

SPDR® S&P 500® ETF CREDIT SPREAD STRATEGY

AUGUST 31 2023 FACT SHEET



Premium Harvesting Strategy Objective

Launched in January 2022 the SPDR S&P 500 Credit Spread Strategy actively seeks to harvest premium on a discretionary basis, to the portfolio through the sale of put spread and call spread option premium on SPDR S&P 500 ETF¹ listed options.

This is achieved through the use of short-dated and long-dated options.

The credit spread strategy can be operated to enhance yield on holding of the underlying SPDR S&P 500 ETF in bull, bear or sideways market conditions and is provided by IUR through a Managed Options Account.

Key Facts:

- **Minimum term:** None
- **Liquidity:** Daily
- **Annual Management Fee:** 1.00% - 1.50%
- **Performance Fee:** 20% (Qualified Clients)²
- **Minimum investment:** \$100,000 USD
- **Advisors:** IUR Capital LLC (US)
- **Regulators:** Securities Exchange Commission, Firm CRD 153630

RISK PROFILE: MEDIUM - HIGH

Risk Comparison vs SPDR YTD

	SPDR S&P 500	SPDR S&P 500 Credit Spread Strategy
Max Drawdown:	7.53%	6.40%
Sharpe Ratio:	1.67	2.21
Standard Deviation:	0.84%	1.16%
Mean Return:	0.10%	0.17%
Positive Periods (days):	96 (55.17%)	101 (58.05%)
Negative Periods (days):	78 (44.83%)	73 (41.95%)

OPTIONS ARE LEVERAGED PRODUCTS AND INVOLVE RISK AND ARE NOT SUITABLE FOR ALL INVESTORS.

Prior to engaging in option strategies, IUR strongly recommends that you read and understand the booklet "Characteristics & Risks of Standardized Options" provided by the Options Industry Council (OIC). <https://www.theocc.com/getmedia/a151a9ae-d784-4a15-bdeb-23a029f50b70/riskstoc.pdf>

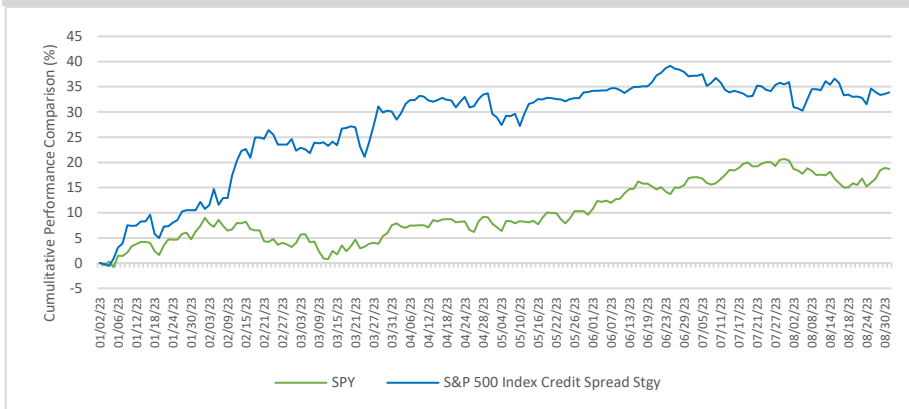
Strategy Inception Date January 2022

About the Benchmark

The S&P 500® Index is composed of five hundred (500) selected stocks, all of which are listed on national stock exchanges and spans over 25 separate industry groups

Cumulative Performance Comparison

SPDR ETF vs SPDR ETF Credit Spread Strategy



The graph above reflects the cumulative performance comparison of SPDR S&P 500 ETF versus SPDR Credit Spread Strategy. The performance shown of SPDR Credit Spread Strategy is net of brokerage commission and 1.5% Annual Management Fee. Investors can invest directly in SPDR ETF. Performance returns assume the investor is not a Qualified Client. The combination of management fees and performance fees will reduce the net return.

Performance

	SPDR S&P 500	SPDR S&P 500 Credit Spread Strategy
YTD	18.73%	33.91%
2022	-18.17%	17.60%

The performance shown above reflects the performance of the SPDR S&P 500 Index Credit Spread Strategy operated on a discretionary basis in a proprietary account by IUR Capital LLC. Performance shown is net of 1.5% annual management fee that is applied on an automated daily debit basis by the clearing firm. IUR operates a tiered annual management fee schedule based on account value that is included on the firm Form ADV Part 2 brochure.

Performance shown does not necessarily reflect the performance that any particular managed account investing in the same security or using the same strategy may have had during the period. The full name of the proprietary trading account is "S&P 500 Index Credit Spread Strategy". Supporting documentation for the performance shown can be furnished upon request. For Qualified Clients (as per SEC Rule 205-3), IUR is permitted to enter into a performance-based arrangement which typically includes a management fee and a performance fee of 20% on capital gains. Where performance fees are applicable, these are calculated at year-end and are based on annual capital gains in the account. For more information please contact IUR on our information below.

The performance of client accounts are likely to materially differ from that shown. Actual strategy performance is likely to materially differ from the performance shown for a variety of reasons, including but not limited to: differences in market conditions, portfolio turnover, transaction costs, restrictions imposed by the investor, risk appetite, the timing of investment, deduction of taxes and other factors. IUR manages and advises segregated client accounts and does not operate or market any form of private or public fund and you should not assume that any information included in this presentation relates to the operation or marketing of a fund. IUR does not make any claim of being GIPS compliant with performance reporting. The performance information included in this presentation reflects the work of IUR Capital LLC investment advisors only. Certain individuals of IUR Capital LLC are FINRA registered representatives of an affiliated broker-dealer (IUR Securities LLC). No change in key personnel in the last 3 years. Client accounts are held at a FINRA broker-dealer that is independent of IUR Capital LLC.

The information expressed here is subject to change and does not constitute a recommendation or solicitation to buy or sell any particular security or any particular option strategy and IUR will not accept any liability thereto.

STRATEGY OVERVIEW

A bull put spread implicates being long a put option and short another put option at a higher strike, creating a spread, with the same expiration. Conversely, a bear call spread involves one short call and one long call at a lower strike, with the same expiration. The short leg of either the bull put spread or the bear call spread seeks to generate the income. The purpose of the long leg is to counterbalance assignment risk and protect the investment in the event of a sharp market move. When opening the position, the investor will receive a premium, referred to as a credit.

The outcome of this strategy is to limit risk as well as potential reward. For the bull put spread the maximum payout, if SPDR remains steady or rises, or steady or falls for the case of bear call spread, is the net credit received at the opening. If by expiry, both legs remain out-of-the-money³ the investor will keep the net credit received at the outset. If the prediction is incorrect and SPDR moves the opposite direction instead, the strategy will leave the investor either with a lower profit or a loss. The maximum loss is limited to the value of the spread, which is the difference between the long and short leg.

MAXIMUM RISK

The maximum loss is defined. Therefore, the worst case scenario for the bull put spread would be for SPDR to drop below the lower strike at expiry. Conversely, for the bear call spread, the worst case scenario would be for SPDR to move above the higher strike at expiration. Being deep-in-the-money⁴ the investor will be assigned on the short put or call and will need to exercise the long put or call. The determined loss will be the less the initial credit received.

MAXIMUM RETURN

The maximum gain is defined. For the bull put spread, the best case scenario would be for SPDR to remain above the higher strike at expiration as both legs will expire (OTM), they will become worthless, and investors will retain the initial credit received with opening the position. Conversely, for the bear call spread the maximum return is achieved when SPDR is below the lower strike at expiration, with both legs expiring out for the money (OTM).

BREAKEVEN

Bull Put Spread:

If at expiry, SPDR is below the higher strike/short put strike by the same amount of credit received when opening the position, the strategy will break-even. Therefore the long put will expire worthless, and the value left on the short put will balance out with the net credit.

Bear Call Spread:

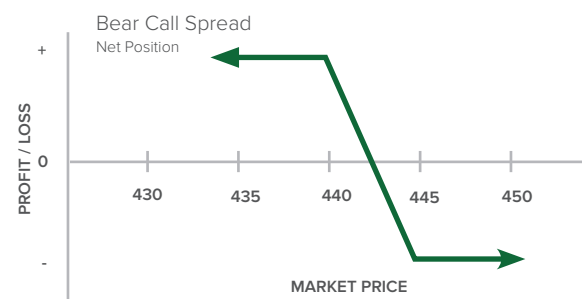
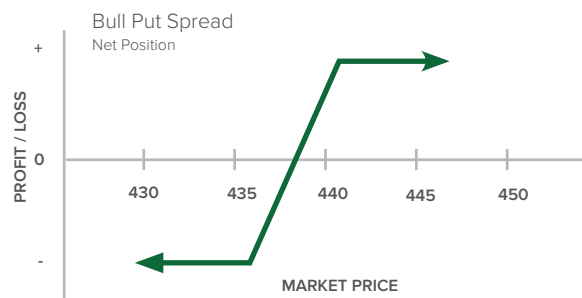
If at expiry, SPDR is above the lower strike by the same amount as the initial credit received, the strategy will break-even. Therefore, the long call would expire worthless and the value of the short call will balance out with the net credit received at the opening.

¹ This refers to Exchange Traded Fund.

² Qualified client definition under the Investment Advisers Act of 1940 that permits investment advisers to charge performance-based fees to "qualified clients." Under that rule, an investment adviser may charge performance-based fees if a "qualified client" has a minimum net worth of \$2.1million (excluding primary residence) or minimum dollar amount of assets under the management of the adviser of \$1million.

³ Out of the money (OTM) is a term used to describe a call option with a strike price that is higher than the market price of the underlying asset, or a put option with a strike price that is lower than the market price of the underlying asset.

⁴ In the money (ITM) means that a call option's strike price is below the market price of the underlying asset or that the strike price of a put option is above the market price of the underlying asset. Being in the money does not mean you will profit, it just means the option is worth exercising.



For illustrative purposes only

Example

Bull Put Spread

Short 1 SPY 440 Put
Long 1 SPY 435 Put

Bear Call Spread

Short 1 SPY 445 Call
Long 1 SPY 450 Call

Maximum Return

Net premium received

Maximum Risk

High strike – Low strike – net premium received

For illustrative purposes only

Important Notes

Risk Measurements Information: Alpha measures the amount of investment return generated in excess of the benchmark given its level of risk. Beta measures the volatility of the strategy compared to the benchmark. The benchmark has a beta of 1.0. A beta above 1.0 implies more volatility and a lower than 1.0 beta implies less volatility. Max Drawdown measures the maximum fall in the value of the investment, as given by the difference between the value of the lowest trough and that of the highest peak before the trough. Sharpe Ratio measures the excess return per unit of risk. The ratio is used to characterize how well the return compensated the account holder for the risk taken. Standard Deviation is a statistical measurement of variability. It shows how much variation or dispersion there is from the average. Mean Return is the average time weighted return of a portfolio for a specified time period. Positive periods are all days with positive performance returns since inception of the strategy. Likewise, negative periods are all days with negative performance returns since inception of the strategy. These are measured by gross return, and could be further affected by the impact of management and/or performance fees.

Returns represent past performance and do not guarantee future results. The funds invested in the strategy performance shown are IUR funds and do not relate to any client account performance. Due to market volatility, current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so, upon liquidation, the principal value of investment may be worth more or less than the original investment. Investors should carefully consider the risk, investment objectives, fees and expenses as laid out by IUR Capital LLC's ("IUR") Firm Brochure. Please contact IUR Capital if you would like a copy of the Firm Brochure as this document provides important information.

Each IUR strategy is subject to management risk and the principal value of the investment may fluctuate. IUR's reliance on the investment strategy and its judgments about the value and potential appreciation of the securities and strategies with which IUR invests may prove to be incorrect. Overall market risk, including volatility, may adversely affect the value of the securities and strategies in which IUR invests. There will be brokerage commissions associated with buying and selling of securities and options. Performance results are represented in US dollars and are represented net of commissions and annual management fees. Actual fees may vary based on, among other factors, account size and custodial relationship and these variations including others may cause the returns you receive to vary from those presented. No current or prospective clients should assume the strategy will achieve its objectives or generate returns similar to the past as future performance may vary greatly. All investment strategies have risks and the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of your individual portfolio to differ greatly from the reported results. Different types of investments involve varying degrees of risks and there can be no assurance that any specific investment will either be suitable or profitable for a client investment portfolio.

The benchmark for which the above IUR strategy compares itself to is the SPDR S&P 500 ETF which includes the effects of reinvested dividends. The investment strategy and types of securities held by the benchmark may be substantially different from the investment strategy and the types of securities held by this strategy. Historical performance of the SPDR S&P 500 ETF does not include the deduction of any fees, expenses or custodial charges, all of which would decrease its historical performance results. The S&P 500 Index is a market cap weighted index of 500 widely held stocks and is often used as a proxy for the overall U.S. equity market. Investors can invest directly into SPDR S&P 500 ETF. Economic factors, market conditions and investment strategies will affect the performance of any portfolio and there is no assurance that it will match or outperform its benchmark.

The use of leveraged strategies increases the risk to the strategy and magnifies gains and losses on the investment. You could incur significant losses even if the long-term performance of the underlying index showed a gain. IUR strategies are not tax sensitive and investors should carefully consider the impact of this strategy in a taxable account. While the information provided in these reports are believed to have come from reliable sources, their accuracy cannot be guaranteed. IUR Capital LLC is a Registered Investment Adviser. Registration does not constitute an endorsement of the firm nor does it indicate that the Adviser has attained a particular level or skill or ability. For more information, please contact the firm directly at the information provided.

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