



ASSET PRESERVATION
ADVISORS

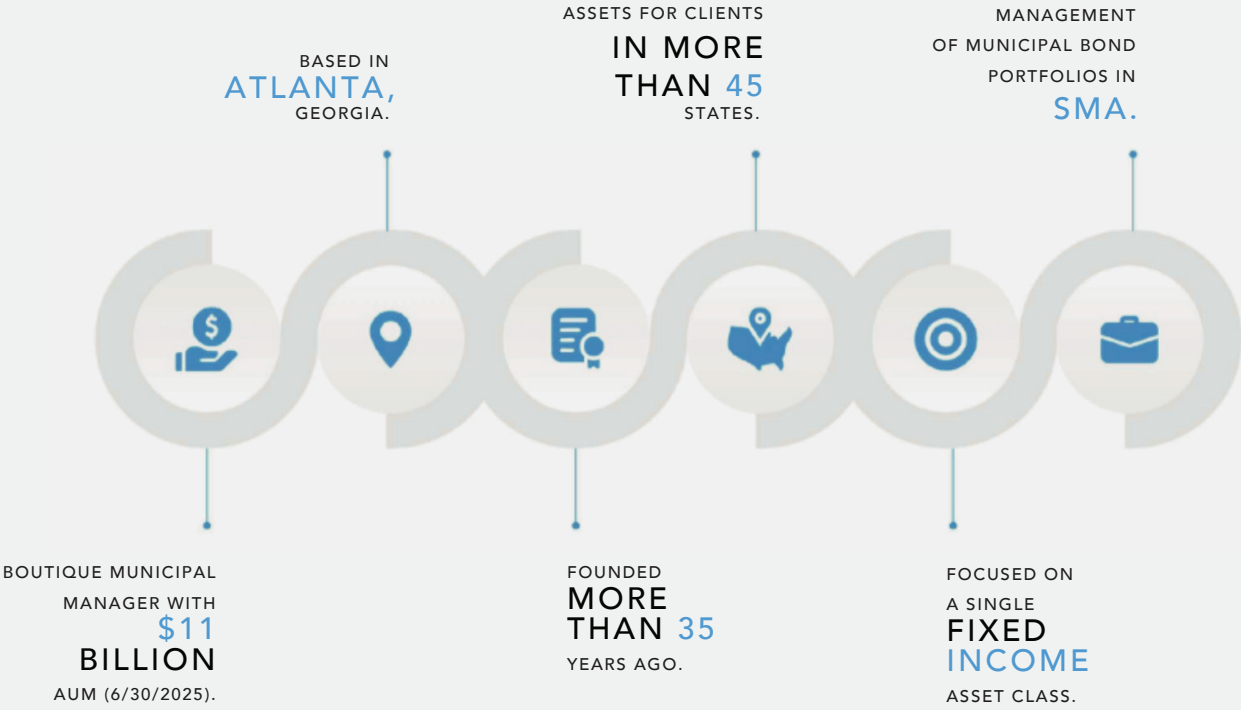
MUNICIPAL BOND PORTFOLIO MANAGEMENT

Q2 2025

CARING FOR CLIENT PORTFOLIOS, BOND BY BOND

SINCE OUR FOUNDING IN 1989, ASSET PRESERVATION ADVISORS (APA) HAS SPECIALIZED IN DELIVERING THE HIGHEST LEVEL OF CUSTOMIZATION AND ACTIVE MANAGEMENT OF MUNICIPAL BOND PORTFOLIOS FOR REGISTERED INVESTMENT ADVISORS, FAMILY WEALTH OFFICES AND INSTITUTIONAL CLIENTS.

WE ARE SPECIALISTS



Please see Disclosures on page 17

APA ADVANTAGE

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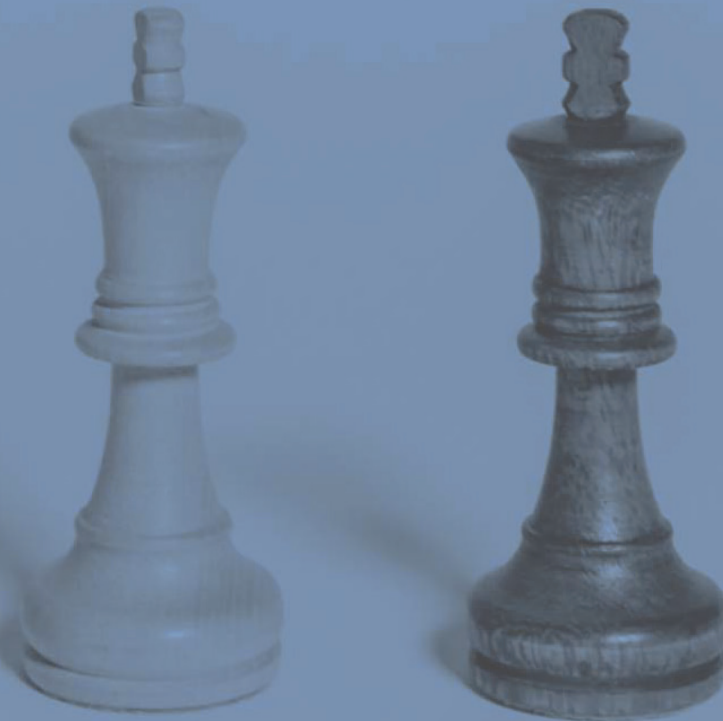
ASSETS UNDER
MANAGEMENT
AS OF 6/30/2025

26

DEDICATED
PROFESSIONALS

INVESTMENT
COMMITTEE AVERAGE
EXPERIENCE

25+
YEARS



**CREDIT
RESEARCH
GROUP**

CAREER
ANALYST
EXPERTISE

**TRADING
TEAM**

CAPTURING
MARKET
INEFFICIENCIES

**PORTFOLIO
MANAGERS**

CONTINUOUS
OVERSIGHT

APA ADVANTAGE



DEDICATED TO MUNICIPAL BOND MANAGEMENT

Our dedication to one sector of the market, municipal bonds, allows us to focus our resources and strengthen our capabilities in credit research, trading and overall portfolio management.



BOUTIQUE SIZE = AGILITY

We believe our size is an advantage, allowing us to be more nimble in the secondary market.



PROVEN INVESTMENT DISCIPLINE

The same investment philosophy and process has been utilized since our inception. We believe in maintaining a consistent set of principles to meet our clients' objectives.



EMPHASIS ON SEPARATELY MANAGED CUSTOMIZED PORTFOLIOS

APA believes that investors are better served owning individual bonds rather than mutual funds. This allows for customization to meet their specific objectives and risk tolerance parameters.



INTEGRITY AND COMMITMENT TO SERVICE

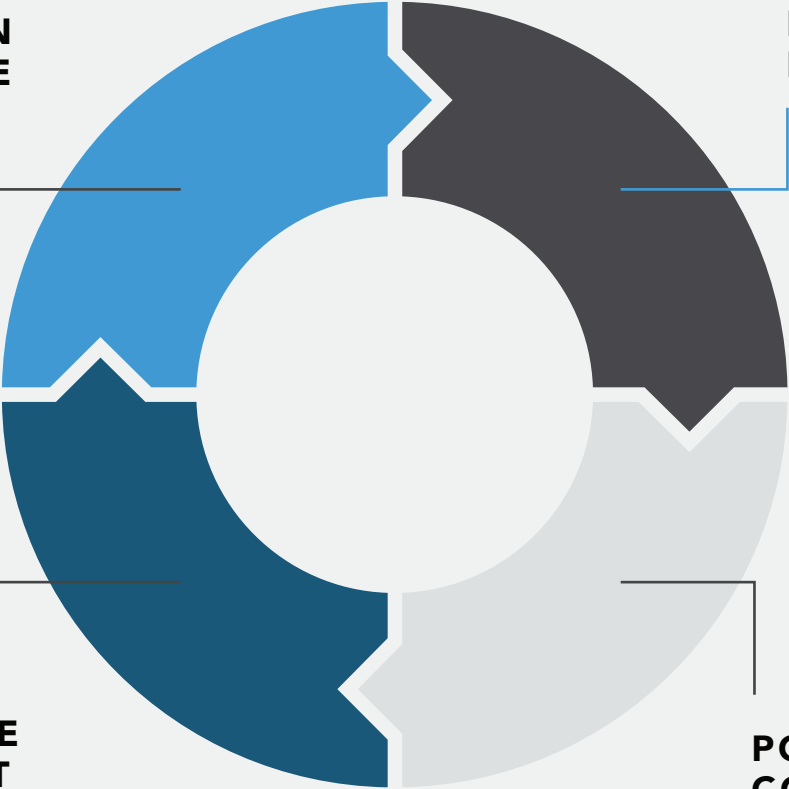
We strive to deliver the highest level of client service. Our investment team is always available to talk or meet with advisors and their clients.

INVESTMENT PROCESS

APA is covered by more than 140 national and regional broker-dealers. We compete with dealers in the bidding process in an effort to capitalize on market inefficiencies. We believe our managed portfolios benefit from our purchasing methods, which eliminate the mark-up of the broker-dealer sales process.

**ISSUE IDENTIFICATION
& DUE DILIGENCE**

**BIDDING
PROCESS**



**ACTIVE
MANAGEMENT
& CREDIT MONITORING**

**PORTFOLIO
CONSTRUCTION**

INVESTMENT PROCESS

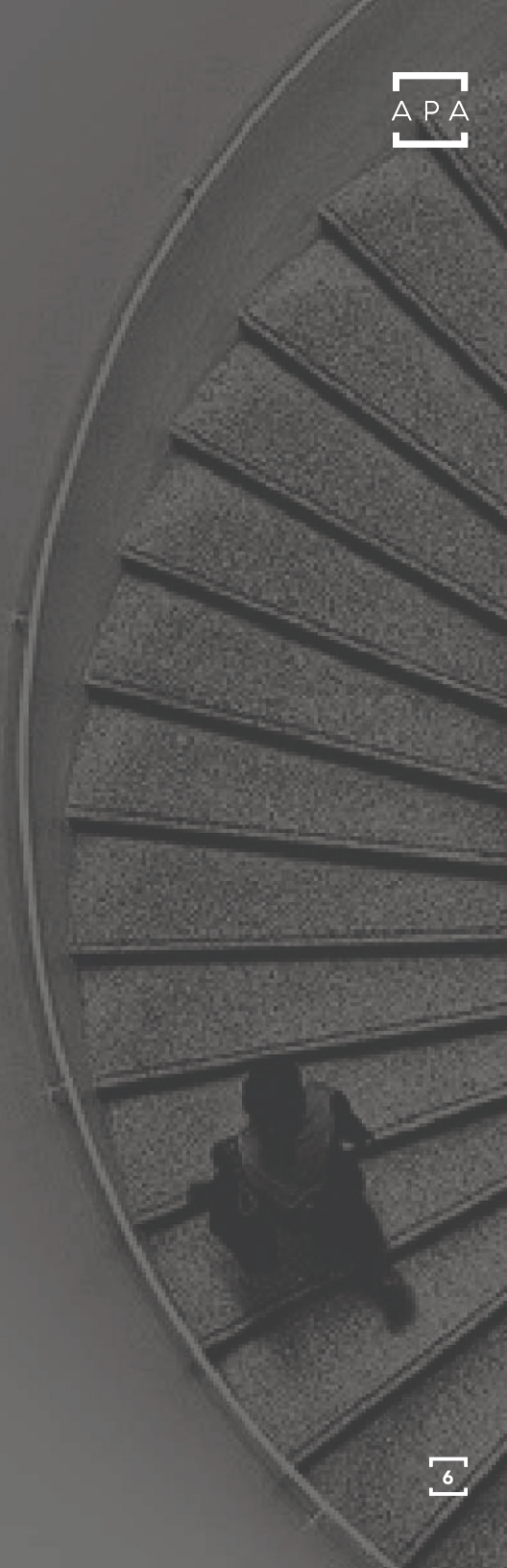
FOCUS ON
 HIGH-QUALITY INVESTMENT-GRADE BONDS WITH INTERMEDIATE MATURITIES

ACTIVELY SEEK
 BIDS/OFFERS ON BONDS THAT MEET OUR CREDIT, MATURITY, & SPREAD REQUIREMENTS

CUSTOMIZED
 BOND SELECTION FOR EACH PORTFOLIO

CONTINUOUS
 MONITORING OF CREDIT QUALITY & FUNDAMENTALS

TAX EFFICIENCY
 IS EMPLOYED THROUGH ACTIVE MANAGEMENT



INVESTMENT PROCESS

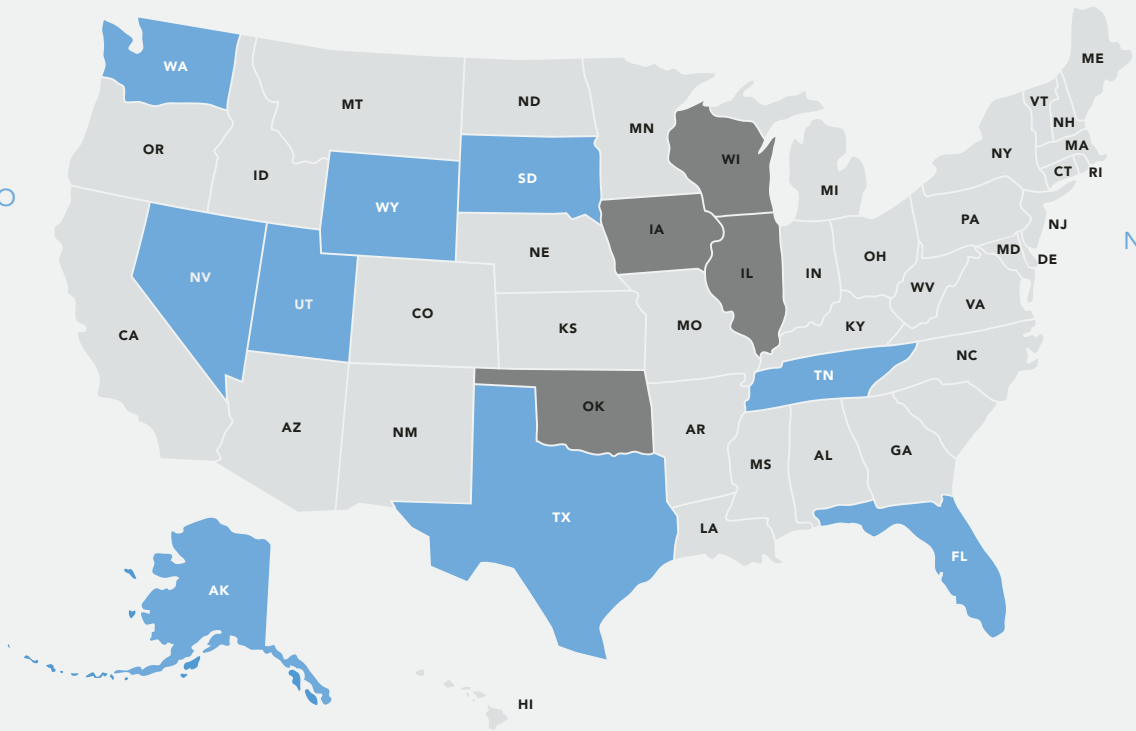
APA FOCUSES ON TAILORING PORTFOLIOS TO MEET THE UNIQUE INVESTMENT GOALS AND TAX SENSITIVITIES OF EACH CLIENT.

Within a state-specific portfolio, APA generally targets an in-state allocation of approximately 50-80%. However, this can be adjusted to meet a client's custom mandate.

STATES WITH NO EARNED INCOME TAX

NATIONALLY DIVERSIFIED PORTFOLIO

- WASHINGTON
- TEXAS
- FLORIDA
- ALASKA
- SOUTH DAKOTA
- WYOMING
- NEVADA
- UTAH*
- TENNESSEE



STATES THAT TAX INTEREST ON IN-STATE BONDS

NATIONALLY DIVERSIFIED PORTFOLIO

- IOWA
- WISCONSIN
- ILLINOIS
- OKLAHOMA

Source: APA June 2025

*Utah does not tax bonds issued within the state, and also does not tax bonds issued in states that do not tax Utah bonds (WA, TX, FL, AK, SD, WY, NV, TN). New Hampshire only taxes interest and dividend income.

INVESTMENT PROCESS

APA'S DEDICATED CREDIT RESEARCH GROUP FOCUSES ON MAINTAINING THE INVESTMENT APPROACH OUR FIRM HAS RELIED ON FOR MORE THAN 30 YEARS; AN EMPHASIS ON ASSET PRESERVATION WHILE EVALUATING THE RISK/REWARD IN EXPLOITING MARKET INEFFICIENCIES.

APA reviews each credit on a continuous basis, employing both a top-down and bottom-up approach to determine a proprietary credit opinion and rating. Within the rigorous credit review process, there are several main inputs that help shape APA's propriety research which are used to identify bonds that we believe offer above market value for their rating category. Some examples are outlined in the table below.

CREDIT REVIEW PROCESS KEY INPUTS

GENERAL OBLIGATIONS	ESSENTIAL SERVICE REVENUE BONDS
Use of Funds	Use of Funds
Tax Base (assessed value)	Net Assets
Economy (unemployment, etc.)	Operating Margins
Wealth (median household income, poverty, etc.)	Debt Service Coverage
Top Ten Taxpayers	Total Operating Revenues
General Fund Reserves (as % of expenses)	Taxpayer Concentration
Liquidity (days' cash on hand)	Liquidity (days' cash on hand)
Debt Levels (as % of full value and per capita)	Debt Ratios (long-term debt to capital)
Fixed Costs (pensions and OPEBs)	Covenants (bondholder protections)

Source: APA June 2025

MUNIS VS. CORPORATES: A SIDE-BY-SIDE COMPARISON

	MUNICIPAL SECURITIES	CORPORATE SECURITIES
MARKET SIZE¹	\$4.0 TRILLION	\$10.6 TRILLION
NO. OF SECURITIES	~1,000,000	~47,000
DAILY TRADING VOLUME	\$13.0 BILLION	\$1,444 BILLION
NEW ISSUANCE VOLUME	\$389 BILLION	\$1,958 BILLION
DEFAULT RATES²	0.09%	2.21%



Sources: MSRB, Federal Reserve, FINRA, SIFMA, Moody's and Bloomberg.

Note: Calendar year 2023 data unless otherwise noted.

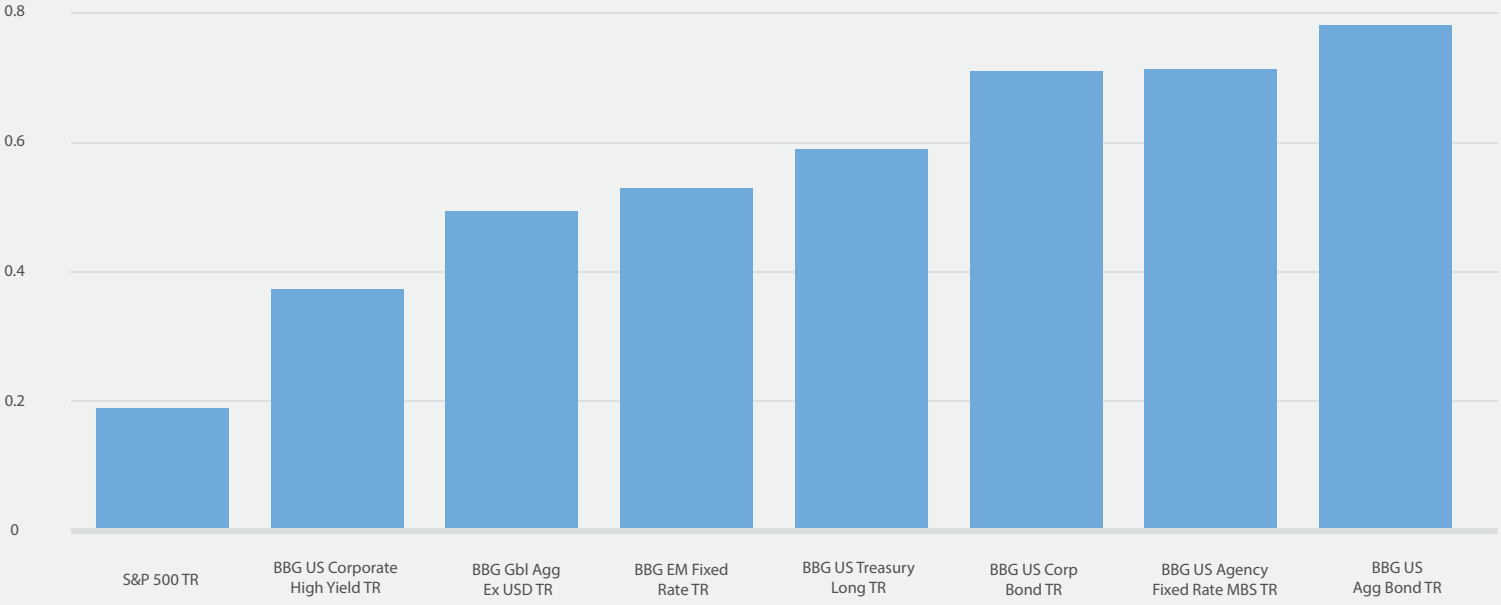
¹As of October 24, 2024.

²According to Moody's Investment-Grade, 10-year cumulative default rates average over the period 1970-2023.

ASSET CLASS CORRELATION

Correlation with municipal bonds, January 2003-December 2023

HISTORICALLY, MUNIS HAVE HAD A LOW CORRELATION WITH TAXABLE BONDS AND WITH THE S&P 500 INDEX.

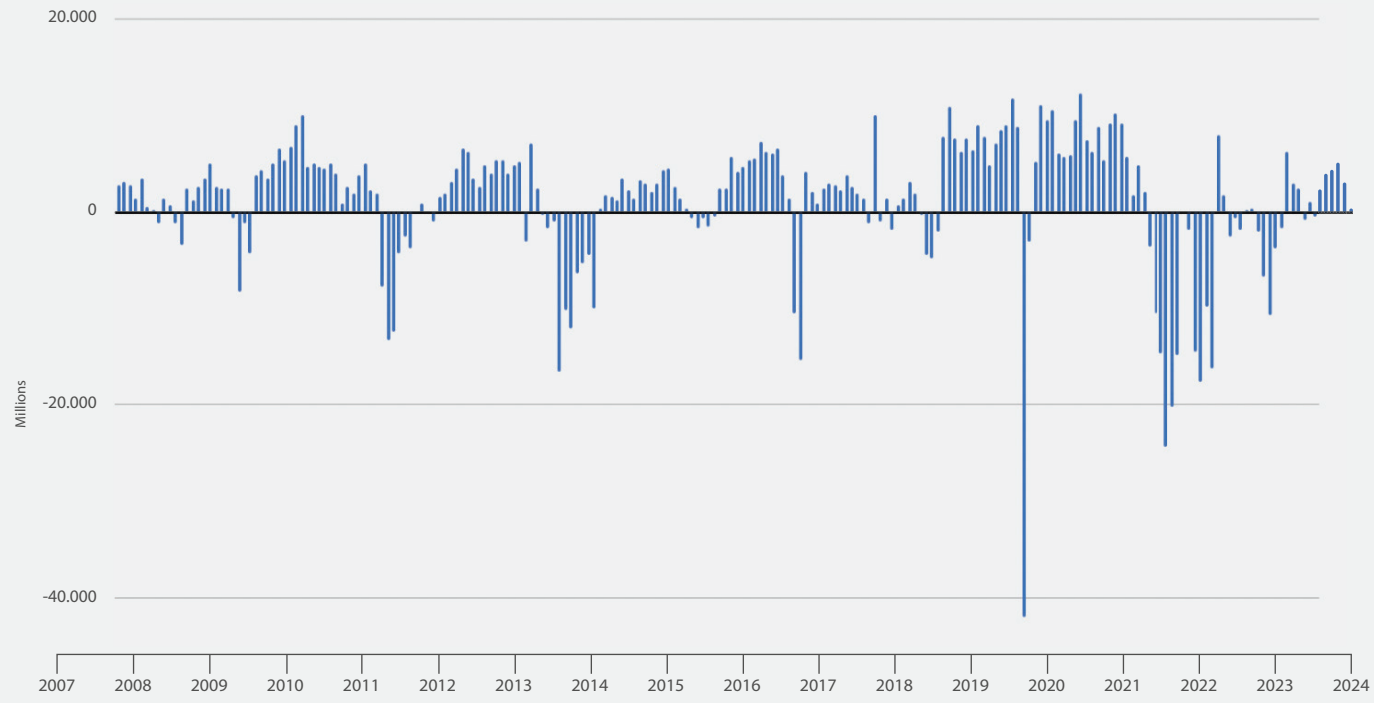


There are approximately 50,000 different state and local governments and other issuing authorities.

Source: Morningstar Direct

ICI MONTHLY MUNICIPAL FUND FLOWS

HISTORICALLY, MUNICIPAL FUND OUTFLOW CYCLES HAVE BEEN FOLLOWED BY PERIODS OF VIGOROUS INFLOWS AND PRICE REBOUNDS.



Source: Fund flows shown monthly between December 2006 and December 2024 according to the Investment Company Institute (ICI). Past performance not indicative of future results. Please see the attached disclosures.

HOW WE CAN HELP



PORTFOLIO ANALYSIS
 offered for prospective clients, provided with portfolio review and management recommendations.



CUSTOMIZATION
 for specific-state tax-exempt portfolios, duration goals, specific liquidity needs, ESG investing, and many other customizable options.



SAMPLE PORTFOLIOS
 available for any APA Strategy and customizable to meet individual client needs.



TAILORED PORTFOLIOS
 to meet specific liquidity needs and tax objectives for each individual client.

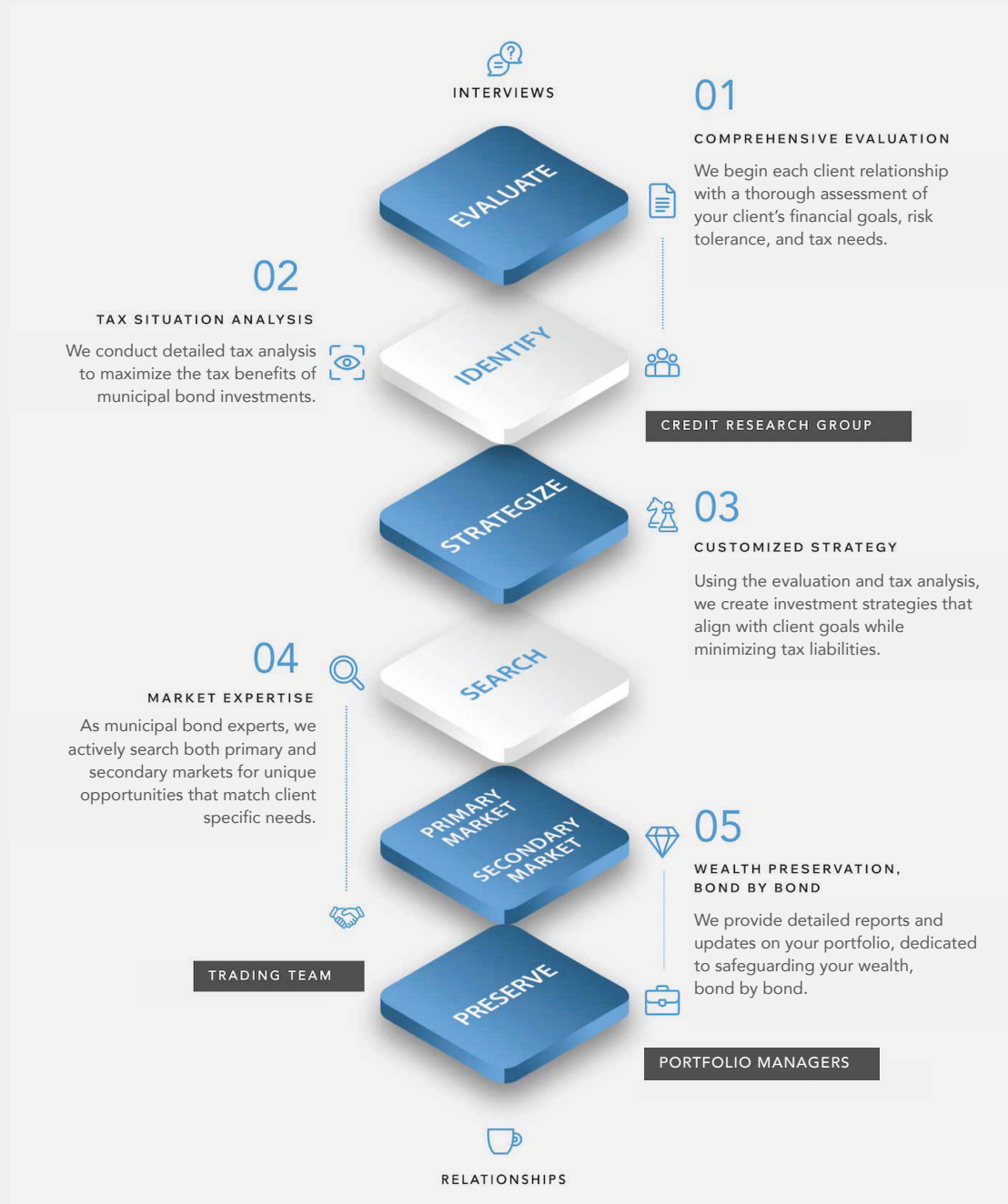


UNLIMITED ACCESS
 to APA's Municipal Bond Portfolio Team including direct access to portfolio managers and traders.

OUR FRAMEWORK FOR PRESERVING YOUR HERITAGE

EVALUATE. IDENTIFY. STRATEGIZE. SEARCH. PRESERVE.

AT EVERY STAGE OF OUR PERSONALIZED APPROACH, WE SEEK THE PERFECT COMBINATION THAT MINIMIZES TAXES AND MAXIMIZES CLIENT BENEFITS.



TAXABLE-EQUIVALENT YIELD

APA FOCUSES ON TAILORING PORTFOLIOS TO MEET THE UNIQUE INVESTMENT GOALS AND TAX SENSITIVITIES OF EACH CLIENT.

Combined Fed + State Tax Rate	Tax-Free Yield						
	2.75%	3.00%	3.25%	3.50%	3.75%	4.00%	4.25%
	Taxable-Equivalent Yield						
30%	3.93%	4.29%	4.64%	5.00%	5.36%	5.71%	6.07%
32.5%	4.07%	4.44%	4.81%	5.19%	5.56%	5.93%	6.30%
35%	4.23%	4.62%	5.00%	5.38%	5.77%	6.15%	6.54%
37.5%	4.40%	4.80%	5.20%	5.60%	6.00%	6.40%	6.80%
40%	4.58%	5.00%	5.42%	5.83%	6.25%	6.67%	7.08%
42.5%	4.78%	5.22%	5.65%	6.09%	6.52%	6.96%	7.39%
45%	5.00%	5.45%	5.91%	6.36%	6.82%	7.27%	7.73%
47.5%	5.24%	5.71%	6.19%	6.67%	7.14%	7.62%	8.10%
50%	5.50%	6.00%	6.50%	7.00%	7.50%	8.00%	8.50%

For informational purposes only, individual client experience may differ.

MEET OUR TEAM



KENNETH R. WOODS
CHAIRMAN / PARTNER



CHARLES R. DOTY
CO-CEO / PARTNER



KEVIN B. WOODS
CO-CEO / CIO / PARTNER



PATRICIA H. HODGMAN
PRESIDENT / PARTNER



KYLE GERBERDING
MANAGING DIRECTOR / PORTFOLIO MANAGER / PARTNER



LORI COHANE
MANAGING DIRECTOR / PORTFOLIO MANAGER



OVADYA "OV" ARYEH
MANAGING DIRECTOR / PORTFOLIO MANAGER



WESLEY WILLIAMS
COO / PARTNER



PEYTON BOGARD
ASSOCIATE



TRISHA BROUSSARD
SENIOR VICE PRESIDENT / PORTFOLIO MANAGER



KATELIN BUTKUS
DIRECTOR OF FINANCE & OPERATIONS



PETE CORRELL
ANALYST



BRANDON DURNWALD
MUNICIPAL ANALYST



BOB FARMER
SENIOR MANAGING DIRECTOR



TARA HART
CCO



BRANDON HODGE
TRADING ANALYST



LAUREN LOUW
ASSOCIATE



PAUL NOLAN
CO-DIRECTOR OF RESEARCH



LAUREN OLSEN, CFA
PORTFOLIO MANAGER / MUNICIPAL ANALYST



WESLEY POND, CFA
SENIOR VICE PRESIDENT / PORTFOLIO MANAGER



MATTHEW RIGGLES
CO-DIRECTOR OF RESEARCH



JORDAN SAXON
EXECUTIVE ASSISTANT



COURTNEY TAYLOR
ASSOCIATE



HENRY TRAPNELL
ASSOCIATE



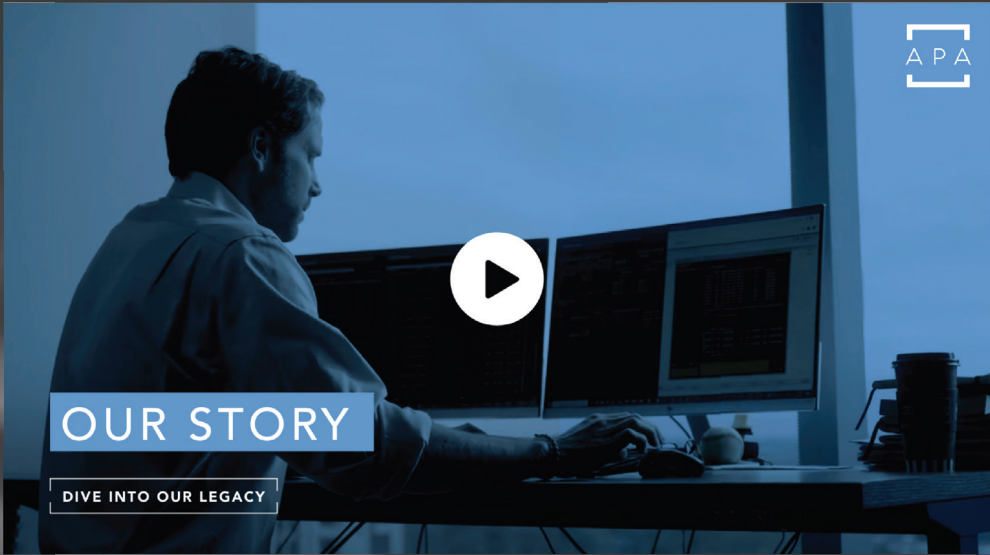
KARIM VIRANI
MUNICIPAL ANALYST



THOMAS WELCH
ASSOCIATE TRADER

ABOUT US

AT APA, WE BELIEVE THAT EVERY INVESTMENT IS A PROMISE OF THE FUTURE, AND IT'S OUR DUTY TO TURN THAT PROMISE INTO REALITY. OUR BOUTIQUE APPROACH MAKES US YOUR TRUSTED PARTNER. WITH OVER 30 YEARS OF EXPERIENCE IN THE MUNICIPAL BOND MARKET, WE ARE CONFIDENT WE WILL FIND THE PERFECT COMBINATION TO MEET YOUR GOALS FOR YOUR CLIENT PORTFOLIOS. WE ARE HERE TO METICULOUSLY CARE FOR EVERY DETAIL. CLIENT BY CLIENT. BOND BY BOND.



Scan the code and dive into our legacy



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MORE INFORMATION ABOUT APA, INCLUDING ITS INVESTMENT STRATEGIES AND OBJECTIVES, CAN BE OBTAINED BY VISITING WWW.APABONDS.COM. A COPY OF APA'S DISCLOSURE STATEMENTS (CRS AND PART 2 OF FORM ADV) ARE AVAILABLE BY VISITING OUR WEBSITE. OUR FORM ADV CONTAINS INFORMATION REGARDING OUR FIRM'S BUSINESS PRACTICES AND THE BACKGROUNDS OF OUR KEY PERSONNEL. PLEASE CONTACT APA AT 404-261-1333 IF YOU HAVE ADDITIONAL QUESTIONS.

LEARN MORE ABOUT US



3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

400 Madison Ave, Suite 9D
New York, NY 10017

Email:

contactus@assetpreservationadvisors.com

Phone: 404.261.1333 | 800.833.8985

