



# Firm Brochure

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APTUS CAPITAL ADVISORS

# Overview & Team

# Overview

- Founded in Fairhope, Alabama in 2013
- \$1.8 billion in Assets Under Management as of Sept 2020
- Active ETFs and total portfolio solutions (Impact-Series)
- Distinctive return streams and proactive risk management, not return-starved risk management
- Create, execute, and over-communicate through the lens of “Simple beats Complex”

# Key Personnel

- 100% Employee-Owned
- Individual Specialists in Equities, Credit, and Volatility
- Team Approach to Synthesizing Ideas

Portfolio Managers	Research & Trading	Operations	Advisor Relations
JD Gardner, CFA Beckham Wyrick John Luke Tyner, CFA David Wagner, CFA	Mark Callahan Brad Rapping, CFA	John Goldsberry Will Gardner	Derek Hernquist James Yahoudy, CFP® Will Graham



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# Investment Philosophy

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# Drawdown Patrol Investing

Upside Capture Through Downside Protection

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# Our Approach

Our approach is designed to produce what every investor wants, potential for growth and income while defending against their most feared risks.

Today's backdrop requires different thinking when balancing risk and return.



## Where Returns Come From

Return = Yield + Growth +/- Valuation Change



## Risks Worth Defending Against

Longevity Risk & Drawdown Risk



# Asset Allocation

Using allocation to address longevity risk and improve outcomes. At each risk level, more potential return with explicit focus on drawdown.



## More Stocks

Higher Potential Return  
Lower Longevity Risk



## Less Bonds

Reduce Reliance on Bonds



## Risk Neutral

Effective Risk Management

# Security Selection

## ➔ The Compounder's Score

### Business Growth



Growth in Sales  
Growth in EBIT  
Growth in Margins  
Growth in Earnings  
Growth in Dividends  
Extensive Reinvestment Opps

### Valuation

Price-to-Earnings  
Dividend Yield  
EV/EBITDA  
Price-to-Book



### Profitability

Enduring, Predictable  
High ROE & FCF  
Strong ROIC  
Strong Balance Sheets  
Down Mkt Performance



### Momentum

Trading above 50 Day Avg  
Proximity to 52 week Highs  
12 Mth, 6 Mth Relative Performance

≡ **Compounder's Score** (Highest = **12**, Lowest = **1**)

# Aptus ETFs: The Differentiator

There are managers who use explicit hedges, and those who implement active stock selection. But there are few who combine the benefits of each, in ETF wrapper. These papers describe some of the unique value these funds seek to add to a portfolio.

## **DRSK**

### Sporadic Asymmetry

Pursuing unique upside: downside opportunities through shorter time frames.

## **ACIO**

### IV Differential

Exploiting the math that a basket of options is valued higher than options on a basket.

## **ADME**

### Managing Risk for Higher Return

Using hedges to more comfortably raise the equity allocation of a portfolio.

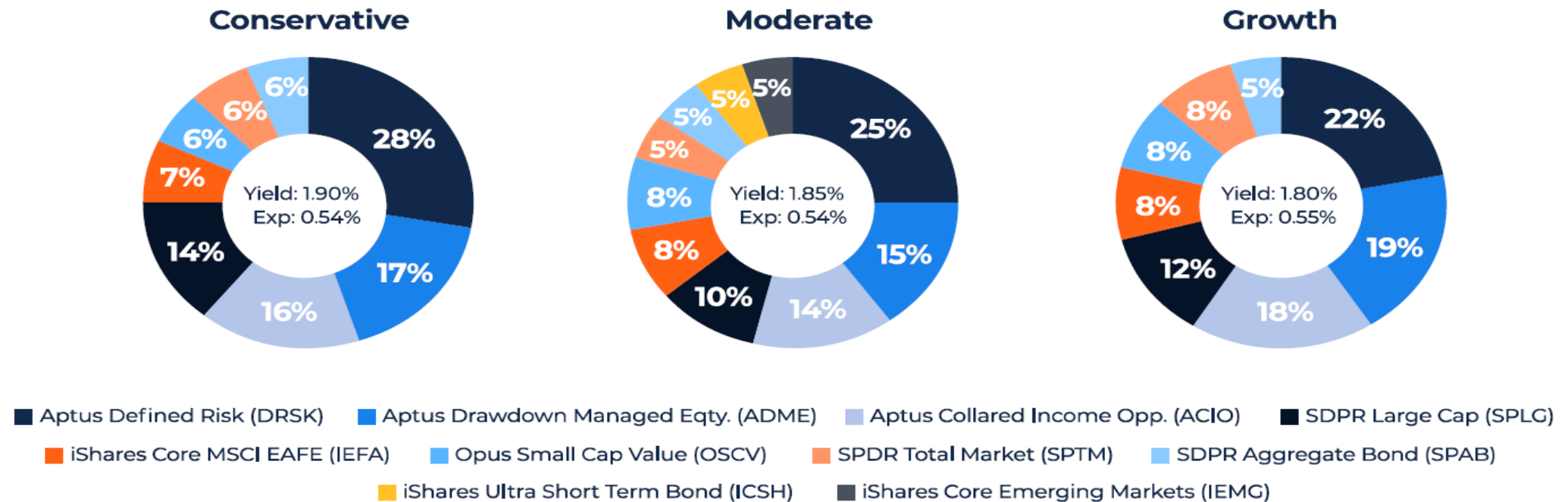


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# The Impact Series

# Impact Series Portfolios

Risk-based, multi-manager models that allow advisors to tap into our Drawdown Patrol philosophy and yield plus growth framework. Each model falls into one of three composites.



Holdings as of 11/30/20   Please see attached disclosures.

# Impact Series Performance

IMPACT SERIES PERFORMANCE(thru 11/30/20)	1/1/2017						ALLOCATION		
	<u>Nov</u>	<u>QTD</u>	<u>YTD</u>	<u>1 Yr</u>	<u>3 Yr</u>	<u>Inception</u>	<u>Equities</u>	<u>Fixed</u>	<u>Hedged Eq</u>
iShares Allocation ETF: 30/70	4.26%	3.46%	7.47%	8.66%	6.04%	6.92%	30%	70%	0%
<b><i>Aptus Impact Series: Conservative</i></b>	<b>3.17%</b>	<b>1.52%</b>	<b>10.40%</b>	<b>11.75%</b>	<b>6.25%</b>	<b>7.69%</b>	<b>30%</b>	<b>40%</b>	<b>30%</b>
iShares Allocation ETF: 40/60	5.17%	3.97%	7.60%	9.20%	6.36%	7.65%	40%	60%	0%
<b><i>Aptus Impact Series: Moderate</i></b>	<b>5.67%</b>	<b>4.13%</b>	<b>10.20%</b>	<b>12.32%</b>	<b>6.92%</b>	<b>9.31%</b>	<b>40%</b>	<b>30%</b>	<b>30%</b>
iShares Allocation ETF: 60/40	7.54%	5.80%	8.33%	10.66%	7.02%	9.07%	60%	40%	0%
<b><i>Aptus Impact Series: Growth</i></b>	<b>6.56%</b>	<b>4.92%</b>	<b>9.61%</b>	<b>12.06%</b>	<b>7.60%</b>	<b>10.45%</b>	<b>50%</b>	<b>20%</b>	<b>30%</b>
iShares Allocation ETF: 80/20	9.68%	7.57%	8.65%	11.71%	7.53%	10.41%	80%	20%	0%

The performance data represents past performance & does not guarantee future results. Investment return & principal value of an investment will fluctuate, so an investor's shares may be worth more or less than original cost when sold. Current performance may be higher or lower than quoted performance. Returns are expressed in US dollars, & periods >1 year are annualized. Returns include all fund expenses & maximum trading fee of 0.15% charged by Aptus, but actual client results may be lower based on imposition of advisory fees, platform fees, & custodial fees charged by firms. iShares Core Allocation ETFs are designed as diversified core portfolios based on the specific risk consideration of the investor. For performance through most recent month end, please call (251) 517-7198 or visit [www.impact-series.com/fact-sheets](http://www.impact-series.com/fact-sheets).



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# Our Goals

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# Portfolios Built to Hold

- Reduced drawdown for better behavior
- Reduced drag from taxes and trading
- Upside capture through structure not timing
- Consistency in and of messaging



The Impact Series is a model portfolio solution developed by Aptus Capital Advisors, LLC. Aptus Capital Advisors, LLC is a Registered Investment Advisor (RIA) registered with the Securities and Exchange Commission and is headquartered in Fairhope, Alabama. Registration does not imply a certain level of skill or training. For more information about our firm, or to receive a copy of our disclosure Form ADV and Privacy Policy call (251) 517-7198 or contact us here. Information presented on this site is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any securities or to advise on the use or suitability of The Impact Series, or any of the underlying securities in isolation. Information specific to the underlying securities making up the portfolios can be found in the Funds' prospectuses. Please carefully read the prospectus before making an investment decision.

This presentation offers generalized research, not personalized investment advice. It is for informational purposes only and does not constitute a complete description of our investment services or performance. Nothing on this fact sheet should be interpreted to state or imply that past results are an indication of future investment returns. All investments involve risk and unless otherwise stated, are not guaranteed. Be sure to consult with an investment & tax professional before implementing any investment strategy.

Portfolio holdings information as November 30, 2020. There is no assurance that the specific securities listed will remain in the Portfolio. Asset allocation and portfolio holdings may differ from the model among accounts in the composite. Aptus employs a diversification strategy using a combination of tactical and strategic, active and index-based Exchange Traded Funds to represent specific asset classes. These representations should not be considered a recommendation to buy or sell an ETF. As with all investments, ETFs have risks. For more information or a prospectus, please contact your Investment Advisor.

The Impact Series Benchmarks are the iShares Core Allocation ETFs. iShares Core Asset Allocation ETFs are designed as diversified core portfolios based on the specific risk consideration of the investor. Each iShares Core Allocation Fund offers exposure to US stock, international stock, and bond at fixed weights and holds an underlying portfolio of iShares Core Funds. Investors choose the portfolio that aligns with their specific risk consideration. iShares Core Allocation ETFs offer investments to meet a Conservative (iShares Core Conservative Allocation ETF), Moderate (iShares Core Moderate Allocation ETF), Growth (iShares Core Growth Allocation ETF), and Aggressive (iShares Core Aggressive Allocation ETF). Source: Blackrock. The volatility (standard deviation) of the Impact Series may be greater than that of the benchmark.

Investing involves risk. Principal loss is possible. Investing in ETFs is subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of the shares may trade at a discount to its net asset value (NAV), an active secondary market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares. Shares of any ETF are bought and sold at Market Price (not NAV) and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Market returns are based on the midpoint of the bid/ask spread at 4:00pm Eastern Time (when NAV is normally determined for most ETFs), and do not represent the returns you would receive if you traded shares at other times. Diversification is not a guarantee of performance and may not protect against loss of investment principal. ACA-20-144.

# THANK YOU

Additional details upon request

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