

WHY OPTION OVERLAYS?

Diversified Income Source

Non-Levered Alternative Asset

Complementary to Existing Portfolios

WHY SPIDERROCK ADVISORS?

Disciplined philosophy

Proven methodology

Advanced technology

PROBLEM

Clients want to generate more income in their portfolio or reduce their market exposure without triggering capital gains taxes.

SOLUTION

Add SRA's Managed Index Income to portfolios of equities, which may increase portfolio yield via call premium, and potentially reduce market exposure without triggering tax consequences. Managed Index Income also seeks to preserve the alpha stream of the underlying equities.

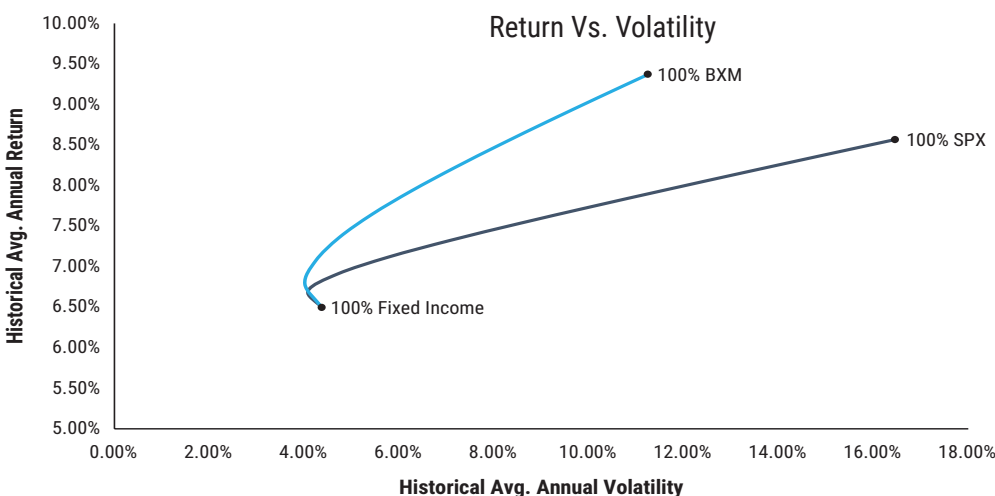
STRATEGY DIFFERENTIATORS

- » Seeks to augment & optimize risk-adjusted yields
- » Seeks to diversify maturities and strikes
- » Seeks to preserve alpha stream of underlying equities
- » Liquid strategy traded directly in your client accounts
- » Non-disruptive to the underlying portfolio
- » Differentiated source of alpha

MII TOTAL RETURNS* FOR PERIOD ENDING 10/31/2022

	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEP	OCT	NOV	DEC	TOTAL	MII VS BXM RETURNS AND VOLATILITY (SINCE 1/1/2015*)	
2022	(3.0%)	(1.7%)	2.1%	(4.9%)	0.3%	(4.2%)	4.9%	(2.1%)	(5.7%)	5.3%	-	-	(9.2%)		
2021	(0.4%)	2.0%	3.4%	1.9%	1.0%	1.3%	0.8%	1.5%	(2.0%)	3.9%	(0.8%)	3.3%	16.9%		
2020	(0.2%)	(6.9%)	(11.3%)	5.9%	2.9%	0.9%	3.3%	2.3%	(0.9%)	(0.8%)	6.5%	1.5%	1.8%		
2019	4.2%	1.9%	0.9%	1.8%	(3.4%)	3.8%	0.9%	(0.6%)	1.5%	1.7%	1.5%	1.3%	16.6%	1 YEAR	-6.9% -10.0%
2018	1.4%	(1.1%)	(0.9%)	1.3%	1.8%	0.3%	2.3%	1.6%	0.7%	(4.4%)	1.6%	(5.7%)	(1.5%)	5 YEAR	25.9% 16.2%
2017	1.7%	1.2%	0.5%	1.0%	0.8%	0.5%	1.6%	0.3%	1.3%	1.0%	0.7%	0.7%	11.9%	INCEPTION	51.7% 44.8%
2016	(2.6%)	0.1%	3.9%	(0.1%)	1.6%	(1.1%)	1.7%	0.5%	0.7%	(0.9%)	2.1%	(0.4%)	5.5%	ANN.	
2015	(2.6%)	4.1%	(0.3%)	1.0%	1.2%	(0.8%)	1.5%	(3.9%)	(0.5%)	4.7%	0.3%	(0.7%)	3.7%	VOLATILITY	9.6% 11.4%

*MII Strategy Inception: 1/1/2015
Benchmark Data Source: Cboe.com



- » The Cboe S&P 500 BuyWrite Index strategy ("BXM") is a passive strategy designed to buy an S&P 500 stock index portfolio and sell a sequence of one-month, at-the-money, S&P 500 Index covered calls.
- » MII actively trades using term structure and skew, aiming to take advantage of several relative values.
- » MII strategy seeks a risk target lower than that of BXM.
- » Pairs with active equity managers and seeks to preserve alpha of underlying holdings.

We deliver volatility as an asset class, striving to take advantage of structural inefficiencies within the marketplace

ABOUT US

SpiderRock Advisors is an asset management firm focused on providing customized option overlay strategies to advisors and institutions. Combining world-class technology with comprehensive derivative expertise, we are making it easy for Institutions and Financial Advisors to add option strategies to their investment portfolios.

PORTFOLIO MANAGERS



ERIC METZ, CFA
CHIEF INVESTMENT OFFICER

Eric oversees all investment strategies and portfolio management activities at the firm. Prior to joining SRA, Eric was the Derivatives Strategist and Portfolio Manager at RiverNorth Capital Management, managing both mutual fund and hedge fund assets. He began his career with the Chicago Trading Company on the floors of the Chicago Mercantile Exchange (CME) and the Chicago Board Options Exchange (CBOE). After the trading floors, Eric was a senior trader and partner at both Ronin Capital and Bengal Capital, proprietary trading firms specializing in volatility arbitrage.

Eric graduated, Magna Cum Laude, from the University of Michigan with a B.S.E in Industrial and Operations Engineering. He earned his M.S.E., with honors, in Industrial and Operational Engineering, and was enrolled in the program's PhD program. Eric is a CFA Charterholder, a member of the CFA Institute, the CFA Society of Chicago and a board member of the OIC Institutional Advisory Council.



FRED SLONEKER
PORTFOLIO MANAGER

Fred joined SpiderRock Advisors in 2019 and serves as portfolio manager. Prior to joining SRA, Fred was the Head Quantitative Trader for a series of SpiderRock trading subsidiaries. He began his career as a Trader and Portfolio Manager for hedge funds JMG Triton Offshore and St. Claire Capital Management in San Francisco, specializing in a broad variety of convertible arbitrage strategies. He later created and managed a volatility strategy for Toronto Dominion (TD) Securities.

Fred graduated from the California Institute of Technology (Caltech) with a B.S. in Economics.

RISK DISCLOSURES

- The SpiderRock Advisors Managed Index Income strategy does not protect from downside risk. Options may expire worthless or not perform as expected, resulting in losses.
- PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.
- The BXM Index (the "Index") is designed to represent proposed hypothetical options strategies. The actual performance of investment vehicles such as mutual funds or managed accounts can have significant differences from the performance of the Index. Investors attempting to replicate the Index should discuss with their advisors possible timing and liquidity issues. Like many passive benchmarks, the Index does not take into account significant factors such as transaction costs and taxes. Transaction costs and taxes for strategies such as the Index could be significantly higher than transaction costs for a passive strategy of buying-and-holding stocks. Investors should consult their tax advisor as to how taxes affect the outcome of contemplated options transactions.
- Past performance does not guarantee future results. Back-tested performance information is purely hypothetical and is for informational purposes. Back-tested performance does not represent actual performance and should not be interpreted as an indication of actual performance. It is not possible to invest directly in an index. Cboe calculates and disseminates the Index. Supporting documentation for any claims, comparisons, statistics or other technical data is available from Cboe upon request. The methodologies of the Index are the property of Cboe Options Exchange, Incorporated (Cboe).
- Implied Volatility Risks: When a listed call option is sold, the investor gains the amount of the premium it receives, but also incurs a corresponding liability representing the value of the option sold (until the option is exercised and finishes in the money or expires worthless). The value of the options is partly based on the volatility used by market participants to price such options (i.e., implied volatility). Accordingly, increases in the implied volatility of such options will cause the value of such options to increase (even if the prices of SPY underlying the options do not change), which will result in a corresponding increase in liability under such options and thus decrease returns. Therefore, the investor is exposed to implied volatility risk before the options expire or are exercised. This is the risk that the value of the implied volatility of the options sold will increase due to general market and economic conditions, perceptions regarding the industries in which the issuers of the stocks comprising SPY participate, or factors relating to specific companies comprising SPY.
- There can be no assurance that current investments will be realized as projected. Actual realized returns will depend on, among other factors, future operating results, the value of assets and market conditions at the time of disposition, any related transaction costs, and the timing and manner of sale, all of which may differ from the assumptions on which the information contained herein is based. It should not be assumed that any investments described herein will be profitable.
- Prior to February 2018, all Managed Index Income accounts are included in the composite due to the limited number of accounts in the strategy. Exclusion rules are added to the composite for all dates after January 31, 2018. After said date, only actively managed accounts with greater than one month of continuous daily historical data are included in the composite. All Managed Index Income data is shown net of fees.
- Options involve risk and are not suitable for all investors. Refer to Characteristics & Risks of Standardized Options: <http://www.optionsclearing.com/about/publications/character-risks.jsp>