



## Corporate Overview



Since 1993, Breckinridge has been providing clients with high-grade fixed-income portfolio management that combines institutional strategies and rigor with powerful systems and a common sense investment approach.

Breckinridge Capital Advisors is a fixed-income investment advisor with a primary focus on customized tax-exempt and taxable municipal bond portfolios. We believe this focus on the municipal market generates valuable insight and access for our clients. We serve high net worth individuals, foundations, endowments, pension funds and institutions.

Our mission is to provide our clients with fixed-income portfolio management that combines institutional strategies and rigor with a common sense investment approach, with the goal of generating strong risk-adjusted returns over time.

With more than \$11 billion in assets under management and a deeply skilled investment team, we understand the value of fundamental

credit analysis, opportunistic trading and – most importantly – the preservation of capital.

As an independent, employee-owned firm, we are strongly committed to excellent service and meeting our investors' objectives, a commitment we support with continued investment in our people, systems and technology.

## OUR STRATEGIES

Breckinridge structures each portfolio to accurately reflect each individual client's risk tolerance and specific investment goals. To ensure this, we offer the following portfolio strategies:

» **Tax-Exempt Municipal Bond Portfolios:** Ideal for private clients in high tax brackets

and select institutional investors, tax-exempt portfolios seek to provide a high level of after-tax income while preserving principal.

» **Taxable Municipal Bond Portfolios:** For tax-exempt entities such as endowments and foundations as well as investors seeking taxable income within IRAs, profit-sharing plans or other tax-deferred accounts. Taxable portfolios are designed to maximize risk-adjusted returns by investing in highgrade fixed-income sectors with a focus on taxable municipal bonds.

Breckinridge also offers customized portfolios such as state-biased, short-term and liability-driven accounts. Please refer to our Tax-Exempt Municipal Bond and Taxable Municipal Bond datasheets for more detail on investment strategy.

## OUR SERVICE

At Breckinridge, we manage core fixed-income strategies for taxable and tax-exempt investors. Our team leverages broad institutional experience, conducts exhaustive analyses and applies proven fundamentals to deliver customized investment strategies with unparalleled client service.

Breckinridge prides itself on being accessible and responsive to clients. Our team works closely with investment consultants and their clients to answer questions and provide a high degree of transparency for all investment decisions.

The Breckinridge standard of service and support includes:

- » Portfolio analysis on prospective client accounts
- » Conference calls with investment consultants and their clients, or additional consultants (accountants, lawyers, etc.)
- » On-site finals presentations or client account reviews
- » Quarterly updates on strategy and performance

## THE BRECKINRIDGE ADVANTAGE

- » Proactive and flexible approach
- » Broad dealer network
- » Liquidity
- » Fundamental credit analysis
- » Portfolio structure
- » Technology
- » Tax-aware investing for Taxable Accounts
- » Peace of Mind

### OUR CLIENTS

Through a broad network of investment intermediaries, Breckinridge manages portfolios on behalf of both Taxable and Tax-Exempt investors.

### TAXABLE INVESTORS

Investors who pay income taxes at the top marginal or corporate tax rate - such as high net worth individuals and insurance companies - often seek to maximize risk-adjusted, after-tax returns through tax-exempt investment strategies.

As a municipal bond specialist, Breckinridge has deep knowledge of the tax-exempt municipal market. We actively pursue opportunities to diversify across issuers, sectors and the yield curve to deliver long-term, reliable, risk-adjusted returns.

As we manage tax-exempt strategies for our clients, we also closely monitor the taxable municipal bond market to leverage market opportunities for each client given their particular tax rate.

Breckinridge's areas of expertise include:

- » State-specific/state-biased portfolios for clients with state-tax liabilities
- » Blended portfolios of tax-exempt and taxable bonds for clients in low tax brackets

- » Flexible benchmarking
- » Institutional sub-advisory
- » Mutual fund sub-advisory
- » Insurance company mandates

### TAX-EXEMPT INVESTORS

Endowments, foundations, pension funds and other tax-exempt entities seek to maximize risk-adjusted returns through the purchase of taxable fixed-income securities with positive spread to Treasuries. Our high-grade, fixed-income investment strategies strive to achieve this goal with a primary allocation to taxable municipal bonds, providing both yield spread and quality.

With the advent of the Build America Bond program in 2009, the taxable municipal market is poised to grow substantially. Having invested in the taxable municipal market since 1996, Breckinridge is well positioned to take advantage of the growing opportunity in taxable municipal bonds.

Given the strong credit quality, attractive yield and duration of taxable municipal bonds, we believe they can serve tax-exempt investors in a variety of ways, including:

- » A core intermediate fixed-income allocation
- » A satellite fixed-income strategy to provide diversification to other spread sectors
- » An effective liability-driven investment

We also tactically pursue opportunities in other fixed-income sectors including high quality corporate bonds, agencies and Treasuries.

### OUR TECHNOLOGY

As a firm, our sole focus is on municipal bond strategies and it is the same with our systems. Unlike other firms where municipal bonds might only be a small fraction of overall investments, our scalable technology is specifically tailored to manage, monitor and report on high-grade municipal bond portfolios.

How are our systems and processes different?

- » We use our customized portfolio management technology to generate investment strategy models based on updated information on current market conditions and economic trends.
- » Sophisticated surveillance technology means that every portfolio at Breckinridge is subject to on-going review for alignment with the investor's goals, potential for success in current market conditions and consistency with our investment strategy.
- » Advanced reporting capabilities help us promptly answer client questions by delivering a high level of detail and analysis. From standard quarterly statements to custom ad hoc reports, we understand the importance of providing timely and accurate information.

By continuously investing in our people and our systems, we seek to provide our clients with the best possible analytics, reporting and portfolio management.

### BRECKINRIDGE MANAGES PORTFOLIOS ON BEHALF OF:

- » High net worth individuals
- » Institutions
- » Pension funds
- » Endowments and foundations
- » Insurance providers

Visit [BondInvestor.com](http://BondInvestor.com) for client profiles.

TO LEARN MORE ABOUT  
OUR SERVICES, PLEASE CALL  
(617) 443-1120.



## ABOUT

Breckinridge Capital Advisors, Inc. is a Registered Investment Advisor specializing in the management of customized tax-exempt and taxable fixed-income portfolios, with a primary focus on municipal bonds.

With over \$12 billion in assets under management and a deep experienced investment team, we understand the value of fundamental credit analysis, opportunistic trading and, most importantly, the preservation of capital.

Our mission is to provide our clients with fixed-income portfolio management that combines institutional strategies and rigor with a common-sense investment approach, with the goal of generating strong risk-adjusted returns over time.

