

ASSET PRESERVATION ADVISORS, INC.

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11/26/2012

This Brochure provides information about the qualifications and business practices of Asset Preservation Advisors, Inc. (“APA”). If you have any questions about the contents of this Brochure, please contact us at (404) 261-1333. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Asset Preservation Advisors, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. Additional information about Asset Preservation Advisors, Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated 11/26/2012 contains the following updated from the 03/29/2012 annual amendment previously circulated:

Item 5: Fee schedules updated to provide a more detailed description of fees by strategy.

Item 8.A. Investment Strategy selection was enhanced to provide more detail on all the strategies offered by APA. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. . We may provide other ongoing disclosure information about material changes, as necessary. We will further provide you with a new Brochure, as needed, based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Kevin Woods at (404)261-1333 or kbwoods@assetpreservationadvisors.com. Our Brochure is also available on our web site www.assetpreservationadvisors.com, at no charge.

Additional information about Asset Preservation Advisors, Inc. is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Asset Preservation Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of Asset Preservation Advisors, Inc.

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Item 4 – Advisory Business

4. A. Advisory Firm Description

Asset Preservation Advisors, Inc. (“APA”) was established in 1989 by Kenneth R. Woods.

Principal Owners:

Charles Doty, President

Kenneth Woods, Chairman and CEO

Kevin Woods, Chief Compliance Officer, Vice President

APA provides municipal bond investment advisory services to its clients in separately managed accounts, as well as managing municipal bond funds formed as limited partnerships. Additionally, APA provides sub-advisory services to clients of unaffiliated investment advisers who have engaged APA for its experience and expertise in managing municipal bond portfolios. APA may provide discretionary and non-discretionary investment supervisory services that include ongoing monitoring and supervision of client assets.

4.B. Types of Advisory Services

APA may provide investment advisory and management services: (1) as a discretionary investment adviser to institutional and retail separate account clients; and (2) as a discretionary investment adviser to private pooled investment vehicles (“Private Funds”) organized as domestic limited partnerships. APA’s investment advice is limited to tax-exempt and taxable municipal bond portfolios.

4.C. Client Investment Objectives/Restrictions

APA's investment advisory services are provided based on the individual needs of a client and stated objectives, guidelines and restrictions of the account. In making investment decisions on behalf of the client, APA shall rely upon information provided by the client or by an intermediary on behalf of a client.

Investments for separately managed client accounts are managed in accordance with each client’s stated investment objectives, strategies restrictions and guidelines. Investments for Private Funds are managed in accordance with the fund’s investment objective, strategies and restrictions and are not tailored to the individualized needs of any particular investor in the fund (each an “Investor”). Therefore, Investors should consider whether the Private Fund meets their investment objectives and risk tolerance prior to investing. Information about each Private Fund can be found in its offering documents, including its

private placement memorandum (“PPM”), which will be available to qualified current and prospective investors only through APA or another authorized party.

4.D. Wrap-Fee Programs

APA does not participate in, nor is it a sponsor of, any wrap fee programs.

4.E Assets Under Management as of 12/31/2011:

Discretionary basis: \$1,841,006,046; 597 accounts

Non-Discretionary basis: \$8,510,951; 5 accounts

Item 5 – Fees and Compensation

5.A. Adviser Compensation

The fees charged by APA are described generally below and detailed in each client’s advisory agreement or applicable account documents, as well as, with respect to the Private Funds, each Private Fund’s governing documents and Private Placement Memorandum.

Fee Schedules

Separate Accounts

APA’s basic annual fee schedule for separate account clients is as follows:

APA High Quality Intermediate Tax-Exempt and APA Taxable Municipal Strategies charge .50% on the first \$10 million in net assets under management and .40% on amounts above \$10 million in net assets under management.

APA Enhanced Short-Term Tax-Exempt Strategy charges .25% on net assets under management.

APA High Income Tax-Exempt Strategy charges .65% on net assets under management.

Asset Preservation Advisors fees are based upon the market value of the assets in the Account as of the last business day preceding the current quarter. Such quarterly fees will be paid in advance and based on the fee schedule above. For purposes of calculating the fee for the first quarter the Agreement is in effect, the market value of the assets and pro-rated

fee will be determined as of the first month-end after the execution of this Agreement. (For example: if your contract was executed on July 15th, then you will be charged, in advance, a pro-rated fee for 2 months (August and September) based on the assets in your account as of July 31).

Private Funds

Fees paid by Private Funds are described to Investors, in detail, in each Private Fund's PPM. Private Fund fees may vary depending on the nature of the services provided and the investment strategies utilized, but generally are based on a percentage of assets under management (annual fees range from 0.25% to 0.65% of assets under management). Management fees, with respect to Private Funds, generally will be payable monthly or quarterly in advance to APA.

Other Advisory Fee Arrangements

In limited instances, APA may charge a fixed fee for its advisory services. Fixed fees for investment advisory services are negotiated and agreed upon based on client type, asset class, pre-existing relationship, portfolio complexity and account size or other special circumstances or requirements.

APA, in its sole discretion, may choose to either not charge an advisory fee or choose to charge a lesser advisory fee based upon certain criteria (i.e. anticipated future earnings capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with the client, etc.). APA's fees are negotiable. No increase in APA's fee(s) shall be effective without prior written notification of at least thirty (30) days to the client.

The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

5.B. Direct Billing of Advisory Fees

Clients may choose one of two methods for paying their advisory fees: direct billing or billing by the custodian.

Direct billing. If so desired, the client may choose to be billed directly by APA for its management fees. If chosen, the client shall be invoiced subsequent to the most recently ended calendar quarter. Payments shall be due on or by the final business day of the month in which the invoice is generated.

Billing by custodian. Contemporaneously with the execution of the advisory agreement, the client may sign an authorization that will allow the custodian of any of his/her accounts to debit such account(s) the amount of certain service fees owed to APA and remit such to

APA. The authorization shall remain valid until a written revocation of the authorization is received by APA.

The custodian shall generally send to the client a statement, at least quarterly, indicating:

- all amounts disbursed from the account, and
- the amount of advisory fees paid directly to APA.

5.C. Other Non-Advisory Fees

In addition to APA's investment advisory fee(s), the client may be assessed other fees by parties independent from APA. The client may also incur, relative to certain investment products, charges imposed directly at the investment product level. Brokerage fees charged to the client for securities trade executions may be billed to the client by the broker-dealer or custodian of record for the client account, not APA. Other such charges may apply (i.e., custodial fees, wire transfer and electronic fund fees). Any such fees are exclusive of, and, in addition to, APA's compensation.

Item 12 further describes the factors that APA considers in selecting or recommending broker/dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

5.D. Advance Payment of Fees

Fees for separately managed accounts are generally paid quarterly in advance. Fees for the private funds are paid either monthly or quarterly in advance. In the event that an advisory contract is terminated prior to the conclusion of a billing period, APA will refund a *pro rata* portion of any pre-paid fees based on the date of termination.

5.E. No Compensation for Sale of Securities or Other Investment Products

APA, nor any of its supervised persons accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Item 6 – Performance-Based Fees and Side-By-Side Management

APA does not charge performance-based fees.

Item 7 – Types of Clients

APA serves as a discretionary investment adviser to institutional and retail separately managed account clients (i.e., individuals, high net worth individuals, corporate pension

and profit-sharing plans, corporations, institutions, foundations, endowments, private investment funds, and trusts).

Separately Managed Accounts

For separate accounts, APA generally requires a minimum of \$1,000,000. APA may waive the minimum based on client type, asset class, pre-existing relationship(s) with the client and other factors.

Sub-Advisory and Dual Contract Clients

Clients who obtain APA's services on a sub-advisory or dual contract basis, through an intermediary, generally must complete account documentation with both APA and the intermediary. The terms and conditions of these arrangements may vary and contact between APA and such clients will typically take place through the relevant intermediary. Clients who obtain APA's services on a sub-advisory or dual contract basis will retain individual ownership of the funds and securities held in their accounts as well as the right to impose reasonable restrictions upon APA's management of the account. APA's dual contract and sub-advisory relationships are also typically terminable upon written notice to APA.

Private Funds

APA may also provide discretionary advice to Private Funds. Specific procedures and restrictions apply to withdrawals from, and terminations of, an Investor's position in a Private Fund, as described in each Private Fund's Private Placement Memorandum. Minimum redemption amounts and minimum capital account size may apply in the event of a partial withdrawal. An Investor also may be required to redeem all or part of its interest in a Private Fund upon provision of reasonable notice, or without such notice if necessary to ensure that the Private Fund remains in compliance with applicable law.

For investment in the private funds, APA generally requires a minimum which ranges from \$100,000 to \$500,000. APA may waive the minimum based on client type, asset class, pre-existing relationship(s) with the client and other factors.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

8.A. Methods of Analysis and Investment Strategies

APA focuses exclusively on managing tax-exempt and taxable municipal bond portfolios and seeks to capitalize on these and add value through active management. Our goal is to protect our clients' principal and enhance yields by investing in high quality investment grade municipal securities. APA applies this strategy to both separately managed accounts and the Private Funds they manage.

APA uses financial industry news sources, industry and corporate research, corporate rating services, as well as company data in the form of annual reports, and company press releases. Various criteria are considered in selecting investments for clients, including, among others: yield curve analysis to determine risk/reward profile, duration, sector allocation, credit analysis and estimates of intrinsic value.

Generally, the investment objective for separately managed accounts and the Private Funds is to provide the maximum amount of current income that is consistent with the preservation of capital by investing primarily in taxable or tax-exempt municipal bonds

Investing in securities involves risk of loss that clients should be prepared to bear.

APA High Quality Intermediate Tax-Exempt Strategy

APA uses a fixed income strategy focused on high quality intermediate municipal bonds. The investment objective of the APA High Quality Intermediate Tax-Exempt Strategy is total return through income with a focus on controlling portfolio volatility. When constructing an intermediate portfolio, APA conducts an analysis of yield curve, credit and sector and then seeks diversification through a wide number of issues and sectors. Securities selected for these portfolios are typically investment grade issues with intermediate maturities.

APA Taxable Municipal Strategy

APA uses a fixed income strategy that purchases high quality taxable municipal bonds. The investment objective of the APA Taxable Municipal Strategy is to maximize current income which is consistent with preservation of capital. Securities selected for these portfolios are typically investment grade issues with varying maturities.

APA Enhanced Short-Term Tax-Exempt Strategy

APA uses a fixed income strategy that purchases high quality short-term municipal bonds. The investment objective of the APA Enhanced Short-Term Tax-Exempt Strategy is total return, through income, which is exempt from federal income taxes, while providing liquidity and preservation of principal. Securities selected for these portfolios are typically investment grade issues with an average duration of 0-3.5 years. A small allocation of the portfolio may include lower credit quality issues due to certain credit spread and default risk considerations.

APA High Income Tax-Exempt Strategy

APA uses a fixed income strategy that purchases high quality municipal bonds. The investment objective of the APA High Income Tax-Exempt Strategy is to provide a high level of income exempt from federal income tax by investing primarily in medium to low quality municipal bonds with a targeted average maturity between 0 to 20 years. The secondary goal is capital appreciation.

8.B. Material Risks of Investment Strategies

There can be no guarantee of success of the strategies offered by APA. Investment portfolios may be adversely affected by general economic and market conditions such as interest rates, availability of credit, inflation rates, changes in laws, and national and international political circumstances.

These factors may affect the level and volatility of security pricing and the liquidity of an investment. These strategies do not employ limitations on in particular sectors, industries, countries, regions or securities. Trading in the portfolios may affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Management Style Risk. The performance of the portfolio may be better or worse than the performance of index funds that focus on other types of securities or have a broader investment style.

Sector Focus Risk. The portfolios may be heavily invested in certain sectors, which may cause the value of its shares to be especially sensitive to factors and economic risks that specifically affect those sectors and may cause the value of the portfolio to fluctuate more widely than a more broadly diversified benchmark.

Non-diversified Risk. Because the portfolio may invest a greater portion of its assets in securities of a single issuer or a limited number of issuers than a portfolio with diversification limitations, it may be more susceptible to a single adverse economic or political occurrence affecting one or more of these issuers.

Portfolio Turnover. There also could risk related to portfolio turnover. High rates of portfolio turnover could lower performance of the portfolio through increased brokerage and other transaction costs and taxes.

8.C. Material Risks of Securities Used in Investment Strategies

Municipal bonds include securities from a variety of sectors, each of which has unique risks. Municipal bonds include, but are not limited to, general obligation bonds, limited

obligation bonds, and revenue bonds, including industrial development bonds issued pursuant to federal tax law. Some municipal bonds may be issued as variable or floating rate securities and may incorporate market-dependent liquidity features. A tax-exempt portfolio may invest only in securities deemed tax-exempt by a nationally recognized bond counsel, but there is no guarantee the interest payments on municipal bonds will continue to be tax-exempt for the life of the bonds. In particular, a state-specific tax-exempt bond is subject to state-specific risk, because it invests primarily in securities issued by a particular state and its municipalities, and is more vulnerable to unfavorable developments in that state than are funds that invest in municipal securities of many states. Unfavorable developments in any economic sector may have far-reaching ramifications on a state's overall municipal market. Other risks related to municipal bonds include, but are not limited to, the following:

Credit risk. Like other debt securities, municipal bonds include investment-grade, non-investment grade and unrated securities. Rated municipal bonds that may be held in client portfolios include those rated investment-grade at the time of investment or those issued by issuers whose senior debt is rated investment-grade at the time of investment. There is also the possibility that, as a result of litigation or other conditions, the power or ability of issuers to meet their obligations for the payment of interest and principal on their municipal bonds may be materially affected or their obligations may be found to be invalid or unenforceable. Adverse economic, business, legal, or political developments might affect all or a substantial portion municipal bonds held in a portfolio in the same manner.

Interest rate risk. Interest rate risk is the chance that bond prices overall will decline over short or even long periods because of rising interest rates. Prices and yields on municipal bonds are dependent on a variety of factors, such as the financial condition of the issuer, general conditions of the municipal bond market, and the size of a particular offering, the maturity of the obligation and the rating of the issue.

Call risk. Call risk is the chance that during periods of falling interest rates, issuers of callable bonds may call—or repay—securities with higher coupons (interest rates) before their maturity dates.

Investment in these types of securities involves risk and the loss of capital. These strategies may not be suitable for all investors. Investors in a private partnership such as one of the Private Funds, who are subject to income tax, should be aware that the investment in the partnership may create taxable income or tax liabilities in excess of cash distributions to pay such liabilities. Past performance is not indicative of future results.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of APA or the integrity of APA's management. APA has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

10.A. No Registered Representatives

APA's management persons are not registered, nor do any management persons have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

10.B. No Other Registrations

APA's management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

10.C. Material Relationships or Arrangements

APA is affiliated with Fixed Income Advisors, LLC ("FIA"). FIA serves as the General Partner ("GP") for several pooled investment vehicles managed by APA. As outlined in each fund's offering documents, APA serves as the investment adviser to certain of these funds and may also provide other services to FIA or the funds for which FIA serves as the GP (or in another similar control capacity). Since an affiliate to the Adviser is General Partner to the private funds, there could be a conflict of interest since interests in the private funds may be also recommended to suitable clients or prospects. As noted in Item 6, the APA. does not charge a performance fee.

Item 11 – Code of Ethics

11.A. Code of Ethics Document

APA has adopted a Code of Ethics pursuant to SEC rule 204A-1. The basic principle of APA's Code of Ethics is that the interests of clients are always placed first. The Code of Ethics includes standards of business conduct requiring covered persons to comply with the federal securities laws and the fiduciary duties an investment adviser owes to its clients. The Code of Ethics restricts the purchase and sale by access persons for their own accounts of any covered security within a specified time before or after the execution of a

transaction in any such security for clients. APA will provide a copy of its Code of Ethics to any client or prospective client upon request.

11.B. Recommendations of Securities and Material Financial Interests

As a matter of policy, APA does not engage in principal transactions or agency cross trading. Any exceptions to this policy must be approved in advance by the Chief Compliance Officer or his designee.

APA may cause a Private Fund or an eligible separately managed account to purchase a security that has been sold by another client through the normal broker process at an actual market price (the security is not simply move from one client account to another). In certain circumstances, these types of cross-transactions may reduce execution related costs for participating accounts. APA does not receive any commission or other compensation from participating accounts. APA has adopted procedures to ensure that clients participating in a cross transaction are made aware that their account may participate in these types of transactions and that transactions will be made at current market prices. ERISA accounts may be limited in their ability to engage in cross-trades.

As noted in Item 10.C above, Fixed Income Advisors, Inc., an affiliate of APA and owned by principals of APA, serves as the General Partner (“GP”) for the pooled investment vehicles managed by APA and may be also recommended the Private Funds to suitable clients or prospects.

11.C. Personal Trading

APA, its personnel, or other parties that may be affiliated with APA (“Covered Persons”), may have a financial interest in the same securities or other investments that APA recommends or acquires for the accounts of the client, and may engage in transactions that are the same as or different than transactions recommended to or made for the client’s accounts. This could create a conflict of interest and therefore APA has adopted a Code of Ethics Policy to mitigate this risk. Such transactions are reviewed and reported in compliance with APA’s policy on personal securities transactions. APA’s Chief Compliance Officer or his designee reviews reports of personal transactions in securities by APA personnel quarterly or more frequently if required.

All access persons are required to notify APA’s Chief Compliance Officer (“CCO”) or his designee in order to pre-clear personal securities transactions in specified securities, including IPOs and limited offerings.

Access persons must provide quarterly reports of their personal transactions within 30 days of the end of each calendar quarter, which may consist of monthly brokerage statements for all accounts in which they have a beneficial interest, to the CCO. Alternately, access persons may direct their brokers to send copies of all brokerage confirmations

relating to all personal securities transactions in which they have a beneficial ownership interest. Access persons must also submit, to APA's CCO, statements of their personal holdings in reportable securities as well as information about any brokerage accounts in which securities may be held within 10 days after becoming subject to the Code and on an annual basis thereafter.

The Code also requires that all covered persons comply with ethical restraints relating to clients and their accounts, including restrictions on gifts and provisions intended to prevent violations of laws prohibiting insider trading. A copy of APA's code of ethics is available to any client or prospective upon request.

11.D. Timing of Personal Trading

Since APA access person may invest in the same securities (or related securities, e.g., warrants, options or futures) that APA or a related person recommends to clients, no access person shall buy or sell a Reportable Security on the same day trades in the security are made for Client accounts. The price paid or received by a Client account for any security should not be affected by a buying or selling interest on the part of an Access Person, or otherwise result in an inappropriate advantage to the Access Person.

Item 12 – Brokerage Practices

12.A. Selection of Broker/Dealers

APA places all orders for the purchase or sale of securities with the primary objective of obtaining the best price and execution from responsible broker-dealers at competitive commission rates. APA insists on a high standard of quality regarding execution services and deals only with brokers that can meet that standard. The commission rates paid by APA are reviewed by APA on a regular basis. APA also places value on brokers and dealers who are able to provide a market for the types of securities APA purchases and sells, useful research and brokerage assistance.

The best net price, giving effect to brokerage commissions or fees, spreads and other costs, is normally an important factor in this decision, but a number of other judgmental factors are considered as they are deemed relevant. In applying these factors, APA recognizes that different broker-dealers may have different execution capabilities with respect to different types of securities.

The majority of APA's transactions are the purchase and sale of municipal bonds and other fixed income instruments. Therefore most of the transactions take place on over-the-counter (OTC) markets which tend to be less transparent than equity markets. Further, transactions take place among a relatively small universe of trading partners and availability can be limited. APA, like many fixed income investors, has applied a significant amount of time and effort to developing a reliable and knowledgeable network of contacts

with fixed income dealers. These contacts assist APA in their effort to access the best prices and availability of municipal bonds for their clients providing the basis for APA's ability to seek best execution in the context of the fixed income market.

In general, APA's starting point for determining whether best execution is received is an evaluation of market availability for the security they plan to purchase or sell, pricing comparisons, total costs and, quoted net prices, across a range of broker-dealers and comparable securities, depending upon the nature of the product and the market. APA considers the following factors, among others, to be relevant in determining whether best execution is being obtained such as the price, speed, quality, costs and certainty of execution. APA recognizes that the nature of fixed income trading will affect the execution capability of a broker-dealer. In evaluating execution capability, APA may consider the character of the market for a particular security, the size and type of transaction, the number of primary markets that are checked and the broker-dealer's reputation

APA periodically evaluates and reviews its best execution practices and procedures as well as its general brokerage arrangements. During the course of this review, APA may determine or re-determine criteria for selecting broker-dealers and will generally review trade placement, costs, service quality factors and alternative means of execution.

Research and Other Soft Dollar Benefits

APA does not trade using soft dollars.

Brokerage for Client Referrals

APA does not maintain any referral arrangement with broker/dealers.

Directed Brokerage

APA selects broker-dealers for separately managed client accounts and because of the nature of fixed income trading, does not accept client directed brokerage.

12.B. Aggregation of Orders

In making investment decisions for the accounts, securities considered for investment by one account may also be appropriate for another account managed by APA. On occasions when the purchase or sale of a security is deemed to be in the best interest of more than one account, APA may, but shall not be obligated to, aggregate or "bunch" orders for the purchase or sale of securities for all such accounts to the extent consistent with best execution and the terms of the relevant investment advisory agreements. Such combined or "bunched" trades may be used to facilitate best execution, including negotiating more

favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

Aggregation of transactions will occur only when APA believes that such aggregation is consistent with APA's duty to seek best execution and best price for clients and is consistent with APA's investment advisory agreement with each client for which trades are being aggregated.

Allocation of Executed Aggregated Orders When an aggregated order is filled in its entirety, each participating client account will participate at the average share price for the aggregated order, and transaction costs shall be shared pro rata based on each client's participation in the aggregated order.

Pro Rata Allocation If an order cannot be completely filled, the partial fill will generally be allocated pro rata to all accounts that participated in the aggregated order, subject to rounding to achieve round lots, based upon the initial amount requested for each account participating in the aggregated order. Each account participating in a particular aggregated or "bunched" trade will receive the share price with respect to that aggregated order or, as appropriate, the average share price for all executed bunched trades on that trading day.

Non-Pro Rata Allocation. APA may allocate on a basis other than pro rata, if, under the circumstances, such other method of allocation is reasonable, does not result in improper or undisclosed advantage or disadvantage to other accounts, and results in fair access over time to trading opportunities for all eligible managed accounts. For example, APA may identify investment opportunities that are more appropriate for certain accounts than others, based on such factors as investment objectives, style, risk/return parameters, regulatory and client restrictions, tax status, account size, sensitivity to turnover, available cash and cash flows. Consequently, APA may decide it is more appropriate to place a given security in one account rather than another account. Other non-pro rata methods include rotation allocation and random allocation. Alternative methods of allocation are appropriate, for example, when the transaction size is too limited to be effectively allocated pro rata among all eligible accounts.

Item 13 – Review of Accounts

13.A. Frequency and Nature of Review

APA reviews client accounts on an ongoing basis for conformity with investment style, relative performance with respect to appropriate benchmark and changes in performance of individual securities. Reviews generally include analysis of account performance and may include comparisons with relevant standards. APA representatives may meet periodically with clients or their intermediary to discuss review results. Accounts are reviewed by Kenneth R. Woods, Chairman and CEO; Charles Doty, President; Kevin Woods, Portfolio Manager and CCO.

13.B. Factors That May Trigger An Account Review Outside of Regular Review

Generally, client accounts are reviewed as needed depending on factors such as cash flows, changes in client objectives or restrictions or changing market conditions.

13.C. Content and Frequency of Reports

APA provides portfolio reports on at least a quarterly basis. Written portfolio reports for separately managed accounts generally include portfolio holdings and performance information. Portfolio reports for the Private Funds generally include units held, unit value and performance information. APA may also distribute economic commentaries or other reports periodically. Special reports may be prepared to meet specific client requests.

APA generally will furnish each private fund investor with a written monthly or quarterly statement that may include the unaudited net asset value or capital account balance of the investor's interest in the fund and the monthly, quarterly and year-to-date performance, as applicable. APA may provide additional reports to certain investors upon request.

Item 14 – Client Referrals and Other Compensation

APA may have referral arrangements with individuals or organizations (each a "Solicitor") whose goals and objectives are similar to APA's. Such organizations may be law firms, accounting firms, financial planning firms or any other similar organization. Representatives from these entities or the entity itself may be compensated, directly or indirectly, in compliance with applicable law. Third parties will be compensated in accordance with Rule 206 (4)-3 under the Investment Adviser's Act of 1940.

APA maintains arrangements with individuals who are not supervised persons and who are compensated for client referrals. A written arrangement which outlines the compensation is in place and clients who are referred by these individuals sign an acknowledgement of the arrangement.

A Solicitor would have an incentive to recommend APA to prospective clients for advisory services and this could create a conflict of interest. Fee sharing arrangements will be disclosed to the client and APA's fee will remain the same regardless of whether a fee is paid.

Item 15 - Custody

APA may be deemed to have custody of the assets of a Private Fund by reason of legal ownership or access to such assets. However, all client assets and securities are maintained at independent, qualified custodians (Private Funds and separately managed account assets). APA will comply with the requirements of the Custody Rule, as defined in the Advisers Act of 1940, with regard to the custody as a result of an affiliate serving as General Partner to the Private Funds. APA has entered into a written agreement with an independent public accountant to provide audited financial statements to the Fund's investors within 120 following the fund's fiscal year end.

Account Statements

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. APA takes steps to assure itself that the client's qualified custodian sends periodic account statements, no less frequently than quarterly, showing all transactions in the account, including fees paid to APA directly to such clients in accordance with the Custody Rule.

APA urges clients to carefully review and compare official custodial records to the account statements that APA may provide to you. APA statements may vary slightly from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 - Investment Discretion

Generally, APA is retained with respect to its individual accounts and Private Fund clients on a discretionary basis and is authorized to make the following determinations in accordance with the client's specified investment objectives without client consultation or consent before a transaction is effected:

- Which securities to buy or sell.
- The total amount of securities to buy or sell.
- The broker or dealer through whom securities are bought or sold.
- The prices at which securities are to be bought or sold, which may include dealer spreads or mark-ups and transaction costs.

From time to time, with APA's consent, clients may include certain securities in accounts for which APA does not provide investment advisory services. Unsupervised assets are not subject to APA's investment advisory fees.

For new accounts, APA will evaluate securities initially contributed and may sell all or a portion of such assets to the extent that such securities do not meet the stated objectives of the account. The account holder will be consulted before such trades are executed. The

client will be responsible for any tax liabilities which result from any sale transactions initially and during management of the account.

Client's investments for separately managed accounts are managed in accordance with each client's stated investment objectives, strategies, restrictions and guidelines.

Investments for Private Funds are managed in accordance with each Private Fund's investment objective, strategies and restrictions and are not tailored to the individualized needs of any particular investor in the fund (each an "Investor"). Therefore, Investors should consider whether the fund meets their investment objectives and risk tolerance prior to investing. Information about each Private Fund can be found in its governing documents, which will be available to current and prospective investors only through APA or another authorized party.

APA assumes discretion over the account upon execution of the advisory agreement with the client.

Item 17 - Voting Client Securities

17.A. Voting Policies and Procedures

Adviser's investment strategy and holdings are primarily municipal bonds. In the event that a client has directed APA to hold an equity security in their account, the client assumes responsibility for voting any proxies related to that equity security position. Proxy solicitations should be received, by the client directly from the custodian of the account. APA does not offer recommendations for voting such issues.

Item 18 – Financial Information

18.A. Advance Payment of Fees.

APA does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

18.B. Financial Condition

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. APA has no financial commitments that impair its ability to meet contractual and fiduciary commitments to clients.

18.C. No Bankruptcy Proceedings

APA has not been the subject of a bankruptcy proceeding.

Form ADV 2B Supplement

Item 1- Cover Page

KENNETH R. WOODS
Asset Preservation Advisors, Inc.

3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

(404) 261-1333

11/26/2012

This Brochure Supplement provides information about KENNETH R. WOODS, that supplements the ASSET PRESERVATION ADVISORS, INC. Brochure. You should have received a copy of that Brochure. Please contact Kevin Woods at 404-261-1333 if you did not receive ASSET PRESERVATION ADVISORS, INC.'s Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Kenneth R. Woods, Chief Executive Officer

Year of Birth: 1942

Education:

Florida State University (B.S. - 1966)

Business Background:

Asset Preservation Advisors Inc., 1989 – Present

Key Prior Experience:

Ken Woods established Asset Preservation Advisors, Inc. in 1989. Prior to forming APA, he was Vice President and Manager of Bankers Trust Company's Southeastern Global Market Division located in Atlanta. In addition he is a member of the FINRA (Formerly NASD) Board of Arbitrators and has been appointed by the Superior Court of Georgia to serve as an arbitrator in fee arbitration. Mr. Woods is also a speaker on topics concerning fixed income and is quoted in many business and financial publications, including The Bond Buyer, Bloomberg Wealth Manager, Barron's, Money Magazine, and Reuter News.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Woods.

Item 4- Other Business Activities

Mr. Woods is an owner of Fixed Income Advisors, Inc. which serves as General Partner to APA's private funds.

Item 5- Additional Compensation

No reportable additional compensation

Item 6 - Supervision

Mr. Woods is a principal of Asset Preservation Advisors, Inc. He can be reached at (404) 261-1333.

Item 1- Cover Page

CHARLES R. DOTY
Asset Preservation Advisors, Inc.

3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

(404) 261-1333

11/26/2012

This Brochure Supplement provides information about CHARLES R. DOTY, that supplements the ASSET PRESERVATION ADVISORS, INC. Brochure. You should have received a copy of that Brochure. Please contact Kevin Woods at 404-261-1333 if you did not receive ASSET PRESERVATION ADVISORS, INC.'s Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Charles R. Doty, President

Year of Birth: 1960

Education:

University of Mississippi (B.B.A. - 1983)

Business Background:

Asset Preservation Advisors Inc., 2002 – Present

Municipal Trade, 2000 - 2001

SunTrust Capital Markets Inc., 1983 – 1999

Key Prior Experience:

Charles Doty has been with APA since 2002, and has been in the municipal bond business for 27 years. He is a graduate of the University of Mississippi and worked for SunTrust Equitable Securities for 16 years, eventually serving as Director of National Institutional Municipal Sales. In 1999, he joined Municipal Trade, an online public finance investment bank, as Chief Operating Officer and President. Mr. Doty is a member of the National Federation of Municipal Analysts and the Southern Municipal Finance Society.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Doty.

Item 4- Other Business Activities

Mr. Doty is an owner of Fixed Income Advisors, Inc. which serves as General Partner to APA's Private Funds.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 - Supervision

Mr. Doty is a principal of Asset Preservation Advisors, Inc. He can be reached at (404) 261-1333.

Item 1- Cover Page

KEVIN B. WOODS

Asset Preservation Advisors, Inc.

3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

(404) 261-1333

11/26/2012

This Brochure Supplement provides information about KEVIN B. WOODS, that supplements the ASSET PRESERVATION ADVISORS, INC. Brochure. You should have received a copy of that Brochure. Please contact Kevin Woods at 404-261-1333 if you did not receive ASSET PRESERVATION ADVISORS, INC.'s Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Kevin B. Woods, Portfolio Manager, Chief Compliance Officer

Year of Birth: 1979

Education:

University of Mississippi (B.B.A. - 2002)

Business Background:

Asset Preservation Advisors Inc., 1997 - Present

Key Prior Experience:

Kevin Woods has been with APA since 1998. As a Principal of APA, he serves as a Portfolio Manager and APA's Chief Compliance Officer. His responsibilities include research, trading of taxable and tax-exempt securities, portfolio analytics, and client service. He is a member of the National Society of Compliance Professionals (NSCP). Mr. Woods is a member of the National Federation of Municipal Analysts, the Southern Municipal Finance Society, and the Atlanta Society of Financial Analysts.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Woods.

Item 4- Other Business Activities

Mr. Woods is an owner of Fixed Income Advisors, Inc. which serves as General Partner to APA's private funds.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 - Supervision

Mr. Woods is a principal of Asset Preservation Advisors, Inc. He can be reached at (404) 261-1333.

Item 1- Cover Page

TRISHA BROUSSARD
Asset Preservation Advisors, Inc.

3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

(404) 261-1333

11/26/2012

This Brochure Supplement provides information about TRISHA BROUSSARD, that supplements the ASSET PRESERVATION ADVISORS, INC. Brochure. You should have received a copy of that Brochure. Please contact Kevin Woods at 404-261-1333 if you did not receive ASSET PRESERVATION ADVISORS, INC.'s Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Trisha Broussard, Municipal Trading

Year of Birth: 1963

Education:

University of Southwest Louisiana (B.S. - 1985)

Business Background:

Asset Preservation Advisors Inc., 2006 – Present

Sterne Agee Leach, 2004-2005

Morgan Stanley, 1986-2003

Key Prior Experience:

Trisha Broussard joined Asset Preservation Advisors in January of 2006. Ms. Broussard began her career in the Atlanta Municipal Bond Department at Dean Witter, and has been involved in the municipal bond market since 1987. Prior to joining Asset Preservation Advisors, Trisha worked at Morgan Stanley where she was Vice President in the Municipal Bond Department responsible for Southeast trading. She was also Senior Vice President of

Municipal Trading at Sterne Agee & Leach. She currently focuses on fixed income trading and client services.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Ms. Broussard.

Item 4- Other Business Activities

No reportable additional compensation.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 - Supervision

Ms. Broussard works closely with Kevin Woods, Portfolio Manager to determine trading decisions for client accounts. She is supervised by Mr. Woods who can be reached at (404) 261-1333.

Item 1- Cover Page

PAUL NOLAN
Asset Preservation Advisors, Inc.

3344 Peachtree Road, Suite 2050
Atlanta, GA 30326

(404) 261-1333

11/26/2012

This Brochure Supplement provides information about PAUL NOLAN, which supplements the ASSET PRESERVATION ADVISORS, INC. Brochure. You should have received a copy of that Brochure. Please contact Kevin Woods at 404-261-1333 if you did not receive ASSET PRESERVATION ADVISORS, INC.'s Brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Paul Nolan, Analyst

Year of Birth: 1970

Education:

Erie Community College South Campus (Liberal Studies and Business Administration Major September 1988-May 1990)

State University of New York at Buffalo (B.A. in Political Science, concentrating in American Politics and International Relations- 1993)

The New School, Robert J. Milano Graduate School of Management and Urban Policy (M.S. in Urban Policy Analysis and Management-1997)

New York University School of Continuing and Professional Education (Courses taken included Corporate Financial Statement Analysis-attended in 1999)

Business Background:

Asset Preservation Advisors Inc., June 2011-Present

McDonnell Investment Management, LLC, 2006-2011

Moody's Investors Service, 2001-2006

The New School-Vice President's Office of Student Affairs, 2000-2001
New York City Council, Finance Division, Capital Budget Unit, 1997-2000

Key Prior Experience:

Paul Nolan joined Asset Preservation Advisors in June of 2011. Mr. Nolan began his career as a Principal Legislative Financial Analyst at the New York City Council, Finance Division, Capital Budget Unit and has worked in finance since 1997. Prior to joining Asset Preservation Advisors, Paul worked at the New School in the Vice President's Office of Student Affairs as a Financial Analyst where his responsibilities included monitoring, variance reporting, trend analysis and forecasting of (7) University wide offices. Mr. Nolan continued his career at Moody's Investors Service where he was an Analyst performing bond-rating analysis on state single family and multifamily housing finance agencies and then was transferred to the Midwest region to aid in the opening of the new office. Mr. Nolan then worked at McDonnell Investment Management, LLC as a Fixed Income Analyst where he was responsible for providing municipal and taxable portfolio management teams with fixed income credit and market research.

Item 3- Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to Mr. Nolan.

Item 4- Other Business Activities

No reportable additional outside business activities.

Item 5- Additional Compensation

No reportable additional compensation.

Item 6 - Supervision

Mr. Nolan is an analyst at Asset Preservation Advisors and is supervised by Kevin Woods who can be reached at (404) 261-1333.