



CAPITAL MANAGEMENT, INC.

M&R CAPITAL FIXED INCOME PORTFOLIO MANAGEMENT

PHILOSOPHY

Designed to provide above average risk-adjusted returns by seeking out value in the fixed income markets. Through extensive credit-oriented analysis M&R seeks to identify bonds, preferred and trust-preferred securities that appear to be mispriced and offer compelling yields given the underlying credit metrics, a firm's business position and maturity of the bond.

TAX-EXEMPT

M&R Capital Management, Inc's Municipal Bond Portfolios are designed to provide above average risk-adjusted returns by seeking out value in the municipal bond markets. M&R carefully selects high quality (minimum A-/A3 rated underlying credit rating) municipal bonds that have the most attractive yields given their maturities and underlying credit ratings. M&R structures tax-exempt municipal bond portfolios to achieve consistently high levels of after-tax income. M&R applies strict standards of value and high quality in its selection of municipal bonds. This allows M&R to build a high quality and diversified municipal bond portfolios that produce above average after-tax returns.

TAXABLE

M&R's fixed income portfolios are structured to meet the investment objectives of each individual client. The optimal fixed income portfolio solution for each client will differ depending on their tax brackets, current and future income needs, time horizons and risk tolerances. Bond holdings consist of laddered maturities of corporate, treasury and agency obligations. Those selected represent attractive relative values based on the yield curve, bond type, sector and assessed credit risk. M&R prides itself on conducting in-depth credit analysis.