

KBFR

Innovator U.S. Small Cap Managed 10 Buffer ETF

Fund Description

KBFR provides US small-cap equity exposure with a rolling 10% downside buffer over one-year periods. The fund uses a laddered options strategy to help reduce downside risk while sacrificing part of potential upside gains.

FactSet Analyst Report

KBFR provides US small-cap exposure with an options structure designed to help manage downside risk. The fund invests in companies representative of the Solactive United States 2000 Index and uses FLEX put options that seek to provide protection against the first 10% of losses over rolling one-year outcome periods. These buffers are staggered and reset quarterly, creating overlapping protection windows rather than a single annual reset. To generate option premium that helps support the put protection, the fund sells short-dated call options, which limits some upside participation in rising markets. Because the options reference a price return index, dividend payments are not incorporated into the protection framework. Buffer levels are set at NAV when contracts begin and are intended to apply at expiration, meaning timing can affect realized protection. Losses beyond 10% would not be protected, and fund expenses reduce the effective buffer.