

**Managed Municipal Strategy**

Portfolio Date	12/31/2024
Global Broad Category Group	Fixed Income
US Category Group	Municipal Bond
Inception Date	12/31/2006
Firm Name	Capital Advisors Inc
Firm Phone	918-599-0045
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**Investment Strategy**

- Investment-grade focus
- Predominately state-specific general obligation and revenue municipal bonds. Out-of-state municipal bonds as needed for diversification.
- Laddered maturity structures
- Typically 10-25 securities

Capital Advisors' Managed Municipal Strategy utilizes individual bonds to construct fixed income portfolios for one of three client priorities: **Liquidity**, **Income**, or an **Aggregate** of the two. The strategy invests in tax-exempt municipal bonds rated primarily investment-grade by the major ratings agencies, with a heavy emphasis on issuers from the state of residence for each client. Within the parameters of each client's state of residence and priority, we seek to customize portfolios with attractively priced bonds available in the marketplace at the time each security is purchased. We seek to manage risk in this strategy through diversity of credits, laddered maturity structures, and yield curve optimization within each of the three client priorities. While every effort is made to construct a state-specific portfolio for every client, out-of-state securities may be utilized when state-specific opportunities are limited, or judged to be less attractive than alternatives from other states.

**Value Added Approach**

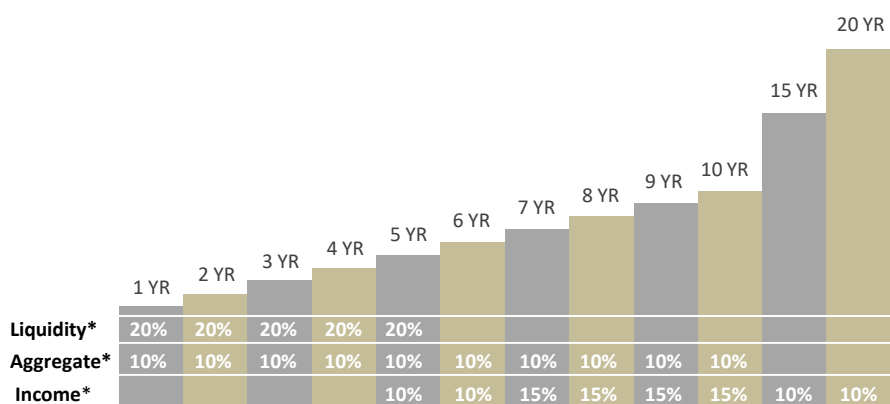
**Institutional Pricing** - As a fee-based advisor our incentive is to minimize markups on the bonds we buy for clients. We do this by aggregating bond trades into larger blocks that can be allocated into multiple client portfolios; participating in new issues; accessing a broad network of dealers for bonds rather than the captive inventory of a single firm; and/or negotiating tight spreads from the dealer network we access.

**Access to Opportunity** - The dynamics of a constantly changing marketplace produce attractively-priced bonds among dealer inventories from time to time. Our experienced professionals, who are "in the market" on a daily basis, can recognize these opportunities and take advantage of them for our clients.

**Risk Management** - Many investors characterize bonds as the "safe" asset class, but bonds can lose a lot of money for investors caught on the wrong side of a major rise in interest rates, or a severe deterioration in credit support. Capital Advisors seeks to reduce risk through the use of available resources and industry experience.

**Managed Municipal Bond Strategy Trailing Returns (annualized)**

% Returns	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
Managed Municipal Bond (Gross)	2.00	2.00	0.55	1.28	2.11
Managed Municipal Bond (Net)	1.50	1.50	0.06	0.78	1.63
Bloomberg Muni 5-Year Bond Index	1.17	1.17	-0.01	0.91	1.67

**Example Portfolio Illustration<sup>1</sup>**


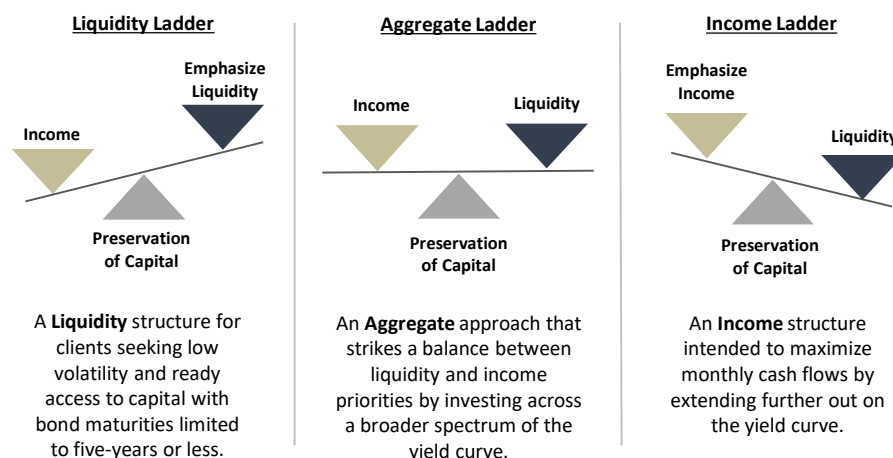
	Maturity**	Yield**
Liquidity Ladder*	2.3 yrs.	3.1%
Aggregate Ladder*	5.5 yrs.	3.3%
Income Ladder*	9.1 yrs.	3.5%

\* Average capital allocation by maturity is a hypothetical measure intended for illustration purposes only.

\*\* Average maturity and yield in this presentation are hypothetical measures intended for illustration purposes only.

**Portfolio Priorities**

Within an overall philosophy that emphasizes preservation of capital, we offer three alternative portfolio priorities:



<sup>1</sup>This information is supplemental to a fully compliant GIPS report. See Disclosures.



**Disclosures**

**This presentation is not an offer or a solicitation to buy or sell securities.** The information contained in this presentation has been compiled from third party sources and is believed to be reliable; however, its accuracy is not guaranteed and should not be relied upon in anyway, whatsoever. This presentation may not be construed as investment advice and does not give investment recommendations.

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**Firm and Composite Information** - CAI is an investment advisor registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940. CAI manages a variety of equity, fixed income, and balanced assets for a broad range of individual and institutional clients. The Managed Municipal Bond Composite is a strategy that aims to strike a balance between liquidity and income objectives. The Composite invests primarily in investment grade securities with maturities less than 10 years. The minimum account size for inclusion into the Managed Municipal Bond Composite is \$200,000. The Managed Municipal Bond Composite has a creation date of 12/31/2006.

Year	Comp. Net (%)	Bloomberg Municipal 5-Year Bond Index (%)	# of Portfolios	Composite Dispersion (%)	Total Composite Assets (USD Mill)	Total Firm Assets (USD Mill)	3-year Standard Deviation Composite (%)	3-year Standard Deviation – Index (%)
2024	1.50	1.17	234	0.50	\$301.5	\$6,146	4.01	5.23
2023	3.02	4.31	220	0.47	\$265.7	\$5,502	3.93	5.05
2022	-4.21	-5.26	201	1.01	\$217.6	\$4,258	3.52	4.59
2021	0.44	0.34	171	1.11	\$204.0	\$4,395	2.16	2.92
2020	3.36	4.29	196	0.81	\$249.2	\$3,459	2.34	2.93
2019	4.91	5.45	193	1.09	\$250.2	\$2,834	1.85	2.03
2018	0.55	1.69	172	1.08	\$205.0	\$2,198	2.58	2.60
2017	3.72	3.14	148	1.57	\$189.7	\$2,216	2.54	2.63
2016	0.33	-0.39	88	1.11	\$127.2	\$1,840	2.55	2.47
2015	3.00	2.43	75	1.77	\$104.0	\$1,552	2.47	2.13

**Benchmark - Bloomberg Municipal Bond 5-Year Index** is a market value weighted fixed income index comprised of municipal bonds issued after January 1, 1991, with a minimum credit rating of at least Baa, issued as part of a deal of at least \$50 million, with a maturity value of at least \$5 million and with a maturity range of 4–6 years. The benchmarks are unmanaged indexes representing the investment environment existing during the time periods shown.

**Strategy Risks** - Investment in debt involves risk, including possible loss of principal invested. You could lose money on your investment, or the portfolio could under-perform because: the market prices of bonds held by the Fund may fall; individual investments of the Fund may not perform as expected; and/or the portfolio management practices may not achieve the desired result. The investment portfolio is subject to interest rate risk and credit risk. When interest rates rise, the value of fixed-income securities will generally fall. In addition, a security's credit quality may deteriorate, which could lead to default or bankruptcy of the issuer where the issuer becomes unable to pay its obligations when due.

**Performance Calculations** - Valuations and returns are computed and stated in U.S. Dollars. Results reflect the reinvestment of dividends and other earnings. Net-of-fees returns are calculated using actual annual client fees, pro-rated on a quarterly basis. The standard management fee for the Managed Municipal Bond strategy is 0.50% per annum. Additional information regarding Capital Advisor's fees is included in its Part 2 of Form ADV. Dispersion is calculated using the net-of-fees, equal-weighted standard deviation of all accounts included in the composite for the entire year. Dispersion is not presented for periods less than one year or when there were five or fewer portfolios in the composite for the entire year. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request. Portfolio yield represents the 12-month run rate of dividends from the strategy's representative account divided by the market value of the portfolio as of each quarter-end. This measure is calculated by a portfolio accounting system from *Orion*. <sup>1</sup>Capital Advisors may include non-rated bonds from municipal issuers who chose not to seek credit ratings when the underlying credit quality is deemed comparable by the research team.

**A complete list of Capital Advisor's portfolio models and performance results is available upon request.** Additional information including management fees and expenses is provided on Capital Advisors' Form ADV Part 2, available upon request or at the SEC's Investment Adviser Public Disclosure site, <https://adviserinfo.sec.gov/firm/summary/104643>. The actual return and value of an account fluctuate and, at any time, the account may be worth more or less than the amount invested. Contact Capital Advisors for a list and description of all firm composites: 1-866-230-5879. [www.capitaladv.com](http://www.capitaladv.com) **Past performance does not guarantee future results.** Copyright © 2025 by Capital Advisors, Inc. All rights reserved.