



# DAVENPORT WATTS & DRAKE INVESTMENT ADVISORS, LLC



*Investments • Financial Plans • 401K Plans*

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## DAVENPORT WATTS & DRAKE INVESTMENT ADVISORS, LLC

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## OUR RELATIONSHIP WITH FIDELITY INVESTMENTS

We were recently asked a seemingly simple question that turned out to be extremely profound and insightful. Answering it has forced us to reflect and explicitly articulate why we established our relationship with Fidelity Investments. Simply put, we believe that Fidelity Investments is the best for us and you. Because of the respect they command in the financial arena and their longevity in the field, we trust that they will look out for your financial security.

We began our relationship with Fidelity Investments when our company was just starting and we initially chose them as the custodian for our clients' assets. As a leader in the financial services field, Fidelity has a sixty year reputation of being both a firm of integrity and financial expertise. As custodian, Fidelity Investments has the legal responsibility for your securities, and their focus is to administer and protect the securities entrusted to them. Furthermore, Fidelity is committed to providing quality brokerage and custodial services while protecting your privacy. Safeguarding your assets is very important to us and Fidelity Investments.

In order for us to manage your assets wisely, it is important that we diversify your investments in a way that can maximize returns while minimizing risk. Fidelity offers a wide range of products that can help us do that for you. Working with Fidelity gives us the opportunity to choose from one of the largest mutual fund supermarkets, allowing us to choose from more than six thousand mutual funds. Fidelity offers funds in every major asset class including stocks, bonds, and money markets. These options give us the freedom to make the right choices to fit your individual situation and risk tolerance.

Davenport Watts & Drake with Fidelity Investments as custodian will work together to help ensure your financial peace of mind.

*Focusing on your future...*

### INVESTING PERSPECTIVES:

“Someone’s sitting in the shade today because someone planted a tree a long time ago.” — Warren Buffet

With our summer heating up here in Mississippi, shade is always welcomed. Whether contributing to retirement or saving by reducing taxes, hopefully you are planting that tree you’ll want for shade in the future. However, planning for the future takes discipline. Often it takes time before you really see the results of your actions. As Warren Buffet said, you can only get shade **if** someone planted a tree a long time ago. When we saw a chart like the one below, it caught our attention. It lists the limits, maximums and tax thresholds for 2010. We hope the chart will be beneficial for you. Use it to see if you are contributing the maximum to your retirement plan or IRA? Have you planted your shade tree?

Handy References for 2010		
<b>Maximum Contribution to a 401(K)</b>	Age under 50	\$16,500.00
	Age 50 or older	\$22,000.00
<b>Maximum Contribution to a SIMPLE Plan</b>	Age under 50	\$11,500.00
	Age 50 or older	\$14,000.00
<b>Maximum Contribution to an IRA</b>	Age under 50	\$5,000.00
	Age 50 or older	\$6,000.00
<b>Maximum Earnings Subject to Social Security Tax</b>		\$106,800.00
<b>Social Security Earnings Limit for Retirees Under Age 65</b>		\$14,160.00
<b>Annual Gift Tax Exclusion</b>		\$13,000.00
<b>Federal Estate Tax Exemption</b>	Estate tax lapses in 2010 for 1 year	
<b>“Kiddie” Income Tax Threshold (applies for children until age 18)</b>		\$1,900.00

### ABOUT OUR FIRM:

Davenport Watts & Drake is a fee-only financial services firm offering asset management and financial consulting services to businesses, families and individuals. Our desire is to work with a select group of these businesses, families and individuals as a part of their financial team, helping them with the many decisions throughout their lives which will affect the financial future of themselves and their families. The team has a common vision of a client-centered financial consulting firm that treats our clients as we would want to be treated.

### CORE STRATEGIES:

- Asset Allocation
- Asset Diversification
- Periodic Rebalancing
- Long-term Perspective
- Minimize Income Taxes

### INVESTMENT SERVICES:

- Portfolio Management
- Individual Retirement Accounts
- Company Retirement Plans
- Personal Financial Plans

### INVESTMENT CUSTODIANS:

- Fidelity Investments
- John Hancock

“Sound investing is simple but not necessarily easy to do.”

— Warren Buffett

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