Service Requirements							Revenue Available for DS				Debt Service Cash Flow Surplus (Deficit)				
FY	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	1,219,778	375,000	-	2,791,327	376,878	150,000	725,679	1,252,557	(1,538,770)	(168,442)	(1,370,328)	12.7¢	-
2015	365,852	806,150	1,204,703	375,000	-	2,751,705	365,852	150,000	740,193	1,256,045	(1,495,660)	-	(111,629)	1.0¢	-
2016	354,846	792,815	1,189,627	375,000	-	2,712,288	354,846	150,000	754,996	1,259,842	(1,452,446)	-	58,171	--	58,171
2017	343,800	779,110	1,174,551	375,000	-	2,672,462	343,800	150,000	770,096	1,263,897	(1,408,565)	-	117,158	--	175,329
2018	332,774	765,590	1,167,323	375,000	-	2,640,688	332,774	150,000	785,498	1,268,273	(1,372,415)	-	168,565	--	343,894
2019	299,679	752,070	1,167,323	375,000	-	2,594,072	299,679	150,000	801,208	1,250,887	(1,343,185)	-	213,205	--	557,100
2020	245,938	526,406	1,167,323	375,000	-	2,314,667	245,938	150,000	817,232	1,213,170	(1,101,497)	-	470,457	--	1,027,556
2021	237,292	312,849	1,167,323	375,000	-	2,092,464	237,292	150,000	833,577	1,220,869	(871,595)	-	716,078	--	1,743,635
2022	228,646	109,460	1,167,323	375,000	-	1,880,429	228,646	150,000	850,249	1,228,895	(651,534)	-	952,016	--	2,695,650
2023	-	109,460	1,167,323	375,000	-	1,651,783	-	150,000	867,254	1,017,254	(634,529)	-	985,056	--	3,680,706
2024	-	-	1,167,323	375,000	-	1,542,323	-	150,000	884,599	1,034,599	(507,724)	-	1,128,057	--	4,808,764
2025	-	-	1,167,323	375,000	-	1,542,323	-	150,000	902,291	1,052,291	(490,032)	-	1,162,107	--	5,970,870
2026	-	-	1,167,323	375,000	-	1,542,323	-	150,000	920,336	1,070,336	(471,987)	-	1,196,674	--	7,167,545
2027	-	-	1,167,323	375,000	-	1,542,323	-	150,000	938,743	1,088,743	(453,580)	-	1,231,767	--	8,399,312
2028	-	-	1,167,323	375,000	-	1,542,323	-	150,000	957,518	1,107,518	(434,805)	-	1,267,396	--	9,666,708
2029	-	-	1,167,323	375,000	-	1,542,323	-	150,000	976,668	1,126,668	(415,655)	-	1,303,568	--	10,970,276
2030	-	-	1,167,323	375,000	-	1,542,323	-	150,000	996,202	1,146,202	(396,121)	-	1,340,294	--	12,310,570
2031	-	-	1,167,323	375,000	-	1,542,323	-	150,000	1,016,126	1,166,126	(376,197)	-	1,377,582	--	13,688,151
2032	-	-	1,167,323	375,000	-	1,542,323	-	150,000	1,036,448	1,186,448	(355,875)	-	1,415,442	--	15,103,594
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	2,621,207	--	17,724,801
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,660,241	--	20,385,042
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,699,877	--	23,084,919
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,740,125	--	25,825,044
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,780,995	--	28,606,038
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,822,498	--	31,428,536
													Total Tax Effect	13.7¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.





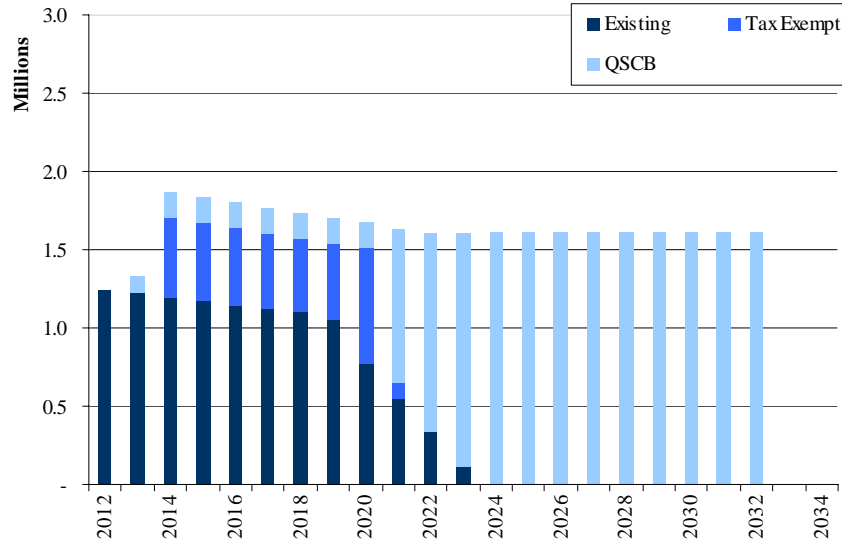
***Scenario C-2***  
***\$21.5 Million Project (Public Sale)***  
***Structured Principal***

# Scenario C-2: Structured Principal

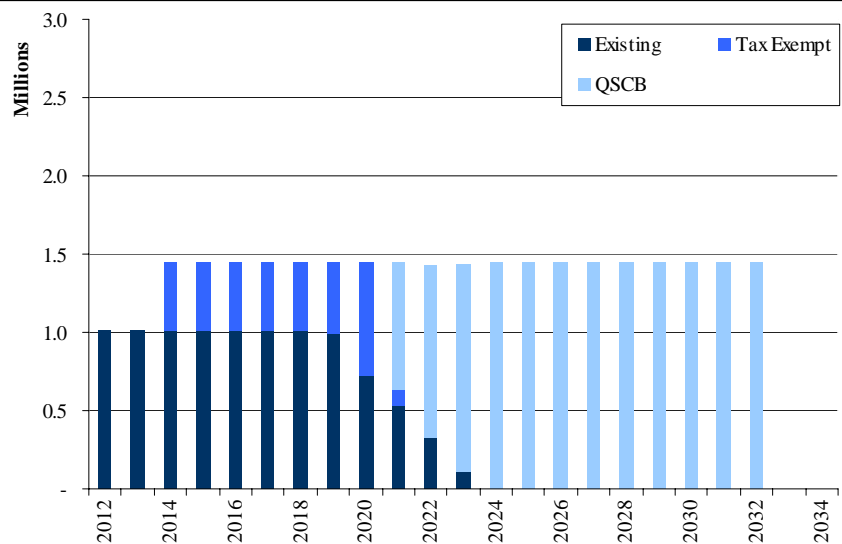


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$3,497,027
  - Total: \$21,527,027
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Structured Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 8 years
  - Short-Term Tax Exempt Rate\*: 2.00%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$23,262,082

\* Subject to change

# Affordability: Scenario C-2



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
Debt Service Requirements							Revenue Available for DS				Debt Service Cash Flow Surplus (Deficit)				
FY	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	672,011	375,000	-	2,243,559	376,878	150,000	725,679	1,252,557	(991,002)	(168,442)	(822,560)	7.6¢	-
2015	365,852	806,150	663,211	375,000	-	2,210,213	365,852	150,000	740,193	1,256,045	(954,168)	-	(123,383)	1.1¢	-
2016	354,846	792,815	654,411	375,000	-	2,177,072	354,846	150,000	754,996	1,259,842	(917,229)	-	46,480	--	46,480
2017	343,800	779,110	645,611	375,000	-	2,143,521	343,800	150,000	770,096	1,263,897	(879,624)	-	93,723	--	140,203
2018	332,774	765,590	636,811	375,000	-	2,110,175	332,774	150,000	785,498	1,268,273	(841,902)	-	141,178	--	281,381
2019	299,679	752,070	652,011	375,000	-	2,078,759	299,679	150,000	801,208	1,250,887	(827,872)	-	165,039	--	446,420
2020	245,938	526,406	898,731	375,000	-	2,046,075	245,938	150,000	817,232	1,213,170	(832,904)	-	169,936	--	616,355
2021	237,292	312,849	1,079,790	375,000	-	2,004,931	237,292	150,000	833,577	1,220,869	(784,062)	-	228,806	--	845,162
2022	228,646	109,460	1,266,139	375,000	-	1,979,245	228,646	150,000	850,249	1,228,895	(750,350)	-	272,647	--	1,117,809
2023	-	109,460	1,495,571	375,000	-	1,980,031	-	150,000	867,254	1,017,254	(962,777)	-	70,450	--	1,188,259
2024	-	-	1,609,724	375,000	-	1,984,724	-	150,000	884,599	1,034,599	(950,125)	-	93,434	--	1,281,693
2025	-	-	1,609,724	375,000	-	1,984,724	-	150,000	902,291	1,052,291	(932,433)	-	121,562	--	1,403,255
2026	-	-	1,609,724	375,000	-	1,984,724	-	150,000	920,336	1,070,336	(914,387)	-	150,148	--	1,553,403
2027	-	-	1,609,724	375,000	-	1,984,724	-	150,000	938,743	1,088,743	(895,981)	-	179,200	--	1,732,603
2028	-	-	1,609,724	375,000	-	1,984,724	-	150,000	957,518	1,107,518	(877,206)	-	208,727	--	1,941,330
2029	-	-	1,609,724	375,000	-	1,984,724	-	150,000	976,668	1,126,668	(858,055)	-	238,736	--	2,180,066
2030	-	-	1,609,724	375,000	-	1,984,724	-	150,000	996,202	1,146,202	(838,522)	-	269,238	--	2,449,303
2031	-	-	1,609,724	375,000	-	1,984,724	-	150,000	1,016,126	1,166,126	(818,598)	-	300,239	--	2,749,542
2032	-	-	1,609,724	375,000	-	1,984,724	-	150,000	1,036,448	1,186,448	(798,275)	-	331,750	--	3,081,293
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	1,973,503	--	5,054,796
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,006,060	--	7,060,855
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,039,154	--	9,100,009
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,072,794	--	11,172,803
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,106,991	--	13,279,794
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,141,754	--	15,421,548
													Total Tax Effect	8.8¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.

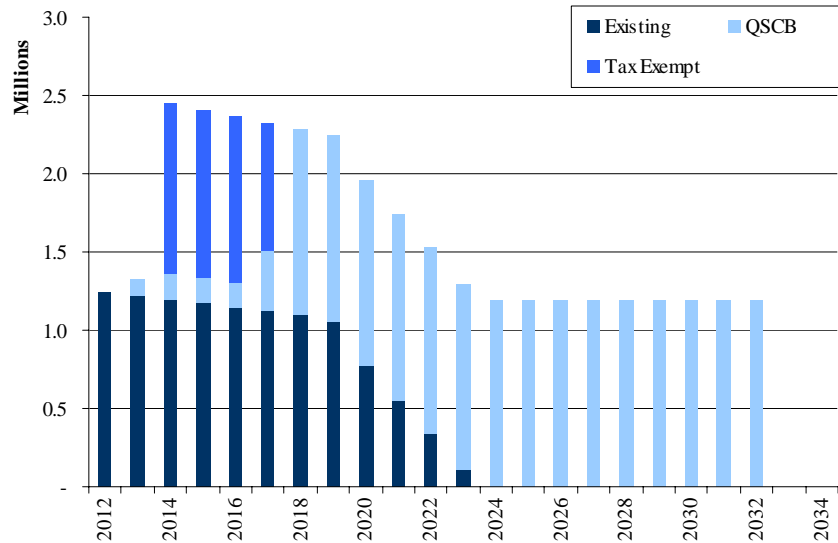


***Scenario D-1***  
***\$21.9 Million Project (Public Sale)***  
***Level Principal***

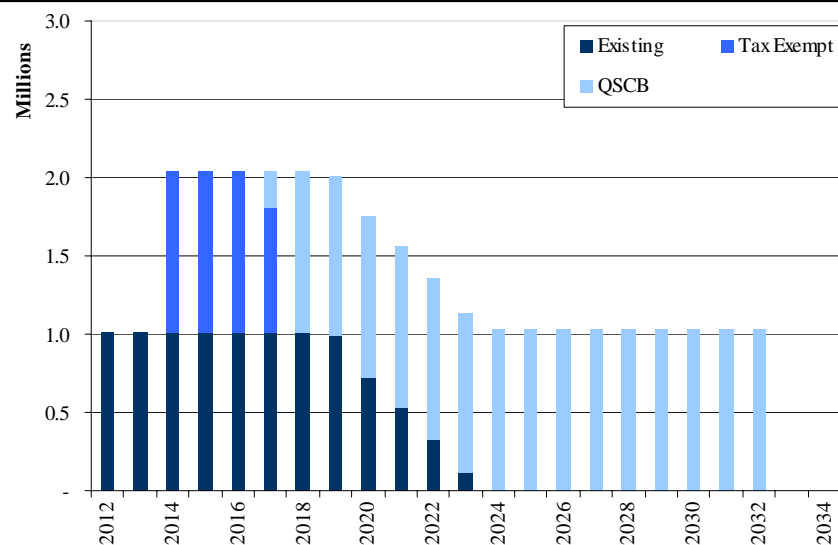
# Scenario D-1: Level Principal



## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$3,885,527
  - Total: \$21,915,527
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Level Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 4 years
  - Short-Term Tax Exempt Rate\*: 1.50%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$22,867,097

\* Subject to change

# Affordability: Scenario D-1



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
FY	Debt Service Requirements						Revenue Available for DS				Debt Service Cash Flow Surplus (Deficit)				
	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	1,248,610	375,000	-	2,820,159	376,878	150,000	725,679	1,252,557	(1,567,601)	(1,567,601)	(1,399,159)	13.0¢	-
2015	365,852	806,150	1,233,189	375,000	-	2,780,192	365,852	150,000	740,193	1,256,045	(1,524,147)	-	(110,996)	1.0¢	-
2016	354,846	792,815	1,217,768	375,000	-	2,740,430	354,846	150,000	754,996	1,259,842	(1,480,587)	-	58,801	--	58,801
2017	343,800	779,110	1,202,348	375,000	-	2,700,258	343,800	150,000	770,096	1,263,897	(1,436,361)	-	118,421	--	177,222
2018	332,774	765,590	1,190,327	375,000	-	2,663,692	332,774	150,000	785,498	1,268,273	(1,395,419)	-	174,911	--	352,133
2019	299,679	752,070	1,190,327	375,000	-	2,617,076	299,679	150,000	801,208	1,250,887	(1,366,189)	-	219,844	--	571,977
2020	245,938	526,406	1,190,327	375,000	-	2,337,671	245,938	150,000	817,232	1,213,170	(1,124,501)	-	477,392	--	1,049,369
2021	237,292	312,849	1,190,327	375,000	-	2,115,468	237,292	150,000	833,577	1,220,869	(894,599)	-	723,313	--	1,772,682
2022	228,646	109,460	1,190,327	375,000	-	1,903,433	228,646	150,000	850,249	1,228,895	(674,539)	-	959,553	--	2,732,235
2023	-	109,460	1,190,327	375,000	-	1,674,787	-	150,000	867,254	1,017,254	(657,534)	-	992,899	--	3,725,134
2024	-	-	1,190,327	375,000	-	1,565,327	-	150,000	884,599	1,034,599	(530,729)	-	1,136,208	--	4,861,343
2025	-	-	1,190,327	375,000	-	1,565,327	-	150,000	902,291	1,052,291	(513,037)	-	1,170,570	--	6,031,912
2026	-	-	1,190,327	375,000	-	1,565,327	-	150,000	920,336	1,070,336	(494,991)	-	1,205,452	--	7,237,364
2027	-	-	1,190,327	375,000	-	1,565,327	-	150,000	938,743	1,088,743	(476,584)	-	1,240,863	--	8,478,227
2028	-	-	1,190,327	375,000	-	1,565,327	-	150,000	957,518	1,107,518	(457,809)	-	1,276,812	--	9,755,039
2029	-	-	1,190,327	375,000	-	1,565,327	-	150,000	976,668	1,126,668	(438,659)	-	1,313,309	--	11,068,347
2030	-	-	1,190,327	375,000	-	1,565,327	-	150,000	996,202	1,146,202	(419,125)	-	1,350,362	--	12,418,709
2031	-	-	1,190,327	375,000	-	1,565,327	-	150,000	1,016,126	1,166,126	(399,201)	-	1,387,981	--	13,806,689
2032	-	-	1,190,327	375,000	-	1,565,327	-	150,000	1,036,448	1,186,448	(378,879)	-	1,426,175	--	15,232,864
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	2,655,282	--	17,888,146
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,694,656	--	20,582,802
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,734,636	--	23,317,438
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,775,231	--	26,092,669
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,816,452	--	28,909,121
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,858,310	--	31,767,431
													Total Tax Effect	14.0¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.



---

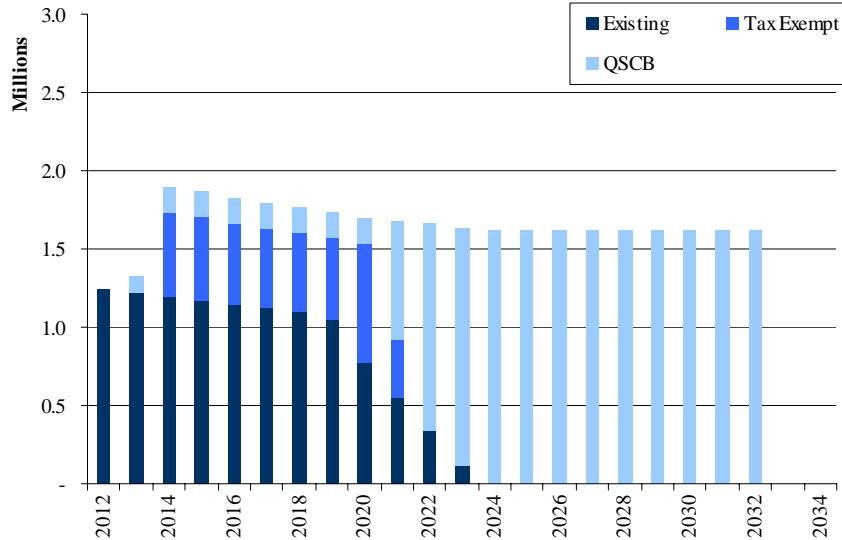
***Scenario D-2***  
***\$21.9 Million Project (Public Sale)***  
***Structured Principal***

# Scenario D-2: Structured Principal

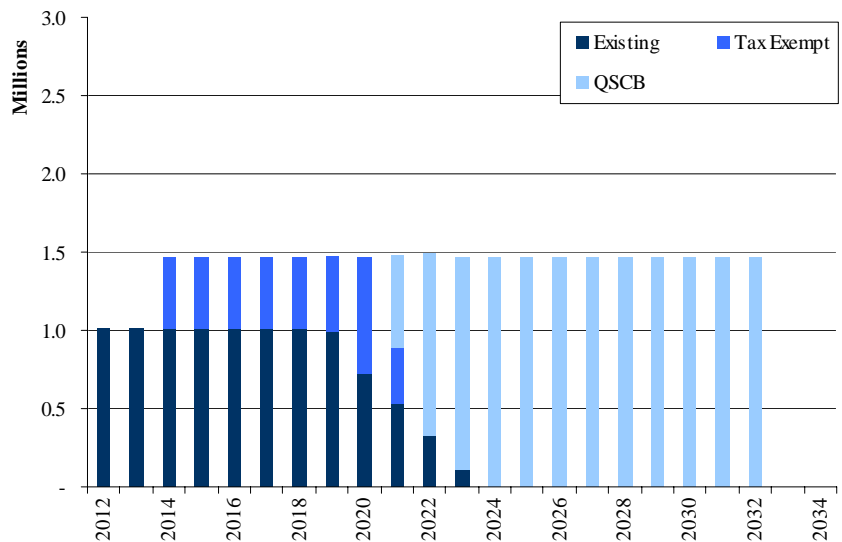


Bertie County, NC

## Proposed Debt Service



## Proposed Principal



## Observations

- Assumed borrowings:
  - QSCB: \$18,030,000
  - Tax Exempt: \$3,885,527
  - Total: \$21,915,527
  
- Financing Assumptions
  - Qualified School Construction Bonds
  - Term\*: 20 years
  - Amortization: Structured Principal
  - Interest Rate\*: 5.00%
  - Federal Subsidy\*: 4.10%
  - S.F. Earnings Rate\*: 1.95%
  - Short-Term Tax Exempt Maturity\*: 8 years
  - Short-Term Tax Exempt Rate\*: 2.00%
  
- Total Net Debt Service on Assumed Borrowings:
  - \$23,735,091

\* Subject to change



# Affordability: Scenario D-2



Bertie County, NC

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
FY	Debt Service Requirements						Revenue Available for DS				Debt Service Cash Flow Surplus (Deficit)				
	Existing County Debt Service	Existing School Debt Service	CIP Debt Service	School Capital Outlay	New Operating Costs	Total	Non-School Budgeted DS	Lottery	Sales Tax	Total Revenues Available	Surplus/ (Deficit)	Capital Reserve Utilized	Adjusted Surplus/ (Deficit)	Estimated Incremental Tax Equivalent	Debt Service Fund Balance
2011															1,000,000
2012	398,976	847,043	-	375,000	-	1,621,019	398,976	150,000	697,500	1,246,476	(374,543)	(374,543)	-	--	625,457
2013	387,904	833,190	110,275	375,000	-	1,706,369	387,904	150,000	711,450	1,249,354	(457,015)	(457,015)	-	--	168,442
2014	376,878	819,670	699,981	375,000	-	2,271,529	376,878	150,000	725,679	1,252,557	(1,018,972)	(168,442)	(850,530)	7.9¢	-
2015	365,852	806,150	690,781	375,000	-	2,237,783	365,852	150,000	740,193	1,256,045	(981,738)	-	(122,703)	1.1¢	-
2016	354,846	792,815	681,581	375,000	-	2,204,242	354,846	150,000	754,996	1,259,842	(944,399)	-	47,156	--	47,156
2017	343,800	779,110	672,381	375,000	-	2,170,291	343,800	150,000	770,096	1,263,897	(906,394)	-	95,077	--	142,233
2018	332,774	765,590	663,181	375,000	-	2,136,545	332,774	150,000	785,498	1,268,273	(868,272)	-	143,213	--	285,446
2019	299,679	752,070	677,981	375,000	-	2,104,729	299,679	150,000	801,208	1,250,887	(853,842)	-	167,758	--	453,204
2020	245,938	526,406	924,301	375,000	-	2,071,645	245,938	150,000	817,232	1,213,170	(858,474)	-	173,342	--	626,546
2021	237,292	312,849	1,119,055	375,000	-	2,044,197	237,292	150,000	833,577	1,220,869	(823,328)	-	218,807	--	845,354
2022	228,646	109,460	1,325,423	375,000	-	2,038,529	228,646	150,000	850,249	1,228,895	(809,634)	-	242,922	--	1,088,276
2023	-	109,460	1,526,828	375,000	-	2,011,288	-	150,000	867,254	1,017,254	(994,034)	-	69,047	--	1,157,323
2024	-	-	1,627,036	375,000	-	2,002,036	-	150,000	884,599	1,034,599	(967,438)	-	106,275	--	1,263,598
2025	-	-	1,627,036	375,000	-	2,002,036	-	150,000	902,291	1,052,291	(949,746)	-	134,704	--	1,398,302
2026	-	-	1,627,036	375,000	-	2,002,036	-	150,000	920,336	1,070,336	(931,700)	-	163,594	--	1,561,896
2027	-	-	1,627,036	375,000	-	2,002,036	-	150,000	938,743	1,088,743	(913,293)	-	192,954	--	1,754,850
2028	-	-	1,627,036	375,000	-	2,002,036	-	150,000	957,518	1,107,518	(894,518)	-	222,791	--	1,977,641
2029	-	-	1,627,036	375,000	-	2,002,036	-	150,000	976,668	1,126,668	(875,368)	-	253,115	--	2,230,756
2030	-	-	1,627,036	375,000	-	2,002,036	-	150,000	996,202	1,146,202	(855,835)	-	283,933	--	2,514,689
2031	-	-	1,627,036	375,000	-	2,002,036	-	150,000	1,016,126	1,166,126	(835,910)	-	315,255	--	2,829,943
2032	-	-	1,627,036	375,000	-	2,002,036	-	150,000	1,036,448	1,186,448	(815,588)	-	347,089	--	3,177,032
2033	-	-	-	375,000	-	375,000	-	150,000	1,057,177	1,207,177	832,177	-	2,006,481	--	5,183,513
2034	-	-	-	375,000	-	375,000	-	150,000	1,078,321	1,228,321	853,321	-	2,039,367	--	7,222,880
2035	-	-	-	375,000	-	375,000	-	150,000	1,099,887	1,249,887	874,887	-	2,072,794	--	9,295,674
2036	-	-	-	375,000	-	375,000	-	150,000	1,121,885	1,271,885	896,885	-	2,106,771	--	11,402,445
2037	-	-	-	375,000	-	375,000	-	150,000	1,144,323	1,294,323	919,323	-	2,141,308	--	13,543,753
2038	-	-	-	375,000	-	375,000	-	150,000	1,167,209	1,317,209	942,209	-	2,176,414	--	15,720,167
													Total Tax Effect	9.0¢	
											Total	(1,000,000)			

Assumes 1¢ = \$103,000

Assumed natural growth of 1¢:  
FY 2013 and Beyond 1.0%

Note: Does not include any incremental operating costs.

# Disclaimer

---

Unless the enclosed material specifically addresses Davenport & Company LLC (“Davenport”) provision of financial advisory services or investment advisory services, or Davenport has an agreement with the recipient to provide such services, the recipient should assume that Davenport is acting in the capacity of an underwriter or placement agent.

The Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors. The rule also requires an underwriter to disclose that the underwriter’s primary role is to purchase securities with a view to distribution in an arm’s length commercial transaction with the issuer and the underwriter has financial and other interests that differ from those of the issuer; unlike a municipal advisor, the underwriter does not have a fiduciary duty to the issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interest of the issuer without regard to its own financial or other interests; the underwriter has a duty to purchase securities from the issuer at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; the underwriter will review the official statement of the issuer’s securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.

Davenport’s compensation when serving as an underwriter is normally contingent on the closing of a transaction. Clients generally prefer this arrangement so they are not obligated to pay a fee unless the transaction is completed. However, MSRB Rule G-17 requires an underwriter to disclose that compensation that is contingent on the closing of a transaction or the size of a transaction presents a conflict of interest, because it may cause the underwriter to recommend a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

This material was prepared by investment banking, or other non-research personnel of Davenport. This material was not produced by a research analyst, although it may refer to a Davenport research analyst or research report. Unless otherwise indicated, these views (if any) are the author’s and may differ from those of the Davenport fixed income or research department or others in the firm.

This material may have been prepared by or in conjunction with Davenport trading desks that may deal as principal in or own or act as market maker or liquidity provider for the securities/instruments mentioned herein. The trading desk may have accumulated a position in the subject securities/instruments based on the information contained herein. Trading desk materials are not independent of the proprietary interests of Davenport, which may conflict with your interests. Davenport may also perform or seek to perform financial advisory, underwriting or placement agent services for the issuers of the securities and instruments mentioned herein.

This material has been prepared for information purposes only and is not a solicitation of any offer to buy or sell any security/instrument or to participate in any trading strategy. Any such offer would be made only after a prospective participant had completed its own independent investigation of the securities, instruments or transactions and received all information it required to make its own investment decision, including, where applicable, a review of any offering circular or memorandum describing such security or instrument. That information would contain material information not contained herein and to which prospective participants are referred. This material is based on public information as of the specified date, and may be stale thereafter. We have no obligation to tell you when information herein may change. We make no representation or warranty with respect to the completeness of this material. Davenport has no obligation to continue to publish on the securities/instruments mentioned herein.

Any securities referred to in this material may not have been registered under the U.S. Securities Act of 1933, as amended, and, if not, may not be offered or sold absent an exemption therefrom. Recipients are required to comply with any legal or contractual restrictions on their purchase, holding, sale, exercise of rights or performance of obligations under any securities/instruments transaction. The securities/instruments discussed in this material may not be suitable for all investors. This material has been prepared and issued by Davenport for distribution to market professionals and institutional investor clients only. Other recipients should seek independent financial advice prior to making any investment decision based on this material. This material does not provide individually tailored investment advice or offer tax, regulatory, accounting or legal advice. Prior to entering into any proposed transaction, recipients should determine, in consultation with their own investment, legal, tax, regulatory and accounting advisors, the economic risks and merits, as well as the legal, tax, regulatory and accounting characteristics and consequences, of the transaction. You should consider this material as only a single factor in making an investment decision.

The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes only to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. Some of the information contained in this document may be aggregated data of transactions in securities or other financial instruments executed by Davenport that has been compiled so as not to identify the underlying transactions of any particular customer. This material may not be sold or redistributed without the prior written consent of Davenport.