



**\$150,000 MINIMUM INVESTMENT**

## INVESTMENT APPROACH

The Strike Zone portfolio attempts to outperform a similar options-free portfolio by generating income through selling call options on an ETF portfolio. The strategy is globally diversified and utilizes ETFs that have very liquid options.

The strategy writes out of the money call options in two-month rolling periods to potentially generate income throughout the year. Doing so provides some participation as the market goes up, while generating income that has the potential to positively contribute to total return.

## PORTFOLIO FACTS

9/30/2020 AUM: \$7.5 Million

Accredited Investors Only

Underlying Expense Ratio: 0.29%

Must be held in a separate account

## KEY PORTFOLIO ATTRIBUTES



### Option Income

Writing call options can provide extra income to the portfolio throughout the year.



### Buffered Downside

Income can be considered to reduce downside risk at the expense of limiting upside potential.



### Globally Diversified

Diversified by utilizing global ETFs to attempt to optimize the portfolio's risk-return dynamics.



### Quantitative Research

Our methodology is quantitative and based on research and back testing.



### Portfolio Management

Rebalancing and option cycles are managed by team in an attempt to maximize efficiency.



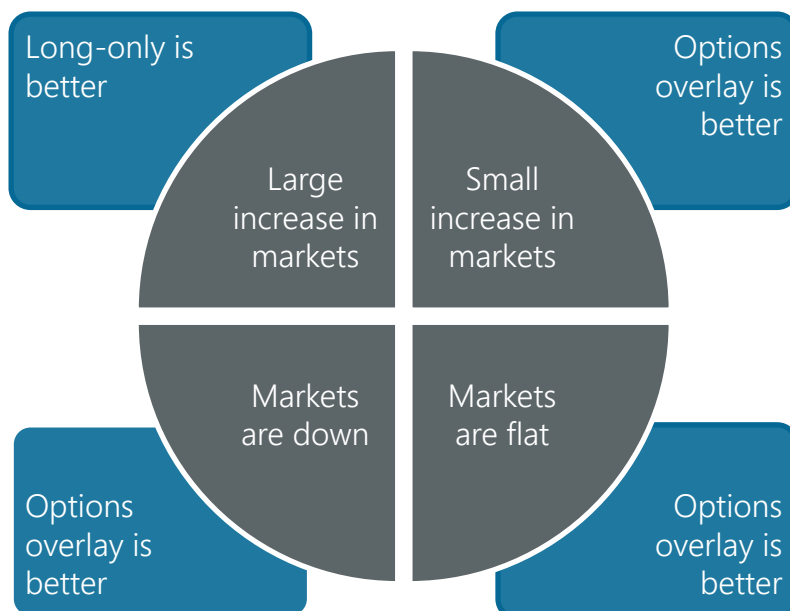
### Regular Attention

Our team performs regular analyses on these assets to ensure portfolios adhere to model rules.

## Return Data Net of Highest Fee (1.65%)

Strike Zone	Net Return
2020 Q3	6.37%
YTD	-(3.38%)
1 YR	2.27%
3 YR	1.49%
Since Incept.	3.46%
Inception	10/9/2014

## Strike Zone Scenario Modeling



# Strike Zone Portfolio

FACTSHEET | 2020 | Q3



## What is a covered call?

A covered call is a call written (sold) on a stock position an investor already owns. This potentially increases current yield, as the call writer is paid a premium from the option buyer. In essence it is selling upside to speculators.

## How does it work?

The writer of the call sets a strike price (one at which writer is ok to sell security), usually above the current price of the underlying security. This is the price at which the option writer is obligated to sell the security if the buyer exercises the call option. The buyer of the option is not obligated to exercise the call but will do so if the security is "in the money," or above the strike price.

## Why would I use this strategy?

The strategy's goal is to increase the probability of earning money in any one investment period (typically two months). Because the writer receives a premium, it aids in mitigating capital losses when markets are down, unlike a long-only position. When markets are flat or slightly higher, returns could also be greater than simply a long-only strategy because of the premium. The options strategy is less rewarding than the long-only strategy when markets increase drastically, as the option is likely to be called away or rolled to a new month at a loss and capping the upside return.

## Visualization of the Life of a Covered Call\*

	Security Price	Strike Price	Option Premium	Intrinsic Value	Time Value	Total Value
A)	\$13	\$15	\$1	\$0	\$1	\$1
B)	\$15	\$15	\$2	\$0	\$2	\$2
C)	\$18	\$15	\$5	\$3	\$2	\$5
D)	\$20	\$15	\$7	\$5	\$2	\$7

**Example:** A covered call seller writes a call with a strike price of \$15 on a security that is currently selling for \$10. The writer receives a premium upfront when a speculator buys the call. The call remains worthless, or "out of the money," until the price of the underlying security reaches at least \$15, at which point the buyer has incentive to exercise the option. If the price goes up to \$20 and the buyer chooses to exercise, the seller must provide the shares for \$15, which the buyer can then immediately sell for \$20 in the market. The Strike Zone Portfolio is designed to sell calls similar to those in row A.

Performance results are presented in U.S. dollars and include reinvestment of dividends. Portfolio performance is calculated and derived from our internal proprietary systems and return figures are shown net of management fees and internal expenses. No current or prospective client should assume future performance of any specific investment strategy will be profitable or equal to past performance levels. ARGI Investment Services began offering portfolio on 10/9/2014.

All investment strategies have the potential for profit or loss. Changes in investment strategies, contributions or withdrawals may cause the performance results of your portfolio to differ materially from the reported composite performance. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio.

Diversification and asset allocation help you spread risk throughout your portfolio, so investments that do poorly may be balanced by others that do relatively better. Neither diversification nor asset allocation can ensure a profit or protect against a loss.

Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark. ARGI Investment Services (AIS) is registered as an investment advisor with the United States

Securities Exchange Commission. SEC registration does not constitute an endorsement of the firm by the Commission nor does it indicate that the advisor has attained a particular level of skill or ability. These SMA accounts allow for client specific customization as needed. This document is neither a solicitation nor an offer to sell any securities.

An investor should consider their Model Portfolio's investment objectives, risks, charges and expenses carefully before investing or sending money. This and other important information about the AIS Managed Portfolios can be found in the firms' ADV. If you would like additional information on any of AIS' Managed Investment Strategies contact Jan Peebles, Chief Compliance Officer or Dan Cupkovic, Director of Investments at 502-753-0609. Some clients of AIS experience different performance results than the model portfolio due to unique situations including cash distribution requirements, unique non-model holdings, and additional situations particular to an individual client.

The "Model Portfolios" represent a fictional account which AIS attempts to manage in a manner similar to that of a tax-exempt client fund with no particular need for special portfolio considerations. AIS' management fees are described in Part 2A of AIS's Form ADV. An investment in any AIS model portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Advisory services offered through ARGI Investment Services, LLC, a Registered Investment Adviser.

Options are not suitable for all investors. There are risks involved in any option strategy. Individuals should not enter into option transactions until they have read and understood the option disclosure document titled "Characteristics and Risks of Standardized Options," which outlines the purposes and risks of option transactions. This booklet is available from your ARGI Financial Advisor or in the OCC - Characteristics & Risks of Standardized Options document. Supporting documentation of claims will be supplied upon request.

\*Hypothetical scenario is for illustrative purposes only and does not represent actual returns in any way.

## ARGI's Investment Process



## REGISTERED INVESTMENT ADVISOR

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