

**Item 1 Cover Page**

**FORM ADV PART 2A  
BROCHURE**



**“Grow, Enlarge and Strengthen”**

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This brochure provides information about the qualifications and business practices of Autus Asset Management, LLC. If you have any questions about the contents of this brochure, contact us at 480-348-1800. 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.

Additional information about Autus Asset Management, LLC (CRD#: 118439) is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Autus Asset Management, LLC is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Material Changes

Autus Asset Management, LLC has no material changes since the filing of the last annual updating amendment on February 28, 2019.

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## Item 4 Advisory Business

### Description of Autus Asset Management, LLC

Autus Asset Management, LLC is a registered investment adviser based in Scottsdale, AZ. We have been in business since March 2002. Mark Fiedler, Kipp Goll, Donald Cuppy and John Stull are the principal owners of Autus.

Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words “firm”, “we,” “our,” and “us” refer to Autus Asset Management, LLC and the words “you,” “your,” and “client” refer to you as either a client or prospective client of our firm.

### Investment Management Services

Clients can engage Autus to manage all or a portion of their assets on a discretionary basis.

Autus primarily allocates clients’ investment management assets among mutual funds, exchange-traded funds, (“ETFs”) as well as individual debt and equity securities in accordance with the investment objectives of the client. Autus also provides advice about any type of investment held in clients’ portfolios.

Autus also may render discretionary investment management services to clients relative to variable life/annuity products that they own, their individual employer-sponsored retirement plans, and/or 529 plans or other products that are not held by the client’s primary custodian. In so doing, Autus directs the allocation of client assets among the various investment options that are available with the product. Client assets are maintained at the specific insurance company or custodian designated by the product.

Autus tailors its advisory services to the individual needs of clients. Autus consults with clients initially and on an ongoing basis to develop an investment policy statement which determines risk tolerance, time horizon and other factors that impact the clients' investment needs. Autus ensures that clients' investments are suitable for their investment needs, goals, objectives and risk tolerance.

Clients are advised to promptly notify Autus if there are any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Autus' management services.

### **Assets Under Management**

Autus has \$1,054,110,498 of discretionary assets under management as of December 31, 2019.

## **Item 5 Fees and Compensation**

Autus offers its services for an annual fee based upon assets under management.

### **Investment Management Fee**

Autus provides investment management services for an annual fee based upon a percentage of the market value of the assets being management by Autus. Autus' annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which are incurred by the client. Autus does not, however, receive any portion of these commissions, fees or costs. Autus' annual fee is prorated and charged quarterly, in arrears, based upon the market value of the assets being management by Autus on the last day of the quarter. The annual fee varies (between 0.20% and 1.00%) depending upon the market value of the assets under management and the type of investment management services to be rendered.

Autus, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.)

### **Fees Charged by Financial Institutions**

The fees charged by Autus Asset Management, LLC do not include fees charged by the client's third-party investment adviser which would be separately disclosed and billed by the third-party money manager.

Autus Asset Management, LLC's fees also do not include additional expenses embedded in exchange-traded funds, mutual funds, or any fees/commissions charged by a broker-dealer or custodian selected by the client. In the case of an exchange-traded fund or mutual fund, fees and charges are disclosed in the respective fund's prospectus. Clients are advised to read these materials carefully before investing. If a mutual fund also imposes sales charges, the client may pay an initial or deferred sales charge as further described in the mutual fund's prospectus. A client using Autus Asset Management, LLC may be precluded from using certain mutual funds because they may not be offered by the client's custodian. Please refer to the Brokerage Practices section (Item 12) for additional information regarding the firm's brokerage practices.

### **Fees for Management During Partial Quarters of Service**

For the initial period of investment management services, the fees shall be calculated on a prorated basis.

The agreement between Autus and the client will continue in effect until terminated by either party pursuant to the terms of the agreement. Autus's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to Autus's right to

terminate the account. Additions may be in cash or securities provided that Autus reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Autus may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications. Clients may withdraw account assets on notice to Autus, subject to the usual and customary securities settlement procedures. However, Autus designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Autus does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7 Types of Clients**

Autus provides its services to individuals, pension and profit sharing plans, other investment advisers, trusts, estates, charitable organizations, corporations and business entities.

### **Minimum Fee**

As a condition for starting and maintaining an investment management relationship, Autus charges a minimum annual fee of \$5,000. Autus, in its sole discretion, may waive its minimum annual fee based upon certain criteria including anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, and pro bond activities.

## **Item 8 Methods of Analysis, Investment Strategies, and Risk of Investment Loss**

### **Investment Strategies**

Autus customizes portfolios to each client's unique needs and circumstances. When constructing a portfolio, Autus' primary consideration is effective asset class utilization, followed by strategic sector allocation, and finally individual security selection. Client portfolios will be well diversified, holding reasonably valued securities issued by domestic and international companies with a high degree of financial quality, strong and defensible market positions, and strong and improving fundamentals. Each step in the process is made within a well-defined, disciplined framework that maintains independence while emphasizing quality and relative valuation.

Autus believes that each portfolio should be constructed with a "core" actively managed segment, further diversified across passively managed sub-asset classes as well. This balance of both actively and passively management segments of a portfolio allow for greater efficiencies, while maintaining the long standing n diversification through the investment in imperfectly correlated asset classes and individual securities.

Our goal is to provide superior long-term returns with below average volatility by capitalizing on attractive opportunities available in both value and growth securities.

### **Methods of Analysis**

Autus primarily utilizes fundamental, technical and cyclical methods of analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. Autus will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to

clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends with may be based on investment sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Autus will be able to accurately predict such reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that Autus is recommending. The risks with cyclical analysis are similar to those of technical analysis.

### **Risk of Loss**

**Mutual Funds and ETFs:** An investment in a mutual fund or ETF involves risk, including the loss of principal. ETFs are subject to secondary market trading risks. Shares of ETFs will be listed for trading on an exchange, however, there can be no guarantee that an active trading market for such shares will develop or continue. There can be no guarantee that an ETF's exchange listing or ability to trade its shares will continue or remain unchanged.

**Options:** Autus may recommend the use of options for certain clients. Options allow Autus to hedge (limit) certain losses on positions clients hold. The option allows Autus to buy or sell a security at a certain price (not the current market price). Clients pay a fee for the option. If the option falls outside the money (i.e. the market price of the security does not justify purchasing/selling the security at the option price), the client will lose the fee for that option.

**Market risks:** All securities, particularly individual equity and debt securities, are subject to market volatility, economic factors and certain other market risks. The success of an investment may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Autus will be able to predict those price movements accurately.

**General risk of loss:** Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

## **Item 10 Other Financial Industry Activities and Affiliations**

Autus is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Autus has no disclosures responsive to this item.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Autus and persons associated with Autus ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with Autus' policies and procedures.

Autus has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("Code of Ethics"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by Autus or any of its associated persons. The Code of Ethics also requires that certain of Autus' personnel (called "Access Persons") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in Autus' Code of Ethics, none of Autus' Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of Autus' clients.

When Autus is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Autus is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Autus to request a copy of its Code of Ethics.

## **Item 12 Brokerage Practices**

Autus recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("Fidelity"), Charles Schwab & Co. Inc. ("Schwab"), or TD AMERITRADE Institutional, a division of TD AMERITRADE, Inc. ("TD Ameritrade") for investment management accounts. Autus participates in the institutional customer program offered by Fidelity Institutional Wealth Services Group, Schwab Institutional, and TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. Fidelity, Schwab, and TD Ameritrade offer to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions.

Factors which Autus considers in recommending Fidelity, Schwab, TD Ameritrade or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Fidelity, Schwab, or TD Ameritrade enable Autus to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Fidelity, Schwab, or TD Ameritrade may be higher or lower than those charged by other Financial Institutions.

The commissions paid by Autus' clients comply with Autus' duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where Autus determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Autus seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Autus periodically and systematically reviews its policies and procedures regarding its recommendation of

Financial Institutions in light of its duty to obtain best execution.

The client may direct Autus in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and Autus will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Autus (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Autus may decline a client's request to direct brokerage if, in Autus' sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Transactions for each client will be effected independently, unless Autus decides to purchase or sell the same securities for several clients at approximately the same time. Autus may (but is not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among Autus' clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and allocated among Autus' clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that Autus determines to aggregate client orders for the purchase or sale of securities, including securities in which Autus' Supervised Persons may invest, Autus does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. Autus does not receive any additional compensation or remuneration as a result of the aggregation. In the event that Autus determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account's assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, Autus may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist Autus in its investment decision-making process. Such research generally will be used to service all of Autus' clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Autus does not have to produce or pay for the products or services.

### **Software and Support Provided by Financial Institutions**

Autus may receive from Fidelity, Schwab, or TD Ameritrade, without cost to Autus, computer software and related systems support, which allow Autus to better monitor client accounts maintained at Fidelity, Schwab, or TD Ameritrade. Autus may receive the software and related support without cost because Autus renders investment management services to clients that maintain assets at Fidelity, Schwab, or TD Ameritrade. The software and support is not provided in connection with securities transactions of clients (i.e. not "soft dollars"). The software and related systems support may benefit Autus, but not its clients directly. In fulfilling its duties to its clients, Autus endeavors at all times to put the interests of its clients first. Clients should be aware, however,



that Autus' receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence Autus' choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support, or services.

Additionally, Autus may receive the following benefits from Fidelity through the Fidelity Institutional Wealth Services Group, Schwab through its Schwab Institutional division, or TD Ameritrade through TD Ameritrade Institutional: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

There is no direct link between Autus' participation in the above institutional programs and the investment advice it gives to its clients, although Autus receives economic benefits through its participation in the programs that are typically not available to the retail investors of Fidelity, Schwab, and TD Ameritrade. These products or services may assist Autus in managing and administering client accounts, including accounts not maintained at Fidelity, Schwab, and TD Ameritrade. Other services made available by Fidelity, Schwab, and TD Ameritrade are intended to help Autus manage and further develop its business enterprise. The benefits received by Autus' participation in these programs do not depend on the amount of brokerage transactions directed to Fidelity, Schwab, and TD Ameritrade. Clients should be aware, however, that the receipt of economic benefits by Autus or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Autus' recommendation of Fidelity, Schwab, and TD Ameritrade for custody and brokerage services.

### **Item 13 Reviews of Accounts**

For those clients to whom Autus provides investment management services, Autus monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one of Autus' Principals. All investment advisory clients are encouraged to discuss their needs, goals, and objectives with Autus and to keep Autus informed of any changes thereto. Autus shall contact ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom Autus provides investment advisory services will also receive a quarterly report from Autus that may include such relevant account and/or market-related information such as an inventory of account holdings on a quarterly basis. Clients should compare the account statements they receive from their custodian with those they receive from Autus.

### **Item 14 Client Referrals and Other Compensation**

Autus is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Autus is required to disclose any direct or indirect compensation that it provides for client referrals.

If a client is introduced to Autus by either an unaffiliated or an affiliated solicitor, Autus may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Autus' investment management fee, and shall not result in any additional charge to the client. In these cases, the unaffiliated solicitor shall disclose the fee arrangement with the client in the solicitor's disclosure statement. Certain unaffiliated solicitors may also provide clients with other professional services (e.g. accounting or legal services) and, may charge separate fees



which are not disclosed in the solicitor's disclosure statement for those services rendered. If the client is introduced to Autus by an unaffiliated solicitor, the solicitor shall provide the client with a copy of Autus' written disclosure statement which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of Autus shall disclose the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of Autus' written disclosure statement at the time of the solicitation.

## **Item 15 Custody**

Autus' Agreement and/or the separate agreement with any Financial Institution may authorize Autus through such Financial Institution to debit the client's account for the amount of Autus' fee and to directly remit that management fee to Autus in accordance with applicable custody rules.

The Financial Institutions recommended by Autus have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Autus. In addition, as discussed in Item 13, Autus also sends quarterly account holdings reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from Autus.

## **Item 16 Investment Discretion**

Autus is given the authority to exercise discretion on behalf of clients. Autus is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. Autus is given this authority through a power-of-attorney included in the agreement between Autus and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). Autus takes discretion over the following activities:

- The securities to be purchased or sold
- The amount of securities to be purchased or sold
- When transactions are made

## **Item 17 Voting Client Securities (Proxy Voting)**

Autus is required to disclose if it accepts authority to vote client securities. Autus does not vote client securities on behalf of its clients.

## **Item 18 Financial Information**

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.