

Disclaimer



Options trading is not suitable for all investors. Contact Gyroscope Capital Management Group, LLC ("GCMG") at 999 Vanderbilt Beach Road Suite 601, Naples, FL 34108 or visit <http://www.cboe.com/Resources/Intro.aspx> for a current options disclosure documents, "Characteristics and Risks of Standardized Options." This document discusses potential risks with options issued by the Options Clearing Corporation ("OCC"), which are typically listed on an exchange.

Gyroscope Capital Management Group (GCMG) is an SEC registered investment adviser located in Naples, FL and affiliated with Moors & Cabot, Inc (a registered broker-dealer). GCMG only transacts business in states where it is properly registered or in compliance with applicable state regulations. Individualized responses that involve actual or contemplated securities transactions or the rendering of personal investment advice for compensation will not be made absent compliance with all applicable investment adviser regulation requirements. Please contact the sender if there are any questions.

Illustrations used in this document are hypothetical. The results achieved by individual clients will vary and will depend on a number of factors including the particular underlying investments and their dividend yield, option market liquidity, interest rate levels, implied volatilities, and the client's expressed return and risk parameters at the time the service is initiated and during the term. Investors should carefully consider executing any trade using options and be aware of all the risks, including, but not limited to, receiving back less value than they invested. Past performance is not a guarantee of future returns.

The information contained herein has been prepared from sources believed to be reliable, but is not guaranteed and is not a complete summary of all available data. Options are not suitable for all investors and there are significant risks inherent in the use of options, even when options are used for hedging purposes. GCMG does not provide legal, tax or accounting advice and the information contained herein should not be construed as such. This marketing piece is not intended for the giving of investment advice to any single investor or group of investors and no investor should rely upon or make any investment decisions based solely upon the contents of the piece. Clients should confer with a professional prior to investing.

Taxes, fees and commissions do have a direct and material impact on the options strategies, may reduce the effectiveness of some strategies, and may result in the investor not achieving his or her investment objectives. The examples presented above do not take into account the tax consequences or the impact on holding period. Investors should always seek professional tax advice before engaging in any of these strategies. Under new tax laws, certain in-the-money covered call writes are deemed "unqualified" and carry certain tax consequences. You should consult your financial or tax advisor for more information. GCMG does not provide tax advice.

The examples shown above are for illustrative purposes only and may not indicate future performance as options pricing can be affected by, but is not limited to, time, market, interest rate, and volatility fluctuations. Each pricing structure is calculated assuming certain parameters, which are subject to change. Investors should carefully consider executing any trade using options and be aware of all the risks, including, but not limited to, receiving back less value than they invested. The prices above reflect fair value pricing based upon software utilizing the Black-Scholes Option pricing model and current stock information. Fair value pricing does not necessarily reflect the actual value that can be obtained in the market.

These transactions can generally be settled in cash or in stock. These transactions can be customized for any number of shares (in 100 share increments) and any specific maturity date. European style options are exercisable only at maturity by the holder. This feature eliminates the possibility of the option being assigned prior to maturity. They still may be closed out by prior to maturity by the owner.

Gyroscope employs minimum account sizes for the strategy to ensure that there are sufficient shares (options are sold in 100 share lots) and that the client has a minimum sophistication regarding the market.

These transactions contemplate the use of margin which brings an additional level of market risk and exposure to market volatility. A client can lose more funds than deposited into a margin account. The custodian may force the sale of securities in an account without contacting you or gathering your input for which securities to sell regarding a margin call. The custodian may increase their "house" maintenance margin requirements at any time without advanced notice. Clients are not entitled to an extension of time on a margin call.

Investors are not required to be accredited to participate in these strategies.