

Introducing the Flow-Through Ladder™

A tax-saving investment strategy based on a concept similar to bond laddering.

Bond Investment Ladder

Flow-Through Ladder™

A bond ladder is an investment strategy whereby one buys bonds in successively longer terms-to-maturity, in segmented and equal investment amounts.

Over time the bonds mature, and the proceeds can then be reinvested in regular intervals.

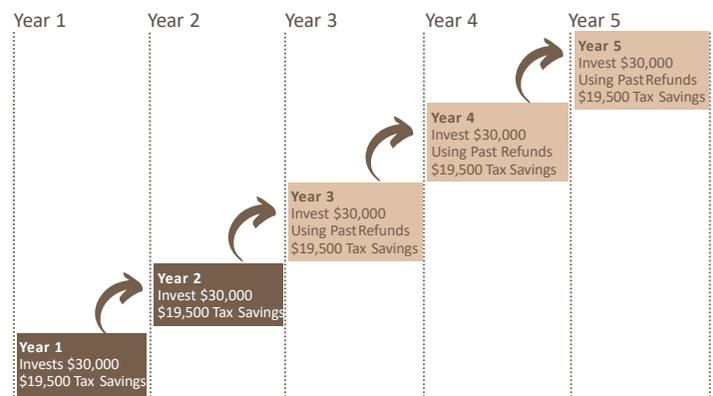
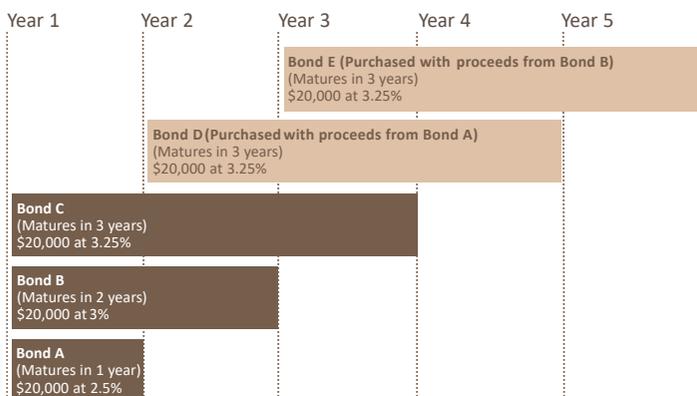
This strategy helps to spread out an investor's risk between a number of smaller investments along the yield curve, rather than having all the investment risk attached to one or a few bonds.

A bond ladder provides an investor with a steady stream of income from both interest payments, and as principal payments as bonds become mature over time.

A Flow-Through Ladder™ is structured in a similar fashion to a bond ladder, and can generate a steady stream of money through taxes saved, and distribution proceeds.

To start a flow-through ladder, an investor purchases units of a new Pavilion Resource Fund each year, for three to five years. Each new flow-through fund purchase creates savings against existing tax liabilities.

As each successive flow-through fund provides additional tax savings, those savings can be used to purchase a new flow-through fund in the following year, thereby adding another rung and more tax savings to the investor's flow-through ladder.



BENEFITS AT A GLANCE

Spreading the risk of multi-year investments

- Stronger returns on some funds can negate weaker returns from others for an overall better performance.
- Use the tax savings to partially fund next year's purchase.
- At year 3, your new investment may be fully funded from previous tax benefits.

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