



APA High-Quality Intermediate Tax-Exempt Strategy

HIGH-QUALITY INTERMEDIATE MATURITY, TAX-EXEMPT MUNICIPAL BOND PORTFOLIOS

STYLE

Intermediate Municipal Bond

BENCHMARK

Merrill Lynch 1-12

INCEPTION

December 31, 2003

STRATEGY AUM

\$1.104 B

HIGHLIGHTS

- Tailor portfolios to meet the client's specific liquidity needs and tax objectives
- Prudently manage risk by diversifying across a number of high-quality municipal issuers
- Unlimited access to Municipal Bond Portfolio Team
- Active management of portfolio holdings
- Customization for state specific tax-exempt portfolios

ADDITIONAL INFORMATION

Sample Portfolios: available for standard and custom strategies

Alternative Approach: for more conservative investors seeking slightly higher yields at lower risk than longer-duration bonds

Identify Undervalued Sectors: through intensive fundamental credit research

Customized Portfolios: designed to meet client specific requirements

Objective

To manage for after-tax total return, this strategy seeks to add value through active management and access to institutional pricing. Conducted thorough relative value and credit analysis to take advantage of inefficiencies in the market and maximize after-tax income. Bonds selected for the this strategy have maturities within 1 and 20 years.

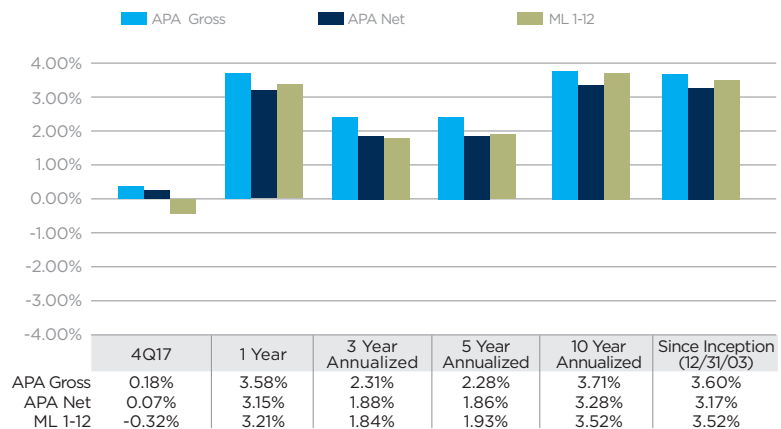
APA Municipal Bond Team

Portfolio managers, Kevin Woods and Trisha Broussard, direct the strategy's active management and draw upon the expertise of our municipal traders and credit analysts. Together, the team identifies issuers, evaluates credit fundamentals and implements a relative-value trading approach.

Investment Process

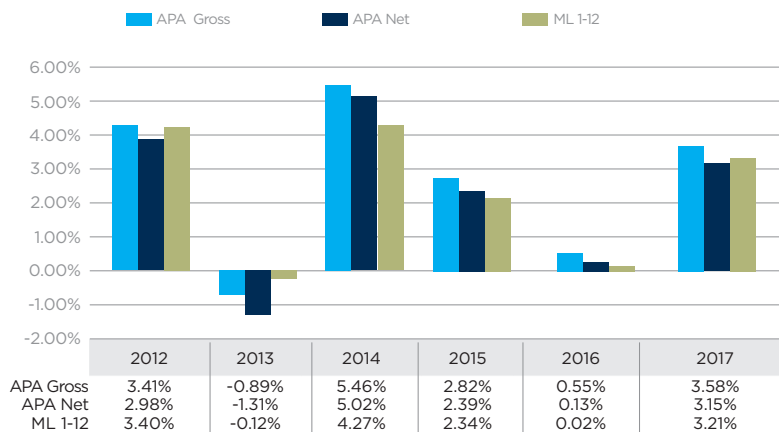
The strategy employs a quantitative approach to investing in primarily high-quality municipal bonds. We combine our fundamental research with an investment process that emphasizes both risk management and relative-value investing to achieve competitive risk-adjusted returns.

Annualized Performance as of 12/31/17



Periods less than one year are not annualized.

Calendar Year Performance as of 12/31/17



Past performance is not indicative of future results.

CONTACT US

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Top 10 Holdings as of 12/31/17

	Rating	Date of Maturity
Glynn-Brunswick Mem Hosp Auth GA Rev	PRE	8/1/18
Cobb Cnty GA Kennestone Hosp Auth Rev	A	4/1/30
Atlanta Ga Wtr & Wastewtr Rev	AA-	11/1/28
Dorchester Cnty SC Sch Dist No 002 Installm	AA-	12/1/27
Atlanta GA Dev Auth Student Hsg Rev	PRE	9/1/23
Connecticut St Revolving Fd Gen Rev	AAA	3/1/29
Atlanta Ga Wtr & Wastewtr Rev	AA-	11/1/29
Gwinnett Cnty Ga Sch Dist	PRE	2/1/18
Georgia State	AAA	2/1/28
Chicago IL Met Wtr Reclamation Dist	AA+	12/1/31

Portfolio Characteristics as of 12/31/17

Average Maturity	6.61 years
Average Duration	4.03 years
Average Coupon	4.81%
Yield to Worst	1.97%
Average Credit Quality	Aa3/AA
Number of Holdings	4,251

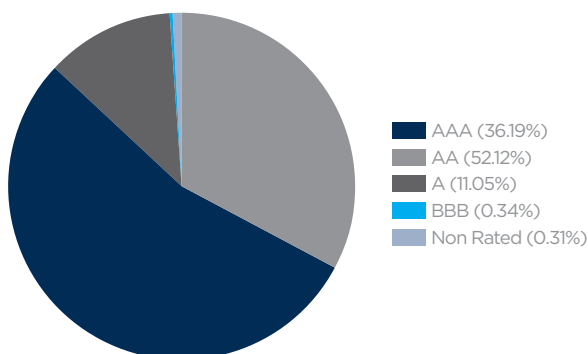
Top 5 Sectors as of 12/31/17

Education	33.83%
General Obligation	24.82%
Utilities	15.68%
Medical	9.02%
Transportation	7.49%

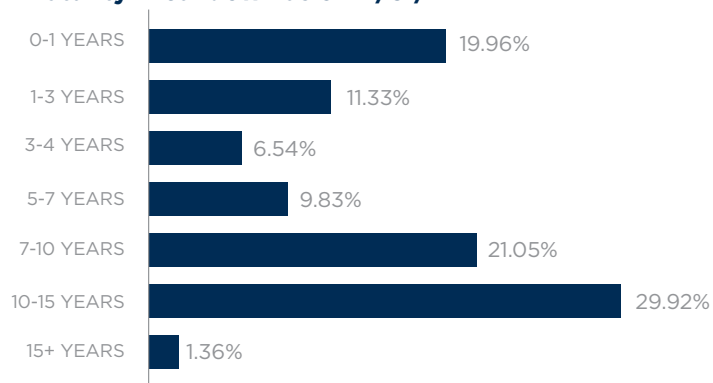
Top 10 States as of 12/31/17

GA	29.49%	OH	3.39%
TX	13.13%	AL	3.21%
NY	5.90%	NC	2.84%
CA	4.22%	WA	2.54%
FL	3.41%	CT	2.28%

Credit Quality as of 12/31/17



Maturity Breakdown as of 12/31/17



Disclosures

Past performance is not indicative of future results. This material is not financial advice or an offer to sell any product. The performance and portfolio characteristics shown relate to the APA High Quality Intermediate Tax-Exempt Composite (the "Composite").

Not every client's account will have these exact characteristics. The actual characteristics with respect to any particular client account will vary based on a number of factors including but not limited to: (i) the size of the account; (ii) investment restrictions applicable to the account, if any; and (iii) market predicaments at the time of investment. APA reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs. The information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio, and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the security transactions, holdings or sectors discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

APA is an investment adviser registered with the U.S. Securities and Exchange Commission. Registration does not imply a certain level of skill or training. More information about the advisor including its investment strategies and objectives can be obtained by visiting www.assetpreservationadvisors.com. A list of composite descriptions is available upon request.

For comparison purposes, the Composite is measured against the BofA Merrill Lynch 1-12 Year US Municipal Securities Index. This index tracks the performance of US dollar denominated investment grade tax-exempt debt publicly issued by US states and territories, and their political subdivisions, in the US domestic market. Qualifying securities must have at least 1 year and less than 12 years remaining term to final maturity, a fixed coupon schedule and an investment grade rating (based on an average of Moody's, S&P and Fitch). The volatility of the index could be materially different from that of the Composite. It is not possible to invest in the index.

Returns are presented gross and net of investment advisory fees and include the reinvestment of all income. Gross returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account.

The fee schedule for APA's investment advisory services for separately managed accounts in the APA High Quality Intermediate Tax-Exempt Strategy is 0.50% on the first \$10 million in net assets under management and 0.40% on amounts above \$10 million in net assets under management. Actual investment advisory fees incurred by clients may vary. A complete description of APA's fee schedule can be found in Part 2 of its FORM-ADV which is available at www.assetpreservationadvisors.com or by calling (404) 261-1333.